A M E N D E D

CITY COUNCIL REGULAR MEETING AGENDA

REGULAR COUNCIL MEETING
TUESDAY
DECEMBER 16, 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. APPROVAL OF MINUTES FROM PREVIOUS MEETINGS

A. Consideration and Approval of Minutes: City Council Work Session January 12, 2021, Regular Meeting February 16, 2021, Work Session April 13, 2021, Regular Meeting June 15, 2021, Special Meeting Work Session June 29, 2021, Regular Meeting July 6, 2021, Work Session October 26, 2021, Special Meeting Work Session November 9, 2021, Work Session January 25, 2022, Regular Meeting July 5, 2022, Special Meeting Work Session December 13, 2022, Regular Meeting February 21, 2023, Work Session March 14, 2023, Special Meeting Work Session May 23, 2023, Regular Meeting April 2, 2024, Regular Meeting May 21, 2024, Regular Meeting June 4, 2024, Work Session June 11, 2024, Work Session June 25, 2024, Regular Meeting September 17, 2024, Work Session 24, 2024, Regular Meeting October 1, 2024, Work Session October 8, 2024, Regular Meeting October 15, 2024, Special Meeting Work Session October 22, 2024, Regular Meeting November 5, 2024, Work Session November 12, 2024, Regular Meeting December 3, 2024, Special Meeting Executive Session April 8, 2025, Special Meeting Executive Session April 22, 2025, Special Meeting Executive Session May 6, 2025, Special Meeting Executive Session May 13, 2025, Special Meeting Executive Session May 20, 2025, Special Meeting Executive Session June 3, 2025, Special Meeting Executive Session June 10, 2025, Special Meeting Executive Session June 17, 2025, Special Meeting Executive Session June 24, 2025, Special Meeting Executive Session July 1, 2025, Special Meeting Executive Session July 29, 2025, Special Meeting Executive Session August 12, 2025, Special Meeting Executive Session August 26, 2025, Regular Meeting August 26, 2025, Special Meeting Executive Session September 2, 2025, Work Session September 9, 2025, Special Meeting Executive Session September 16, 2025, Special Meeting Executive Session September 23, 2025, Work Session September 23, 2025, Special Meeting Executive Session September 25, 2025, Special Meeting Executive Session September 30, 2025, Special Meeting Executive Session October 2, 2025, Special Meeting Executive Session October 3, 2025, Special Meeting Executive Session October 7, 2025, Special Meeting Executive Session October 14, 2025, Work Session October 14, 2025, Special Meeting Executive Session October 17, 2025, Special Meeting Executive Session October 21, 2025, Special Meeting Executive Session October 22, 2025, Special Meeting Executive Session October 24, 2025, Special Meeting Executive Session October 28, 2025, Special Meeting Work Session October 28, 2025, Special Meeting Executive Session October 29, 2025, Special Meeting Executive Session October 31, 2025, Special Meeting Executive Session November 4, 2025, Joint City/County Work Session November 17, 2025, Special Meeting Executive Session December 2, 2025, Joint City/County Work Session September 23, 2024, Combined Special Meeting/Work Session December 10, 2024, Regular Meeting November 4, 2025, Joint City/Water Commission Special Meeting October 23, 2025, Regular Meeting September 16, 2025, Regular Meeting October 21, 2025, Regular Meeting September 2, 2025, and Regular Meeting October 7, 2025.

STAFF RECOMMENDED ACTION:

Approve the minutes of the City Council Work Session January 12, 2021, Regular Meeting February 16, 2021, Work Session April 13, 2021, Regular Meeting June 15, 2021, Special Meeting Work Session June 29, 2021, Regular Meeting July 6, 2021, Work Session October 26, 2021, Special Meeting Work Session November 9, 2021, Work Session January 25, 2022, Regular Meeting July 5, 2022, Special Meeting Work Session December 13, 2022, Regular Meeting February 21, 2023, Work Session March 14, 2023, Special Meeting Work Session May 23, 2023, Regular Meeting April 2, 2024, Regular Meeting May 21, 2024, Regular Meeting June 4, 2024, Work Session June 11, 2024, Work Session June 25, 2024, Regular Meeting September 17, 2024, Work Session 24, 2024, Regular Meeting October 1, 2024, Work Session October 8, 2024, Regular Meeting October 15, 2024, Special Meeting Work Session October 22, 2024, Regular Meeting November 5, 2024, Work Session November 12, 2024, Regular Meeting December 3, 2024, Special Meeting Executive Session April 8, 2025, Special Meeting Executive Session April 22, 2025, Special Meeting Executive Session May 6, 2025, Special Meeting Executive Session May 13, 2025, Special Meeting Executive Session May 20, 2025, Special Meeting Executive Session June 3, 2025, Special Meeting Executive Session June 10, 2025,

Special Meeting Executive Session June 17, 2025, Special Meeting Executive Session June 24, 2025, Special Meeting Executive Session July 1, 2025, Special Meeting Executive Session July 29, 2025, Special Meeting Executive Session August 12, 2025, Special Meeting Executive Session August 26, 2025, Regular Meeting August 26, 2025, Special Meeting Executive Session September 2, 2025, Work Session September 9, 2025, Special Meeting Executive Session September 16, 2025, Special Meeting Executive Session September 23, 2025, Work Session September 23, 2025, Special Meeting Executive Session September 25, 2025, Special Meeting Executive Session September 30, 2025, Special Meeting Executive Session October 2, 2025, Special Meeting Executive Session October 3, 2025, Special Meeting Executive Session October 7, 2025, Special Meeting Executive Session October 14, 2025, Work Session October 14, 2025, Special Meeting Executive Session October 17, 2025, Special Meeting Executive Session October 21, 2025, Special Meeting Executive Session October 22, 2025, Special Meeting Executive Session October 24, 2025, Special Meeting Executive Session October 28, 2025, Special Meeting Work Session October 28, 2025, Special Meeting Executive Session October 29, 2025, Special Meeting Executive Session October 31, 2025, Special Meeting Executive Session November 4, 2025, Joint City/County Work Session November 17, 2025, Special Meeting Executive Session December 2, 2025, Joint City/County Work Session September 23, 2024, Combined Special Meeting/Work Session December 10, 2024, Regular Meeting November 4, 2025, Joint City/Water Commission Special Meeting October 23, 2025, Regular Meeting September 16, 2025, Regular Meeting October 21, 2025, Regular Meeting September 2, 2025, and Regular Meeting October 7, 2025.

5. 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.

6. COUNCIL LIAISON REPORTS

7. APPOINTMENTS

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

A. Consideration of Appointments: Planning and Zoning Commission

STAFF RECOMMENDED ACTION:

1. Councilmember Spence to make one appointment.
2. Councilmember Garcia to make one appointment.

B. Consideration of Appointments: Heritage Preservation Commission

STAFF RECOMMENDED ACTION:

1. Councilmember Aslan to make one appointment to a Historical Property Owner seat.

8. 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 a Cooperative Contract:** One Multi-Hog CV350 compact sweeper for the Streets Section.~~

STAFF RECOMMENDED ACTION:

1. ~~Approve the Cooperative Purchase Contract for one Multi-Hog CV350 compact sweeper from Norwood Equipment, Inc. in the amount of $224,488.91, including sales tax; and~~
2. ~~Authorize the City Manager to execute the necessary documents.~~

B. Consideration and Approval of Cooperative Purchase Contract: Two Automated Side Load Refuse trucks and one Front Load Refuse Truck for the Public Works commercial and residential Solid Waste programs.

STAFF RECOMMENDED ACTION:

1. Approve the Cooperative Purchase Contract with Rush Truck Centers of Arizona for the purchase of two Residential Automated Side Load Refuse Trucks in the amount of $450,510.48 each and one Commercial Front Load Refuse Truck in the amount of $412,066.26 for a total purchase amount of $1,313,087.22; and
2. Authorize the City Manager to execute the necessary documents.

C. Consideration and Approval of Contract: Loan Documents for Western Hills Apartments by Housing Solutions of Northern Arizona

STAFF RECOMMENDED ACTION:

Approve the loan documents totaling $1,160,000 for the Western Hills property by Housing Solutions of Northern Arizona, using Adaptive Reuse Bond Program funds.

D. Consideration and Approval of Contract: Library Materials and Processing Cooperative Purchase from Ingram Library Services LLC in an amount not to exceed $200,000 annually for a period of 2 years.

STAFF RECOMMENDED ACTION:

1. The City Council approves the Library Materials and Processing Cooperative Purchase from Ingram Library Services LLC in an amount not to exceed $200,000 annually for a period of 2 years; and
2. Authorize the City Manager to execute the necessary documents.

E. Consideration and Approval of Contracts: with Habitat for Humanity of Northern Arizona related to establishing an Affordable Housing Plan for the Habitat at Timber Sky Condominium.

STAFF RECOMMENDED ACTION:

Approve the following documents:

1. Restrictive Covenant Agreement;
2. Special Warranty Deed;
3. Ground Lease for the Habitat at Timber Sky Condominium;
4. Declaration of Condominium and Easements for Habitat at Timber Sky Condominium;
5. Declaration of Annexation and Supplemental Declaration to Declaration of Covenants, Conditions, Restrictions and Easements for Timber Sky;
6. Driveway Maintenance Agreement;
7. Habitat Affordability Plan;
8. Agreement for Subsidy of Association Assessment;
9. Closing Instructions Agreement;

Subject to a partial release of the Arizona Department of Housing lien upon the land, delegating authority to the City Attorney to approve minor modifications to the foregoing documents upon approval of the City Housing Division; and authorizing the City Manager to execute the documents.

F. Consideration and Approval of Letter of Support: to renew the long-term authorization of annual deposits to the Historic Preservation Fund.

STAFF RECOMMENDED ACTION:

Approve the letter of support.

9. ROUTINE ITEMS

A. Consideration and Adoption of Ordinance No. 2025-30: An ordinance of the City Council of the City of Flagstaff, Amending The Flagstaff City Code, Title 3 Business Regulations, Chapter 3-10 User Fees, to establish Airport Rates And Fees, and by amending Title 8 Public Ways And Property, Chapter 8-06 Airport Rules And Regulations to add definitions of secured areas of the Airport; providing for penalties, repeal of conflicting Ordinances, severability, providing for clerical corrections, and establishing an effective date.

STAFF RECOMMENDED ACTION:

1. Read Ordinance No. 2025-30 by title only for the final time
2. City Clerk reads Ordinance No. 2025-30 by title only (if approved above)
3. Adopt Ordinance No. 2025-30

B. Consideration and Adoption of Ordinance No. 2025-29: an ordinance of the City Council of the City of Flagstaff, authorizing the acquisition of real property from FSL Holdings Properties LLC in order to provide parking; providing for delegation of authority; providing for severability; authority for clerical corrections, and establishing an effective date.

STAFF RECOMMENDED ACTION:

1. Read Ordinance No. 2025-29 by title only for the final time
2. City Clerk reads Ordinance No. 2025-29 by title only (if approved above)
3. Adopt Ordinance No. 2025-29

C. Consideration and Approval: 2026 State and Federal Legislative Priorities

STAFF RECOMMENDED ACTION:

Review and approve the 2026 State and Federal Legislative Priorities.

10. REGULAR AGENDA

A. Consideration and Adoption of Resolution No. 2025-63: A resolution to approve an Intergovernmental Agreement (IGA) between the City of Flagstaff and Lockett Ranches Fire District to provide fire and emergency medical services.

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-63 by title only
2. City Clerk reads Resolution No. 2025-63 by title only (if approved above)
3. Adopt Resolution No. 2025-63

B. Consideration and Adoption of Resolution No. 2025-64: A resolution of the Flagstaff City Council, approving an Amendment to the Intergovernmental Agreement between the Coconino County Community College District and the City of Flagstaff to share fire training and education resources.

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-64 by title only
2. City Clerk reads Resolution No. 2025-64 by title only (if approved above)
3. Adopt Resolution No. 2025-64

C. Consideration and Adoption of Resolution No. 2025-65: A resolution of the Flagstaff City Council, approving the Cost-Sharing Addendum #1 High Country Training Academy Intergovernmental Agreement between Coconino County Community College District and City of Flagstaff and Flagstaff Police Department for the period of October 1, 2025 through September 30, 2026.

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-65 by title only
2. City Clerk reads Resolution No. 2025-65 by title only (if approved above)
3. Adopt Resolution No. 2025-65

D. Consideration and Approval of Contract: First Amendment to the Cooperative Purchase Contract with Flock Safety in the amount of $112,000, in addition to other fees and taxes, for safety cameras for the Flagstaff Police Department

STAFF RECOMMENDED ACTION:

1. Approve the First Amendment to the Cooperative Purchase Contract with Flock Safety in the amount of $112,000, in addition to other fees and taxes, to the purchase of the Flock Cloud-Based Public Safety Program to include thirty-two (32) Flock Safety cameras and (4) Flock Safety Flex cameras; and
2. If approved, authorize the City Manager to execute the necessary documents.

E. Consideration and Adoption of Resolution No. 2025-66: A resolution adopting the City Council 2026 Commemorative Flag Designations

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-66 by title only
2. City Clerk reads Resolution No. 2025-66 by title only (if approved above)
3. Adopt Resolution No. 2025-66

11. DISCUSSION ITEMS

A. Update on Municipal Customer Assistance Program

STAFF RECOMMENDED ACTION:

Informational only

B. Energy Code Update Options

STAFF RECOMMENDED ACTION:

City Council direction on updates to the Building Code, focusing on the 2024 International Energy Conservation Code (IECC). Upon receiving Council direction, staff will explore the 2024 IECC through further research and community engagement. Staff will return to Council in mid-2026 for review and possible adoption of all of the 15+ codes in the 2024 Suite of Codes, including the 2024 IECC.

12. 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 Citizen Petition titled "Provide representation for individuals with disabilities in Flagstaff."

STAFF RECOMMENDED ACTION:

Council Direction

13. OPEN CALL TO THE PUBLIC

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

15. ADJOURNMENT

CERTIFICATE OF POSTING OF NOTICE

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

Dated this _____ day of _____, 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: Georganna Staskey, Deputy City Clerk

Date: 12/05/2025

Meeting Date: 12/16/2025

TITLE:

Consideration and Approval of Minutes: City Council Work Session January 12, 2021, Regular Meeting February 16, 2021, Work Session April 13, 2021, Regular Meeting June 15, 2021, Special Meeting Work Session June 29, 2021, Regular Meeting July 6, 2021, Work Session October 26, 2021, Special Meeting Work Session November 9, 2021, Work Session January 25, 2022, Regular Meeting July 5, 2022, Special Meeting Work Session December 13, 2022, Regular Meeting February 21, 2023, Work Session March 14, 2023, Special Meeting Work Session May 23, 2023, Regular Meeting April 2, 2024, Regular Meeting May 21, 2024, Regular Meeting June 4, 2024, Work Session June 11, 2024, Work Session June 25, 2024, Regular Meeting September 17, 2024, Work Session 24, 2024, Regular Meeting October 1, 2024, Work Session October 8, 2024, Regular Meeting October 15, 2024, Special Meeting Work Session October 22, 2024, Regular Meeting November 5, 2024, Work Session November 12, 2024, Regular Meeting December 3, 2024, Special Meeting Executive Session April 8, 2025, Special Meeting Executive Session April 22, 2025, Special Meeting Executive Session May 6, 2025, Special Meeting Executive Session May 13, 2025, Special Meeting Executive Session May 20, 2025, Special Meeting Executive Session June 3, 2025, Special Meeting Executive Session June 10, 2025, Special Meeting Executive Session June 17, 2025, Special Meeting Executive Session June 24, 2025, Special Meeting Executive Session July 1, 2025, Special Meeting Executive Session July 29, 2025, Special Meeting Executive Session August 12, 2025, Special Meeting Executive Session August 26, 2025, Regular Meeting August 26, 2025, Special Meeting Executive Session September 2, 2025, Work Session September 9, 2025, Special Meeting Executive Session September 16, 2025, Special Meeting Executive Session September 23, 2025, Work Session September 23, 2025, Special Meeting Executive Session September 25, 2025, Special Meeting Executive Session September 30, 2025, Special Meeting Executive Session October 2, 2025, Special Meeting Executive Session October 3, 2025, Special Meeting Executive Session October 7, 2025, Special Meeting Executive Session October 14, 2025, Work Session October 14, 2025, Special Meeting Executive Session October 17, 2025, Special Meeting Executive Session October 21, 2025, Special Meeting Executive Session October 22, 2025, Special Meeting Executive Session October 24, 2025, Special Meeting Executive Session October 28, 2025, Special Meeting Work Session October 28, 2025, Special Meeting Executive Session October 29, 2025, Special Meeting Executive Session October 31, 2025, Special Meeting Executive Session November 4, 2025, Joint City/County Work Session November 17, 2025, Special Meeting Executive Session December 2, 2025, Joint City/County Work Session September 23, 2024, Combined Special Meeting/Work Session December 10, 2024, Regular Meeting November 4, 2025, Joint City/Water Commission Special Meeting October 23, 2025, Regular Meeting September 16, 2025, Regular Meeting October 21, 2025, Regular Meeting September 2, 2025, and Regular Meeting October 7, 2025.

STAFF RECOMMENDED ACTION:

Approve the minutes of the City Council Work Session January 12, 2021, Regular Meeting February 16, 2021, Work Session April 13, 2021, Regular Meeting June 15, 2021, Special Meeting Work Session June 29, 2021, Regular Meeting July 6, 2021, Work Session October 26, 2021, Special Meeting Work Session November 9, 2021, Work Session January 25, 2022, Regular Meeting July 5, 2022, Special Meeting Work Session December 13, 2022, Regular Meeting February 21, 2023, Work Session March 14, 2023, Special Meeting Work Session May 23, 2023, Regular Meeting April 2, 2024, Regular Meeting May 21, 2024, Regular Meeting June 4, 2024, Work Session June 11, 2024, Work Session June 25, 2024, Regular Meeting September 17, 2024, Work Session 24, 2024, Regular Meeting October 1, 2024,

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

Financial Impact:
None

Policy Impact:
None

Previous Council Decision or Community Discussion:
None

Options and Alternatives to Recommended Action:
Council could choose to not approve the minutes.

Connection to PBB Priorities and Objectives:
High Performing Governance: Serve the public by providing high quality customer service

Connection to Regional Plan:
None

Connection to Carbon Neutrality Plan:
None

Connection to 10-Year Housing Plan:
None

Attachments:
01.12.2021.CCWS
02.16.2021.CCRM
04.13.2025.CCWS
06.15.2025.CCRM
06.29.2025.CCSMWS
07.06.2021.CCRM
10.26.2021.CCWS
11.09.2021.CCSMWS
01.25.2022.CCWS
07.05.2022.CCRM
12.13.2022.CCSMWS
02.21.2023.CCRM
03.14.2025.CCWS
05.23.2023.CCSMWS
04.02.2024.CCRM
04.16.2024.CCRM
05.21.2024.CCRM
06.04.2024.CCRM
06.11.2024.CCWS
06.25.2025.CCWS
09.17.2024.CCRM
09.24.2024.CCWS
10.01.2024.CCRM
10.08.2024.CCWS
10.15.2024.CCRM
10.22.2024.CCSMWS
11.05.2024.CCRM
11.12.2024.CCWS
12.03.2024.CCRM
04.08.2025.CCSMES
04.22.2025.CCSMES
05.06.2025.CCSMES
05.13.2025.CCSMES
05.20.2025.CCSMES
06.03.2025.CCSMES
06.10.2025.CCSMES
06.17.2025.CCSMES
06.24.2025.CCSMES
07.01.2025.CCSMES
07.29.2025.CCSMES
08.12.2025.CCSMES
08.26.2025.CCSMES
08.26.2025.CCRM
09.02.2025.CCSMES
09.09.2025.CCWS
09.16.2025.CCSMES
09.23.2025.CCSMES
09.23.2025.CCWS
09.25.2025.CCSMES
09.30.2025.CCSMES
10.02.2025.CCSMES
10.03.2025.CCSMES
10.07.2025.CCSMES

10.14.2025.CCSMES
10.14.2025.CCWS
10.17.2025.CCSMES
10.21.2025.CCSMES
10.22.2025.CCSMES
10.24.2025.CCSMES
10.28.2025.CCSMES
10.28.2025.CCSMWS
10.29.2025.CCSMES
10.31.2025.CCSMES
11.04.2025.CCSMES
12.02.2025.CCSMES
11.17.2025.CCJWS
09.23.2024.CCJWS
12.10.2024.CCSMWS
10.09.2025.CCSM
11.04.2025.CCRM
10.23.2025.CCJSM
09.16.2025.CCRM
10.21.2025.CCRM
09.02.2025.CCRM
10.07.2025.CCRM

CITY COUNCIL WORK SESSION
TUESDAY, JANUARY 12, 2021
CITY HALL STAFF CONFERENCE ROOM
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Deasy called the Work Session of the Flagstaff City Council held January 12, 2021, to order at 3:01 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. Pledge of Allegiance and Mission Statement

The Council and attendees recited the pledge of allegiance and Councilmember Shimoni read the Mission Statement of the City of Flagstaff.

MISSION STATEMENT

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

3. Roll Call

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

PRESENT:	ABSENT:
MAYOR DEASY (virtual)	
VICE MAYOR DAGGETT (virtual)	
COUNCILMEMBER ASLAN (virtual)	
COUNCILMEMBER MCCARTHY (virtual)	
COUNCILMEMBER SALAS (virtual)	
COUNCILMEMBER SHIMONI (virtual)	
COUNCILMEMBER SWEET (virtual)	

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

4. Public Participation

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

no more than fifteen minutes to speak.

Chris Jocks representing the Indigenous Circle of Flagstaff (ICF) addressed Council to welcome the new Councilmembers and to announce that the ICF is working with organizations to demand accountability for Snowbowl's activity, including the contract with the City for the sale of reclaimed water.

Will Carlstrom submitted written comments requesting that the Council create a Long-Range Planning Commission.

5. Review of Draft Agenda for the January 19, 2021 City Council Meeting

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

None

6. Active Transportation Master Plan

Multi-modal Transportation Manager Martin Ince provided a PowerPoint Presentation that covered the following:

ACTIVE TRANSPORTATION MASTER PLAN
PRESENTATION OUTLINE
WHY PLAN FOR ACTIVE TRANSPORTATION
NATIONAL AND LOCAL TRENDS
TRANSPORTATION AND CLIMATE NEUTRALITY
SPECIFIC PLAN
GUIDING PRINCIPALS
APPROACH
VISION
ATMP
ATMP GOALS
GOAL 1 BUILD NETWORKS
BIKEWAYS
ACTIVE TRANSPORTATION AND TRANSIT
GOAL 2 TAKE CARE OF WHAT WE HAVE
GOAL 3 SUPPORTIVE ENVIRONMENT
GOAL 4 IMPROVE SAFETY
GOAL 5 SUPPORTIVE PLANNING/LAND USE
TRAVEL DEMAND MANAGEMENT (tdm)
GOAL 6 ASSESS HOW WE ARE DOING
COMMUNITY ENGAGEMENT
ATMP

Councilmember Aslan emphasized the importance of inclusive transportation planning that considers people who are not interested or able to bike, due to factors like weather or terrain. He stressed that the goal is not to eliminate cars but to expand multi-modal options. He also brought up parking formulas in development agreements and suggested infrastructure improvements, like a pedestrian bridge over I-40 to connect neighborhoods south of NAU to downtown.

Vice Mayor Daggett expressed enthusiasm about sidewalk improvements and clarified they will be vertical sidewalks, not rolling ones. Mr. Ince confirmed this and mentioned plans to inventory missing ones.

Mayor Deasy asked about the "no way, no how" biking population (33%) and if the data was local or national. Mr. Ince explained it originated in Portland but is relevant to Flagstaff. He also noted safety concerns are a key issue for that group.

Councilmember Sweet, a new bike commuter, asked about the separation principle. Mr. Ince explained that Flagstaff has a good start but lacks a complete bike network.

Councilmember Shimoni expressed excitement about the plan, praised the team's work, and highlighted the value of route discovery. He also supported the idea of a bike route app.

Councilmember McCarthy expressed support for the plan.

7. Climate Emergency Declaration Update

Sustainability Director Nicole Antonopoulos provided a PowerPoint Presentation that covered the following:

CLIMATE EMERGENCY DECLARATION UPDATE
DISCUSSION
BACKGROUND
WHY WE ACT -- THE BENEFITS OF ACTION
WHY WE ACT -- THE COST OF INACTION
CLIMATE CHANGE IN FLAGSTAFF
2018 CLIMATE ACTION AND ADAPTION PLAN (CAAP)
FLAGSTAFF'S GREENHOUSE GAS EMISSIONS
THE CLIMATE EMERGENCY DECLARATION
CARBON NEUTRALITY
THE PATH TO CARBON NEUTRALITY
THE PATH TO CARBON NEUTRALITY -- ACTIONS UPDATE
SINCE THE CLIMATE EMERGENCY DECLARATION
COMMUNITY INPUT
TECHNICAL ANALYSIS AND PRELIMINARY EMISSION REDUCTION TARGETS
EMISSION REDUCTION TARGET AREAS
CLEANER ELECTRICITY TARGET AREA
REDUCING BUILDING ENERGY DEMAND
BUILDING FUEL SWITCHING
IMPROVED MATERIALS MANAGEMENT AND LANDFILL OPERATIONS
TRANSPORTATION SHIFT
ELECTRIC MOBILITY
CARBON SEQUESTRATION
THE CLIMATE NEUTRALITY PLAN: A LIVING DOCUMENT
WHAT'S NEXT
TIMELINE
THANK YOU

Anthony Garcia addressed Council to support the Sustainability Division and reminded the Council that there are certain agreements such as the Unisource franchise agreement that could use more review. He asked that the Sustainability Division be involved in the review.

Councilmember Aslan raised concerns about the Unisource franchise agreement, particularly the potential cost burden on consumers if it is not approved. He emphasized that the City is not yet ready to transition fully from gas to electric infrastructure.

Mr. Clifton explained that the franchise agreement primarily concerns Unisource's use of the City's rights of way.

Mr. Garcia mentioned he was surprised the Sustainability Division had not weighed in on the agreement initially. In response, Mayor Deasy said future franchise agreements will involve input from the Sustainability Division.

Councilmember Aslan reiterated his enthusiasm for sustainability efforts, despite the challenges.

Councilmember Shimoni appreciated the update, suggesting the addition of a carbon neutrality lens to

agendas and emphasized including social equity in sustainability decisions.

Councilmember Salas thanked the Sustainability Division but also expressed concern about maintaining affordability for doing business in Flagstaff.

A break was held from 5:01 p.m. through 5:16 p.m.

8. Regulation of recreational marijuana in Flagstaff

Management Analyst Jack Fitchett, Deputy City Attorney Kevin Fincel, Senior Assistant City Attorney Marianne Sullivan, and Zoning Code Manager Dan Symer provided a PowerPoint Presentation that covered the following:

RECREATIONAL MARIJUANA
OBJECTIVES
HISTORY
LEGALIZES SALE, USE, AND POSSESSION OF RECREATIONAL MARIJUANA
THE ACT DOES NOT
THE ACT AUTHORIZES CITIES TO
ENFORCEMENT ISSUES
PENALTIES UNDER THE ACTS
ADDITIONAL RECOMMENDATIONS FOR CITY ORDINANCES
ACTIONS BY OTHER CITIES SAMPLE ORDINANCE
DIRECTIONS
COUNCIL

Pele Peacock Fischer, an attorney representing RCH Wellness Center, addressed Council to introduce her firm and to offer her availability

Councilmember McCarthy asked Ms. Fischer about marijuana deliveries and if she believes that deliveries of small amounts could be appropriate. She answered that there are two different uses: medical and adult use. She added that adult use would need to be regulated, but that medical marijuana deliveries are still being decided on and they plan to push that decision out to the future.

Anthony Garcia addressed Council regarding the nuances in Prop 207 that could be punitive to less advantaged persons. He stated that marijuana should be prohibited in public property, but that City property is nuanced due to people who live in Flagstaff-owned properties.

Councilmember Aslan began by asking about police perspectives, to which it was clarified that Chief Musselman supported the recommendations presented. It was noted that DUI laws remain unchanged under the proposition. Councilmember Aslan also raised concerns about marijuana use by police applicants, and staff explained that although Arizona POST has relaxed certain requirements, marijuana use remains a disqualifier due to federal laws.

Vice Mayor Daggett asked about the rights of landlords to prohibit marijuana use, and staff confirmed that property owners can restrict usage on leased properties. Councilmember McCarthy added that this could be treated similarly to other property rules, like restrictions on pets or smoking.

Councilmember Shimoni raised questions about how marijuana restrictions could impact vulnerable populations, such as those experiencing homelessness. City Prosecutor Brent Harris noted that his office is focusing on clearing marijuana-related case backlogs and ensuring expungement options are accessible. He said future ordinances could include signage to clarify legal smoking areas, aiming to avoid criminalizing individuals unnecessarily. Ms. Sullivan reiterated that public use is already prohibited by the act and would remain a petty offense.

Councilmember Shimoni also asked Mr. Clifton about his experience in Colorado, where Mr. Clifton said crime and public use did not notably increase, though signage was important. Councilmember Shimoni inquired about whether additional taxes could be added through TPT permits to fund education. Legal agreed to look into it. He emphasized that vulnerable communities should not be

negatively impacted and expressed interest in protecting school zones, though he was not in favor of regulating testing or delivery services heavily.

Councilmember Sweet encouraged outreach to downtown businesses and asked about consequences for repeat petty offenses. Ms. Sullivan said there is no limit on such offenses but would research further. Councilmember Sweet expressed enthusiasm for moving forward with regulations that support economic development. Mr. Fincel added that staff would be presenting to the Chamber of Commerce and engaging other business groups.

Councilmember McCarthy questioned the proposed prohibition on marijuana testing facilities and deliveries, expressing concerns about their necessity and suggesting monitoring instead of bans. He supported the idea of using extra taxes for public benefits like education.

Mayor Deasy asked about cultivation guidelines and was told it must be locked and not openly visible, such as in backyards. He suggested odor control measures and supported the idea of a delivery cap. He also recommended that any additional tax revenue could go toward a community detox center.

Mr. Clifton clarified that concerns around odor mainly applied to large-scale greenhouse operations, not personal home grows. He added that other cities have successfully used marijuana tax revenues for community programs. Chief Musselman noted concerns about increased impaired driving investigations and safety risks involving children and pets, but he supported the staff's recommendations and emphasized enforcing what is on the books.

Councilmember Shimoni pressed for ordinances that protect vulnerable groups and avoid over-penalizing. Chief Musselman and Ms. Sullivan acknowledged these concerns but noted limitations due to state-level restrictions on public use. Councilmember Shimoni also pointed out that regulating delivery too strictly could lead to more trips, conflicting with carbon neutrality goals.

Vice Mayor Daggett questioned how city properties like parks would be handled under the law and voiced support for allowing delivery and testing. Ms. Sullivan clarified that public spaces are already regulated, and marijuana use could follow similar rules to tobacco. Mr. Solomon noted that smoking is already prohibited in parks, and that policy could be extended.

Councilmember Aslan acknowledged the complexity of the topic, stating that a gradual, cautious approach would be best, especially when it comes to implementing new policies. He supported prohibiting use on city property and delaying decisions on delivery.

Mayor Deasy reviewed each proposed item for staff direction, and Council reached general consensus on several key points including limiting recreational sales to dual licenses, not prohibiting testing facilities, prohibiting use on city property, prohibiting use on private property when posted, adding violations that did not carry over from the Act, adopting penalties similar to the Act, and keeping the current zoning for medical and apply it to recreational.

A break was held from 6:47 p.m. to 6:57 p.m.

9. 2021 Legislative Priorities

Management Analyst Sarah Langley, State Lobbyist Todd Medeksza, and Federal Lobbyist Bob Holmes provided a PowerPoint Presentation that covered the following:

2021 LEGISLATIVE PRIORITIES
AGENDA
INTERGOVERNMENTAL AFFAIRS PROGRAM
FEDERAL LANDSCAPE
ECONOMY
TRANSPORTATION AND INFRASTRUCTURE
COMMUNITY / SOCIAL INFRASTRUCTURE
ENVIRONMENT

Alicyn Gitlin spoke about and submitted a written comment supporting the permanent protection of the Grand Canyon from uranium mining. She also requested that the city lobby to include a provision on the Lowell Observatory Conveyance Act for the main part of Section 17.

Mayor Deasy emphasized the importance of holding a public discussion regarding the Section 17 item and requested it be prioritized. Mr. Holmes, representing Lowell Observatory, stated that his team plans to reintroduce a bill to protect land in perpetuity and will provide a draft once it's ready. Councilmember McCarthy supported drafting a letter, but highlighted the necessity of a public discussion first, especially due to recent legislative changes. Councilmember Shimoni shared that he had a positive conversation with the director of Lowell Observatory, who is aware of public interest in the matter and is open to new language being presented to the Council, he suggested inviting the director to the discussion.

Deb Harris and Khara House addressed Council and requested continuation of the Rio de Flag Project.

Councilmember McCarthy brought up concerns about Amtrak service cuts, which reduced daily service to just three times a week. He stressed the need for discussions aimed at restoring daily service in Flagstaff.

Vice Mayor Daggett raised the issue of direct COVID-19 relief payments, proposing that the County and school districts, which have not been reimbursed for their efforts, be included in the conversation. She also urged more focus on the severe housing problem.

Mr. Holmes responded to housing concerns, mentioning that additional housing funding is expected, with separate allocations for the county. He also highlighted forthcoming testing funds.

Mayor Deasy reaffirmed the Rio de Flag Project as a top priority. Councilmember Shimoni echoed this, acknowledging the significant progress made but emphasizing the remaining work.

Mayor Deasy also asked if there were any items to be removed from the federal priorities list and proposed adding broadband to support economic development, a suggestion that Councilmember Shimoni agreed with, citing the high cost of access as a barrier to community growth.

Councilmember Aslan advocated for the inclusion of Bear's Ears on the priority list to ensure continued lobbying efforts. Mr. Holmes confirmed that it would be handled administratively, and Vice Mayor Daggett noted that a resolution could address Bear's Ears without adding it to the priority list. However, Councilmember Aslan suggested adding it as a priority to ensure attention and movement, proposing verbiage focused on protecting wildlife and natural resources across the Grand Canyon and Colorado Plateau. Mayor Deasy inquired whether it could be added to the priorities, and Mr. Clifton confirmed there was sufficient direction on the matter.

Councilmember Salas emphasized the importance of securing funding and forming partnerships for open space, natural areas, trails, and dark skies initiatives. She noted that connecting open spaces and working with the county are vital but difficult due to pandemic-related funding constraints. Mayor Deasy suggested that the Land and Water Conservation Fund could cover some of these needs, which Mr. Holmes confirmed.

Councilmember Shimoni brought up the Bear's Ears issue again, mentioning potential changes in border crossing regulations, and stressed the importance of ADA compliance and tribal partnerships.

To summarize the federal priorities, Mr. Clifton outlined that the discussion would return to the Council once the Lowell Observatory bill draft is ready. The Rio de Flag Project would remain a priority, broadband would be added, and additional efforts to protect open spaces and resources, including Bear's Ears and the Grand Canyon, would be emphasized. Other priorities included lobbying for direct COVID-19 payments to the county and school districts and boosting HUD assistance. Finally, Mayor Deasy added Amtrak service restoration to the list of priorities.

STATE LANDSCAPE

PROPOSED STATE LEGISLATIVE PRIORITIES
NEXT STEPS

Vice Mayor Daggett thanked Mr. Medeksza for the presentation and made two suggestions: clarifying the meaning of "carbon-free and clean energy" in the priorities and adding gun safety to the state's priorities. Mr. Medeksza responded by explaining that the language regarding 100% clean energy was crafted with input from the Sustainability office and Ms. Langley. However, the language was kept general to avoid being dismissed if changes occurred in energy types. He noted that the first step would be focusing on clean energy, with the specific types to be decided later.

Councilmember McCarthy expressed his interest in reviewing the proposed language and supported the addition of gun safety. He also raised concerns about short-term rentals and suggested that primary residents should have tax advantages over second homes. Mr. Medeksza confirmed that there was existing gun safety language from the prior Council that could be used, though he noted that the state's current more conservative stance may limit the effectiveness of any new measures. He assured Councilmember McCarthy that city staff would work on refining the language. Councilmember McCarthy emphasized the importance of education on gun safety without limiting gun rights.

Councilmember Shimoni appreciated Mr. Medeksza's realistic approach and voiced his support for gun safety. He also suggested adding other priorities to the list, including building relationships with tribal partners, protecting water resources, criminal justice reforms, diversion programs, and expanding access to elections and voter rights. Mr. Medeksza confirmed that criminal justice reforms would be reintroduced by Representative Blackman, and election-related bills would focus on larger counties. He also mentioned the importance of working with neighboring tribes on these issues.

Councilmember Aslan proposed including "dark skies" in the state priorities but acknowledged the need to keep the list concise. He recalled the disappearance of the dark skies license plate and expressed interest in revisiting it. Mr. Medeksza recognized the economic development potential of dark skies in Arizona and highlighted the popularity of dark skies license plates, which could be an easier push since they do not involve state funding.

Councilmember Sweet echoed the importance of preserving natural spaces and adding strong language regarding short-term rentals. She also supported the addition of gun safety language and prioritized tribal partnerships.

Councilmember Salas fully supported the priorities presented, particularly the inclusion of dark skies, open spaces, natural areas, and trails, stressing the need for both policy and funding to support these efforts.

Mayor Deasy reiterated support for criminal justice reform and voter rights and emphasized the importance of accessing geospatial tax data to analyze policy impacts. Mr. Medeksza offered to send a weekly legislative update and make time for one-on-one meetings with Councilmembers.

Mr. Clifton summarized state priorities discussed included fostering relationships with tribal partners, supporting criminal justice reforms, emphasizing dark skies, preserving open areas and trails, advocating for gun safety, protecting voter rights, supporting broadband, addressing short-term rentals with a focus on local control, and enhancing collaboration with neighboring tribes.

Dr. Diane Hope submitted written comments requesting that the city lobby to include a provision on the Lowell Observatory Conveyance Act for the main part of Section 17.

Khara House, Deb Harris, and Susanne Muller submitted written comments in support of the continuation of the Rio de Flag project.

10. **Discussion and Direction:** 2019/2020 Election Overview and Timeline Review

Mayor Deasy announced that the discussion and direction of the 2019-2020 Election Overview and timeline review would be pushed to the next meeting.

11. Public Participation

None

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

Vice Mayor Daggett emphasized the need for the federal language regarding Section 17, she is requesting that it be published as soon as it is available so the community can have a public discussion on it. She stated she is giving the keynote speech at the Blue Key Honor Society National Conference. She also highlighted her Intern Kai Simpson.

Councilmember Aslan would like a discussion about Lowell Observatory and stated his support in making sure there is robust public discussion on it.

Councilmember McCarthy echoed the need for a public discussion on the Lowell Observatory.

Councilmember Salas stated that later that week there is a virtual community meeting on McMillian Mesa Rezone. She acknowledged the work from the Sustainability Division and the grants they secured for projects.

Councilmember Shimoni stated that during the County call update they discussed the Covid vaccine distribution and the challenges they had had with certain vaccines. He stated that the Employee Advisory Committee is having meetings regarding wages and pay scales. He stated that the CJCC will meet later that week. He reminded the community of the Town Hall scheduled for February and the Alliance group meeting later that week. He acknowledged the trip to Washington D.C. and stated that he felt the focus needed to be more on residents and topics. He requested an Executive Session on the contract with Snowbowl.

Councilmember Sweet stated that she attended her first Beautification and Public Arts Commission meeting.

Mayor Deasy stated they took a group photo outside, six feet apart and did their headshots. He asked Mr. Solomon to look into what potentially the City could do to encourage the Covid vaccine. He spoke of the Stand up Speak Out Proclamation. He stated he put letter together to condemn the acts on the Capitol.

Councilmember McCarthy stated that he did not know about the letter so he did not sign it. He made his own statement via social media. He stated his wife had sent the letter to the editor to be published in the Sunday paper.

Mayor Deasy stated that he did not contact Councilmembers for the letter due to worries about Open Meeting Law.

13. Adjournment

The Work Session of the Flagstaff City Council held January 12, 2021, adjourned at 9:14 pm.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, FEBRUARY 16, 2021
CITY HALL STAFF CONFERENCE ROOM
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. ROLL CALL

Present: Mayor Paul Deasy
Vice Mayor Becky Daggett
Councilmember Austin Aslan
Councilmember Jim McCarthy
Councilmember Regina Salas
Councilmember Adam Shimoni
Councilmember Miranda Sweet

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. PLEDGE OF ALLEGIANCE AND MISSION STATEMENT

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

MISSION STATEMENT

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

4. PUBLIC PARTICIPATION

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

John Viktora addressed Council regarding with concerns about conduct at the prior meeting with Flagstaff Shelter Services.

Matthew Ziegler submitted a written comment in support of revisiting COVID guidelines for events.

5. PROCLAMATIONS AND RECOGNITIONS

A. Proclamation: Black History Month

Mayor Deasy read the proclamation.

6. LIQUOR LICENSE PUBLIC HEARINGS

Mayor Deasy opened the public hearing on all applications.

Sargent Ryan Turley introduced the applications and noted no concerns.

Councilmember McCarthy thanked the applicants for attending the meeting.

There being no public comment, Mayor Deasy closed the public hearing.

Moved by Councilmember Regina Salas, **seconded by** Councilmember Adam Shimoni to forward all three applications to the State with a recommendation for approval.

Vote: 7 - 0 - Unanimously

A. **Consideration and Action on Liquor License Application:** Jeffrey Craig Miller, "Sportsman's Bar & Grill," 1000 N Humphreys Street #98, Series 12, New Application.

B. **Consideration and Action on Liquor License Application:** Michelle Elain Gregory "Mobil," 2484 E. Butler Avenue, Series 09 (liquor store - all spirituous liquor), Owner Transfer.

C. **Consideration and Action on Liquor License Application:** Devangkumar G. Patel "Mountain Spirits Co.," 1490 S. Riordan Ranch Street, Series 09 (liquor store - all spirituous liquor), New Application.

7. CONSENT ITEMS

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

It was requested that each item on the Consent agenda be taken individually for discussion.

A. **Consideration and Approval of Purchase:** The purchase of four (4) 2021 Ford Police Interceptor Utility Hybrid vehicles, in the amount of $152,108.55 from San Tan Ford.

Vice Mayor Daggett questioned whether the current vehicle bid process could be postponed to allow the local dealer, who had withdrawn due to an error, a chance to rebid. Purchasing Director Patrick Brown confirmed this was possible if Council rejected the current bid, though doing so would delay the process by about ten weeks which would negatively impact public safety operations.

Mayor Deasy asked if the vehicles being replaced were still usable. Police Chief Dan Musselman responded that some are close to aging out, but none are completely out of service yet.

Councilmember Aslan raised the issue of purchasing hybrid vehicles instead of all-electric options like the Tesla Model Y. Support Services Supervisor Allison Hughes and Chief Musselman, explained concerns over limited data on electric vehicles in 24-hour operations, lack of local repair support, and higher customization costs.

Mayor Deasy and Councilmember Sweet supported reconsidering bids if it might allow the local dealer another opportunity. Mr. Brown and City Attorney Solomon outlined the bidding and procurement process, including the legal limitations on local preference due to an Arizona Supreme Court ruling. Mr. Brown explained other ways the city supports local businesses within legal bounds, such as removing TPT (sales tax) from local bids and prioritizing local suppliers under $50,000

thresholds.

Councilmembers Salas and Shimoni supported reviewing local preference practices and exploring a transition to an all-electric fleet. Mr. Clifton and Mayor Deasy noted that while electric fleets are the future and other communities are moving that way, hybrids are more practical for now. Mr. Solomon confirmed a discussion on electric vehicles could be held later.

Mr. Brown noted there are some risks and variables to consider if the bid is rejected.

Moved by Vice Mayor Becky Daggett, **seconded by** Councilmember Adam Shimoni to approve the contract with San Tan Ford for the purchase of four (4) 2021 Ford Police Interceptor Utility Hybrid vehicles, a total cost of $152,108.55 (includes all applicable taxes and fees) and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

B. **Consideration and Approval of Contract:** Contract with Corporate Technology Solutions (CTS) for the purchase of audio & video equipment, for the purpose of adding remote meeting technologies and enhancing select City Hall conference rooms in an amount not to exceed $130,000.

Councilmember Shimoni inquired about efforts to improve public engagement in virtual settings. IT Manager Paul Santana said they aim to enhance all avenues of public participation. IT Director CJ Perry added that while staff had previously analyzed how other municipalities handled virtual engagement during the pandemic, they are open to further exploring ways to streamline and improve the process.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Adam Shimoni to approve the agreement with Corporate Technology Solutions (CTS) to provide audio and video upgrades to Council Chambers, Council Conference Room and Staff Conference Room, in the amount not to exceed $130,000 and authorize the City Manager to execute all necessary documents.

Vote: 7 - 0 - Unanimously

8. ROUTINE ITEMS

A. **Consideration of Contract:** Reject all Bids for the Elden Lookout Road Hazard Tree Mitigation

Forest Health Supervisor Neil Chapman explained that the recommendation to reject the bids is due to all submitted bids exceeding the budget, including a revised bid. Staff has identified alternative methods to remove the damaged trees within budget. However, Council must formally reject the bids in a public meeting.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to reject all bids submitted for Invitation for Bids (IFB) #2020-27 and #2020-84 for the Elden Lookout Road Hazard Tree Mitigation project.

Vote: 7 - 0 - Unanimously

9. PUBLIC HEARING ITEMS

A. **Public Hearing:** Whispering Winds Sign Historic Overlay Zoning Map Amendment - PZ-20-00141-02, 922 E Route 66

Mayor Deasy opened the public hearing.

Comprehensive Planning Manager Sara Dechter explained that the case is being presented due to the Heritage Preservation Commission and that the Planning and Zoning Commission has not yet made a recommendation and that staff is asking for the item to continue until after the Planning and Zoning Commission considers it.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Miranda Sweet to continue the public hearing to March 2, 2021.

Vote: 7 - 0 - Unanimously

10. REGULAR AGENDA

A. Consideration and Adoption of Ordinance No. 2021-01: An Ordinance of the City Council of the City of Flagstaff, amending the Flagstaff Zoning Map to rezone approximately 23.08 acres of real property generally located at 2701 S Woody Mountain Road, a portion of APN 112-01-019 from the Rural Residential (RR) zone to the Medium Density Residential (MR) zone with conditions, providing for severability, authority for clerical corrections, and establishing an effective date.

Planning Director Tiffany Antol and the applicant were available to answer questions.

Councilmember Shimoni asked Mr. Crutchfield if they made any progress on the number of affordable units in the development. Mr. Crutchfield stated that they made a priority of going for an aggressive climate and sustainable project and that they will try to drive costs down with their partnership with Mosaic.

Councilmember McCarthy stated that making more affordable housing might drive costs up for the other 90 units. He stated they are providing walking access to other developments and ensuring that is included in the Development Agreement. Ms. Antol stated bicycle, and pedestrian access is included in the application and will be upheld. Mr. Crutchfield added that sod is not being used and they are looking at synthetic turf and other alternative options.

Mayor Deasy reiterated the desire for more solar panels.

Moved by Councilmember Regina Salas, **seconded by** Councilmember Jim McCarthy to read Ordinance No. 2021-01 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF ZONING MAP TO REZONE APPROXIMATELY 23.08 ACRES OF REAL PROPERTY GENERALLY LOCATED AT 2701 S WOODY MOUNTAIN ROAD, A PORTION OF APN 112-01-019 FROM THE RURAL RESIDENTIAL (RR) ZONE TO THE MEDIUM DENSITY RESIDENTIAL (MR) ZONE WITH CONDITIONS; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Regina Salas, **seconded by** Mayor Paul Deasy to adopt Ordinance No. 2021-01.

Vote: 7 - 0 - Unanimously

B. Consideration and Adoption of Resolution No. 2021-07: A resolution of the Flagstaff City Council, authorizing the execution of a development agreement between the City of Flagstaff and VP 66 and Woody Mountain LLC, for Sky Cottages at Timber Sky related to the development of approximately 23.08 acres of real property generally located at the northwest corner of Woody Mountain Road and McAllister Ranch Road and establishing an effective date.

Ms. Antol presented the draft development agreement contents.

Moved by Councilmember Jim McCarthy, **seconded by** Mayor Paul Deasy to read Resolution No. 2021-07 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, AUTHORIZING THE EXECUTION OF A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF FLAGSTAFF AND VP 66 AND WOODY

MOUNTAIN LLC FOR THE SKY COTTAGES AT TIMBER SKY RELATED TO THE DEVELOPMENT OF APPROXIMATELY 23.08 ACRES OF REAL PROPERTY GENERALLY LOCATED AT THE NORTHWEST CORNER OF WOODY MOUNTAIN ROAD AND MCALLISTER RANCH ROAD AND ESTABLISHING AN EFFECTIVE DATE

Moved by Mayor Paul Deasy, **seconded by** Councilmember Regina Salas to adopt Resolution No. 2021-07.

Vote: 7 - 0 - Unanimously

C. **Consideration and Adoption of Ordinance No. 2021-02:** An ordinance of the Flagstaff City Council amending the Employee Handbook of Regulations, as established by Flagstaff City Code, Chapter 1-14, Personnel System, Section 1-14-001-0001, Personnel System Adopted.

Human Resources Director Jeanie Gallagher addressed Council in regards to the correction to the previous revision.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Jim McCarthy to read Ordinance No. 2021-02 by title only for the first time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, AMENDING THE EMPLOYEE HANDBOOK OF REGULATIONS RELATING TO COMPENSATION AND PROMOTION, AS ESTABLISHED BY CITY CODE, CHAPTER 1-14, PERSONNEL SYSTEM, SECTION 1-14-001-0001, PERSONNEL SYSTEM ADOPTED; PROVIDING FOR PENALTIES; REPEAL OF CONFLICTING ORDINANCES; SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

D. **Consideration and Approval of Lease Amendment:** Lease No: GS-09P-94446 for Building 3 of the United States Geological Survey (USGS) facility located at 2255 North Gemini Drive, Flagstaff, Arizona 86001

Real Estate Manager Bryce Doty addressed Council and explained the reasoning for the amendment and that there is no additional cost to the amendment for telecommunications and video surveillance services since the City is in compliance.

Moved by Councilmember Jim McCarthy, **seconded by** Vice Mayor Becky Daggett to approve the Lease Amendment to incorporate the Federal Acquisition Regulations Clause 52.204-25 Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment.

Vote: 7 - 0 - Unanimously

E. **Consideration of Consent:** APS Easement on Veteran's Home property (McMillan Mesa)

Mr. Doty addressed Council regarding the need of an easement to connect power to the Veteran's home.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Miranda Sweet to approve consent to the Easement between APS and the State of Arizona.

Vote: 7 - 0 - Unanimously

F. **Consideration and Adoption of Resolution No. 2021-08:** A resolution of the Flagstaff City Council, directing the City Manager to reduce the stage of the 2020 Economic Recession Plan from the Significant to the Moderate, and providing for an effective date

Management Services Director Rick Tadder provided a PowerPoint Presentation that covered the following:

RECESSION PLAN RESOLUTION

ECONOMIC RECESSION PLAN UPDATE
ALERT/MINOR
MODERATE
SIGNIFICANT
MAJOR
CRISIS

Councilmember Salas asked about capital improvement projects on hold. Mr. Tadder clarified that no projects are currently on hold, though some capital purchases have been paused. Projects with existing contracts are proceeding without major impacts.

City Manager Clifton noted that during the budget retreat, the implementation plan was reviewed, and any transition from moderate to minor levels will be approached cautiously and with Council involvement. He emphasized staff's commitment to fiscal responsibility.

Mayor Deasy thanked staff for their efforts and fiscal prudence, expressing relief that the situation is better than expected.

Moved by Councilmember Regina Salas, **seconded by** Mayor Paul Deasy to read Resolution No. 2021-08 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, DIRECTING THE CITY MANAGER TO REDUCE THE STAGE OF THE 2020 ECONOMIC RECESSION PLAN FROM THE SIGNIFICANT TO THE MODERATE, AND PROVIDING FOR AN EFFECTIVE DATE

Moved by Councilmember Regina Salas, **seconded by** Mayor Paul Deasy to adopt Resolution No. 2021-08.

Vote: 7 - 0 - Unanimously

Mayor Deasy called a break from 4:30 p.m. through 4:40 p.m.

11. DISCUSSION ITEMS

A. Fourth Street-Lockett Road-Cedar Avenue Roundabout Alternatives Discussion

Project Manager Jeremy DeGeyter and Traffic Engineer Jeff Bauman provided a PowerPoint presentation to Council that covered the following:

PROJECT LOCATION
HSIP PROJECT
FINANCIAL IMPACT
COMMON SITE APPLICATIONS
BENEFITS OF ROUNDABOUTS
SAFETY -- REDUCE THE CONFLICTS
EXISTING CONDITIONS
PEDESTRIAN CIRCULATION
BICYCLE CIRCULATION -- THE BASICS
BICYCLE PAVEMENT MARKINGS
BICYCLE ENTRANCE RAMPS
CONCEPTUAL BICYCLE PAVEMENT MARKINGS
AUTO/BUS/TRUCK OPERATIONS
DESIGN VEHICLES -- BUSES AND TRUCKS
EXISTING CONDITIONS
DECISION MATRIX SUMMARY
NEXT STEPS

Councilmember Aslan expressed strong support for roundabouts. He asked about resident engagement, carbon footprint comparisons between roundabouts and traffic signals, and center

beautification. Mr. Bauman confirmed outreach to neighbors, coordination with the property owner, and involvement of the beautification team. He noted they have not modeled carbon emissions but can, and that power use is comparable due to LED lights and similar luminaire counts.

Mayor Deasy cited a study showing a 30% reduction in carbon emissions from roundabouts.

Councilmember Sweet inquired about crosswalk design and student outreach, emphasizing safety.

Vice Mayor Daggett supported the roundabout.

Councilmember McCarthy also supported the roundabout and extra precautions for safety.

Councilmember Shimoni advocated for separated bike lanes, emphasized pedestrian safety, and suggested creating an outreach video. He also asked about future connections to the FUTS trail, which staff confirmed are planned.

Councilmember Salas thanked staff and voiced support for the project.

Mayor Deasy asked about Alternative B3, which avoids direct residential impact but may compromise truck movement and speed control. Mr. Bauman explained that while it avoids having to acquire the house, it reduces the roundabout's effectiveness. Real Estate Manager Bryce Doty added that full property acquisition would be required, including relocation costs.

Council expressed support for the single roundabout with continued attention to design, safety, and community engagement.

B. State Legislative Update

Management Analyst Sarah Langley and State Lobbyist Todd Madeksza presented a state legislative update to Mayor and Council.

SUPPORT RECOMMENDATION
S1177 FOREST PRODUCTS
S1377 CIVIL LIABILITY
H2127 APPROPRIATION
H2481 SHORT-TERM RENTALS
H2562 TAX CREDIT AFFORDABLE HOUSING
OPPOSE RECOMMENDATION
S1406 AIRCRAFT REGISTRATION FEES REPEAL
S1459 AGENCY DECISIONS
H2737 CORPORATION COMMISSION ACTIONS
H2551 MISCONDUCT INVOLVING WEAPONS; PUBLIC PLACES
UPCOMING BILLS
S1797/H2772

Vice Mayor Daggett, Councilmembers McCarthy, Sweet, and Aslan fully supported the staff recommendations.

Councilmember Shimoni also supported the list but expressed interest in learning more about short-term rental zoning. Ms. Langley noted a legislative amendment on zoning and stated she would send him the details.

Mayor Deasy supported all but opposed the Civil Liability bill due to its strong language.

Councilmember Salas addressed concerns about the Civil Liability bill, questioned whether it mandates adherence to CDC guidelines, and requested staff and Mr. Madeksza provide input on HB 241A. Ms. Langley read from the bill, confirming it does not explicitly mention the CDC, and Mr. Madeksza agreed to follow up.

12. COUNCIL LIAISON REPORTS

Councilmember Sweet shared that a new mural was completed near the Sweet Shop with help from the beautification team. She also noted that the Water Commission will meet this week.

Councilmember Shimoni reported that the CJCC met last week and has hired an agency to manage operations during a leadership transition at the County level. The goal is to streamline the executive team from over 20 members down to nine.

Councilmember Salas attended the Airport Commission meeting, where they discussed the second parking lot, a possible three-hour free parking zone for pickups/drop-offs, and electric charging stations. She also toured the New Life Forest Products site in Bellemont and Catalyst Space Technologies with ECoNA and other local leaders.

Councilmember McCarthy attended the recent Pedestrian Advisory Committee meeting.

Vice Mayor Daggett mentioned the public process for the new housing plan. Staff is getting contact info from people who would like to be in the loop and give input.

13. 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 Salas to place on a future agenda a discussion about a citywide comprehensive cost recovery policy.

Councilmember Salas gave the background on why she proposed this item.

There was requisite support to move the item forward to a future meeting.

14. CITY MANAGER REPORT

A. City Manager Report

City Manager Clifton briefly reviewed his report and stated the Capital Improvements report was also attached.

Councilmember Salas asked when there can be a discussion about the City's re-entry plan with respect to the City facilities, especially the athletic facilities and the fields. Mr. Clifton reported that this will be in front of Council next week.

i. Public Works Snow Operations

City Manager Clifton expressed that both Public Works Director Andy Bertelsen and Street Section Director Scott Overton were available for questions.

Councilmember Shimoni asked about clearing cinders from bike lanes before spring. Mr. Overton explained that sweeping is now a year-round program, paused only during storms. They recently managed three days of sweeping between storms, with two sweepers operating at night and one during the day. He confirmed sweepers start at the road edge for bike lanes.

Councilmember Shimoni acknowledged several positive highlights from the City Manager's report, including the work of Corporal Lahey, Officer Mike Randall, Emergency Communication Specialist Celeste Hanson, and the Economic Vitality team's work on the Green Book.

City Manager Clifton thanked Councilmember Shimoni for recognizing staff efforts, especially during major snow events. Deputy City Manager Anderson added that next week's report will include a fire rescue story and significant COVID-related updates.

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

Councilmember Aslan reported that Representatives Grijalva and O'Halleran introduced HR1052, related to the Grand Canyon, to update the resolution supporting a uranium mining ban on the Colorado Plateau. He also suggested surveying City staff to gauge their comfort and feelings about returning to in-person work as vaccinations increase, ideally through a scientific survey.

Councilmember McCarthy requested a future agenda item to review barriers to homeowners building accessory dwelling units, especially rules that require owner-occupancy. He suggested this could be addressed by Council or after review by the Housing Commission.

Councilmember Salas requested a future agenda item for a discussion on the review of the city's current tax code in respect to exemptions on rental, leasing, licensing of real property tax for TPT. She stated that exemptions do not include non-profits who provide services to individuals with disabilities.

Councilmember Shimoni gave shout-outs to the Indigenous Commission co-chairs and Assistant Parks and Recreation Director Amy Hagin's team for fixing the basketball hoop at Thorpe Park. He noted the upcoming Mountain Line Board meeting, which will discuss an Arizona Stop (allowing bicycles to roll through stop signs). He mentioned ongoing conversations about youth sports and vaccine availability now expanded to Phase 1b by the County. Councilmember Shimoni also highlighted new state funding for rent assistance launching in February.

16. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held February 16, 2021, adjourned at 6:59 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on February 16, 2021. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL WORK SESSION
TUESDAY, APRIL 13, 2021
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Deasy called the Work Session of April 13, 2021, to order at 3:01 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. Pledge of Allegiance and Mission Statement

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

MISSION STATEMENT

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

3. ROLL CALL

Present: Mayor Paul Deasy (virtual)
Councilmember Miranda Sweet (virtual)
Councilmember Austin Aslan (virtual)
Councilmember Jim McCarthy (virtual)
Councilmember Regina Salas (virtual)
Councilmember Adam Shimoni (virtual)
Vice Mayor Becky Daggett

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

4. Public Participation

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

None

5. Review of Draft Agenda for the April 20, 2021 City Council Meeting

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

None

6. Proclamation: Fair Housing Month

Mayor Deasy read the proclamation.

7. MOONSHOT at Northern Arizona Center for Entrepreneurship and Technology (NACET) Annual Update

Community Investment Director David McIntire introduced NACET and played a video showcasing the incubator and accelerator. NACET President and CEO Scott Hathcock provided information to Council on Moonshot's efforts to enhance entrepreneurship and job growth through the contract and partnerships with the City, as well as in other regional, state and national endeavors. The presentation included the following slides:

- Our Local Impact
- Total Investment Funds
- Revenue Generated
- Jobs
- Occupancy Rates and New Tenants
- Upcoming Events
- High School Hire Summer Day Camp
- Entrepreneurship Intern Certification
- 2021

Mr. Hathcock thanked his staff and his Board of Directors.

Mayor Deasy asked what the proportion of the incubator is and what is the accelerator. Mr. Hathcock spoke about the difference between the incubation program and the accelerator program and the different companies that are in the different programs. He also stated that some companies are split between both buildings.

Councilmember Sweet asked if there were partnerships with local businesses for the high school camp and the NAU internship certification program. Mr. Hathcock explained the database of students they have for the NAU program. It is a test program, and he plans to release a case study after. For the high school program, they are planning on creating a job fair at the end of the camp where the students will present their resumes and special skills to the public and businesses.

Councilmember Shimoni asked about the accelerator and how to build it's residency. Mr. Hathcock stated that COVID was a speed bump for them. He stated that they are planning to create more virtual events and eventually doing in-person events again to draw interest in the program and facility. Councilmember Shimoni also asked what NACET can do to help fill some of the commercial spaces in town, especially in the high-density buildings. Mr. Hathcock stated that NACET puts businesses that could be interested in the space in touch with the City. Councilmember Shimoni also asked about Whitehall electrical and how to capitalize on the sector. Mr. Hathcock stated that NACET will form a relationship with Whitehall to identify their needs. Councilmember Shimoni asked what opportunities Prop 207 could bring. Mr. Hathcock spoke about the potential businesses and that NACET will do what the City desires. Mr. McIntire spoke about the federal funding that supports the business and how that influences who can be a part of the program because of the EPA regulations.

Councilmember Salas asked about social entrepreneurship and resources for non-profits. Mr. Hathcock spoke about the Non-Profit Center of Northern Arizona and that it is under the NAU campus now with Mr. Paul Thomas.

8. Discussion on Public Notice of a Possible Primary Property Tax Levy Increase

Management Services Director Rick Tadder gave a presentation to Council regarding a possible Primary Property Tax Levy increase. Slides included:

- Primary Property Taxes Statutes
- Primary Property Taxes
- Net Assessed Property Values
- Primary Property Tax

Mr. Tadder asked if City Council wants staff to post a 60-day notice for the available increase in the Primary Property Tax Levy. This would allow Council to discuss and possibly direct staff on the tax during the budget process.

Steve Finch, Northern Arizona Lodging, Tourism, and Restaurant Association, in opposition of an increase of the property tax and discussed on how construction offsets the revenue.

Vice Mayor Daggett stated she errs on the side of having a discussion and would like to put out the notice so they can have an informed discussion.

Councilmember McCarthy stated that he feels that the amount of tax would stay the same if there is no increase. Mr. Tadder explained the rates and the levy and what the impact would be. Councilmember McCarthy stated that supporting the notice does not mean he supports a tax increase but rather wants the flexibility to consider all options during budget deliberations.

Councilmember Sweet echoed this view, agreeing that posting the notice allows for an open conversation without committing to a tax increase. She emphasized that this step merely preserves the opportunity to discuss and evaluate all potential fiscal approaches during the budget process.

Councilmember Salas opposed issuing the notice. She cited the city's commitment to fiscal responsibility and prudent spending. Councilmember Salas referenced the City Manager's proposal for a flat levy and the freed-up general fund resulting from the city's prior decision to fully fund the Public Safety Personnel Retirement System. Given these resources, she felt the city could operate effectively without signaling a potential tax increase.

Mayor Deasy also opposed the notice, stressing that there are other revenue streams to rely on and that he has no interest in raising property taxes this year. He asked for clarification on whether a 60-day notice would be required to reduce property taxes and was informed that it is not. This, he noted, keeps the option of a tax reduction open for discussion during the upcoming budget retreat.

Despite differing viewpoints, a majority of Council provided direction to move forward with posting the 60-day notice. Staff confirmed that the advertising deadline is May 16, and the notice will be issued accordingly.

Mayor Deasy called a break from 4:07 p.m. through 4:17 p.m.

9. Flagstaff Municipal Court Overview

Court Administrator Jessica Cortes shared a recorded presentation from Presiding Magistrate Thomas Chotena, Deputy Court Administrator Cathleen Harrison, Judge Criddle, and Judge Speed to Council for informational purposes. Slides included:

- Agenda
- Mission and Vision
- Budget
- Organizational Chart
- Court Operations
- Court Services

- Court Events
- Specialty Courts
- Accomplishments & Initiatives

Councilmember Shimoni stated his gratitude for their work during the pandemic as did Mayor Deasy and Councilmember Salas.

10. City Attorney's Office Overview

City Attorney Sterling Solomon gave a presentation to Council on the City Attorney's office. Slides included:

- Agenda
- Prosecution Section
- Civil Section
- Organization Chart
- Prosecution Section

City Prosecutor Brent Harris, Lead Worker Carol Harvey, Administrative Specialist Colleen Calhoun, introduced themselves and spoke about their section. Prosecutors Serena Serassio, Robert Brown, and Ron Kanwischer introduced themselves as well.

- Civil Section

Deputy City Attorney Kevin Fincel and Senior Assistant City Attorneys Anja Wendel, Christina Parry, and Christina Rubalcava, introduced themselves.

Councilmember Shimoni asked City Prosecutor Brent Harris for an update on Prop 207 updates. Mr. Harris was able to dismiss every case that met the statute and they are cleaning up the old warrant cases that fit the statute. He stated he has dismissed 700 active marijuana cases and another 100 old warrant cases at this point.

11. State and Federal Legislative Updates

Management Analyst Sarah Langley and State Lobbyist Todd Madeksza provided updates on bills at the state and federal level.

Ms. Langley stated a proposed state income tax cut, currently being considered by the State House of Representatives, would implement a 2.5% flat tax rate. Although the state has a large budget surplus, the change is expected to reduce state revenues by $1.5 billion. This would directly affect the income tax revenue shared with municipalities, including Flagstaff, which could lose up to $3 million annually by FY2026. The reduction would significantly impact the city's general fund. In response, city officials plan to schedule meetings between Councilmembers and Representatives Blackman, Rodgers, and Barton, with talking points to be provided.

Councilmember Shimoni asked if representative Blackman or Barton or anyone who is affiliated with the City of Flagstaff spoken against this. Mr. Todd Madeksza stated no and that no republicans have spoken out against it. He added that there is nothing in writing yet.

Ms. Langley provided the next update on H2668 S/E Homelessness. Mayor Deasy asked if this is out on the floor. Mr. Madeksza stated that it is and added that there would be three more votes on this.

Councilmember Shimoni asked if there is funding coming to the cities for the outreach. Mr. Madeksza stated that there is not funding associated with this measure. He asked for clarification on the public safety grants as well. Ms. Langley stated that it would be based on a point in time count and that if the rates go up after the homeless outreach teams are established, the city would be penalized by not being able to receive grants. Councilmember Shimoni stated he has lots of concerns about this bill and stated he is in opposition.

The majority of Council is in opposition to the bill.

12. **Presentation and Discussion:** regarding the Community Development Block Grant Program's 2021-2025 Five-Year Consolidated Plan, the City of Flagstaff Analysis of Impediments to Fair Housing Choice and the 2021/2022 Annual Action Plan and Staff recommendations for CDBG PY 2021 fund allocations. The desired outcome of the April 13, 2021, City Council work session is to inform Council of three separate documents required by the US Department of Housing and Urban Development (HUD) as part of the Community Development Block Grant Program (CDBG). The 2021-2025 Consolidated Plan, 2021/2022 Annual Action Plan, and the Analysis of Impediments to Fair Housing Choice are due to be submitted to HUD on May 15, 2021, and are required in order for the City of Flagstaff to maintain its compliance with federal CDBG regulations.

Housing and Grants Administrator Kristine Pavlik gave a presentation to Council regarding the Community Development Block Grant Program's 2021-2025 Five-Year Consolidated Plan, the City of Flagstaff Analysis of Impediments to Fair Housing Choice and the 2021/2022 Annual Action Plan and Staff recommendations for CDBG PY 2021 fund allocations. Slides included:

- Purpose & Agenda
- CDBG Overview
- Annual Action Plan Progress
- Analysis of Impediments to Fair Housing Choice
- Identified Impediments and Action Plan
- Fair Housing Goals
- Action Plan
- Next Steps
- Consolidated Plan Process
- Consolidated Plan 2021-2025
- Consolidated Plan Strategies
- Community Needs
- Target Areas
- 2021-2025 Consolidated Plan Goal Setting
- 2021-2025 Consolidated Plan Goals
- Next Steps
- 2021/2022 Annual Action Plan
- Council Direction & Staff Responsibilities
- Conducting Risk Assessment
- How much money are we talking about?
- How much money are we talking about for each category?
- Public Service Proposals
- Housing Activity Proposals
- Funding Recommendation
- Public Service Proposals
- Housing Activities
- Next Steps & Questions
- 2021-2022 CDBG Staff Allocation Recommendations

Deborah Harris addressed Council regarding affordable housing and CDBG funds, especially about the City parcel on Highway 180.

Councilmember McCarthy asked about the Schultz Pass parcel and the three scattered sites projects for affordable housing and if that funding is different than the CDBG funds. Housing Director Sarah Darr stated that they are different funds and explained what happened with the scattered sites project.

Vice Mayor Daggett stated she supported staff's recommendations.

Councilmember Shimoni stated that he supports the recommendations. He thanked the Housing Commission and their focus groups. He expressed gratitude for the Continuum of Care group. He

stated that there is a shift in the City's thinking regarding the importance of housing.

Councilmember Aslan stated the recommendations are perfectly in line with how he would prioritize them.

Councilmember Sweet is supportive of the allocations as is.

Mayor Deasy asked if applicants applied under the public service or housing category. Ms. Pavlik stated that the applicant is responsible for applying under a category, but staff meets with them before for a technical meeting with them before to ensure that they fall under the correct category.

Council took a break from 6:06 p.m. through 6:16 p.m.

13. COVID-19 Update

Senior Deputy City Manager Shannon Anderson provided a PowerPoint presentation that covered the following:

- Agenda
- Data Update
- Re-Entry Plan Discussion
- Weekly Cases
- Daily Cases
- Hospital Admissions
- Related Deaths
- Community Transmission
- Community Vaccination
- NAH: Hospital Census
- Re-Entry Plan Discussion
- City's Monitoring Criteria
- Phase II
- Phase III
- Reopening City Facilities
- Special Event Permits Review
- Options for Consideration
- Reopening Options

The following individuals addressed Council regarding the update:

- Art Babbott
- Matt Ziegler
- Jennifer Grogan

The following comments were received:

- Encouraging Council to adopt policies that would allow for outdoor events.
- Re-opening metrics and how Phase IV metrics are not achievable.
- The impacts of COVID to event planner businesses.

Councilmember Aslan expressed strong support for adhering to CDC recommendations, especially given concerns about emerging COVID-19 variants and the risk of "super-strains." He noted that while outdoor events are safer than indoor ones, caution is still warranted. He also emphasized the importance of vaccination thresholds and the need for data-driven decisions, particularly in light of tourism-related exposure.

Councilmember Shimoni agreed with Councilmember Aslan's cautious stance but felt that outdoor events can safely resume sooner, particularly with a solid reopening plan. He supported a May 15 reopening date for city facilities, suggesting a tiered rollout and adherence to CDC protocols. He also advocated for flexibility and a gradual approach.

Mayor Deasy added that outdoor events still carry risk, citing the Sturgis Motorcycle Rally as a high-profile case. He questioned the reliability of previous data on outdoor events due to inconsistent enforcement or variable factors. Deasy was open to a May reopening but emphasized the importance of maintaining CDC guidance and utilizing a capacity calculator for event permitting.

Councilmember McCarthy focused on vaccination efforts as key to reopening safely. While open to a July 4 target for full reopening, he preferred a more cautious approach, opposing major changes in May. He noted that different types of events should have different capacity thresholds and called for flexibility.

Councilmember Sweet supported Option 2 for event permitting (use of a capacity calculator) and suggested a compromise between Option 1 (stricter limits) and Option 2 to provide event planners with flexibility. She also supported a July 1 removal of the capacity calculator.

Councilmember Salas proposed a blended approach, suggesting a reopening window between May 15 and June 15. She advocated for continuous monitoring of vaccination rates and CDC updates. She also referenced the County Fair and the need for timely decisions due to ongoing vendor applications.

Vice Mayor Daggett also endorsed a hybrid permitting approach and supported a capacity calculator to guide event planning. She raised the need for differentiating food-based events, such as the Farmer's Market, and emphasized the importance of staff capacity and readiness. She agreed to revisit the issue of capacity limits in a few weeks.

City Manager Clifton noted that a final decision regarding the Farmer's Market would need more discussion, and City Attorney Solomon suggested an executive session to address how the city can legally differentiate it from other events.

Councilmembers debated when to eliminate the capacity calculator. Councilmembers McCarthy, Sweet, and Shimoni expressed support for removing it around July 1 or July 4, while Aslan preferred keeping it indefinitely until data supports its removal.

Despite differing views, Council unanimously agreed to immediately adopt the capacity calculator for event permitting, replacing the existing 50-person cap. This consensus allows event organizers more flexibility while still following public health protocols. There was also general agreement to revisit the expiration of the capacity calculator in a special meeting within two weeks.

City Manager Clifton confirmed that City Hall would reopen on May 17, with site-specific plans for other city facilities, including weekend operations. The Council also discussed reopening phases, with the majority in favor of initiating Phase 3 in May.

14. Public Participation

None

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

Councilmember Sweet stated downtown was thriving and mentioned a new business opening.

Mayor Deasy stated Nurses Week was coming up and he would like an appreciation event. He would also like to create videos to highlight staff's work.

Councilmember Shimoni expressed gratitude for meetings with staff regarding the Rio de Flag. He also stated there was a follow up meeting in two or three months in Texas with BNSF.

16. Adjournment

The Work Session of the Flagstaff City Council held April 13, 2021, adjourned at 8:30 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, JUNE 15, 2021
CITY HALL STAFF CONFERENCE ROOM
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Deasy called the meeting of the Flagstaff City Council held June 15, 2021, to order at 3:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. ROLL CALL

Present: Mayor Paul Deasy
Vice Mayor Becky Daggett
Councilmember Austin Aslan
Councilmember Jim McCarthy
Councilmember Regina Salas
Councilmember Adam Shimoni
Councilmember Miranda Sweet

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. PLEDGE OF ALLEGIANCE AND MISSION STATEMENT

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

MISSION STATEMENT

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

4. PUBLIC PARTICIPATION

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

Sustainability Specialist Dylan Lenzen addressed Council on the community gardens. He introduced Summer White Sustainable Food Intern. Ms. White shared information on the program.

Housing Solutions CEO Devonna McLaughlin shared information about homeownership month and

the work that Housing Solutions has done in the community.

Deb Harris submitted a written comment inviting Council to a community meeting hosted by the League of Neighborhoods.

5. PROCLAMATIONS AND RECOGNITIONS

A. **Proclamation:** Pride Month

Mayor Deasy read the proclamation.

6. APPOINTMENTS

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

A. **Consideration of Appointments:** Airport Commission.

Moved by Councilmember Miranda Sweet, **seconded by** Mayor Paul Deasy to appoint Gail Jackson to a term expiring October 2021.

Vote: 7 - 0 - Unanimously

7. LIQUOR LICENSE PUBLIC HEARINGS

Mayor Deasy opened the public hearing on the applications.

Police Sergeant Ryan Turley introduced the four applications.

There being no public comment Mayor Deasy closed the public hearing.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Miranda Sweet to forward the applications to the State with a recommendation of approval.

Vote: 7 - 0 - Unanimously

A. **Consideration and Action on Liquor License Application:** Georgette Hernandez Quintero, "Alejandro's Mexican Food Flagstaff," 6 E. Aspen Avenue #120, Series 12, New Application.

B. **Consideration and Action on Liquor License Application:** H J Lewkowitz, "Chipotle Mexican Grill #3569," 4409 US Highway 89, Series 12, New Application.

C. **Consideration and Action on Liquor License Application:** Ricardo Angulo, "VS Arcade and Grill," 409 S. San Francisco Street, Series 12, New Application.

D. **Consideration and Action on Liquor License Application:** Andrea Dahlman Lewkowitz, "Cracker Barrel #297," 2560 E. Lucky Lane, Series 12, New Application.

8. CONSENT ITEMS

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

Moved by Mayor Paul Deasy, **seconded by** Councilmember Jim McCarthy to approve the Consent Agenda as presented.

Vote: 7 - 0 - Unanimously

A. **Consideration of Appointments:** Presiding Magistrate and On-Call Magistrate for the Flagstaff Municipal Court.

Approve the appointments of Honorable Thomas Chotena as Presiding Magistrate and Honorable Paul Julien as On-Call Magistrate.

B. **Consideration and Approval of Contract:** Purchase of one (1) Bobcat Toolcat Utility Work Machine for Parks trails maintenance and snow operations in the amount of $58,070.72, from Clark Equipment Company, utilizing Sourcewell cooperative purchase contract # 040319-CEC.

1. Approve the purchase of one (1) Bobcat Toolcat Utility Work Machine in the amount of $58,070.72, from Clark Equipment Company, utilizing the Sourcewell cooperative purchase contract # 040319-CEC; and
2. Authorize the City Manager to execute the necessary documents.

C. **Consideration and Approval of Contract:** Construction Manager at Risk Construction Services Contract to Rummel Construction, Inc., for Construction of the Sequence D-Phase I Excavation in the amount of $1,298,649.80.

1. Approve the Construction Manager at Risk Construction Services Contract with Rummel Construction, Inc., for the Construction of Cinder Lake Landfill-Sequence D Phase I Excavation, and execute a Guaranteed Maximum Price (GMP) of $1,298,649.80 (includes an Owner's Contingency of $204,000); and
2. Authorize the City Manager to execute the necessary documents.

D. **Consideration and Approval of Contract:** Professional Engineering Design Services Contract for the Airport Drainage Plan Improvements in the amount of $388,519.

1. Determine Mead & Hunt, Inc, is the most qualified firm based upon responses to the City's Request for Statement of Qualifications (RSOQ), and approve a Professional Engineering Design Services Contract with Mead & Hunt, Inc. for the Airport Drainage Plan Improvements in the amount of $388,519 with a contract time of 365 calendar days; and
2. Authorize the City Manager to execute the necessary documents.

E. **Consideration and Approval of Final Plat**
TLC PC Land Investors LLC requests final plat approval for The Estates at Pine Canyon Pine Run located at 2080 E. Del Rae Dr., a single-family home subdivision on 17.5 acres in the R1 (Single Family Residential) Zone.

Approve the final plat and authorize the Mayor to sign the plat and City Subdivider Agreement when notified by staff that the documents are ready for recording

F. **Consideration and Approval of Final Plat:** Request from JP 325 LLC. for Parcel 1 at Juniper Point Final Plat (PZ-19-00122-03), a 38-unit single-family residential subdivision located at 2000 W. JW Powell Blvd. in the R1 (Single Family Residential) and RR (Rural Residential) zones.

Approve the final plat and authorize the Mayor to sign the plat and City Subdivider Agreement when notified by staff that the documents are ready for recording.

G. **Consideration and Approval of Contract:** Five (5)-year Master Services and Purchasing Agreement with Axon Enterprise, Inc. (formerly known as TASER International) for the Axon Officer Safety Plan, including, the Axon Flex body-worn cameras, Evidence.com License, and TASER 7 equipment in a five (5)-year total amount of $1,003,291.67.

1. Approve the funding of the five (5)-year Master Services and Purchasing Agreement with Axon Enterprise, Inc. for the Axon Officer Safety Plan in the total amount of $1,003,291.67, including, the Axon Flex body-worn cameras, Evidence.com License, and TASER 7 equipment. The first payment, which will be due in FY2021-22, will be in the amount of $124,909.99; the remaining four (4) payments, over the remaining four (4)-years of the contract will be in the amounts of $219,595.42; and
2. Authorize the City Manager to execute all necessary documents.

9. ROUTINE ITEMS

A. **Consideration and Adoption of Resolution No. 2021-26 and Ordinance No. 2021-13:** 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 "Case No. PZ-21-00056 Zoning Code Text Amendment - 2021: Marijuana Uses;" and, an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code, to modify the existing Zoning Code provisions to accommodate medical and recreational marijuana and the associated land uses.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Miranda Sweet to adopt Resolution No. 2021-26.

Vote: 7 - 0 - Unanimously

Moved by Mayor Paul Deasy, **seconded by** Councilmember Miranda Sweet to read Ordinance No 2021-13 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "CASE NO. PZ-21-00056 ZONING CODE TEXT AMENDMENT - 2021: MARIJUANA USES"; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Becky Daggett to adopt Ordinance No 2021-13.

Vote: 7 - 0 - Unanimously

B. **Consideration and Approval of Contract:** Approve the Construction Contract with Jud Co., LLC in the amount of $820,375.50 for the Phoenix Avenue Bridge and Waterline Replacement Project.

Capital Improvements Engineer Trevor Henry provided a PowerPoint presentation that covered the following:

CONSIDERATION OF APPROVAL OF CONSTRUCTION PROJECT
VICINITY MAP
PHOENIX AVE. BRIDGE & WATERLINE
QUESTIONS

Mr. Clifton stated that while future Rio de Flag improvements may reduce the need for current drainage work, those improvements are still five to eight years away. He added that staff explored delaying the project but found no viable alternatives. He emphasized that the existing bridge is at the end of its lifespan, and closing the road was not feasible due to its impact on nearby businesses. He

stated that extensive research confirmed the project's necessity.

Moved by Councilmember Jim McCarthy, **seconded by** Mayor Paul Deasy approve the Construction Contract with Jud Co., LLC in the amount of $820,375.50, which includes a $57,235.50 Contract Allowance which is 7.5% of the lowest responsive bid, and a contract time of 155-calendar days, approve Administrative Change Order Authority to the City Manager in the amount of $76,314.00 (10% of the contract amount, less the Contract Allowances), and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

10. PUBLIC HEARING ITEMS

A. Consideration and Adoption of Resolution No. 2021-32 and Ordinance No. 2021-16: 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 "PZ-21-00066 Updates to Zoning Code 2021 -- Accessory Dwelling Unit and Accessory Structure Encroachments Requirements;" and, an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code, to modify the existing Accessory Dwelling Unit and Accessory Structure Encroachment Requirements.

Mayor Deasy opened the public hearing.

Zoning Code Manager Dan Symer provided a PowerPoint presentation that covered the following:

ACCESSORY DWELLING UNITS AND ACCESSORY STRUCTURE ENCROACHMENT REQUIREMENTS
CITY'S PROPOSED ZONING CODE TEXT AMENDMENT
TYPES OF ACCESSORY DWELLING UNITS
OVERVIEW OF PROPOSED AMENDMENT
STAFF RECOMMENDATION

Councilmember Shimoni recommended removing the minimum size requirement and increasing the maximum size to 800 sq. ft. to improve ADU livability. Mr. Symer explained current limitations and code requirements.

Mayor Deasy supported both removing the minimum and increasing the maximum to allow flexibility for options like tiny homes or in-law suites.

Vice Mayor Daggett expressed support for Councilmember Shimoni's amendment.

Councilmember McCarthy raised concerns about ADUs being too close to property lines, especially with second-floor windows, but supported eliminating the minimum size. Mr. Symer clarified setback and encroachment provisions and noted that staff could refine the language for clarity.

There being no further comment, Mayor Deasy closed the public hearing.

Moved by Councilmember Adam Shimoni, **seconded by** Mayor Paul Deasy to read Resolution No. 2021-32 by title only with the amendment to remove the minimum lot size requirement and increasing the maximum size to 800 square feet.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "CASE NO. PZ-21-00066 UPDATES TO ZONING CODE 2021 -- ACCESSORY DWELLING UNIT AND ACCESSORY STRUCTURE ENCROACHMENTS REQUIREMENTS" AS AMENDED

Moved by Councilmember Adam Shimoni, **seconded by** Mayor Paul Deasy to read Ordinance No 2021-16 by title only for the first time with the amendment to remove the minimum size requirement

and increasing the maximum size to 800 square feet.
Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "CASE NO. PZ-21-00066 UPDATES TO ZONING CODE 2021 -- ACCESSORY DWELLING UNIT AND ACCESSORY STRUCTURE ENCROACHMENTS REQUIREMENTS"; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE AS AMENDED

B. **Consideration and Adoption of Resolution No. 2021-33 and Ordinance No. 2021-17**: 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 "Case No. PZ-19-00123 Updates to Zoning Code 2019 -- Neighborhood Community Commercial;" and, an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code, to modify the Zoning Code to include a new zone called Neighborhood Community Commercial (NCC).

Mayor Deasy opened the public hearing.

Zoning Code Manager Dan Symer provided a PowerPoint presentation to Council that covered the following:

NEIGHBORHOOD COMMUNITY COMMERCIAL (NCC) ZONE
REASON FOR THE PROPOSED ZONING CODE TEXT AMENDMENT
MAPS
PROPOSED ZONING CODE AMENDMENT

The following individuals addressed Council regarding the creation of the Neighborhood Community Commercial zone:

Marilyn Weissman, Friends of Flagstaff's Future

- Alicyn Gitlin
- Tyler Denham
- Steve Finch, Flagstaff Lodging, Tourism, and Restaurant Association

The following comments were received:

- Supports creation of Neighborhood Community Commercial (NCC) zoning.
- Retaining 60-foot height limits overextends infrastructure, water, and traffic capacity and disrupts neighborhood character.
- Growth should align with limited water and transportation resources.
- Taller buildings could be acceptable only if sprawl is reduced and density limited on the outskirts, occupancy is limited to long-term residents, "by-the-bed" rentals are prohibited, and height increases are tied to affordability requirements.
- NCC gives neighborhoods more control by allowing height reductions at their request.
- Without outer density limits or affordability requirements, increased height worsens water and traffic strain.
- The NCC concept arose from community concerns following large-scale projects like The Hub; it does not rezone property automatically.
- Moderate heights maintain neighborhood scale and reduce car reliance.
- Infill development helps reduce traffic and emissions; limiting it drives sprawl and higher resource use.
- Question the need for a zoning change, suggesting voluntary community land trusts instead.
- Overly restrictive zoning could trigger Prop 207 claims regarding property rights.
- The city faces a housing shortage; height reductions hinder the ability to meet demand.
- Increasing density near downtown and campus supports walking, biking, and carbon-neutrality

goals.
- Expanding housing supply is key to reducing cost of living.
- Historic preservation should be achieved through official registration, not zoning restrictions.
- As a landlocked city, Flagstaff must allow vertical growth to avoid constrained development and lost revenue.
- Maintaining Flagstaff's heritage and character is important, but must be balanced with housing and sustainability needs.

Jessica Hartsell submitted a written comment in opposition to the creation of the Neighborhood Community Commercial zone.

Councilmember McCarthy spoke about how the creation of the new zone will not change anything, and the implementation of the zone will be a different discussion.

Councilmember Shimoni commented that he is struggling with moving forward with 45 ft. zones. He asked Mr. Symer if a student-focused housing development with four plus rooms could be built in Flagstaff today. Mr. Symer stated that the HOH land use is allowed in many zones and there are regulations where the zone is allowed to be that many rooms and bedrooms. There are location requirements pertaining to them. Councilmember Shimon expressed concern that another student housing complex like the HUB or The Standard cannot be built today. When the HOH plan was adopted, the percentage of large bedroom developments was reduced. He stated that the community needs to be developed vertically.

Vice Mayor Daggett asked if within the zone there are single family homes that could end up next to a 60 foot building. Mr. Symer responded that the NCC zone is capped at 45 feet, but that you can request a Conditional Use Permit, so yes, that could happen.

Councilmember Salas stated that she is concerned about adopting the amendment today since it has not been vetted through the community and neighborhood associations. She added that she would vote no on this resolution.

Councilmember Sweet stated that she is struggling with this as well and would like more community input.

Councilmember McCarthy stated that he will support this tonight since it just allows for the option of changes. He added that Council will get community input before any rezoning.

Mayor Deasy added that this is a tool for the tool-kit and is a larger discussion that needs to be had.

There being no further comment, Mayor Deasy closed the public hearing.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Adam Shimoni to read Resolution No 2021-33 by title only for the first time.

Vote: 6 - 1

NAY: Councilmember Regina Salas

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "CASE NO. PZ-19-00123 UPDATES TO ZONING CODE 2019 -- NEIGHBORHOOD COMMUNITY COMMERCIAL (NCC)"

Moved by Councilmember Jim McCarthy, **seconded by** Mayor Paul Deasy to read Ordinance No 2021-17 by title only for the first time.

Vote: 6 - 1

NAY: Councilmember Regina Salas

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE

FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "CASE NO. PZ-19-00123 UPDATES TO ZONING CODE 2019 -- NEIGHBORHOOD COMMUNITY COMMERCIAL (NCC)"; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

C. **Public Hearing:** Fiscal Year 2021-2022 Budget and Property Tax Levy

Mayor Deasy opened the public hearing.

Finance Director Brandi Suda provided a PowerPoint presentation to Council that covered the following:

BUDGET TIMELINE
LEGAL SCHEDULE A
FY 21-22 APPROVED CAAP REQUESTS PRESENTED BY SUSTAINABILITY DIRECTOR NICOLE ANTONOPOULOS
CLIMATE RELATED APPROVED REQUESTS
PROPOSED PROPERTY TAX
PROPERTY TAX RATE HISTORY
PROPERTY ASSESSED VALUES
CITY PROPERTY TAX IMPACT

Councilmember Salas asked Ms. Suda for clarification on the approved budget request related to the Climate Action and Adaptation Plan. Ms. Suda stated that it is the combination of both climate and equity, and climate only.

There being no further comment, Mayor Deasy closed the public hearing.

Mayor Deasy convened into a Special Meeting.

11. SPECIAL MEETING

A. **Consideration and Adoption of Resolution No. 2021-28:** A resolution of the Council of the City of Flagstaff, Arizona, adopting the Budget for the City of Flagstaff for Fiscal Year 2021-2022.

Justin Inglis from the Flagstaff Trails Initiative (FTI) requested that $5,000 to $10,000 of discretionary funds be used for trail initiatives.

Mayor Deasy called a break at 4:43 p.m. through 4:56 p.m.

Human Resources Director Jeanie Gallagher provided a PowerPoint presentation to Council that covered the following:

FY 21-22 BUDGET COMPENSATION DATA
BACKGROUND
TRANSITION SOLUTIONS
TRANSITION SOLUTIONS (CONTINUED)
WHO IS BENEFITTING?
REGULAR PAY PLAN BREAKDOWN

Mayor Deasy and several councilmembers thanked the Employee Advisory Committee (EAC), employees, and staff for their work on the compensation plan. Mr. Clifton noted upcoming work on a new step plan for multi-skilled Water Services workers, with results to be reported in the coming months.

Councilmember McCarthy asked about the Police Department pay increases, and Ms. Gallagher explained that market adjustments were made last year and that the new plan supports recruitment and retention. Councilmember McCarthy also emphasized diversity in recruitment.

Councilmember Shimoni proposed a $5,000 allocation each to FTI and Flag Bike Party for accident victims, but Mayor Deasy preferred to table the discussion for a full review, including legal advice on the fund's use. Mr. Clifton and City Attorney Solomon agreed to schedule an executive session for further guidance before the break.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Miranda Sweet to read Resolution 2021-28 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA ADOPTING THE BUDGET FOR THE CITY OF FLAGSTAFF FOR FISCAL YEAR 2021-2022.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Jim McCarthy to adopt Resolution No. 2021-28.

Vote: 7 - 0 - Unanimously

Mayor Deasy reconvened the Regular Meeting.

12. REGULAR AGENDA

A. Consideration and Adoption of Ordinance No. 2021-14: An ordinance levying upon the assessed valuation of the property within the City of Flagstaff, Arizona, subject to taxation a certain sum upon each one hundred dollars ($100.00) of valuation sufficient to raise the amount estimated to be required in the Annual Budget, less the amount estimated to be received from other sources of revenue; providing funds for various bond redemptions, for the purpose of paying interest upon bonded indebtedness and providing funds for general municipal expenses, all for the Fiscal Year ending the 30th day of June 2022. **(Primary and secondary property tax levies for FY 2021-2022)**

Moved by Councilmember Jim McCarthy, **seconded by** Vice Mayor Becky Daggett to read Ordinance No. 2021-14 by title only for the first time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF FLAGSTAFF, ARIZONA, SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS ($100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2022

B. Consideration and Adoption of Ordinance No. 2021-15: An ordinance of the City Council of the City of Flagstaff, authorizing the acquisition of real property for the Lone Tree Overpass Project; providing for delegation of authority, subsequent council approvals, severability, and establishing an effective date

Real Estate Manager Bryce Doty provided a PowerPoint presentation that covered the following:

DESIGN MAP
PARCEL MAP
TIMELINE

Moved by Councilmember Jim McCarthy, **seconded by** Mayor Paul Deasy to read Ordinance No. 2021-15 by title for the first time with Option 2.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AUTHORIZING THE ACQUISITION OF REAL PROPERTY FOR THE LONE TREE OVERPASS PROJECT; PROVIDING FOR DELEGATION OF AUTHORITY, SUBSEQUENT COUNCIL APPROVALS, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

C. **Consideration and Adoption of Resolution No. 2021-31:** Consideration of an Intergovernmental Agreement (IGA) between the City of Flagstaff and the Arizona Board of Regents, for and on behalf of, Northern Arizona University (NAU) to share resources, information, and proportional costs for continued operation of a Public Safety Radio System.

Mayor Deasy recused himself from this discussion due to a conflict of interest.

Deputy Police Chief Frank Higgins explained that the new IGA will allow the City of Flagstaff and NAU to continue a partnership to share resources, information, and costs of operation which has existed for the past ten years. This partnership has benefited the City of Flagstaff by allowing the Police, Fire, and Public Works Divisions the use of NAU's radio system backbone infrastructure. In exchange, the IGA authorizes NAU continued access to the Hexagon Safety & Infrastructure Computer Aided Dispatch, Records Management System, and Jail Management System, that are jointly owned by the City of Flagstaff and Coconino County.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Adam Shimoni to read Resolution 2021-31 by title only.

Vote: 6 - 0

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, NORTHERN ARIZONA UNIVERSITY (NAU) TO SHARE RESOURCES, INFORMATION, AND PROPORTIONAL COSTS FOR CONTINUED OPERATION OF A PUBLIC SAFETY RADIO SYSTEM

Moved by Councilmember Adam Shimoni, **seconded by** Councilmember Miranda Sweet to adopt Resolution 2021-31.

Vote: 6 - 0

D. **Consideration and Adoption of Resolution No. 2021-35:** A resolution approving a Binding Waiver of Enforcement between the City of Flagstaff and Northgate Holdings, LLC related to properties owned by Northgate generally located north of Ellery Avenue and south of Dupont Avenue on South San Francisco Street.

Senior Assistant City Attorney Christina Rubalcava provided a PowerPoint presentation that covered the following:

BACKGROUND
MAP OF NORTHGATE PROPERTIES
OVERVIEW OF PROP 207
BINDING WAIVER OF ENFORCEMENT

Moved by Councilmember Jim McCarthy, **seconded by** Mayor Paul Deasy to read Resolution 2021-35 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING A BINDING WAIVER OF ENFORCEMENT BETWEEN THE CITY OF FLAGSTAFF AND NORTHGATE HOLDINGS, LLC, RELATING TO ASSESSOR PARCEL NUMBERS 103-15-023, 103-15-024, 103-15-025, 103-15-

026, 103-15-002, AND 103-15-003, GENERALLY LOCATED NORTH OF ELLERY AVENUE AND SOUTH OF DUPONT AVENUE ON SOUTH SAN FRANCISCO STREET WITHIN THE CORPORATE LIMITS OF THE CITY OF FLAGSTAFF

Moved by Councilmember Jim McCarthy, **seconded by** Mayor Paul Deasy to adopt Resolution 2021-35.

Vote: 7 - 0 - Unanimously

E. **Consideration and Adoption of Resolution No. 2021-34:** A resolution adopting the Flagstaff Carbon Neutrality Plan

Sustainability Director Nicole Antonopoulos provided a PowerPoint presentation that covered the following:

MOVING FORWARD
OUR ACTION PLAN
NEXT STEPS

Sam Meier expressed support for the plan.

Rachel Ellis, Board Member of Friends of Flagstaff's Future, expressed support for the plan.

Steve Finch stated he was opposed to the plan until a meeting is held to get input from the business community and stated that 2030 is too aggressive.

Bastien Andruet spoke about the housing emergency and balancing carbon neutrality.

Claudia Sangster submitted a written comment in opposition to the Carbon Neutrality Plan.

Council expressed strong support and gratitude for staff and public efforts on the plan, acknowledging the hard work involved and ahead.

Councilmember Salas raised concerns about involvement of Homeowner's Associations, the vilification of natural gas, the cost of climate goals, and called for more dialogue to create a realistic plan.

Mayor Deasy highlighted the plan's long development, widespread involvement, and emphasized that it is a framework that will continue evolving with community and business input.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Adam Shimoni to read Resolution 2021-34 by title only.

Vote: 6 - 1

NAY: Councilmember Regina Salas

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, ADOPTING THE CARBON NEUTRALITY PLAN

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Jim McCarthy to adopt Resolution 2021-34.

Vote: 6 - 1

NAY: Councilmember Regina Salas

F. **Consideration and Approval:** Canceling of the August 17, 2021 Regular Meeting and the August 31, 2021 Work Session.

City Clerk Stacy Saltzburg explained the need to cancel two meetings due to upgrades in Council Chambers and to receive training on the new equipment. She proposed to hold the next meeting on

August 24, 2021.

Moved by Councilmember Jim McCarthy, **seconded by** Vice Mayor Becky Daggett to cancel the August 17, 2021 Regular Council Meeting and the August 31, 2021 Work Session.

Vote: 7 - 0 - Unanimously

13. COUNCIL LIAISON REPORTS

Councilmember Sweet stated she attended the recent Beautification and Public Arts Commission meeting where there were discussions on new art at the airport and the Downtown Library.

Councilmember Shimoni reported that the CJCC held a retreat last week to develop a strategic plan, which will be available for public review. He also noted that the Indigenous Commission discussed a land acknowledgment and expressed excitement about the ongoing conversation.

Mayor Deasy provided a reported on the recent Public Safety Personnel Retirement System Board meetings.

14. FUTURE AGENDA ITEM REQUESTS

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

A. **Future Agenda Item Request (F.A.I.R.)** A Citizens' Petition regarding lack of safe and accessible bicycle and pedestrian infrastructure in Flagstaff

Scott Heinsius introduced the petition and explained the need for improved infrastructure in Flagstaff.

The following individuals addressed Council in support of the petition:

- Ryan Drendel
- Sarah Andrews
- Alicyn Gitlin
- Shawna Heinsius
- Jason Hasenbank
- Jordan Williams
- Nicholas Jones
- Sasha Fernandez
- Mason Wiggins
- John Dailey

Written comments in support of the petition were submitted by the following individuals:

- Blake Scott
- Laura Nie
- Robert Collis
- Bill Miller
- Ed Schenk

Councilmember Shimoni advocated for shifting focus from car lanes to bike and mass transit lanes, highlighting challenges faced by bike commuters. He called for executive and public sessions on Prop 419 funding and emphasized the need to "right-size" roads.

There was requisite Council support to advance the item to a future agenda for discussion.

B. **Future Agenda Item Request (F.A.I.R.):** A request by Councilmember Salas to place on a future agenda a discussion about reviewing and possibly amending the 2021 Commemorative Flag

schedule to designate flags for July and August.

Councilmember Salas withdrew her FAIR item.

C. **Future Agenda Item Request (F.A.I.R.):** A request by Councilmember Aslan to place on a future agenda a discussion about the addition of a "Land Acknowledgement" in the City Council Rules of Procedure, to be read during the agenda's PLEDGE OF ALLEGIANCE AND MISSION STATEMENT section.

Councilmember Aslan spoke about why he requested the item and shared the suggested language.

There was requisite Council support to advance the item to a future agenda for discussion.

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

Vice Mayor Daggett stated that the High Country Humane and the other shelters are very full, she asked the community to consider adopting an animal.

Councilmember Shimoni requested a future agenda item to have a discussion on Council discretionary funds in the next month. He stated there was an invitation for the League of Neighborhoods meeting for later in June.

16. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held June 15, 2021, adjourned at 7:38 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on June 15, 2021. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL COMBINED WORK
SESSION / SPECIAL MEETING
TUESDAY, JUNE 29, 2021
CITY HALL STAFF CONFERENCE ROOM
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Deasy called the Work Session held June 29, 2021, to order at 3:03 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. Pledge of Allegiance and Mission Statement

The Council and attendees recited the pledge of allegiance and Councilmember McCarthy read the Mission Statement of the City of Flagstaff.

MISSION STATEMENT

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

3. ROLL CALL

Present: Mayor Paul Deasy
Vice Mayor Becky Daggett
Councilmember Austin Aslan
Councilmember Jim McCarthy
Councilmember Regina Salas
Councilmember Adam Shimoni
Councilmember Miranda Sweet

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

4. Public Participation

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

None

5. Review of Draft Agenda for the July 6, 2021 City Council Meeting

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

None

6. Elevate Pre-K Progress Update

Rebecca Cirzan, Northern Arizona Regional Lead for the Association for Supportive Child Care and Scott Pettitt from the Wharton Foundation provided a PowerPoint presentation that covered the following:

AGENDA
ELEVATE PRE K HISTORY
THREE PART STRATEGY
GOAL 1: HIGH QUALITY
GOAL 2: INCREASED ACCESS
GOAL 3: SUSTAINABILITY
COLLECTIVE IMPACT PARTNERS
ACCOMPLISHMENTS AND NEXT STEPS
COVID RESPONSE
POST-COVID: CHILD CARE IS ESSENTIAL TO A RETURNING WORKFORCE
OPPORTUNITIES WITH THE AMERICAN RESCUE ACT
MOVING FORWARD

Councilmember Shimoni expressed support for the program, and suggested involving City Commissions. He requested financial details, to which Ms. Cirzan responded that $1 million over three years would expedite the pilot project, with another $500,000 anticipated for partnership and family support efforts. She emphasized the importance of planning with Council input.

Council expressed strong support, emphasizing the connection between childcare, education, and workforce development.

7. Beulah/University Roadway Project - 60% Design Review

Capital Improvements Project Manager David Pedersen, City Engineer Rick Barrett, and Multimodal Transportation Project Manager Martin Ince provided a PowerPoint presentation that covered the following:

MAPS
THE DESIGN TEAM
BEULAH BLVD -- SOUTHERN SECTION 1
BEULAH BLVD -- SOUTHERN SECTION 2
ROUNDABOUT
WEST UNIVERSITY AVENUE
WEST UNIVERSITY AVENUE (NEW)
UNIVERSITY DRIVE
SOUTH YALE STREET
UNIVERSITY AVENUE (CURRENT)
PEDESTRIAN UNDERPASS
RECENT DISCUSSIONS
BEULAH BLVD -- SOUTHERN SECTION 1
BEULAH BLVD -- SOUTHERN SECTION 2

Councilmember Sweet asked if the bike lanes are separated. Mr. Pedersen said they are currently on-street and requested Council direction, especially for the new Beulah extension.

Councilmember Aslan advocated for off-street bike lanes on all future projects and suggested

converting the Milton/University intersection into a roundabout. Staff responded that while a roundabout was considered, it would require extensive property acquisition and has not been formally studied.

Councilmember Shimoni inquired about Milltown access, tunnel placement, and pedestrian traffic flow. Mr. Ince explained the tunnel's northside placement aimed to minimize property impacts. Councilmember Shimoni emphasized designing the roundabout with pedestrian experience in mind and asked about the involvement of the Bicycle and Pedestrian Advisory Committees, which Mr. Ince confirmed.

Councilmembers Aslan, Sweet, and Mayor Deasy all expressed concerns about access to the tunnel from all four corners, high speeds, and the potential for six traffic lanes.

Overall, Councilmembers supported prioritizing pedestrian and bicycle access, reducing speeds, and ensuring an inclusive roundabout design.

A break was called at 4:43 p.m. through 4:55 p.m.

8. Zoning Code parking location requirements for recreational vehicles, trailers and boats on residential lots

Zoning Code Manager Dan Symer provided a PowerPoint presentation that covered the following:

WORK SESSION OBJECTIVES
CITY COUNCIL QUESTIONS: DOES THE CITY COUNCIL DESIRE TO AMEND THE EXISTING VEHICLE(S) AND TRAILER(S) PARKING REGULATIONS TO ALLOW VEHICLE(S) AND TRAILER(S) TO BE PARKED ON A DRIVEWAY AND WITHIN 10 FEET OF THE DRIVEWAY IN THE FRONT YARD?
BACKGROUND
CONSIDERATIONS
CITY COUNCIL QUESTIONS: DOES THE CITY COUNCIL DESIRE TO AMEND THE EXISTING VEHICLE(S) AND TRAILER(S) PARKING REGULATIONS TO ALLOW VEHICLE(S) AND TRAILER(S) TO BE PARKED ON A DRIVEWAY AND WITHIN 10 FEET OF THE DRIVEWAY IN THE FRONT YARD?

Community Development Director Dan Folke spoke about the history of the zoning code and the complications that surround the issue.

Mac McGeary addressed Council on some of the issues he has faced with recreational vehicles parked on street. He suggested a cap of two months a year for vehicles to be parked in the street.

Councilmember McCarthy noted RVs are similar to small homes and sees it as a planning issue. He is hesitant to change the existing five-day parking rule.

Councilmember Shimoni supported having a conversation, especially due to RVs blocking bike lanes.

Vice Mayor Daggett, Councilmembers Sweet, and Salas supported further discussion, with interest in limiting street parking to five days and allowing RVs in driveways.

Councilmember Aslan supported removing street parking rights for large vehicles and limiting parking to driveways.

Mayor Deasy also supported using private driveways for RVs and trailers, preferring fewer restrictions overall.

Mr. Folke clarified that RV street parking is not a zoning code issue but can still be addressed by Council. Staff handles abandoned/inoperable vehicle complaints and encourages movement of long-parked vehicles.

Council agreed to continue discussions on RV and large vehicle street parking at a future meeting.

9. Potential Local Campaign Finance Ordinance

City Attorney Sterling Solomon asked Council if there is interest in pursuing a local campaign finance ordinance to limit "dark money" in local elections. He explained that if four councilmembers support the idea, he can begin researching and possibly present a draft ordinance at the next meeting.

Mayor Deasy clarified the ordinance would apply only to local elections and supported placing it on a future agenda.

Councilmember McCarthy raised questions about contributions from entities like the Chamber of Commerce and supported further discussion.

There was a consensus to move the item forward for further discussion.

10. COVID Update - Return to in person Council meetings

Deputy City Manager Shannon Anderson provided a PowerPoint presentation that covered the following:

AGENDA
RECENT COVID DATA
NEW HYBRID MEETING OPTION
COUNCIL RULES OF PROCEDURE
DISCUSSION
CCHHS: COVID-19 WEEKLY CASES
CCHHS: HOSPITAL ADMISSIONS
CCHHS: COVID-19 RELATED DEATHS
CCHHS: COMMUNITY TRANSMISSION
CCHHS: COMMUNITY VACCINATION
NAH: HOSPITAL CENSUS
NEW HYBRID MEETING OPTION
COUNCIL RULES OF PROCEDURE
DISCUSSION

Councilmember Sweet suggested gathering public feedback on meeting times.

Councilmember Salas asked IT to confirm readiness for hybrid meetings by August 24th and prefers having one consistent meeting time.

Vice Mayor Daggett questioned earlier start times now that public participation can happen virtually but agreed with the one-time format.

Councilmember McCarthy supported starting routine items at 3:00 p.m. and regular/work sessions at 5:00 p.m., opposing 6:00 p.m. starts.

Councilmember Aslan supported earlier start times and emphasized scheduling high-interest items at convenient times for the public. He also supported one consistent meeting time.

Councilmember Shimoni was open to earlier times but expressed concern about working hours. He requested that commission meetings be streamed and archived again.

Councilmember McCarthy suggested all meetings start at 3:00 p.m., which would require a rules of procedure amendment. Council requested this be agendized.

11. Adjournment

The Work Session held June 29, 2021, adjourned at 6:08 p.m.

SPECIAL MEETING

1. Call to Order

Mayor Deasy called the Special Meeting held June 29, 2021, to order at 6:08 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. Consideration and Possible Authorization: For the use of Council Initiative Fund

City Manager Clifton gave a brief overview of the discretionary fund.

Mayor Deasy supported allocating $5,000 to $10,000 to Flagstaff Trails Initiative (FTI) and directing the remaining funds to organizations aiding mental health services.

Councilmember McCarthy preferred addressing funding requests separately and was hesitant to fund FTI due to timing, though he supports mental health organizations. He also felt such requests should have been raised during the budget retreat.

Mr. Clifton noted ongoing support for United Way, which distributes funds, and mentioned prior FTI funding last year; he also noted growing needs for High Country Humane.

Councilmember Shimoni expressed concerns about funding Terros, preferring funds go toward Fourth Street pop-up urbanism and bike safety signage.

Management Services Director Rick Tadder explained procurement rules for amounts over $5,000 and noted that FTI was funded through United Way last year.

Justin Inglis from FTI addressed Council and spoke in favor of funding FTI.

Stacy Stumpf submitted written comments in support of FTI.

Councilmember Salas supported at least $5,000 for FTI.

Councilmember Aslan recommended $5,000--$10,000 for FTI and the rest for mental health support, suggesting the fund be reviewed two -- three times annually and calling for improved processes on discretionary spending.

Mr. Clifton emphasized that while more structure could be added to the $25,000 fund, it is designed to allow quicker decisions for unforeseen needs and to encourage a wider range of requests.

Council thanked staff and each other for understanding the use of the funds and the projects that may come forward for it.

Council directed staff to provide $7,500 of funding to FTI and $17,500 for mental health services.

3. Public Participation

None

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

Councilmember Aslan stated he sent in an email requesting a future agenda item on draft language for a resolution for the Endangered Species Act.

Councilmember Salas stated she made some connections and has ideas on workforce development from a recent conference.

Councilmember Shimoni reported that the Alternative Response Group met to discuss an RFP for a new detox center. He highlighted recent efforts related to sandbagging and the Raphael Fire. He mentioned attending the Lowell Observatory groundbreaking and a Neighborhood Association meeting, emphasizing the importance of incorporating neighborhood needs into CDBG plans. He also announced an upcoming town hall to discuss the new Arizona Rehab Center, which will offer detox services and residency.

Mayor Deasy thanked the community for flood mitigation and Raphael Fire efforts.

5. Adjournment

The Special Meeting of the Flagstaff City Council held June 29, 2021, adjourned at 7:13 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on June 29, 2021. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, JULY 6, 2021
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Deasy called the meeting of the Flagstaff City Council held July 6, 2021, to order at 3:01 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. ROLL CALL

Present: Mayor Paul Deasy
Vice Mayor Becky Daggett
Councilmember Austin Aslan
Councilmember Jim McCarthy
Councilmember Regina Salas
Councilmember Adam Shimoni
Councilmember Miranda Sweet

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. PLEDGE OF ALLEGIANCE AND MISSION STATEMENT

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

MISSION STATEMENT

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

4. PUBLIC PARTICIPATION

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

None

5. APPOINTMENTS

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

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

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to appoint Anthony Garcia for a term expiring June 2024.

Vote: 7 - 0 - Unanimously

Moved by Mayor Paul Deasy, **seconded by** Councilmember Adam Shimoni to appoint Tina Zecher for a term expiring June 2024.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Adam Shimoni, **seconded by** Mayor Paul Deasy to appoint Matt McGrath for a term expiring June 2024.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Regina Salas, **seconded by** Mayor Paul Deasy to appoint Carla McCord for a term expiring June 2022.

Vote: 7 - 0 - Unanimously

6. CONSENT ITEMS

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

Moved by Mayor Paul Deasy, **seconded by** Councilmember Jim McCarthy to approve the Consent Agenda as presented.

Vote: 7 - 0 - Unanimously

A. **Consideration and Approval of Final Plat:** Request from Rhino Holdings Flagstaff LLC for Sears Redevelopment Final Plat (PZ-21-00025-02), a commercial subdivision containing three (3) lots located at 4800 N. Highway 89 in the HC (Highway Commercial) zone.

Approve the final plat and authorize the Mayor to sign the plat and City Subdivider Agreement when notified by staff that the documents are ready for recording.

B. **Consideration and Approval of Cooperative Purchase Contract:** Purchase of All-Risk Velocity Fire Engine from Hughes Fire Equipment, Inc. in the amount of $749,343.27.

1. Approve the cooperative purchase contract of a new Pierce Manufacturing, Inc. All-Risk Velocity Fire Engine in the amount of $749,343.27 from Hughes Fire Equipment, Inc. through a cooperative purchase contract with the City of Mesa; and
2. Authorize the City Manager to execute the necessary documents.

C. **Consideration and Approval of Contract:** Water Loading Station Installation and Maintenance Contract with Flowpoint Environmental Systems, Inc.

1. Approve the Water Loading Station Installation and Maintenance Contract with Flowpoint Environmental Systems, Inc., in the amount of $73,528.97, plus applicable tax, $6,000.00 annually for software maintenance, and time and materials for hardware maintenance; and
2. Authorize the City Manager to execute the necessary documents.

D. **Consideration and Approval of the Cooperative Purchase Contract:** Beta Public Relations, LLC in the amount of $55,807.24 for public outreach services during the construction of the Coconino Estates Improvements Phase II Project.

1. Approve the Cooperative Purchase Contract with Beta Public Relations, LLC in the amount of $55,807.24 and a contract duration of 540-calendar days; and
2. Authorize the City Manager to execute the necessary documents.

E. **Consideration and Approval of Final Plat:** Case No. PZ-15-00115-17, VP 66 & Woody Mountain, LLC requests Final Plat approval for Timber Sky Phase 2 Final Block Plat, a subdivision consisting of six (6) blocks, three (3) tracts, and rights-of-way on 120 acres, located at 3425 W Route 66 in the R1, Single-Family Residential zone, the MR, Medium Density Residential zone and Public Open Space (POS) zone.

Approve the final plat and authorize the Mayor to sign both the final plat and the City/Subdivider Agreement when notified by staff that all documents are ready for signature and recordation.

F. **Consideration and Approval of Contract:** Purchase of an Aardvark Tactical small chassis robot in the amount of $63,855, with 100% funding from U.S. Department of Homeland Security (DHS) through AZ Department of Homeland Security and the Northern Arizona Metro Board.

1. Approve the Contract with Aardvark Tactical in the amount of $63,855. Where $20,000 was awarded by the AZ Department of Homeland Security and the remaining $43,855 was awarded and approved by the local Metro Board toward the purchase of this robot; and
2. Direct the City Manager to complete the necessary documents.

G. **Consideration and Approval of Contract:** Contract with Eurofins Eaton Analytical, LLC, Bio-Aquatic Testing, Inc., and TestAmerica Laboratories, Inc. for laboratory testing of water, wastewater, sludge, and soil samples - not to exceed $132,244.

1. Approve contracts with the following three laboratories: Eurofins Eaton Analytical, LLC, Bio-Aquatic Testing, Inc., and TestAmerica Laboratories, Inc. Each contract will be for an initial term of three years and each contract will include two annual extensions upon mutual agreement.
2. Authorize the City Manager to execute all necessary documents.

H. **Consideration and approval of Grant Agreement:** To the U.S. Department of Justice, through the Arizona Criminal Justice Commission, for the Edward Byrne Justice Assistance Grant funds in the amount of $283,494.00 for the Northern Arizona Street Crimes Task Force (METRO unit).

Approve the acceptance of the grant from the U.S. Department of Justice, through the Arizona Criminal Justice Commission, Edward Byrne Justice Assistance Grant funds in the amount of $283,494.00 for FY2022.

I. **Consideration and Approval of Grant Agreement:** State of Arizona 911 grant for Coconino County GIS project.

Approve the Grant Agreement with AZ State 911 Office for the Datamark GIS project for grant funds in the amount of $133,624.27 which will pay for the project in full.

J. **Consideration and Approval of Grant Agreement:** Arizona 911 Grant Agreement between Arizona Department of Administration and the City of Flagstaff acting as System Administrator for Coconino County.

Approve the acceptance of the grant from the Arizona Department of Administration Office in the amount of $533,943 for the 911 budget for Coconino County FY2021-2022.

K. **Consideration and Approval of Multiple Contracts:** On-Call Legal Services Contracts.

Award contracts for "On-Call Legal Services" to the following eight (8) firms, and authorize the City Manager to execute the necessary documents:

1. Coppersmith Brockelman;
2. Dickinson Wright;
3. Gust Rosenfeld;
4. Hufford, Horstman, Mongini, Parnell and Tucker;
5. Jackson Lewis;
6. Jones, Skelton and Hochuli;
7. Struck Love Bojanowski and Acedo;
8. TSL Law Group

7. ROUTINE ITEMS

A. **Consideration and Adoption of Resolution No. 2021-32 and Ordinance No. 2021-16:** 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 "PZ-21-00066 Updates to Zoning Code 2021 -- Accessory Dwelling Unit and Accessory Structure Encroachments Requirements;" and, an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code, to modify the existing Accessory Dwelling Unit and Accessory Structure Encroachment Requirements.

Councilmember McCarthy clarified that rear setbacks for homes are defined by the zoning of a property and noted that the proposed update would reduce those setbacks. He inquired of Zoning Code Manager Dan Symer whether the public had been given the opportunity to provide input and what outreach efforts had been made. Mr. Symer responded that there had been two public work sessions, two newspaper advertisements, and additional public outreach conducted by staff.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Adam Shimoni to adopt Resolution No. 2021-32, with an amendment prohibiting windows on the rear elevation of Accessory Dwelling Units.

Councilmember McCarthy explained that while windows on the sides and front would still be allowed, this restriction would help address privacy concerns, specifically, the impact of having windows as close as five feet to a neighboring property line.

Mr. Symer clarified that the proposed amendment would apply to ADUs that encroach into the zone's standard setback, specifically stating that no windows would be allowed on the rear elevation in such cases. Councilmember McCarthy confirmed that intent and reiterated that the restriction would only apply when ADUs are built within the reduced setback, and would not affect window placement on the sides or front of the units.

Councilmember Shimoni expressed that he had some concerns with the amendment but appreciated Councilmember McCarthy's perspective.

Vice Mayor Daggett stated that while she understood the concern, she preferred not to add further restrictions to the proposed regulations.

Mayor Deasy commented that he did not see rear windows as a significant privacy issue and voiced his

opposition to the amendment.

Councilmember Aslan noted that he did not have strong feelings on the issue but was willing to support Councilmember McCarthy's amendment.

Vote: 2 - 5

AYE: Councilmember Austin Aslan
Councilmember Jim McCarthy

Moved by Councilmember Adam Shimoni, **seconded by** Mayor Paul Deasy to adopt Resolution No. 2021-32.

Vote: 7 - 0 - Unanimously

Moved by Mayor Paul Deasy, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2021-16 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "CASE NO. PZ-21-00066 UPDATES TO ZONING CODE 2021 -- ACCESSORY DWELLING UNIT AND ACCESSORY STRUCTURE ENCROACHMENTS REQUIREMENTS"; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Becky Daggett to adopt Ordinance No. 2021-16.

Vote: 7 - 0 - Unanimously

B. **Consideration and Adoption of Resolution No. 2021-33 and Ordinance No. 2021-17**: 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 "Case No. PZ-19-00123 Updates to Zoning Code 2019 -- Neighborhood Community Commercial;" and, an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code, to modify the Zoning Code to include a new zone called Neighborhood Community Commercial (NCC).

Steve Finch, Executive Director of Flagstaff Lodging, Tourism, and Restaurant Association, addressed Council and spoke against the creation of a Neighborhood Community Commercial zone.

Vice Mayor Daggett expressed that she has been conflicted about the proposal from the beginning. While she understands and respects the desires of historic neighborhoods advocating for the zoning change, she also recognizes the concerns raised by Mr. Finch and other community members regarding the importance of higher housing density and carbon neutrality goals. She emphasized that while she does not want to waste time, she believes a public discussion on the topic is necessary and indicated she could support the proposal following that engagement.

Councilmember Shimoni agreed with Vice Mayor Daggett's comments. He stated that he is generally comfortable with the creation of the new zone but does not want to waste staff or public resources. He emphasized the importance of being respectful to neighborhood concerns and noted that while he is open to moving forward, he has reservations.

Councilmember McCarthy voiced his support for the proposal. He stated that he is in favor of implementing the zoning changes.

Councilmember Sweet noted that although she feels torn on the issue, she will support the item. She

stated her intention to honor the wishes of the community in making her decision.

Councilmember Salas stated her opposition to the proposal. She expressed that it runs counter to the city's broader goals related to carbon neutrality and increasing housing density.

Mayor Deasy stated his support for the resolution.

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Jim McCarthy to adopt Resolution No. 2021-33.

Vote: 6 - 1

NAY: Councilmember Regina Salas

Moved by Mayor Paul Deasy, **seconded by** Councilmember Jim McCarthy to read Ordinance 2021-17 by title only for the final time.

Vote: 6 - 1

NAY: Councilmember Regina Salas

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "CASE NO. PZ-19-00123 UPDATES TO ZONING CODE 2019 -- NEIGHBORHOOD COMMUNITY COMMERCIAL (NCC)"; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Jim McCarthy, **seconded by** Mayor Paul Deasy to adopt Ordinance No. 2021-17.

Vote: 6 - 1

NAY: Councilmember Regina Salas

C. **Consideration and Adoption of Ordinance No. 2021-14:** An ordinance levying upon the assessed valuation of the property within the City of Flagstaff, Arizona, subject to taxation a certain sum upon each one hundred dollars ($100.00) of valuation sufficient to raise the amount estimated to be required in the Annual Budget, less the amount estimated to be received from other sources of revenue; providing funds for various bond redemptions, for the purpose of paying interest upon bonded indebtedness and providing funds for general municipal expenses, all for the Fiscal Year ending the 30th day of June 2022. **(Primary and secondary property tax levies for FY 2021-2022)**

Councilmember McCarthy asked whether the proposed changes would result in an increase in city property taxes. Management Services Director Rick Tadder responded that the answer depends on how the question is framed. He explained that while the overall tax rates are decreasing, new construction could lead to increased property tax revenues due to higher assessed valuations. However, he noted that, on average, property taxes are expected to remain relatively flat.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Jim McCarthy to read Ordinance No. 2021-14 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF FLAGSTAFF, ARIZONA, SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS ($100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED

INDEBTEDNESS AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2022

Moved by Mayor Paul Deasy, **seconded by** Councilmember Miranda Sweet to adopt Ordinance 2021-14.

Vote: 7 - 0 - Unanimously

D. **Consideration and Adoption of Ordinance No. 2021-15:** An ordinance of the City Council of the City of Flagstaff, authorizing the acquisition of real property for the Lone Tree Overpass Project; providing for delegation of authority, subsequent council approvals, severability, and establishing an effective date

Moved by Mayor Paul Deasy, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2021-15 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AUTHORIZING THE ACQUISITION OF REAL PROPERTY FOR THE LONE TREE OVERPASS PROJECT; PROVIDING FOR DELEGATION OF AUTHORITY, SUBSEQUENT COUNCIL APPROVALS, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Mayor Paul Deasy, **seconded by** Councilmember Miranda Sweet to adopt Ordinance No. 2021-15.

Vote: 7 - 0 - Unanimously

E. **Consideration and Approval of Contract:** Change Order No. 15 with Shephard Wesnitzer, Inc. in the amount of $97,500.00 and add 235 calendar days for the Rio de Flag Flood Control Utility Relocation design services contract

Project Manager Trevor Henry and Real Estate Manager Bryce Doty provided a PowerPoint presentation that covered the following:

PROJECT AREA
HISTORY OF DESIGN SERVICES WITH SHEPARD WESNITZER, INC.
PROJECT UPDATE
USACE
REAL ESTATE
CONCLUSION WITH ADOT RIO DE FLAG BRIDGE

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Becky Daggett to approve Change Order No. 15 with Shephard Wesnitzer, Inc. the amount of $97,500.00, add 235 calendar days to the design services contract, and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

F. **Consideration and Approval of Cooperative Purchase Contract:** Arizona Department of Transportation Milton Road Underpass/BNSF Railway Bridge Replacement Concept Analysis Phase II - Award of Design Phase Services Cooperative Purchase Contract to WSP USA, Inc., for a feasibility study, in an amount not to exceed $149,614.00, under a City of Tucson cooperative purchasing agreement (#181820-01).

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

AGENDA
DOWNTOWN MILE -- LOCAL PROJECTS

BNSF RAILWAY MITIGATION
NORTH BRIDGE CONCEPT
RAISE GRANT
SCHEDULE

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Becky Daggett to award the Design Phase Services Cooperative Purchase Contract to WSP USA, Inc. (WSP), for a feasibility study, in an amount not to exceed $149,614.00, with a 270 calendar-day contract period and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

A break was called from 4:28 p.m. through 4:40 p.m.

8. REGULAR AGENDA

A. Consideration and Adoption of Ordinance No. 2021-06: An Ordinance of the City Council of the City of Flagstaff, amending the Flagstaff Zoning Map to rezone approximately 11 acres of real property generally located at 151 West High Country Trail, APNs 112-05-001W and 112-05-011 from the Estate Residential (ER) zone to the Medium Density Residential (MR) zone with conditions, providing for severability, authority for clerical corrections, and establishing an effective date.

Current Planning Manager Alexandra Pucciarelli provided a PowerPoint presentation that covered the following:

AURA FLAGSTAFF DIRECT TO ORDINANCE ZONING MAP AMENDMENT
ALTERNATE DENSITY
PROPOSED DENSITY

Councilmember Sweet spoke about the different interpretations of the regional plan and the pros and cons of the project. She stated that she is in favor of the project.

The following individuals addressed Council in support of the rezone:

- Kyle Nitschke
- Tyler Denham
- Devonna McLaughlin

The following individuals addressed Council in opposition of the rezone:

- Phil Goldblatt
- Sheila Duffie
- Todd Boyle

Vice Mayor Daggett voiced concerns over the split parcel but expressed overall support for the rezone.

Councilmember Aslan stated that he does not support the counterproposal.

Councilmember Shimoni noted the developer's responsiveness to community and Council input and expressed support for the project, highlighting the affordable housing component.

Councilmember McCarthy stated he would like to support the project but emphasized neighborhood concerns and the need to uphold the zoning code's intent. He objected to the inclusion of a two-acre unused parcel and said he might support a revised project limited to 137 units, but not the current proposal.

Moved by Councilmember Adam Shimoni, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2021-06 by title only for the final time.

Vice Mayor Daggett asked about zoning approval without a finalized Development Agreement (DA). Senior Assistant City Attorney Christina Rubalcava clarified that the ordinance is conditioned upon DA approval, if the DA is not approved, the rezone does not take effect.

City Attorney Sterling Solomon clarified that the current motion does not include the 137-unit cap from the ordinance's first reading. Ms. Rublacava confirmed this and reiterated it was to allow the 160 units as proposed.

Councilmember Salas stated her support for the ordinance, based on the required three findings.

Vote: 4 - 3

NAY: Mayor Paul Deasy
Councilmember Austin Aslan
Councilmember Jim McCarthy

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF ZONING MAP TO REZONE APPROXIMATELY 11 ACRES OF REAL PROPERTY LOCATED AT 151 WEST HIGH COUNTRY TRAIL, APN 112-05-001W and 112-05-011, FROM THE ESTATE RESIDENTIAL (ER) ZONE TO THE MEDIUM DENSITY RESIDENTIAL (MR) ZONE WITH CONDITIONS; PROVIDING FOR SEVERABILITY; AUTHORITY FOR CLERICAL CORRECTIONS; AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Adam Shimoni, **seconded by** Councilmember Regina Salas to adopt Ordinance No. 2021-06.

Vote: 4 - 3

NAY: Mayor Paul Deasy
Councilmember Austin Aslan
Councilmember Jim McCarthy

B. **Consideration and Adoption of Resolution No. 2021-12:** A resolution of the City Council of the City of Flagstaff, Arizona, authorizing the execution of a Development Agreement between Auza Flagstaff, LLC and Trinsic Acquisition Company, LLC, and the City of Flagstaff related to the development of approximately 11 acres of real property generally located at 151 West High Country Trail, APNs 112-05-001W and 112-05-011 in Flagstaff, Arizona and establishing an effective date. **(Aura Flagstaff Development Agreement)**

Moved by Councilmember Adam Shimoni, **seconded by** Vice Mayor Becky Daggett to read Resolution No. 2021-12 by title only.

Vote: 4 - 3

NAY: Mayor Paul Deasy
Councilmember Austin Aslan
Councilmember Jim McCarthy

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, AUTHORIZING THE EXECUTION OF A DEVELOPMENT AGREEMENT BETWEEN AUZA FLAGSTAFF, LLC AND TRINSIC ACQUISITION COMPANY, LLC, AND THE CITY OF FLAGSTAFF RELATED TO THE DEVELOPMENT OF APPROXIMATELY 11 ACRES OF REAL PROPERTY GENERALLY LOCATED WEST OF THE INTERSECTION OF LAKE MARY ROAD AND HIGH COUNTRY TRAIL IN FLAGSTAFF, ARIZONA AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Adam Shimoni, **seconded by** Councilmember Miranda Sweet to adopt Resolution No. 2021-12.

Vote: 4 - 3

NAY: Mayor Paul Deasy
Councilmember Austin Aslan
Councilmember Jim McCarthy

C. **Consideration and Adoption of Resolution No. 2021-36:** A resolution approving an Intergovernmental Agreement with Coconino County for and on behalf of Coconino County Juvenile Court Services Department, Coconino County Accommodation School District, and the City of Flagstaff for the relocation of the Juvenile Court Transition School to the Hal Jensen Recreation Center.

Recreation Manager Jon Wilson and Heidi McGervey, a teacher at Ponderosa High School, provided a PowerPoint presentation that covered the following:

TRANSITION SCHOOL: GOALS, PURPOSE, AND HISTORY
HAL JENSEN RECREATION CENTER: CLASSROOM SPACE AND BENEFITS
QUESTIONS?

Council expressed their gratitude and thanks to everyone involved in bringing this forward.

Moved by Councilmember Jim McCarthy, **seconded by** Mayor Paul Deasy to read Resolution No. 2021-36 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN COCONINO COUNTY JUVENILE COURT SERVICES DEPARTMENT, COCONINO COUNTY ACCOMMODATION SCHOOL DISTRICT, AND THE CITY OF FLAGSTAFF FOR USE OF THE CITY'S HAL JENSEN RECREATION CENTER BY THE SCHOOL DISTRICT FOR ITS JUVENILE TRANSITION SCHOOL

Moved by Mayor Paul Deasy, **seconded by** Councilmember Jim McCarthy to adopt Resolution No. 2021-36.

Vote: 7 - 0 - Unanimously

D. **Consideration and Adoption of Resolution No. 2021-37:** Approval for renewal of the Intergovernmental Agreement between the City of Flagstaff and the Blue Ridge Fire Department for dispatch services

Police Department Communications Manager Katie Brandis provided a summary of the history of the IGA.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Adam Shimoni to read Resolution No. 2021-37 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN BLUE RIDGE FIRE DISTRICT AND THE CITY OF FLAGSTAFF FOR DISPATCH SERVICES

Moved by Mayor Paul Deasy, **seconded by** Councilmember Miranda Sweet to adopt Resolution No. 2021-37.

Vote: 7 - 0 - Unanimously

E. **Consideration and Adoption of Resolution No. 2021-38:** A resolution of the Flagstaff City Council, approving an Intergovernmental Agreement between the City of Williams, City of Page, Grand Canyon National Park, Glen Canyon National Park Service and the City of Flagstaff for the Arizona 911 Grant Program

Police Department Communications Manager Katie Brandis gave a summary of the history of the IGA.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Jim McCarthy to read Resolution No. 2021-38 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF WILLIAMS, CITY OF PAGE, GRAND CANYON NATIONAL PARK, GLEN CANYON NATIONAL PARK SERVICE AND THE CITY OF FLAGSTAFF FOR THE ARIZONA 911 GRANT PROGRAM.

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Becky Daggett to adopt Resolution No. 2021-38.

Vote: 7 - 0 - Unanimously

F. **Consideration and Adoption of Ordinance No. 2021-18:** An Ordinance of the Flagstaff City Council authorizing the acquisition of real property interests for the Beulah/University Roadway Project; providing for delegation of authority, severability, and establishing an effective date

Real Estate Manager Bryce Doty provided a PowerPoint presentation that covered the following:

VICINITY MAP
CURRENT DESIGN OVERVIEW
UNIVERSITY DRIVE DESIGN
BEULAH DRIVE DESIGN

Vice Mayor Daggett inquired whether the primary property acquisition was for the pedestrian tunnel and if it involved the Burger King parking lot. Mr. Doty clarified that the acquisition is actually in the Target parking lot and confirmed there are no structures on the property, though it would impact parking.

Senior Deputy City Manager Anderson asked if there was a Target sign on the parcel. Mr. Doty responded that he believes it is just additional parking, with no signage.

Councilmember Shimoni asked how this acquisition affects the project discussed the previous week.

City Engineer Rick Barrett explained that changes to the project would require a change order, coordination with ADOT, and new funding before redesign implementation. However, as Mr. Doty noted, this is the first reading, and the property in question is not impacted by last week's discussion.

Councilmember Shimoni reiterated that he is willing to delay if needed to ensure the project is done right.

Mayor Deasy agreed that a delay could be appropriate, but he is supportive of proceeding with the first read.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Adam Shimoni to read Ordinance No. 2021-18 by title only for the first time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE FLAGSTAFF CITY COUNCIL AUTHORIZING THE ACQUISITION OF REAL PROPERTY INTERESTS FOR THE BEULAH/UNIVERSITY ROADWAY PROJECT; PROVIDING FOR DELEGATION OF AUTHORITY, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

G. **Consideration and Adoption of Resolution No. 2021-39:** A resolution extending an Intergovernmental Agreement (IGA) between the City of Flagstaff and the Lockett Ranch Fire District for fire and medical services.

Fire Department Deputy Chief Mark Wilson explained the need for the IGA's extension until they can get a long-term contract.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Miranda Sweet to read Resolution No. 2021-39 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN LOCKETT RANCHES FIRE DISTRICT AND THE CITY OF FLAGSTAFF FOR AN EXTENSION OF THE EXISTING FIRE SERVICE AGREEMENT

Moved by Mayor Paul Deasy, **seconded by** Councilmember Jim McCarthy to adopt Resolution No. 2021-39.

Vote: 7 - 0 - Unanimously

A break was called from 6:05 p.m. through 6:15 p.m.

9. DISCUSSION ITEMS

A. Separated bike lanes pilot project

Separated bike lanes pilot project

Multi-Model Transportation Planner Martin Ince provided a PowerPoint presentation that covered the following:

OUTLINE
PETITION AND CANDIDATE STREETS
PILOT LOCATIONS
BARRIER OPTIONS
MAP
BEAVER ST.
BUTLER AVE.
BEAVER ST. DIAGRAM
BUTLER AVE. DIAGRAM
PILOT | WHAT WE CAN LEARN
BARRIER OPTIONS
CANDLESTICKS
METAL RAILING
CONCRETE BARRIER
ESTIMATED COST PER MILE
DURABILITY
INSTALLATION

John Dailey, Nick Jones, and Anthony Quintile addressed Council in support of the separated bike lanes

Councilmember Shimoni suggested completing the loop and then collecting data but agreed with staff's recommendation to gather a baseline first. He asked about road widths in narrow areas, and Mr. Ince responded that Southside lanes are about 10 feet wide, with under 10 feet being the threshold for safety and operational concerns like snow removal. Councilmember Shimoni expressed trust in staff's judgment, supported basing the pilot on reaching 60% of the population, and emphasized the importance of implementing the full route for cyclists.

Public Works Director Scott Overton discussed barrier maintenance, noting that candlesticks are not viable long-term, metal rails are costly, and concrete curbs present a more feasible option despite challenges with snow removal and sweeping. Specialized small equipment would be needed for upkeep.

Councilmember Shimoni stated that concrete barriers seem the obvious choice and noted the $2.6 million estimated cost to close the loop could potentially be covered in the budget. He expressed full support for the contract and moving forward with the pilot. He asked how street segments like Cedar and Fourth were selected, Mr. Ince said they were chosen to keep the project nimble. Councilmember Shimoni voiced support for future expansion.

Councilmember McCarthy thanked staff for the cross-section visuals and asked about the width of large vehicles like city buses. Mr. Bauman stated that the maximum legal vehicle width in Arizona is 8'6". Councilmember McCarthy supported the Butler Avenue pilot, preferring it over Beaver due to higher traffic volume. He favored concrete barriers and candlesticks, opposed steel rails, and emphasized that bike lanes should be wide enough to allow passing.

Vice Mayor Daggett asked if both lanes on Butler could be 10.5 feet wide, which Mr. Ince said was possible but would require further discussion. She inquired about funding, and staff confirmed that $1 million from Props 419 and 420 is allocated for protected bike lanes. Vice Mayor Daggett supported narrowing lanes to reduce speeding and emphasized the need for visible infrastructure, especially in snow. She supported concrete and candlesticks, the contract, and expanding treatment areas without delaying progress.

Councilmember Sweet supported seeing both pilot options, favored concrete barriers, and was open to closing the loop. She also supported the contract.

Mayor Deasy voiced support for concrete, both pilots, more research on next steps, 10.5' lane widths, and the contract.

Councilmember Aslan supported staff recommendations, wanted the project done sooner rather than later, supported the contract, concrete barriers with candlesticks, and emphasized that wide, protected bike lanes are long-term amenities. He also supported narrowing lanes to calm traffic.

Councilmember Shimoni asked what 10.5' lane widths mean in terms of vehicle speed. Mr. Bauman replied that speed is affected by various factors like road curvature and nearby buildings, and while a change is expected, the exact effect is unknown.

10. COUNCIL LIAISON REPORTS

Councilmember McCarthy attended the recent Bicycle Advisory Committee meeting. He stated his appreciation for staff and was able to assist with Council perspective at the meeting.

Councilmember Shimoni stated that the attended a recent meeting regarding the Rio de Flag project and discussed different alternatives staff have presented.

11. FUTURE AGENDA ITEM REQUESTS

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

A. **Future Agenda Item Request (F.A.I.R.):** A request by Councilmember Shimoni to place on a future agenda a discussion about unsheltered and vulnerable populations with the closure of the forests and the anti-camping ordinance.

Councilmember Shimoni explained his request, citing the recurring forest closures and their wide-reaching impacts. He emphasized the need for a long-term plan. Mr. Clifton noted that a plan already exists and will be shared with Council.

Mayor Deasy supported moving the item forward.

Councilmember Aslan welcomed discussion on supporting unsheltered populations but opposed the item as written, stating he does not support lifting the anti-camping ordinance, which he sees as necessary for public safety.

Councilmember McCarthy agreed with Councilmember Aslan, supporting discussion on assistance but not on reversing the anti-camping ordinance.

Councilmember Shimoni clarified his intent for the FAIR to allow broad discussion, including but not limited to the ordinance.

City Attorney Solomon confirmed that with Councilmember Shimoni's clarification, the item would include discussion of the anti-camping ordinance; otherwise, a separate item would be needed to focus only on fire-related responses.

There was not requisite support to advance the item to a future agenda.

12. CITY MANAGER REPORT

A. City Manager Report

City Manager Clifton briefly reviewed his report and mentioned that monthly updates from Economic Vitality, Sustainability, and Water Services divisions, as well as the second quarterly Boards and Commissions Newsletter, were included.

Councilmember Shimoni gave a shout out to Raymond Gonzales, suggesting a photo timeline of his service, and recognized Officer Brad Gilbert for his work.

i. Discussion of ARPA Funding

Mr. Clifton brought attention to the ARPA Funding. Management Services Director Rick Tadder spoke about the memo attached to the manager's report and asked Council to allow staff to send letter that is related to calculations of revenue fund level. He spoke of some of the difficulties that the city might have with the ARPA.

Council provided direction to move forward.

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

Councilmember Shimoni stated that he would like to request a FAIR for a discussion about unsheltered and vulnerable populations with the closure of the forests

Vice Mayor Daggett stated that she recently presented a proclamation for 100 years of service to the

Rotary Club. She also stated that the forest is open, however we are in stage two restrictions and in a drought.

14. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held July 6, 2021, adjourned at 8:04 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on July 6, 2021. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL WORK SESSION
TUESDAY, OCTOBER 26, 2021
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Deasy called the Special Work Session held October 26, 2021, to order at 3:03 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. Pledge of Allegiance and Mission Statement

MISSION STATEMENT

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

3. ROLL CALL

Present: Paul Deasy, Mayor
Becky Daggett, Vice Mayor
Austin Aslan, Councilmember
Jim McCarthy, Councilmember
Regina Salas, Councilmember
Adam Shimoni, Councilmember
Miranda Sweet, Councilmember

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

4. Public Participation

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

Parks, Recreation, Open Space, and Events Director Rebecca Sayers introduced Haley Wilstead who spoke about the Hall-o-Week Events.

5. Review of Draft Agenda for the November 2, 2021 City Council Meeting

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

None

6. Proclamation: International Dark Sky City Month

Mayor Deasy read and presented the proclamation.

7. Public Works - Snow Operations Presentation and Discussion

Public Works Director Scott Overton, Parks and Recreation Assistant Director Amy Hagin, and Parks, Recreation, Open Space, and Events Division Director Rebecca Sayers provided a PowerPoint presentation that covered the following:

OBJECTIVES
STORM PREPARATIONS
STREETS FLEET AND EQUIPMENT
STREETS PERSONNEL AND PREPARATIONS

Councilmember Shimoni inquired whether on-call staff receive premium pay. Mr. Overton responded that they are paid a higher hourly rate than full-time staff but are not eligible for benefits. Councilmember Shimoni also asked about staffing levels, and Mr. Overton noted the department is currently operating at about one-third below normal staffing.

SNOW OPERATIONS
PARKS SECTION
PARKS FLEET AND EQUIPMENT
SNOW OPERATIONS

Vice Mayor Daggett asked about the criteria for berm removal and how residents can request the service. Ms. Hagin explained that the list is intended for individuals who are disabled or unable to clear berms themselves. The form is being updated, and residents can call the Aquaplex front desk at 928-213-2300 to be added.

SNOW OPERATIONS FOR OUR PARKS SECTION
SNOW OPERATIONS
SEPARATED BIKE LANE PILOT

Councilmember Shimoni asked about the challenges of maintaining the separated bike lane pilot project as a Level 1 priority. Mr. Overton explained that Butler Avenue is a Level 1 street, and during multi-day events, some modifications may be needed, potentially causing delays. Councilmember Shimoni expressed concern that cars are being prioritized over bikes and pedestrians. Mr. Overton responded that the purpose of the pilot is to learn how to better balance the entire transportation network for all modes of travel.

POST STORM OPERATIONS
PUBLIC OPERATIONS ASSISTANCE

Vice Mayor Daggett asked about sidewalk shoveling and how the public can address impassable areas. Mr. Overton explained that property owners are responsible for keeping sidewalks clear, though ADOT corridors pose challenges due to different plowing methods. He noted enforcement has improved over time.

Mayor Deasy inquired where snow from downtown is hauled; Mr. Overton said it is taken to a stormwater area near the airport and another site near Wildcat Hill on the east side.

Councilmember Shimoni asked about snow operations, including plowing, cindering, and winter outreach for cyclists and pedestrians. Mr. Overton explained that primary routes are fully cleared, with cinders used selectively, while secondary routes are plowed after 4 inches, except in icy conditions. Councilmember Shimoni requested a work session on plowing policy and asked about public reporting, staff noted around 250 calls and hundreds of emails per storm. Mr. Clifton said Flagstaff's approach is similar to Colorado's, where bike lanes are also rarely prioritized in winter.

8. Discussion Regarding Possible Revisions to City Council Rules of Procedure and Consideration of Un-Suspension of the Rules

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

HISTORY
CURRENT SUSPENSION OF RULES
SEEKING DIRECTION

Councilmembers broadly supported continuing with a 3:00 p.m. start time for meetings. Councilmembers Aslan, McCarthy, Shimoni, Sweet, and Vice Mayor Daggett expressed openness or support for the earlier start, with suggestions for short breaks and consistent timing. Councilmember McCarthy and Councilmember Salas suggested that public participation be moved to later in the meeting to increase accessibility. Council generally agreed with this and with the understanding it could be revisited if needed.

Councilmember McCarthy proposed amending the Rules of Procedure to assign the Vice Mayor role to the Councilmember who received the most votes in the previous election, after serving two years. Mayor Deasy clarified this would include a two-year delay. While Councilmembers Shimoni, Sweet, and Vice Mayor Daggett opposed the change, citing the value of the current process and concerns about targeting individuals, Councilmember Salas was open to future discussion. Councilmember Aslan requested further discussion on Vice Mayor selection procedures.

Councilmember McCarthy also proposed reducing the motion to reconsider window from five days to three, but Deputy City Attorney Fincel clarified that the reconsideration period is already tied to the next meeting, making the change unnecessary. Councilmember McCarthy withdrew the suggestion.

Ms. Saltzburg clarified the current Vice Mayor selection rule, stating that if both the Mayor and Vice Mayor are unavailable, the next highest vote-getter would serve temporarily.

Mr. Clifton concluded by summarizing Council's consensus to modify and un-suspend the Rules of Procedure to reflect a 3:00 p.m. start time and to add a public comment section at the end of regular meetings.

Council took a break from 4:46 p.m. through 5:05 p.m.

9. Overview of the High Occupancy Housing Specific Plan and Related Implementation Programs and Amendments

Comprehensive and Neighborhood Planning Manager Sara Dechter, Community Development Director Dan Folke, Zoning Code Manager Daniel Symer provided a PowerPoint presentation that covered the following:

OBJECTIVES
STUDENT HOUSING ACTION PLAN
THE INITIAL SCOPE OF THE HOH PLAN
TRADE-OFFS
HIGH OCCUPANCY HOUSING PROCESS
HOW DID THE PLAN ADDRESS THE ISSUES?
DEFINITION
LOCATION

EXISTING NEIGHBORHOOD CHARACTER
BEST PRACTICES
SOUTHSIDE COMMUNITY PLAN
WHAT HAS BEEN IMPLEMENTED SO FAR?
HOH GOAL, POLICIES, AND STRATEGIES IMPLEMENTED
ZONING CODE AMENDMENT TIMELINE
WHAT HAS BEEN IMPLEMENTED SO FAR?
HOH GOAL, POLICIES, AND STRATEGIES IMPLEMENTED INTO THE ZONING CODE
ADJUSTMENTS IN IMPLEMENTATION
REVIEW OF HIGH OCCUPANCY HOUSING SPECIFIC PLAN AND ZONING CODE AMENDMENTS

David Carpenter addressed Council as a local developer and long-time Flagstaff resident, and urged the Council to refine, not repeal, the ordinance. He noted that while the HOH plan was created with good intentions, it has produced unintended outcomes, particularly in how it treats affordable and mixed-use housing. Mr. Carpenter emphasized that the code currently limits viable housing solutions such as small units and walkable mixed-use developments. He argued for more flexibility in development types, and better alignment with current community goals around housing diversity, affordability, and climate resilience.

Carolyn Oberholtzer, speaking on behalf of Vestar, addressed Council and expressed concerns that the HOH ordinance unintentionally excludes properties like University Plaza from redevelopment opportunities. Although the site is a thriving commercial center near major corridors, it is only partially within a designated activity center, meaning that mixed-use housing is no longer permitted by-right as it was prior to the ordinance. She called on the Council to correct these boundary inconsistencies and restore development opportunities to appropriately zoned areas without requiring major General Plan amendments.

Sean Golliher addressed Council and raised questions about possible conflicts between the City's proposed zoning policies and existing state housing regulations. He also asked whether economic and environmental impact studies had been conducted and recommended slowing down the process until more analysis and public feedback could be gathered.

David Carpenter submitted written comments supporting the elimination or recalibration of the HOH ordinance.

Council discussion revealed general consensus on the need to revisit and refine the HOH ordinance, with broad agreement that full repeal (Option A) was not desirable.

Councilmember Shimoni emphasized the importance of aligning the ordinance with Flagstaff's Carbon Neutrality Goals and housing priorities. He advocated for flexibility in parking requirements, stronger bike infrastructure, and better support for unit types that promote affordability and sustainability. He also voiced concern about the high number of waiver requests coming from the Southside neighborhood, suggesting that repeated requests indicate deeper issues with the current code.

Several Councilmembers echoed the importance of refining the ordinance in collaboration with the Housing and Sustainability Commissions. Councilmember McCarthy emphasized that many aspects of the ordinance were included in response to strong community feedback, especially concerns over projects like "The Hub", and should not be discarded. However, he also acknowledged the need to support smaller, more affordable units like studios and one-bedrooms, which are in high demand and better aligned with the city's housing goals.

Sustainability Director Nicole Antonopoulos stated that while the HOH plan was not originally designed with Carbon Neutrality in mind, there is now an opportunity to update it through that lens. She recommended staff collaborate across departments, bring technical solutions to the Housing and Sustainability Commissions, and return with a more holistic policy proposal that supports both housing and climate goals.

Council directed staff to move forward with Option C: a comprehensive review and update of the HOH ordinance. This will involve coordinated work among departments, commissions, and the public to

refine parking standards, activity center boundaries, unit types, and sustainability integration. However, the Council also agreed to proceed separately with a previously discussed amendment that allows 100% affordable housing projects to be approved by-right, correcting a circular issue in the current code.

The Council emphasized the need for balance, preserving the original community intent of the HOH ordinance while adapting it to support Flagstaff's evolving housing and climate needs. The upcoming refinement process will include further staff analysis, commission input, and continued community engagement.

10. Flagstaff City Council Land Acknowledgement

Coordinator for Indigenous Initiatives Rose Toehe introduced the recommendation from the Indigenous Commission, highlighting revisions made to the language. She noted that the commission had given careful thought to the phrasing and intent behind the land acknowledgement.

Fawn Toya addressed Council in support of the land acknowledgement. Mayor Deasy asked whether she agreed with the current wording, to which Ms. Toya confirmed she did.

Jean Toner, representing the Commission on Diversity Awareness, also spoke in support of the recommendation.

Kiara Weathersby addressed Council and expressed her gratitude to the Council for considering the proposed language.

A written comment in support of the land acknowledgement was submitted by Darell Marks.

Vice Mayor Daggett and Councilmembers Shimoni, Salas, Sweet, McCarthy, and Aslan all expressed their gratitude to those involved in the process. Councilmember Shimoni voiced strong support for moving forward with the acknowledgement as written and thanked Councilmember Aslan for bringing the issue forward.

Councilmember Salas initially suggested a minor edit to begin the statement with "The City of Flagstaff," but later retracted this after Mr. Clifton explained that the wording had undergone extensive review and public engagement. Mr. Clifton emphasized the high level of input the document had received and thanked Ms. Toehe for her work.

Moved by Councilmember Regina Salas, **seconded by** Councilmember Jim McCarthy to recess into executive session for legal advice.

Vote: 6 - 1

NAY: Councilmember Austin Aslan

The Work Session reconvened at 6:52 p.m.

Councilmember Sweet stated that the land acknowledgement is long overdue. Councilmember McCarthy voiced strong support, and Councilmember Aslan expressed excitement that the effort had come to fruition. He shared that the idea was inspired by Deb Harris and the Southside Neighborhood Association, who regularly open their meetings with a land acknowledgement. He also thanked Ms. Toehe and recognized the previous Council for establishing the Indigenous Commission.

Mayor Deasy concluded the discussion by affirming his support and gratitude for everyone involved in the development of the acknowledgement.

11. Section 17 discussion with Lowell Observatory

Management Analyst Sarah Langley introduced Dr. Jeff Hall, the director of Lowell Observatory and the trustee of Lowell Observatory Mr. Lowell Putnam who spoke of a letter that was received by the Friends of Flagstaff's Future group and provided a PowerPoint presentation that covered the following:

INTRODUCTION
ABOUT SECTION 17
COMMUNITY CONCERNS -- WANT TO BE A PUBLIC-PRIVATE PARTNERSHIP SO IT IS TRANSPARENT WITH PUBLIC INPUT.
OBSERVATORY PURPOSES
2018-2019 EXPLORATIONS WITH THE COMMUNITY
2017-2021 INQUIRIES REGARDING SECTION 17 -- ALL ENTITIES HAVE APPROACHED THE OBSERVATORY
TRANSPARENCY
DEVELOPMENT OF THE CURRENT BILL

Allison Gitlin, representing the Sierra Club -- Grand Canyon Chapter, addressed Council and spoke in opposition. She noted that the U.S. Forest Service did not contribute to the proposed language regarding the land and urged the Council to oppose the bill.

Eric Whiteman addressed Council and stated he has concerns and opposes this moving forward.

Susie addressed Council in opposition to the request.

Gail Jackson, President and CEO of ECoNA addressed Council and spoke in support of Lowell's request.

Written comments with concerns about Lowell's request were submitted by the following individuals:

- Darrell Marks
- Karen Enyedy
- Cristy Zeller
- Kaity Ford

David Engelthaler submitted written comments supporting Lowell's request.

Councilmember McCarthy acknowledged Lowell Observatory as a valued part of Flagstaff but expressed concern that the proposed language from Lowell could weaken the relationship between the Federal government and the Observatory. Therefore, he does not support this item

Councilmember Shimoni inquired about the City Council's level of discretion in approving or denying Lowell Observatory's development plans. Deputy City Attorney Kevin Fincel indicated more time was needed to clarify. Mr. Putnam explained that the proposed legislation includes creating a master plan that would require review and approval through public processes, including the Planning and Zoning Commission and City Council, giving the City more control than currently exists.

Mayor Deasy asked about the current zoning status, and it was confirmed that the land is defaulted to Rural Residential.

Councilmember Shimoni questioned if Council and the Planning and Zoning Commission could deny requests within the master plan; staff suggested this requires further clarification but overall supported the recommendation.

Vice Mayor Daggett asked if Council could currently rezone the land, if Lowell would commit to an immediate master planning process, and whether open space would be included. Mr. Putnam confirmed willingness to start immediately and include open space. Vice Mayor Daggett also inquired about precedent for public-private master plans; staff was unaware of any but indicated willingness to participate. Vice Mayor Daggett emphasized Lowell's longstanding positive partnership with the City and expressed willingness to collaborate.

Councilmember Aslan expressed respect for Lowell's leadership and excitement about the project's potential, but raised concerns about limited public engagement so far. He stressed the need for immediate, serious public involvement and questioned the tight legislative timeline. Mr. Putnam explained congressional deadlines require action soon or the bill would be delayed until 2023.

Councilmember Aslan advocated for forming an ad hoc committee to involve community members.

Mr. Clifton noted the need for clarity on the committee's scope and timing, emphasizing that the master planning process would take over a year and that the City's role must be well defined.

Mayor Deasy sought confirmation that the master plan would still require City Council approval. Staff noted that under Chapter 11 of the City code, the Planning Director can approve development master plans but further research is needed. The area in question is included in the City's regional plan and currently zoned Rural Residential.

Councilmembers Salas and Sweet thanked Lowell representatives for their engagement and expressed support for stronger public involvement and clear master plan language in the legislation. Mr. Fincel requested more time to clarify language, acknowledging Mr. Putnam's willingness to include master plan language but noting potential congressional concerns.

Councilmember Shimoni requested the master plan language be formally included in the legislation. Councilmember McCarthy highlighted that Congress intends to preserve Lowell's land's importance, suggesting any law changes occur after the plan is created.

Mayor Deasy recognized the expense and time required for planning but expressed willingness to support the process and an ad hoc committee once details are clearer.

Councilmember Aslan emphasized the importance of the support letter including stipulations and contingencies that bind future decisions and highlighted concerns about new road access impacting the area.

Mayor Deasy concluded that once the City receives more information, a letter of support and an ad hoc committee could be formed, with majority Council support.

Mr. Putnam and staff agreed to expedite communications and provide needed information to clarify the master planning process.

12. Public Participation

None

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

Councilmember Salas is attending the Arizona Women Leading Conference this week.

Councilmember Sweet recently attended the International Downtown Association conference in Florida, where she emphasized the importance of partnerships, evolving housing issues affecting downtowns, and initiatives to support unsheltered populations. She is developing several ideas to advance downtown and the broader community.

Councilmember McCarthy celebrated his 30th wedding anniversary.

Vice Mayor Daggett announced the final public open house for the housing plan will be held online the following day, with the Housing Commission meeting later that week. She encouraged residents to watch a video walkthrough of the housing plan prepared by Housing Project Manager Leah Bloom and housing staff.

Councilmember Shimoni noted a recent joint meeting between Mountain Line and the Transportation Advisory Committee (TAC). He shared insights from a trip to Oregon, including tours of resources for the unsheltered and observations on bike safety in Eugene. He also mentioned the upcoming ATMP meeting tomorrow via Zoom.

Councilmember Aslan attended a Discover Flagstaff lunch featuring a presentation on tourism and

travel trends, highlighting that visitors who appreciate ecotourism and sustainability efforts like CAAP are most likely to come to Flagstaff. He reminded the Council of the Sustainability Commission meeting the following day.

14. Adjournment

The Work Session held October 26, 2021 adjourned at 8:36 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL COMBINED SPECIAL MEETING /
WORK SESSION
TUESDAY, NOVEMBER 9, 2021
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Vice Mayor Daggett called the Work Session held November 9, 2021, to order at 3:04 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. ROLL CALL

Present: Mayor Paul Deasy (arrived 4:43 p.m.)
Vice Mayor Becky Daggett
Councilmember Austin Aslan (arrived 3:05 p.m.)
Councilmember Jim McCarthy
Councilmember Regina Salas
Councilmember Adam Shimoni
Councilmember Miranda Sweet

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

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

The Council and attendees recited the pledge of allegiance, Councilmember Shimoni read the Mission Statement of the City of Flagstaff, and Councilmember Aslan read the 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.

Vice Mayor Daggett acknowledged Coordinator of Indigenous Initiatives Rose Toehe for her work on the land acknowledgement.

City Manager Clifton provided an explanation on the absence of Mayor Deasy. He stated that Mayor Deasy is currently at a meeting with the Forest Service and County officials and will arrive around 4:30 p.m.

4. Public Participation

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

Ms. Deborah Harris addressed Council regarding the documentary titled Reckoning in Boston that addresses historical and contemporary racism among other topics. She stated its relevance to the crisis Flagstaff is in. She also spoke about the Mexican Grey Wolf and related the interest from the community.

Deputy City Manager Shannon Anderson addressed Council and recognized Risk Manager Dean Coughenour on his retirement and introduced the new Risk Manager Maria Robinson. Finance Director Brandi Suda presented Mr. Coughenour a plaque to thank him for his service. Mr. Coughenour spoke on his retirement and Ms. Robinson addressed Council.

Indigenous Coordinator Rose Toehe acknowledged some of the community members, traditional practitioners, NAU students, staff, and Indigenous Commission members who attended the meeting to witness the land acknowledgement.

5. Recognition: Mrs. Cleo Wilson Murdoch

Postponed to the meeting of November 16, 2021.

6. Review of Draft Agenda for the November 16, 2021 City Council Meeting

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

None

7. Discussion about a citywide comprehensive cost recovery policy

Management Services Director and City Treasurer Rick Tadder led a discussion about a citywide comprehensive cost recovery policy. The presentation slides included:

- Fees and Service Charges
- Full Cost of Service
- Cost Recovery Decision Making

Councilmember Salas spoke about why she requested this FAIR item in February and how cost recovery is directly related to resource allocations. She offered examples of cost-recovery and discussed having a state-wide cost recovery policy in place. She addressed using the cost recovery decision making slide as a pyramid rather than a chart and how fees should be charged for individual gain if it is not for public benefit. She asked Mr. Tadder what the next step would be to develop a cost recovery policy.

Mr. Tadder stated that the next steps would be for staff to look at best practices on cost recovery policies and that his staff would draft a comprehensive fee policy and how often to review the rates.

Councilmember Shimoni stated that he likes the direction, and he sees the value in it. He asked what the City's operations are currently and what other communities are doing. Mr. Tadder stated that there has never been a formal policy and that fees have been discussed individually. He added that there is

a lengthy process currently on fees and that the work takes a lot of time. The fees are reviewed as needed. Councilmember Shimoni added that this policy could be a layer to the Priority Based Budgeting and asked if there was a consultant that could help with this. Mr. Tadder stated that the City could utilize a consultant to help develop a policy. Councilmember Shimoni added that the community value should be taken into account when discussing fee recovery.

Councilmember McCarthy stated that the major goal would be to review the fees more frequently and that would take a lot of staff time. He asked what the benefit would be to offset the time used by staff. Mr. Tadder stated that the policy would benefit staff by making it easier to review and create fees.

Councilmember Shimoni stated that maybe a continuation of what the City is currently doing as a policy would be helpful.

Councilmember Salas stated that a cost recovery policy would be beneficial to staff and management on structuring fees in the future.

Mr. Tadder stated that staff will work on a policy to bring back to Council.

8. **Review the current tax code with respect to exemptions on rental, leasing, and licensing of real property.**

Management Services Director and City Treasurer Rick Tadder presented to Council on the current tax code with respect to exemptions on rental, leasing, and licensing of real property. Slides included:

- Background
- Real Property TPT
- Tangible Personal Property TPT

Armando Bernasconi asked for staff to move forward with this policy so that it is clearer for non-profits.

Councilmember Salas stated that this FAIR was sparked by information from local non-profits and that they are sometimes charged for TPT and sometimes not depending on the property owner.

Councilmember Shimoni stated that he has the same thoughts as Councilmember Salas and he would like clearer communication for non-profits.

Councilmember McCarthy stated he understands that a home rental from one person to another is not subject to TPT. Mr. Tadder stated as long as it is for lodging purposes. Councilmember McCarthy asked if that also applies to apartment complexes and Mr. Tadder stated that it does. He asked if there is a way to tax a second home at a higher rate, and Mr. Tadder stated that it is in the realm of property tax rather than sales tax.

Vice Mayor Daggett stated that Councilmember Shimoni's suggestion on communication on the potential exemption of TPT tax for non-profits is a good suggestion and to reach out the Coconino County Continuum of Care.

9. **Northern Arizona Healthcare Update**

City Manager Clifton introduced the topic and introduced Vice President for Construction and Real Estate Development for Northern Arizona Healthcare (NAH) Steve Eiss who provided a PowerPoint presentation that covered the following:

About Northern Arizona Healthcare
The NAH Health Village Vision
The NAH Health Village Concept
Phases of Development
City of Flagstaff and Communities
Energy Efficiency
Transportation
Existing Campus Reuse for Hospital

Existing Campus Redevelopment
Examples of Potential Reuse

Kate Morley, Deputy General Manager at Mountain Line, addressed Council regarding transit needs for the new campus and new funding options. Their ultimate goal is to ensure that the facility does not move forward without transit service to the new campus. Councilmember Shimoni asked about the cost and sustainability of a new transit route. Ms. Morley of stated the route should run every 20 minutes, costing about $1.2 million annually, with NAH expected to contribute 20%. Ongoing funding remains a challenge.

Councilmember Aslan emphasized the need for a clear transit funding plan and suggested extending the route to the airport. He also noted the importance of repurposing the old hospital site and expressed support for infill housing ideas.

Vice Mayor Daggett praised NAH's outreach efforts but requested more engagement with neighborhoods near the current campus. Councilmember Salas inquired about traffic impacts, ADOT involvement, workforce housing, environmental and economic impacts. Mr. Eiss responded that studies have been completed or are in progress, with positive early findings and ongoing discussions with housing developers.

Councilmember Shimoni urged investment in transit over parking and encouraged affordable, vertical infill housing, including tax-credit partnerships. There was also discussion about a potential behavioral health treatment facility on the new campus, which NAH is exploring with partners.

Councilmember Aslan raised the importance of dark sky compliance, which NAH is just beginning to explore with a consultant. Vice Mayor Daggett asked about job growth, and NAH projected several hundred new jobs, with transition planning for the move already underway. NAH expressed commitment to helping Mountain Line succeed, recognizing the new hospital's regional significance.

Councilmember Aslan asked for NAH to speak about air traffic control when they return.

10. Adjournment

The Work Session held November 9, 2021 adjourned at 5:02 p.m.

SPECIAL MEETING

Mayor Deasy called the Special Meeting held November 9, 2021, to order at 5:24 p.m.

1. Request from Lowell Observatory for letter from City Council supporting proposed bill regarding Section 17.

Deputy City Attorney Kevin Fincel, Community Development Director Dan Folke, City Manager Greg Clifton, and Dr. Jeff Hall, Executive Director of Lowell Observatory, provided a PowerPoint presentation that covered the following:

- Discussion Outline
- Background
- Overview of Section 17
- Recap of Lowell's Request and Intentions for Section 17
- Council Decision Points

Lowell Observatory owns a 640-acre parcel of land, known as Section 17, which is deeded for "observatory purposes" under a 1910 Act of Congress. Lowell representatives, including Dr. Hall, have been discussing the long-term vision for this land, most recently presenting an overview at the February 21 meeting. A draft letter of support and a draft Development Agreement (DA) have been shared, along with discussions about potentially introducing a bill to Congress to allow broader use of the land in alignment with Lowell's mission.

Mr. Folke provided a land use overview, explaining that while Section 17 is currently zoned Rural Residential (RR), the nearby Lowell property is zoned Public Facility (PF). RR zoning is typically intended for low-density, single-family housing and light agriculture, helping to preserve the rural character on the outskirts of the city. Section 17 is shown on the regional plan's future growth illustration map as a "special study area" but has not been assigned a specific future area type, leaving room for interpretation and planning.

Councilmember Shimoni inquired about the process for creating a specific plan for the area, which Mr. Folke explained as involving significant public engagement, analysis, and formal adoption by boards, commissions, and the City Council. A specific plan would ultimately be incorporated into the regional plan, as was done for Southside, La Plaza Vieja, and High Occupant Housing.

Dr. Hall emphasized Lowell's need to plan for the future while remaining compliant with its historic congressional mandate. He reiterated that under the current legislation, Section 17 must be used solely for the vitality of the observatory, and any new development would require legislative changes.

- About Section 17 -- one square mile
- Off the table
    - no publicly available residential development
    - no second road
    - Lowell cannot be sold, and neither can Section 17
    - Have not presented a plan because we are offering to have the community join us in designing a plan
- All inquires about Section 17 thus far:
    - TGEN -- possible
    - FlagShakes -- possible
    - Arboretum -- off the table
    - Creative Flagstaff -- off the table
    - No Outside Purchases
- Why amend the 1910 "observatory purposes?"
    - It forbids things they want to do (e.g., give part of the section for open space with trail
    - We cannot develop a plan with the City and public without changes to the act.
    - The development agreement will allow collaboration with the public to develop a plan

Dr. Hall shared a vision for the future of the organization and its 640-acre Section 17 parcel, emphasizing Lowell's continued commitment to being a vital, healthy institution and a responsible community steward. He expressed a desire to eventually offer part of the land to the Flagstaff community while ensuring Lowell remains its steward in perpetuity. He addressed public concerns, stating that it has been distressing to see assumptions of negative intent, given Lowell's 127-year history in the community and its long-standing commitment to acting in the public's best interest.

Councilmember Shimoni asked about the timing and Dr. Hall explained that Lowell has been working on this effort for four years, but progress was slowed due to community discomfort and delays in congressional action. With limited opportunities to introduce legislation each year and the upcoming election cycle potentially affecting Congressional focus, the window to act is narrow. Dr. Hall acknowledged that the current federal designation of "observatory purposes" is broad and could, in theory, allow uses that the community might oppose. This is part of the reason Lowell seeks a multi-use designation--to create clearer protections and better alignment with community values.

Councilmember Aslan spoke of dark sky concerns, Dr. Hall reaffirmed Lowell's leadership in light pollution protection since 1958. He highlighted collaboration with the City on outdoor LED lighting standards and reassured Council that the Observatory has no intent to develop lighting-intensive uses like residential subdivisions on Section 17.

Councilmember Aslan thanked Dr. Hall for his candid and heartfelt comments, noting that new insights were shared. Councilmember Salas asked Dr. Hall to articulate Lowell's mission, which he described as advancing science, communicating its importance, and fostering open-mindedness and curiosity to help build a better society. When asked to reflect on the February presentation, Dr. Hall aligned the vision for Section 17 with Lowell's broader mission, while clarifying that the proposed world-class

astronomy center mentioned previously would be separate and specific to astronomy education.

The following individuals addressed Council in opposition to the Section 17 proposal:

- Emily Melhorn
- Steve Alston
- Mimi Murov
- Steven Massey
- Marilyn Wisemann
- Jerry McLaughlin
- Lisa Hutchinson
- Chris Dunwoody
- Joseph Shannon
- Chris Denlevy
- Emily Tice
- Bob Quinn
- Sean Tici
- Darrell Marks
- Duffie Westheimer
- Charlie Silver
- David McCain
- Hilary Giovalle
- Deborah Block
- Michael Collier
- Allison Gitlin -- representing Sierra Club
- Michele James, Executive Director for Friends of Flagstaff Future
- Amy Martin

The following comments were received:

- Against removal of reversion
- Against development of property
- Need more public comment
- Mistrust
- Worry about unintended consequences
- Worry about second road
- Observatory can do a lot under current restrictions
- No community benefit
- Change a bit of the wording for open space and tie trails to observatory purposes
- Will be expensive
- Lack of transparency
- Traffic impacts
- Loss of wildlife, natural space, open space
- Lack of communication.

The following individuals addressed Council in in support of the Section 17 proposal:

- Dr. Nat White
- Leo Crowley
- David Hayward
- George Colbath

The following comments were received:

- Do not limit research that would benefit Lowell and Flagstaff after 100 years of progress
- Discovery of the unknown
- Century-old wording requested by Percival Lowell
- Lowell has specific plan for a Development Agreement and to engage the public
- Exciting stuff and lots of opportunities
- Clearing out old congressional language

- Good for Flagstaff
- Offers protection we currently do not have

The following individuals submitted written comments in support of the Section 17 Bill:

- Marj and Sam McClanahan
- Dr. Joseph Marcus
- Densie Hudson

The following individuals submitted written comments requesting more time for consideration and outreach of the public:

- Karen Enyedy
- Sandra Lubarsky
- Cristy Zeller
- Dr. Steve Alston
- Michelle James, on behalf of Friends of Flagstaff's Future
- James Madison
- Stephen Massey
- Tyler Blevins
- Zoe Scanlon
- Karen Massey
- Sean Tici

Councilmember Salas asked Dr. White if he thinks that changing the language of the act will allow Lowell Observatory for more than observatory purposes and will further the mission of the observatory. Dr. White stated that it would further the mission and it is time to take that opportunity. This is the first time that a plan has been worked in reverse. Councilmember Salas also asked if Dr. White shares the vision of access to Observatory Mesa, protecting open spaces, design and protect trails, and create a hub for scientific research. Dr. White stated that he does share that, he sees this as an exciting opportunity and that is what the Development Agreement is trying to do.

Councilmember Shimoni asked Dr. White if he is involved with Friends of Flagstaff Future (F3) and asked about F3's concerns. Dr. White is on the advisory board and speaks on his own behalf. He wrote to the Executive Director on his changes to the letter, but that is as far as he was involved.

Councilmember Salas asked Mr. Hayward if the draft development agreement which also aims to put together specific plan a sufficient guardrail. Mr. Hayward stated that if the City Attorney cannot put together a Development Agreement better than the three words in the previous legislation, than he does not do a good job.

Mayor Deasy a break at 7:20 p.m. through 7:30 p.m.

Mr. Clifton discussed staff's efforts to create a draft federal bill and letter of support aimed at establishing strong "guardrails" for the future use of Lowell Observatory's Section 17 parcel. He emphasized that the draft DA was thoroughly vetted by legal counsel and that the proposed citizen advisory committee would be formed neutrally, appointed by the City Manager. He asked whether Council supports submitting a letter of support and whether the draft includes adequate safeguards to justify that support.

Councilmember McCarthy raised historical concerns, questioning whether Lowell Observatory should be exempt from the original 1910 federal language that restricts the land to "observatory purposes." He argued that current efforts run contrary to Percival Lowell's original intent and stated his opposition to removing the congressional restriction, believing it is inconsistent and potentially inappropriate.

Councilmember Sweet expressed gratitude for the work done by Lowell and City staff. She acknowledged that while Lowell has been a valued partner for over a century, helping to make Flagstaff the first Dark Sky City and bringing high-paying jobs, their recent lack of public engagement caused concern. However, she emphasized that she believes the lack of outreach was not intentional and that a path forward exists.

Councilmember Aslan praised the integrity and contributions of Lowell but criticized the process, stating that it feels backwards. He called for a pause in the letter of support, suggesting a public work session to review the Development Agreement and letter. Councilmember Aslan emphasized the need for community engagement and transparency, suggesting the timeline extend beyond the end of the year to allow for deeper public involvement and revision of the letter.

Vice Mayor Daggett also expressed appreciation for Lowell and acknowledged the importance of Observatory Mesa's open space and trails. She agreed that the process should be slowed down to allow more community input and careful deliberation.

Councilmember Shimoni voiced strong support for Lowell, noting their longstanding commitment to Flagstaff, dark sky preservation, and workforce values such as STEAM education and employee housing. He stated that Lowell has shown integrity and is a trusted partner. Councilmember Shimoni argued that the city risks losing influence over the outcome if it does not support the letter and the Development Agreement now, since Lowell can proceed independently. He stressed that the Development Agreement includes binding provisions, and that public accountability can only be secured through this collaborative planning process.

Councilmember Salas emphasized Lowell's integral role in Flagstaff's identity and economy. She supported changing the outdated federal language and endorsing the letter and the Development Agreement. She underscored that the community-led planning process, backed by Council approval, would ensure accountability and alignment with community values.

Mayor Deasy expressed disappointment with how the process unfolded and noted previous instances of letters being sent without sufficient public input. While recognizing that Lowell lacks a public relations department and did not act with bad intent, he raised concerns about the Development Agreement and declared he could not support the letter in its current form.

In summary, Council expressed a range of views, from strong support and urgency to proceed, to calls for delay and more public involvement. While most acknowledged Lowell Observatory's contributions and integrity, several Councilmembers stressed the need for better community engagement and clarity in the development process before advancing legislative changes.

Moved by Councilmember Adam Shimoni, **seconded by** Councilmember Miranda Sweet to approve a letter of support from the City Council supporting proposed bill regarding Section 17.

Vote: 3 - 4

AYE: Vice Mayor Becky Daggett
Councilmember Regina Salas
Councilmember Adam Shimoni

2. **Consideration and Adoption of Resolution No. 2021-53:** A resolution of the Flagstaff City Council, authorizing a development agreement between Lowell Observatory and the City of Flagstaff related to the development of approximately 615 acres of land located west of Lowell Observatory, commonly referred to as Section 17.

Council chose not to consider the development agreement.

3. **Consideration and Adoption of Resolution No. 2021-54:** A resolution of the Flagstaff City Council in support of the Endangered Species Act

City Clerk Stacy Saltzburg introduced the topic and stated that the resolution is in response to the Council's request. Councilmember Salas's asked about including the state agency and why it was found to not be applicable. City Attorney Solomon added that the State of Arizona and the Arizona Game and Fish could be picked up in a separate resolution so there was not a connection that would allow us to add them to this resolution.

Moved by Mayor Paul Deasy (arrived 4:43 p.m.), **seconded by** Councilmember Jim McCarthy to read Resolution No. 2021-54 by title only.
Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL IN SUPPORT OF THE ENDANGERED SPECIES ACT

Moved by Mayor Paul Deasy (arrived 4:43 p.m.), **seconded by** Councilmember Austin Aslan (arrived 3:05 p.m.) to adopt Resolution No. 2021-54.
Vote: 7 - 0 - Unanimously

4. Public Participation

None

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

Councilmember Shimoni stated that the Independent Redistricting Committee (IRC) was meeting later that week at the High County Conference Center. He thanked councilmembers for speaking at meeting.

Vice Mayor Daggett stated that there was a tour of flooding areas where they discussed flood mitigation. She stated she did not get on list at the IRC meeting for speaking but would be in attendance.

Councilmember McCarthy stated that he would be at the redistricting meeting later that week.

Councilmember Salas stated that she attended High Country Humane breakfast that morning and they have some needs that will be submitted to Council. She reminded the community that later that week was Veteran's Day and there was also a reception for MoonShot at NACET. She also stated that over the weekend the Stuff the Bus food drive with the Flagstaff Family Food Center would be going on and it would also be the last home game for NAU football.

6. Adjournment

The Special Meeting held November 9, 2021 adjourned at 8:36 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on November 9, 2021. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL WORK SESSION
TUESDAY, JANUARY 25, 2022
CITY HALL STAFF CONFERENCE ROOM
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Deasy called the Work Session held January 25, 2022 to order at 3:03 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR DEASY (virtual)	
VICE MAYOR DAGGETT (virtual)	
COUNCILMEMBER ASLAN (virtual)	
COUNCILMEMBER MCCARTHY (virtual)	
COUNCILMEMBER SALAS (virtual)	
COUNCILMEMBER SHIMONI (virtual)	
COUNCILMEMBER SWEET (virtual)	

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

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

The Council and audience recited the pledge of allegiance, Councilmember Shimoni read the Mission Statement of the City of Flagstaff, and Councilmember Salas read the 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. Public Participation

Public Participation enables the public to address the council about items that are not on the prepared

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

None

5. Review of Draft Agenda for the February 1, 2022 City Council Meeting

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

None

6. Mountain Line 2021 Annual Report and Project Update

CEO and General Manager of Mountain Line Heather Dalmolin provided a PowerPoint presentation that covered the following:

WHAT IS MOUNTAIN LINE?
ROUTE MAP
MOUNTAIN LINE FLEET
FACILITIES
COMMUNITY SUPPORT
20 YEAR HISTORY -- COVID IMPACTS
FIXED ROUTE RIDERSHIP
EXPENSES
WHO PAYS FOR MOUNTAIN LINE?
FEDERAL FUNDING BREAKDOWN
TRANSIT TAX
SMALL TRANSIT INTENSIVE CITIES
LEGISLATIVE PRIORITIES
PROGRAMS
MOUNTAIN LINE PARATRANSIT & TAXI PROGRAM
PARATRANSIT RIDERSHIP
CITY TAX RIDERSHIP
MOUNTAIN EXPRESS
ECOPASS PROGRAM
TECHNOLOGY
IMPACTS OF TRANSIT
FLEET
FUTURE OF MOUNTAIN LINE
NORTHERN ARIZONA HEALTHCARE MOVE
20TH ANNIVERSARY
THANK YOU AND QUESTIONS

Vice Mayor Daggett asked Ms. Dalmolin to speak more on Paratransit. Ms. Dalmolin stated that Paratransit is federally mandated for people who cannot use the bus and has the same service area and the same hours. There is an application for the service. The fare cannot be more than twice what it is for the bus and it is $2.50 one way. Paratransit is funded the same way as the bus system.

Councilmember Sweet asked Ms. Dalmolin to speak about getting downtown employees to take the bus rather than commuting by car. Ms. Dalmolin stated that downtown employees have access to a free pass, and they are working with employers to spread the information to all downtown employees.

Councilmember Shimoni thanked Ms. Dalmolin for the presentation and expressed gratitude to have her as the General Manager of Mountain Line. He also spoke about bus usage and how Mountain Line is a great resource. He acknowledged Representative Blackman for his support of transit.

7. End of Year Update on Minimum Wage and Office of Labor Standards

Management Analyst Chris Rhode provided a PowerPoint presentation that covered the following:

BACKGROUND
RESPONSIBILITIES OF OLS
CALCULATING THE MINIMUM WAGE
10-YEAR INFLATION HISTORY
INFLATION IN 2021
2023 MINIMUM WAGE
2021 OLS CASES
2021 OUTREACH
2021 OLS ACTIVITIES
FUTURE OLS ACTIVITIES

Councilmember Shimoni thanked Mr. Rhode for his hard work and expressed his appreciation for the minimum wage communication. He asked Mr. Rhode to add multi-lingual videos to his communication efforts and involve the Northern Arizona Interfaith Council, the Continuum of Care, Goodwill, etc. to his communication lines to reach populations that might not see other updates. Mr. Rhode stated that staff looked at videos, but the budget was limited and he expressed gratitude for the organizations shared.

8. Discussion and Direction on Future Council Meetings

City Clerk Stacy Saltzburg addressed Council concerning a return to hybrid Council Meetings.

Mayor Deasy stated that the COVID numbers are higher than when they made the decision to move virtual, and he stated that he does not support moving back to hybrid meetings. He suggested that this can be further discussed during COVID-19 updates.

Councilmember Shimoni stated his agreement with Mayor Deasy.

Councilmember Sweet stated her agreement with Mayor Deasy and stated that the COVID-19 updates could be utilized for these discussions in the future.

Councilmember Aslan stated he appreciates the conversation. He expressed his agreement and added that he appreciates the fact that Council can be nimble about moving back and forth in COVID mitigation efforts.

Councilmember McCarthy stated that he would like to stay virtual for at least another four to six weeks.

Vice Mayor Daggett expressed her agreement and stated that she did not want to compel staff to come in for a council meeting.

9. Discussion of Nuisance Noise Ordinance

Deputy Police Chief Paul Lasiewicki and Senior Assistant City Attorney Marianne Sullivan provided a PowerPoint presentation that covered the following:

NUISANCE NOISE ORDINANCE
EXAMPLES OF TYPICAL SOUND LEVELS
MEASUREMENTS AROUND TOWN
NUISANCE NOISE ORDINANCE
SPECIAL EVENT NOISE RESTRICTIONS
RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL LIMITS

OPTION 1
OPTION 2
MIXED USE ZONES
MOTOR VEHICLES
OPTION 1
OPTION 2
CIVIL TRAFFIC FINES
PENALTIES
TRAINING, CERTIFICATION, AND EQUIPMENT COSTS
QUESTIONS

Craig Bouchard addressed Council and provided input on the changes that would affect bars and restaurants downtown and stated that more research was needed. Councilmember Salas asked Mr. Bouchard about his independent study on noise levels and about engaging the business community. Mr. Bouchard stated that his businesses have been visited by the police regarding noise and he started wondering if his noise levels were different than any other business. He employed Ken Engstrom, a private investigator, for a study. Councilmember Salas asked if he would be amenable to such a policy if business owners were involved. Mr. Bouchard stated that he would like to have a developed policy to refer to.

Councilmember McCarthy asked Mr. Bouchard about the report. He stated that there was a range and if the measurement was in DBA or DBC. Mr. Bouchard stated that the measurements were in DBA. Councilmember McCarthy asked about the difference between the red and black numbers in the report. Mr. Bouchard stated that the answer would be in the summary letter since Mr. Engstrom could not unmute.

Councilmember Shimoni asked Mr. Bouchard what the next steps would be to move forward with the business community. Mr. Bouchard stated that Council needs to commission a study. He stated that he would be happy to help Council meet with downtown bar/restaurant owners.

Michael Collier addressed Council and stated that first offenses should be for education. He had questions about vehicle noise and the need for training.

Malisa Szalkiewicz addressed Council and stated that people cannot sleep due to noise and that there needs to be consideration for the community. Councilmember McCarthy asked Ms. Szalkiewicz if the noise from some adjacent bars cause disruptions with people trying to do yoga in her studio. She replied that they have had issues in the past and they are unable to hold late night events due to obnoxious behavior of people in the alley behind the studio.

Candace Ryan addressed Council and asked that the noise ordinance be amended for a separate decibel for bass since it is felt through her home and her neighbors homes on the Southside. She stated that she is not able to enjoy her home and that she cannot open her windows. Councilmember McCarthy asked Ms. Ryan if this was a problem when she bought her home. Ms. Ryan stated that when they bought their home that the Tavern had just opened. She asked the previous owners if they had issues, and they did not. The Tavern was sold, and now it has become a nuisance.

Jacob Montoya submitted written comments with concerns about noise in Southside.

Vice Mayor Daggett asked about distinguishing between broken and modified mufflers. Ms. Sullivan explained that officers can issue warnings, but enforcement depends on the standard set in the ordinance. If objective decibel limits are introduced, it would require equipment and training. Deputy Chief Lasiewicki added that enforcement will be case by case, and without proper tools, courts may reject evidence.

Councilmember Sweet asked about noise complaints north of the tracks. Deputy Chief Lasiewicki noted that expectations differ in that area and stressed the need for standardized measures, as the "reasonable person" test is unreliable. He said officers try to handle complaints civilly first.

Councilmember Shimoni voiced concerns over cost and equity, and called for a strategic approach.

Councilmember McCarthy stated that he supports objective limits and suggested training just two officers per squad to reduce costs.

Councilmember Sweet supported moving forward but wants to draft the ordinance with community input. Councilmember Salas agreed, emphasizing the need for community buy-in.

Councilmember Shimoni asked Councilmember McCarthy how to engage the community.

Councilmember McCarthy suggested forming a small working group of neighbors and bar owners to measure noise and gather public feedback, similar to his past work on air tour noise near the Grand Canyon.

Vice Mayor Daggett empathized with affected residents, distinguishing special event noise from persistent disruption. She supports an ordinance after more public outreach.

Mayor Deasy backed a noise ordinance, noting a disconnect between vehicle and residential noise, and called for community discussion.

Councilmember Aslan thanked staff and supported moving forward but wants more stakeholder input. He asked Mr. Clifton how to ensure adequate feedback. Mr. Clifton said the leadership team will develop next steps, including public outreach and possible town halls.

A break was called from 5:52 p.m. through 6:10 p.m.

10. Lone Tree Overpass Project Update

Council recessed to Executive Session from 6:10 p.m. through 7:10 p.m.

Project Manager Christine Cameron, Structure's Manager Jason Carlaftes, Transportation Commissioner Julie Leid, Arizona Department of Transportation representatives George Williams and Nate Reisner, and Engineer Scott Beck provided a PowerPoint presentation that covered the following:

AGENDA
INTRODUCTION HIGHLIGHTS
APPROACH
PROJECT SUMMARY
SUSTAINABILITY
GOALS
VMT GOALS
MODELING APPROACH AND RESULTS
INDUCED DEMAND
VMT GOALS
VMT REDUCTIONS
VMT IN NETWORK MODEL
GHG EMISSIONS
TAKEAWAYS
INTERSECTION REFINEMENTS AND ANALYSIS
GOALS
PROJECT OVERVIEW
LTO & BUTLER -- INTERSECTION OPTIONS
MODELING APPROACH -- PEAK HOUR ANALYSIS
APPROACH TO MULTI-MODAL SAFETY
LTO & BUTLER -- TYPICAL APPROACH
LTO & BUTLER -- FULL BUILD-OUT INTERSECTION
LTO & BUTLER -- SINGLE LEFT INTERSECTION
LTO & BUTLER -- BALANCED INTERSECTION
LTO & BUTLER -- TRADITIONAL INTERSECTION

APPROACH TO SAFETY -- BICYCLE FEATURES
APPROACH TO SAFETY -- CROSSING FEATURES
APPROACH TO SAFETY -- TURN LANE FEATURES
INTERSECTION ALTERNATIVES -- CHANNELIZED RIGHT LANES
INTERSECTION ALTERNATIVES -- DEDICATED RIGHT LANES
EXAMPLE IN ACTION -- BOULDER, COLORADO
OTHER SAFETY FEATURES
INTERSECTION ALTERNATIVES -- TAKEAWAYS
LTO & BUTLER -- INTERSECTION SUMMARY
TRANSPORTATION COMMISSION MEETING
CLOSING COMMENTS
LTO & BUTLER OVERVIEWS
TYPICAL APPROACH
FULL BUILD-OUT INTERSECTION
SINGLE LEFT INTERSECTION
BALANCED INTERSECTION
TRADITIONAL INTERSECTION

The following individuals addressed Council regarding the Lone Tree Overpass project:

- Emily Renn
- Kyle Nitzche
- Sydney Shevat
- Tyler Denham
- Deb Harris
- Enoque Costa
- Michelle James
- David Hayward
- Marilyn Weisman
- Sat Best
- Anthony Quintile

The following comments were received.

- Support for designs that prioritize bicycle and pedestrian safety
- It is important to protect prairie dogs.
- Intersections are important for student walkers and cyclists
- Concerns about maintaining prioritization of non-vehicle users.
- Support Option 5.
- Include bicycle and pedestrian safety measures.
- Southside community input is important.
- Concerned about Rio de Flag project delays.
- There will be increased traffic on Elden Street.
- More discussion is needed on public transit.
- Adopt all pedestrian and cyclist safety features.
- Concerned about alignment with regional plan, use of proven safety metrics, lack of full evaluation, inaccuracies in current data, and the need for more outreach.
- Delay the design selection.
- Support moving project forward without delay.
- Prefer functional intersection and realistic design options.
- Encouraged use of transformative, small-scale transportation solutions; cautioned against comparing Butler to Route 66.
- The intersection is overly large, suggested building underground infrastructure now for future flexibility.

Written comments with concerns about the design were submitted by the following individuals:

- Emily Renn
- Ari Wendel
- Dapper Dre

- Heidi Larson
- Hannah Johnson
- Valarie Piet
- Ryan Drendal

The following individuals submitted written comments in support of the five-lane option:

- Gregory Nelson
- Lori Matthews

Vice Mayor Daggett questioned the safety of channelized lanes, citing mixed messages. Staff explained that they separate traffic and improve pedestrian safety.

Councilmember Sweet asked about business outreach, and staff indicated that none had occurred yet, but an impact statement is in progress. She also inquired about pedestrian tunnels. Staff explained tunnels and overhead crossings are expensive, and full evaluations have not been completed.

Councilmember Aslan pushed for exploring pedestrian underpasses, roundabouts, and flexibility in the design. He supports Option 5, but wants cost comparisons and more alternatives, especially for overhead infrastructure.

Councilmember Shimoni expressed gratitude for staff efforts and community walkthroughs. He supported Option 5, more public engagement, town halls, and upstream traffic modeling. He also noted that bike community input is also needed.

Mr. Carlaftes and Mr. Beck noted that traffic models lose accuracy the further they project into the future. David Wessel from MetroPlan confirmed the model is well-calibrated and that 2045 projections are expected soon.

Councilmember Salas supports Options 4, 1, or 2 and is open to exploring a pedestrian bridge.

Councilmember McCarthy opposes Options 3 and 5, citing failure to meet level of service standards, he prefers double left-turn lanes for safety.

Mayor Deasy supports Option 5, but says if a bridge is feasible, Option 1 becomes viable.

Vice Mayor Daggett supports a bridge and wants policies and codes to align with sustainability and community character. She is concerned about level of service in Option 5, but could support it if a bridge is included.

City Engineer Rick Barrett confirmed that bridge options (N-S or E-W) would be explored.

Mr. Clifton and staff emphasized the need for public input, town halls, and community character discussions. Work can proceed while outreach continues.

Mayor Deasy noted that a majority of Council supports moving forward with Option 5 for the intersection redesign. There was also majority interest in exploring the feasibility of a pedestrian bridge, which could make Option 1 a viable alternative. Councilmember Aslan agreed, saying he preferred Option 1 with a bridge, but would support Option 5 otherwise.

A majority of Council supported moving forward with bridge feasibility.

A majority of Council supported Option 5, even without a bridge.

There was unanimous support for Option 5B, which includes a second left-turn lane.

Transportation Planner Martin Ince cautioned Council about relying on pedestrian bridges or tunnels as primary intersection solutions, stating they are generally underutilized and not considered best practice. Council agreed to examine the feasibility and costs before making a final decision.

Councilmember Shimoni also raised concerns about the evaluation methods being used to prioritize and design transportation projects. He emphasized the importance of "next-level thinking" and suggested that the City begin incorporating metrics beyond traditional vehicle level of service, especially those relevant to bike and pedestrian safety. He encouraged continued collaboration with Dr. Contreras and asked if the City should consider changing its code to include more comprehensive evaluation metrics, potentially ones used by ADOT.

Mr. Barrett asked if these changes were intended for the current project or future ones. Jeff Meilbeck from MetroPlan responded that they are in the process of developing new metrics as part of their 25-year plan, although it is not yet clear how they would apply to this specific project.

Councilmember Shimoni advocated for applying alternative metrics to this project now, and Mayor Deasy asked staff to explore how new metrics might change the current project's approach. A majority of Council supported exploring other evaluation metrics:

Ms. Cameron stated that the next step would be to revise the traffic model and submit it to ADOT with options 5 and 5B for feedback before returning to Council.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Miranda Sweet to recess to Executive Session for legal advice regarding the Lone Tree Overpass.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Jim McCarthy to adjourn the meeting.

Vote: 7 - 0 - Unanimously

11. Museum Flood Project Updates

This item will be postponed to a later meeting.

12. Public Participation

None

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

None

14. Adjournment

The Work Session of the Flagstaff City Council held January 25, 2022 adjourned on January 26, 2025 at 12:09 a.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, JULY 5, 2022
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Deasy called the meeting of the Flagstaff City Council held July 5, 2022, to order at 3:02 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. ROLL CALL

Present: Mayor Paul Deasy
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Khara House
Councilmember Jim McCarthy
Councilmember Regina Salas
Councilmember Adam Shimoni (virtual)

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

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

The Council and audience recited the pledge of allegiance, Vice Mayor Sweet read the Mission Statement of the City of Flagstaff, and Councilmember Salas read the 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. APPROVAL OF MINUTES FROM PREVIOUS MEETINGS

A. **Consideration and Approval of Minutes**: City Council Work Session of September 29, 2020, Joint City/Chamber Work Session of October 5, 2020, Regular Meeting of October 20, 2020, Regular Meeting of November 3, 2020, Special Meeting (Executive Session) of May 10, 2022, Special Meeting (Executive Session) of May 31, 2022, Special Meeting (Executive Session) of June 7, 2022, Emergency Meeting of June 13, 2022, and Special Meeting (Executive Session) of June 14, 2022.

Moved by Councilmember Jim McCarthy, **seconded by** Mayor Paul Deasy to approve the minutes of the City Council Work Session of September 29, 2020, Joint City/Chamber Work Session of October 5, 2020, Regular Meeting of October 20, 2020, Regular Meeting of November 3, 2020, Special Meeting (Executive Session) of May 10, 2022, Special Meeting (Executive Session) of May 31, 2022, Special Meeting (Executive Session) of June 7, 2022, Emergency Meeting of June 13, 2022, and Special Meeting (Executive Session) of June 14, 2022.

Vote: 7 - 0 - Unanimously

5. PUBLIC PARTICIPATION

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

Jay Cook, the Statewide Community Engagement Program Leader from Arizona Game and Fish, invited Council to the Arizona Game and Fish Commission Meeting held in August at the Little America Conference Center.

Mathias and Nathalie Hecht submitted written comments in opposition of changing the John Wesley Powell alignment.

6. PROCLAMATIONS AND RECOGNITIONS

A. **Proclamation:** Parks and Recreation Month

Mayor Deasy read and presented the proclamation.

B. **Recognition:** Citizen Bond Committee Members

Mayor Deasy thanked the Citizen Bond Committee Members for their diligence and hard work and distributed thank you certificates.

C. **Recognition:** July Employee Work Anniversaries

Senior Deputy City Manager Shannon Anderson presented the employee work anniversaries and highlighted the recent retirements in the Flagstaff Fire department.

7. COUNCIL LIAISON REPORTS

Councilmember House spoke about the recent Housing Commission meeting and the topics that were discussed including the land acknowledgement and an update on the bond recommendations. She also provided an update on the Open Spaces Commission and briefly reviewed the Observatory Mesa public review process.

Councilmember Shimoni spoke about Mountain Line reduced service through the summer due to staffing shortages.

Councilmember Sweet stated that the next Beautification and Public Art meeting was scheduled for the coming week.

Mayor Deasy stated that the Audit Committee recently met and he thanked the finance team for their

work.

Councilmember Salas stated that she will be joining the Chair and Vice Chair of the Tourism Commission to go to the Tourism Conference in Scottsdale. She also provided an update on funding sources for MetroPlan's projects. She stated that the Airport Commission will be meeting the following week.

8. APPOINTMENTS

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

A. **Consideration of Appointments:** Open Spaces Commission.

Moved by Councilmember Khara House, **seconded by** Mayor Paul Deasy to appoint Jillian Worssam to a term expiring April 2023.

Vote: 7 - 0 - Unanimously

9. LIQUOR LICENSE PUBLIC HEARINGS

Mayor Deasy opened the public hearing on the two applications.

Lieutenant Sapp introduced the items and noted no concerns.

There being no public comment, Mayor Deasy closed the public hearing.

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Miranda Sweet to forward the applications to the State with a recommendation for approval.

Vote: 7 - 0 - Unanimously

A. **Consideration and Action on Liquor License Application:** John Alexander Phillips, "Flagstaff Liquor," 1700 E. Route 66, Series 09 (liquor store - all spirituous liquor), Location Transfer.

B. **Consideration and Action on Liquor License Application:** Andrea Dahlman Lewkowtiz, "The Bluffs of Flagstaff," 3100E. Butler Avenue, Series 12, New Application.

10. CONSENT ITEMS

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

Councilmember Shimoni requested that Item 10B be pulled for discussion.

Moved by Mayor Paul Deasy, **seconded by** Councilmember Jim McCarthy to approve the Consent Agenda as presented with the exception of Item 10B.

Vote: 7 - 0 - Unanimously

A. **Consideration and Adoption:** Administrative Floodplain Designation - Spruce Wash

Adopt the proposed Administrative Floodplain of Spruce Wash to help educate current and future residents impacted by post-wildfire flooding and to provide appropriate development standards for new development within the affected area.

B. **Consideration and Approval of Contract:** Approve the Cooperative Purchase Contract with PFVT Motors, LLC DBA Peoria Ford for the purchase of one 2022 Ford F-150 Lighting Crew Cab 4X4 (fully electric) at $53,541.53 and the purchase of one 2022 Ford Explorer Hybrid at $44,282.76 for use at the Flagstaff Pulliam Airport in the total amount of $97,824.29 (plus applicable taxes).

Councilmember Shimoni asked to have this item pulled to acknowledge the accomplishment of getting a fully electric truck and a hybrid SUV and the impacts that has on the climate emergency.

Mayor Deasy addressed the accomplishment and expressed his gratitude as well.

Moved by Councilmember Adam Shimoni (virtual), **seconded by** Mayor Paul Deasy to approve the Cooperative Purchase Contract to PFVT Motors, LLC DBA Peoria Ford through the State Cooperative Contract No. CTR059322 for the purchase of two replacement vehicles for the Flagstaff Pulliam Airport in the total amount of $97,824.29 (plus applicable taxes) and authorize the City Manager to execute all necessary documents.

Vote: 7 - 0 - Unanimously

C. **Consideration and Approval of Contract:** Agreement of Intent for a Direct Sale with the US Department of Agriculture, Forest Service, for the property underneath and adjacent to the Lake Mary Water Treatment Plant.

1. Approve the Agreement of Intent for a Direct Sale with the U.S. Department of Agriculture, Forest Service, concerning the lands underneath and adjacent to the Lake Mary Water Treatment Plant.
2. Authorize the City Manager to execute all necessary documents.

D. **Consideration and Approval of Final Plat** Case No PZ-15-00115-25, Capstone Homes requests final plat approval for Aries at Timber Sky Phase II (Block 7B) located at 3501 E Route 66, a single-family subdivision on 6.59 acres in the Single-Family Residential (R1) Zone.

Approve the final plat and authorize the Mayor to sign the final plat when notified by staff that all documents are ready for signature and recordation.

E. **Consideration and Approval of Contract:** Software Maintenance Agreement for GIS Software with Environmental Systems Research Institute, Inc. (esri) in the amount of $180,148.65 (plus applicable taxes).

1. Approve the 3-year Software Maintenance Agreement with esri for GIS software in the amount of $180,148.65 (plus applicable taxes);
2. Authorize the City Manager to approve the necessary documents.

F. **Consideration and Approval of Contract:** Approve the construction contract with Scholz Contracting, LLC in the amount of $1,089,419.46 for the Main Library ADA Entrance Project project.

1. Approve the construction contract with Scholz Contracting, LLC in the amount of $1,089,419.46 and a contract duration of 130 calendar days;
2. Approve a contract allowance of $58,385.00, which is 7.5% of the Engineers Estimate;
3. Approve Change Order Authority to the City Manager in the amount of $108,941.95 which is 10% of the lowest responsive bid;
4. Authorize the City Manager to execute the necessary documents.

G. **Consideration and Approval of Final Plat** PZ-21-00236-06, Woodshire on West Oak, LLC requests Final Plat approval for Woodshire on Oak Condominiums located at 302 W Oak Avenue, a condominium subdivision on 0.89 acres in the Medium Density Residential (MR) and High Density (HR) Zones.

Approve the Final Plat and authorize the Mayor to sign the Final Plat when notified by staff that all documents are ready for signature and recordation.

H. **Consideration and Approval of Contract:** Citywide On-Call Professional Services Contracts: Architecture, Landscape Architecture, Engineering, Geotechnical and Survey.

1. Approve the fifteen (15) On-Call Professional Services Contracts for the following firms and disciplines:
   - **Architecture:** Loven Contracting, Johnson Walzer Associates and GLHN
   - **Landscape Architecture:** The WLB Group, Kimley-Horn and Logan Simpson
   - **Geotechnical:** Speedie and Associates, and Western Technologies
   - **Engineering:** Peak Engineering, The WLB Group, Shephard Wesnitzer, Woodson Engineering, WSP, J.E. Fuller and Burgess & Niple
   - **Survey:** Shephard Wesnitzer Inc. and Woodson Engineering
2. Authorize the City Manager to execute the necessary documents.

I. **Consideration and Approval of Contract:** City-Owned Property located at 11 W. Cherry known as the Doris Harper White Community Theater

1. Approve the lease between the City and Theatrikos, Inc.; and
2. Authorize the City Manager to execute all necessary documents.

J. **Consideration and Approval of Grant Agreement:** Approve the Grant Agreement with the U.S. Department of Justice, through the Arizona Criminal Justice Commission, for the Edward Byrne Justice Assistance Grant funds in the amount of $292,485.09 for the Northern Arizona Street Crimes Task Force (METRO unit).

Approve the acceptance of the grant from the U.S. Department of Justice, through the Arizona Criminal Justice Commission, Edward Byrne Justice Assistance Grant funds in the amount of $292,485.09 for FY2023.

K. **Consideration and Approval of Contract:** Approve the Amendment of the Professional Services Contract with Jeanie Gallagher for Human Resources Executive Consulting Services through October 15, 2022 not to exceed $15,000 for a total contract amount of $64,900.

1. Approve the Amendment of the Professional Services Contract with Jeanie Gallagher for Human Resources Executive Consulting Services through October 15, 2022 not to exceed $15,000 for a total contract amount of $64,900; and
2. Authorize the City Manager to execute the necessary documents.

L. **Consideration and Approval of Contract:** Lease of City-Owned Property located at 203 E. Brannen known as the Murdoch Community Center

1. Approve the lease between the City and Southside Community Association, Inc.; and
2. Authorize the City Manager to execute all necessary documents.

11. ROUTINE ITEMS

A. **Consideration of Audited Financial Reports**: Year ending June 30, 2021

Assistant Finance Director Heidi Derryberry and the independent auditor Dennis Osuch, CPA, provided a PowerPoint presentation that covered the following:

REPORTS ISSUED
GOVERNANCE COMMUNICATION
ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)
SINGLE AUDIT REPORT
HIGHWAY USER REVENUE EXAMINATION (HURF)
ANNUAL EXPENDITURE LIMITATION EXAMINATION (HURF)

PASSENGER FACILITIES REPORT (PFC)
LANDFILL AGREED-UPON PROCEDURES
SINGLE AUDIT
ITEMS OF SIGNIFICANCE FOR 2022

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Miranda Sweet to approve the FY 2020-2021 Annual Comprehensive Financial Report and the FY 2020-2021 Single Audit Report.

Vote: 7 - 0 - Unanimously

B. Consideration and Adoption of Ordinance No. 2022-16: An ordinance levying upon the assessed valuation of the property within the City of Flagstaff, Arizona, subject to taxation a certain sum upon each one hundred dollars ($100.00) of valuation sufficient to raise the amount estimated to be required in the Annual Budget, less the amount estimated to be received from other sources of revenue; providing funds for various bond redemptions, for the purpose of paying interest upon bonded indebtedness and providing funds for general municipal expenses, all for the Fiscal Year ending the 30th day of June 2023. **(Primary and secondary property tax levies for FY 2022-2023)**

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Miranda Sweet to read Ordinance No. 2022-16 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF FLAGSTAFF, ARIZONA, SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS ($100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2023

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Miranda Sweet to adopt Ordinance No. 2022-16.

Vote: 7 - 0 - Unanimously

C. Consideration and Adoption of Ordinance No. 2022-15: An ordinance amending Flagstaff City Code, Chapter 1-14, Personnel System, and the Employee Handbook of Regulations Section 1-10-70, Employee Advisory Committee, to reorganize and add member representation based on recent changes to the City's organizational chart and authorized Full Time Equivalents (FTE's).

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Miranda Sweet to read Ordinance No. 2022-15 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, AMENDING THE FLAGSTAFF CITY CODE, CHAPTER 1-14, PERSONNEL SYSTEM, AND THE EMPLOYEE HANDBOOK OF REGULATIONS, SECTION 1-10-070, EMPLOYEE ADVISORY COMMITTEE; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Miranda Sweet to adopt Ordinance No. 2022-15.

Vote: 7 - 0 - Unanimously

D. **Consideration and Approval of Preliminary Plat:** RP4V, LLC and RP40, LLC request approval of the Preliminary Plat for Rio Homes Unit 4, a 6-unit multi-family residential townhome subdivision (PZ-19-00019-07). The 5.1-acre site is located at 1221 East Emma Drive in the MR, Medium Density Residential Zone, and has a Resource Protection Overlay (RPO).

Senior Planner Genevieve Pearthree provided a PowerPoint presentation that covered the following:

REQUEST OVERVIEW
VICINITY MAP
SITE INFORMATION
PURPOSE OF CURRENT REQUESTS
CONDOMINIUM PLAT
TOWNHOME PLAT
FINDINGS FOR APPROVAL
REQUIRED FINDING #1: ZONING CODE
REQUIRED FINDING #2: ENGINEERING STANDARDS
REQUIRED FINDING #3: SUBDIVISIONS STANDARDS
FINDINGS AND RECOMMENDATION

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Miranda Sweet to approve the Preliminary Plat in accordance with the findings presented in the report and the Planning and Zoning Commission recommendation of approval on June 22, 2022.

Vote: 7 - 0 - Unanimously

E. **Consideration and Approval of Preliminary Plat:** RP4V, LLC and RP40, LLC request approval of the Preliminary Condominium Plat for Rio Homes Unit 4 (PZ-19-00019-06), a 40-unit multi-family residential condominium subdivision. The 4.11-acre site is located at 1221 E. Emma Drive in the MR, Medium Density Residential Zone, and has a Resource Protection Overlay (RPO).

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Miranda Sweet to approve the Preliminary Plat in accordance with the findings presented in the report and the Planning and Zoning Commission recommendation of approval on June 22, 2022.

Vote: 7 - 0 - Unanimously

F. **Consideration and Approval of Municipal Services Accounts, Miscellaneous Account Receivable, Transaction Privilege Tax and Insufficient Funds Write-offs:** Delinquency and Uncollectible Accounts for Fiscal Year 2021-22.

Management Services Director Rick Tadder briefly reviewed the process and was available for questions.

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Miranda Sweet to approve the write-off of delinquent and uncollectible Municipal Services accounts, Miscellaneous Account Receivables, Transaction Privilege Tax accounts and Insufficient Funds in the combined amount of $101,748.15.

Vote: 7 - 0 - Unanimously

12. REGULAR AGENDA

A. **Consideration and Adoption of Resolution No. 2022-36:** A resolution authorizing the submission of a grant application to the United States Department of Interior Bureau of Reclamation for a WaterSMART Drought Response Program Federal Grant beginning Fiscal Year 2022-2023 and authorizing the acceptance of any resulting grant award.

Water Resources Manager Erin Young addressed Council and stated that the grant application was approved by the Water Commission and City Council. She added that the grant requires a resolution to submit and that they received many letters of support from water partners. She spoke about the issues of hauling water and how this grant supports reclamation efforts as well as how this grant

would allow staff to leverage other funds including an advanced treatment for water quality pilot project.

Grants, Contracts, and Emergency Management Director Stacey Brechler--Knaggs addressed Council to discuss the need for the resolution with an assurance of fund-matching commitment. She addressed the fact that this application is in a pre-award status and that there are opportunities to negotiate with the funding agency upon award.

Councilmember Aslan asked Interim Water Services Director Brad Hill what his thoughts are. Mr. Hill stated that it is very appropriate to apply for this grant and that Water Services is always looking to intentionally apply for grant dollars like these. After the grant is received, staff will look into water quality. Right now this is about water quantity.

Ward Davis and Robert Vane of the Flagstaff Water Group addressed Council and provided the following comments:

- Compounds of Emerging Concern and water cleanup remain unresolved issues.
- Recent EPA update significantly lowered the acceptable level for fluorinated compounds from 70 parts per trillion to 0.02 parts per trillion, a 3,000-fold reduction, underscoring the seriousness of contamination concerns.
- Continued attention and discussion on compounds of emerging concern are needed.
- Concern that the resolution might prematurely authorize acceptance of an $8.5 million project grant, removing Council's opportunity for a second review.
- Supports grant application but objects to automatic grant acceptance.

Councilmember Aslan supported the project, stating it would not worsen existing concerns.

Councilmember Shimoni supports alternative approaches and is glad the item returns to Council.

Councilmember McCarthy opposed the project due to unaddressed compounds of emerging concern and warned that applying for a grant and rejecting it could harm relations with the Bureau of Reclamation.

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Regina Salas to read Resolution No. 2022-36 by title only.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Adam Shimoni (virtual) to amend the motion to delete section three of the Resolution.

Vote: 7 - 0 - Unanimously

Original Motion:

Vote: 6 - 1

NAY: Councilmember Jim McCarthy

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION TO THE UNITED STATES DEPARTMENT OF INTERIOR BUREAU OF RECLAMATION FOR A WATERSMART DROUGHT RESPONSE PROGRAM FEDERAL GRANT BEGINNING FISCAL YEAR 2022-2023 AND AUTHORIZING THE ACCEPTANCE OF ANY RESULTING GRANT AWARD AS AMENDED

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Regina Salas to adopt Resolution No. 2022-36.

Vote: 6 - 1

NAY: Councilmember Jim McCarthy

A break was called from 4:55 p.m. through 5:13 p.m.

B. **Consideration and Adoption of Resolution No. 2022-35:** A resolution of the City Council of the City of Flagstaff, authorizing condemnation of real property for the Lone Tree Overpass project; providing for delegation of authority, and establishing an effective date

Real Estate Manager Bryce Doty presented a vicinity and parcel map to discuss LT-01 and LT-06.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Austin Aslan to read Resolution No. 2022-35 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AUTHORIZING CONDEMNATION OF REAL PROPERTY FOR THE LONE TREE OVERPASS PROJECT; PROVIDING FOR DELEGATION OF AUTHORITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to adopt Resolution No. 2022-35.

Vote: 7 - 0 - Unanimously

C. **Consideration and Adoption of Ordinance No. 2022-17:** An ordinance of the City Council of the City of Flagstaff, authorizing the acquisition of real property for the Red Gap Ranch Pipeline project; providing for delegation of authority, subsequent Council approvals, severability, authority for clerical corrections, and declaring an emergency

Real Estate Manager Bryce Doty explained the purpose of the ordinance and the reason for the emergency declaration.

Ward Davis and Robert Vane of the Flagstaff Water Group addressed Council and provided the following comments:

- Alternatives are cheaper on a dollars per gallon basis
- Red Gap Ranch has to be put in all at one versus in phases
- Most expensive water
- Too expensive
- Shocked because there has been no decision on project
- There are better options for Flagstaff's next water supply

Councilmember McCarthy supported the measure with hesitation, emphasizing the need to advance reclaimed water treatment.

Councilmember Aslan also supported it, stating this keeps options open and encourages a balanced water strategy beyond Red Gap Ranch.

Councilmember Shimoni agreed, urging investment in alternative solutions and better public communication.

Vice Mayor Sweet supported the ordinance, hoping for further exploration of alternatives.

Councilmember Salas clarified that the ordinance only secures easement rights, not infrastructure commitments.

Councilmember House agreed with previous comments, stressing the importance of keeping all water options open.

Mayor Deasy explained the urgency: the state land auction could lead to much higher future costs if the City does not act now.

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Miranda Sweet to read Ordinance No. 2022-17 by title only for the first time.
Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AUTHORIZING THE ACQUISITION OF REAL PROPERTY FOR THE RED GAP RANCH PIPELINE PROJECT; PROVIDING FOR DELEGATION OF AUTHORITY, SUBSEQUENT COUNCIL APPROVALS, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND DECLARING AN EMERGENCY

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Miranda Sweet to read Ordinance No. 2022-17 by title only for the final time.
Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AUTHORIZING THE ACQUISITION OF REAL PROPERTY FOR THE RED GAP RANCH PIPELINE PROJECT; PROVIDING FOR DELEGATION OF AUTHORITY, SUBSEQUENT COUNCIL APPROVALS, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND DECLARING AN EMERGENCY

Moved by Mayor Paul Deasy, **seconded by** Vice Mayor Miranda Sweet to adopt Ordinance No. 2022-17.
Vote: 7 - 0 - Unanimously

13. PUBLIC PARTICIPATION

None

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

Councilmember Salas thanked everyone who attended the 4th of July parade.

Councilmember Shimoni expressed gratitude to Executive Assistant to the City Council Jason Cook for his service. He also spoke of the 4th of July and tragedy in Highland Park.

15. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held July 5, 2022, adjourned at 5:38 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on July 5, 2022. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____

CITY CLERK

CITY COUNCIL COMBINED WORK
SESSION / SPECIAL MEETING
TUESDAY, DECEMBER 13, 2022
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Deasy called the Work Session held December 13, 2022, to order at 3:04 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. ROLL CALL

Present: Mayor Paul Deasy
Vice Mayor Becky Daggett
Councilmember Austin Aslan
Councilmember Khara House
Councilmember Jim McCarthy
Councilmember Regina Salas
Councilmember Adam Shimoni

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

Led by the NAU Color Guard, the Council and audience recited the pledge of allegiance, Mayor Deasy read the mission statement and Vice Mayor Sweet read the 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. Public Participation

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

meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone to have an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

None

5. Farewell Presentation for Outgoing Councilmembers

City Manager Greg Clifton, Acting Deputy City Manager Heidi Hansen, and Senior Deputy City Manager Shannon Anderson led a presentation recognizing the outgoing Mayor and Council. They highlighted Councilmember Shimoni, Councilmember Salas, Mayor Deasy and their accomplishments during their terms.

Councilmember McCarthy also thanked Councilmember Salas for her service on MetroPlan. Councilmember Shimoni also shared his appreciation for Councilmember Salas. Councilmember Aslan thanked Councilmember Salas for her leadership. Mayor Deasy thanked Councilmember Salas for her assistance in his growth and learning.

Councilmember Shimoni offered a few words of gratitude. Councilmember Aslan expressed his gratitude for Councilmember Shimoni and his impacts for the community. Councilmember McCarthy also expressed his gratitude for Councilmember Shimoni. Mayor Deasy addressed some of Councilmember Shimoni's accomplishments in communication and bicycle awareness.

Indigenous Initiatives Coordinator Rose Toehe and members from the Indigenous Commission thanked the outgoing members for their service and presented gifts from the Indigenous Commission.

City Manager Clifton offered his gratitude to Mayor Deasy. Councilmember McCarthy thanked Mayor Deasy for his enthusiasm. Councilmember Shimoni also offered his gratitude to Mayor Deasy and highlighted some accomplishments. Councilmember Aslan wished Mayor Deasy the best moving forward and expressed his gratitude for Mayor Deasy's advocacy.

Mayor Deasy thanked staff for all their work and their assistance.

Councilmember Salas offered a few words in gratitude and quoted her favorite poem.

6. City Manager Awards

City Manager Clifton highlighted the City Manager Awards recipients. He reviewed the Oak and Aspen awards along with the recipient of the Ponderosa award, Collin Seay.

Mayor Deasy said a few words about the awards.

7. Recess for Reception in Lobby

Mayor Deasy called a recess at 5:07 p.m. for the Outgoing Councilmember's Reception.

8. Reconvene Work Session

Mayor Deasy reconvened the meeting at 5:42 pm.

9. Review of Draft Agenda for the December 20, 2022 City Council Meeting

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

Councilmember Aslan asked about the executive session after the meeting and City Attorney Solomon stated that the meeting will be held after the swearing in of the new Council and addressed the flag policy.

10. Update regarding progress on recent Workforce Development efforts.

Business Retention, and Expansion Manager John Saltonstall presented an update on recent Workforce Development efforts. Slides included:

- Overview
- Background
- Scope of Work Development
- Objectives
- Three Sections
- Deliverables
- Next Steps

Councilmember Shimoni thanked Councilmember Salas for her leadership on this item and stated that he is looking forward to the analysis.

Councilmember Salas offered her gratitude to the Council for supporting this item. She asked Mr. Saltonstall how this program can play in the overall advance of workforce development in the region and how the City can take leadership in creating synergy. Mr. Saltonstall stated that the RSOQ and RFP is all about this and that staff realizes that the entire region is involved in the workforce development success. Staff will ensure that the consultant is provided all the contacts for the region.

Councilmember Salas also spoke about the apprenticeships and training programs that our needed in the region for the Northern Arizona workforce to be ready to work in new industries that may come in.

11. Business One Stop Shop (BOSS) - Update

Business Attraction Manager Jack Fitchett and Development Services Manager Becky Cardiff gave an update on the progress of the Business One Stop Shop System. Slides included:

- Phase 1 -- Implementation
- Example Website
- Phase 2 -- Implementation
- Citizen Access Portal (CAP)

Councilmember Aslan acknowledged the work that Ms. Cardiff did in the early period of the pandemic when she started migrating all the work electronically. He also asked if the $1,000 maintenance fee is reasonable for this sort of endeavor, and Mr. Fitchett stated it was. Councilmember Aslan also expressed his gratitude to Councilmember Salas.

Councilmember Shimoni expressed his support.

Councilmember McCarthy asked if there will be a link from the City Website to the BOSS site and Mr. Fitchett stated that the BOSS site will live on the City of Flagstaff main site and will remain localized.

Councilmember Salas expressed her gratitude for the update and that she is looking forward to Phase 2 and that she would like to see video support on how to use the site.

12. Flagstaff Police Department Assessment Report

City Manager Greg Clifton introduced the item and the consultants for the assessment. Senior Deputy City Manager Shannon Anderson introduced LD Consulting, LLC who performed the audit and Mr. Dan Olsen and Mr. Jack Harris from the firm presented to Council on their findings. Slides included:

- Introductions
- Background
- Metro Narcotics Policy Review
- FPD Policy Manual
- MOU and Task Force Agreements
- Audio/Video Procedures
- Next Steps

Heather Marcy, Deputy Director of Northland Family Help Center, addressed Council about issue of human trafficking in Flagstaff. She stated that she commends the City for commissioning the report and stated that she likes the inclusion of the new policies. She addressed the need for compassionate care for human trafficking. She stated that she hopes for coordinated partnerships.

Kate Wyatt, Director of Human Trafficking Services for Northland Family Help Center, and the creator of FIAT, stated that she is in support of creating new policies regarding prostitution and human trafficking. She also encouraged ordinances on exploitation and creating a unit to address it.

Councilmember Shimoni expressed his gratitude to Ms. Marcy and Ms. Wyatt. He asked Ms. Wyatt about the ad for a date with a hidden sexual trafficking message developed after the 2018 operation and she spoke to the ad and the response to it with 600 people reaching out in two weeks. Councilmember Shimoni asked Ms. Wyatt about FIAT presenting to Council and Ms. Wyatt stated that they are willing to provide a presentation.

Councilmember McCarthy addressed trafficking and stated that the focus has been on sexual trafficking. He spoke about other forms of trafficking such as those that are forced to work under duress and against their will.

Councilmember Shimoni clarified that Chief Musselman was not the Chief of Police during the 2019 operation and asked about the lack of demand, as Ms. Marcy and Ms. Wyatt presented a different picture. Chief Musselman explained that prior to 2019, the department had only received one complaint, but since then, there have been more complaints related to massage parlors. Councilmember Shimoni expressed concern about the lack of policies and emphasized the importance of adopting policies from other municipalities, like Phoenix. He also highlighted the issues with trafficking and the fear of enforcement among victims. He suggested working closely with FIAT, as they are the experts, and called for a shift in perspective with victim-centered approaches. Councilmember Shimoni proposed a team effort involving the commission and committee to address exploitation and demand in the community.

Councilmember House agreed with Councilmember Shimoni's emphasis on victim-centered and trauma-informed approaches. She inquired about expanding the CEASE City program, and Mr. Clifton responded that such certification could open up grant opportunities and involve training employees to recognize trafficking, potentially integrating it into current human resources training.

Mayor Deasy stated that he appreciated the report, and he would like to see a presentation from FIAT and other affiliated organizations to highlight the issues. He also suggested coordinating with the CJCC and County partners.

13. Public Participation

None

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

Councilmember Salas spoke of the Discover Flagstaff Holiday Open House; Reach for America event at the cemetery; the 20th anniversary of the Orpheum Theater; and the RTAC Board Meeting.

Councilmember Aslan spoke of the Open House at Milligan House. He stated he would be traveling to Phoenix for the newly elected officials training; He requested a FAIR to get FIAT on a future agenda.

Vice Mayor Sweet also requested FIAT to be on future agenda. She expressed her gratitude to Councilmember Salas, Councilmember Shimoni, and Mayor Deasy for their service on Council.

Councilmember Shimoni spoke of the CJCC Executive Committee meeting, the Working Alternatives Community Relations Board Meeting; the Senior Center food distribution; the Water Commission meeting; and the Coconino Diversion group meeting. He expressed gratitude to the rest of Council and staff.

Councilmember House stated she attended the master class on Affordable Housing; she spoke of the certificate of appreciation for Kiki Lockett. She also stated her gratitude to Councilmember Salas, Councilmember Shimoni, and Mayor Deasy for their service on Council.

Mayor Deasy stated it was an honor working with everyone. He stated the need for expansion of CARE team. He spoke of the good meeting with the Army Corps of Engineers to discuss Rio de Flag and Downtown Mile projects.

15. Adjournment

Mayor Deasy adjourned the Work Session held December 13, 2022 at 7:11 p.m.

SPECIAL MEETING

1. Call to Order

Mayor Deasy called the Special Meeting of December 13, 2022 to order at 7:11 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. **Consideration and Adoption of Ordinance No. 2022-33:** an Ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code Title 7, Health and Sanitation, Chapter 7-08, Extension and Reimbursement Agreements for the Construction of Water and Sewer Line, and Title 13, Engineering Design Standards and Specification for New Infrastructure, Chapter 13-09 Water, Sewer, and Other Underground Utilities, by amending the Reimbursement Agreement provisions to allow a longer maximum payback period; repeal of conflicting ordinances, severability, authority for clerical corrections, and establishing an effective date.

Water Services Engineering Section Director Gary Miller provided a presentation that covered the following:

REIMBURSEMENT AGREEMENTS
WHAT IS A REIMBURSEMENT AGREEMENT
REIMBURSEMENTS AGREEMENT CHANGES
WATER SERVICES DIVISION

Moved by Mayor Paul Deasy, **seconded by** Councilmember Regina Salas to read Ordinance No. 2022-33 by title for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 7, HEALTH AND SANITATION, CHAPTER 7-08, EXTENSION AND REIMBURSEMENT AGREEMENTS FOR THE CONSTRUCTION OF WATER AND SEWER LINES, AND TITLE 13, ENGINEERING DESIGN STANDARDS AND SPECIFICATIONS FOR NEW INFRASTRUCTURE, CHAPTER 13-09 WATER, SEWER, AND OTHER UNDERGROUND UTILITIES, BY AMENDING THE REIMBURSEMENT AGREEMENT PROVISIONS TO ALLOW A LONGER MAXIMUM PAYBACK PERIOD; REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Mayor Paul Deasy, **seconded by** Councilmember Jim McCarthy to adopt Ordinance No. 2022-33.

Vote: 7 - 0 - Unanimously

3. **Consideration and Adoption of Resolution No. 2022-60 and Ordinance No. 2022-34:** A Resolution of the Flagstaff City Council declaring as a public record that certain document filed with the City Clerk and entitled "Vehicle Noise Code Amendments" and an Ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 6, Police Regulations, Chapter 8, Noise Control, by adopting by reference that certain document entitled "Vehicle Noise Code Amendments;" providing for penalties, repeal of conflicting ordinances, severability, and establishing an effective date

Deputy Police Chief Paul Lasiewicki, Chief Dan Musselman, and Senior Assistant City Attorney Marianne Sullivan were available to address questions regarding the Vehicle Noise Code Amendments to City Council.

Sam Wesley from 40 Roll Racing Team addressed Council and stated he understands the perspective of people making complaints. He stated that he agrees with the complaints, but that he wanted to promote a solution regarding training for car modification enthusiasts to prevent people from being irresponsible.

Camden Hood from 40 Roll Racing Team addressed Council in opposition to the noise ordinance. He feels like it is problematic and that faulty exhaust systems would be a problem for people who cannot repair their exhaust due to cost or proximity.

Councilmember Shimoni asked about people who can afford to modify their exhaust should be able to afford to comply. Mr. Hood stated that it is a preference and that some of the problems can be fixed at home but that they can afford to make modifications because after market is less expensive than OEM.

Ramsey Crenshaw addressed Council in opposition to the noise ordinance.
Trevor Drake addressed Council in opposition to the noise ordinance.

Councilmember Shimoni thanked the public for their comments and expressed concerns about using public safety resources for noise complaints, fearing it could normalize such complaints and increase demand. He emphasized that the Police Department should focus on other issues and that this would not be the best use of the City's resources.

Councilmember House acknowledged the public's input and questioned whether the proposed ordinance would be a useful tool for the Police Department. Chief Musselman stated it would provide an objective focus to address noise complaints, while Deputy Police Chief Paul Lasiewicki clarified that modified cars do not necessarily lead to complaints or obnoxious noise.

Councilmember McCarthy shared his experience modifying a car and receiving tickets for noise. He supports the ordinance as it sets a clear, objective standard for citations, which he believes will address public concerns. He noted that many people have asked for this ordinance over the past two years.

Councilmember Aslan expressed his support for the ordinance, believing it is lenient and would be a useful tool for police without being abused.

Councilmember Shimoni reiterated that while Council receives many citizen concerns, they need to be strong enough to say no when necessary. He also addressed concerns about police burnout and staffing and suggested that the issue might be more related to speed than noise.

Councilmember McCarthy stated that he thinks it is important for people to come to Council with complaints, but that he will not move forward the issues that he does not find important.

Councilmember Salas echoed the gratitude for staff's work, especially Ms. Sullivan. She stated that she will not support passing this ordinance and that she is concerned about prioritization of resource allocation. She stated that this ordinance is not a top priority for her.

Councilmember McCarthy stated that there is nothing in the ordinance that would require the Police Department to go out and look for violators.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Adam Shimoni to adopt Resolution No. 2022-60.

Vote: 4 - 3

NAY: Mayor Paul Deasy
Councilmember Regina Salas
Councilmember Adam Shimoni

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to read Ordinance No. 2023-34 by title only for the final time.

Vote: 4 - 3

NAY: Mayor Paul Deasy
Councilmember Regina Salas
Councilmember Adam Shimoni

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 6, POLICE REGULATIONS, CHAPTER 8, NOISE CONTROL, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "VEHICLE NOISE CODE AMENDMENTS"; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Adam Shimoni to adopt Ordinance No. 2022-34.

Vote: 4 - 3

NAY: Mayor Paul Deasy
Councilmember Regina Salas
Councilmember Adam Shimoni

4. Adjournment

The Special Meeting of the Flagstaff City Council held December 13, 2022 adjourned at 7:55 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on December 13, 2022. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, FEBRUARY 21, 2023
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. ROLL CALL

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Jim McCarthy
Councilmember Khara House
Councilmember Lori Matthews
Councilmember Deborah Harris (arrived at 3:22 pm)

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

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

The Council and audience recited the pledge of allegiance, Councilmember Matthews read the Mission Statement of the City of Flagstaff, and Councilmember Sweet read the 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. PUBLIC PARTICIPATION

Public Participation enables the public to address the Council about an item that is not on the agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed. If you wish to address the Council at tonight's meeting, please complete a comment card and submit it to the recording clerk as soon as possible. Your name will be called when it is your turn to speak. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone an

opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak. Steve Canter addressed Council and expressed concern that the Council is too focused on federal matters rather than local issues. He spoke against bike lane development, raised concerns about traffic flow, high-rise complexes, parking, and traffic lights, and urged more focus on flood and fire control for local residents.

Sanoma Boynton, Stream Stewards Coordinator and AmeriCorps member for Sustainability, addressed Council and shared updates on the Stream Stewards program.

Jeanette Hovey, Account Executive for Air Methods, addressed Council and announced that the company is no longer under a non-compete agreement with Guardian Air and will be opening a Flagstaff office soon.

Janine Kelly addressed Council and spoke about the importance of sidewalk snow removal, offered suggestions for encouraging compliance among residents, and requested better enforcement of related city codes.

5. COUNCIL LIAISON REPORTS

Councilmember House shared an update from the Commission on Diversity Awareness on the Municipal Equality Report and noted upcoming recommendations regarding City Holidays and Women's History Month.

Councilmember Sweet reported from the Water Commission on recent water channel cleanup efforts. She also noted that Mountain Line has postponed the introduction of its electric bus.

Councilmember McCarthy announced that the MetroPlan Executive Director is retiring, and the board is currently interviewing candidates for an interim replacement.

Vice Mayor Aslan visited Quality Connections and was interviewed for their newsletter. He also met with Dr. Eric Heiser, the new president of Coconino Community College.

Councilmember Matthews reported from CCJC on local crime rates and discussed the effectiveness of the CARE program, along with additional committee updates.

6. LIQUOR LICENSE PUBLIC HEARINGS

Mayor Daggett opened the Public Hearing.

Sergeant Kevin Sapp presented the two applications to Council noting no concerns.

Councilmember McCarthy asked what a sampling license is. Sergeant Sapp stated it is an attachment to their current license that allows their customers to sample under strict guidelines.

There being no public comment Mayor Daggett closed the public hearing.

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to forward the application to the State with a recommendation for approval.

Vote: 7 - 0 - Unanimously

A. **Consideration and Action on Liquor License Application:** Rochan Goswami, Mobil Country Club, 3960 N. Country Club Drive, Series 9S (liquor store), Sampling Privileges.

B. **Consideration and Action on Liquor License Application:** Adam Louis Harrington, "Harrington's Tap House," 2711 E. Lakin Dr., Suite 2, Series 10 (beer and wine store), New License.

7. CONSENT ITEMS

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

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

Vote: 7 - 0 - Unanimously

A. **Consideration and Approval of Grant Award:** Invasive Plant Grant Agreement between the City of Flagstaff and the Department of Forestry and Fire Management to support the maintenance of the Observatory Mesa Natural Area open space.

Approve the agreement to the Department of Forestry and Fire Management, Invasive Plant Grant for grant funds in the amount of $100,000, with a city match of $11,500 to support the maintenance of the Observatory Mesa Natural Area open space

B. **Consideration and Approval of Contract:** Approve the Cooperative Purchase Contract with Empire Southwest for a 2023 Cozad Slide Axle Trailer in the amount of $130,342.68

1. Approve the Cooperative Purchase Contract with Empire Southwest for a 2023 Cozad Slide Axle Trailer in the amount of $130,342.68; and
2. Authorize the City Manager to execute the necessary documents.

C. **Consideration and Approval of Contract:** Approve the Cooperative Purchase Contract with RDO Equipment Co. in the amount of $246,933.89 for the purchase of a 2023 John Deere 444P Front Loader.

1. Approve the Cooperative Purchase Contract with RDO Equipment Co. in the amount of $246,933.89 for the purchase of a 2023 John Deere 444P Front Loader; and
2. Authorize the City Manager to execute the necessary documents.

D. **Consideration and Approval of PZ-15-00115-23 - Adora - Phase 2 at Timber Sky Final Plat:** Capstone Homes requests Final Plat approval for Adora - Phase 2 at Timber Sky located at 2760 S Vega Street, a 39 lot single-family subdivision on 7.15 acres in the Medium-Density Residential (MR) Zone.

Approve the Final Plat and authorize the mayor to sign the Final Plat and City/Subdivider Agreement when notified by staff that all documents are ready for signature and recordation.

E. **Consideration and Approval of Contract:** Lone Tree Overpass Project - Award of the Third Amendment to the Design-Build Services Agreement to Ames Construction in an amount not to exceed $1,583,826.20.

1. Award of the Third Amendment to the Design-Build Services Agreement to Ames Construction in an amount not to exceed $1,583,826.20; and
2. Authorize the City Manager to execute the necessary documents.

F. **Consideration and Ratification of Letter:** Submittal of Letter to the Editor Opposing SB1108

Ratify the submittal of a letter to the editor opposing SB1108.

8. ROUTINE ITEMS

A. **Consideration and Adoption of Ordinance No. 2023-02 :** An ordinance of the City Council of the City of Flagstaff amending the Flagstaff City Code, Title 10 Flagstaff Zoning Code, Chapter 10-40 Specific to Zones, Division 10-40.30: Non Transect Zones, Section 10-40.30.050 Industrial Zones, to modify Table 10-40.30.050.B to allow Manufacturing/Processing - Heavy in the Light Industrial Zone with a Conditional Use Permit, providing for the repeal of conflicting ordinances, severability, and establishing an effective date

Senior Planner Wesley Welch was available for any questions.

Councilmember McCarthy stated that he supports this item since Conditional Use Permits have to be approved and come before City Council.

Councilmember House asked for confirmation on which areas of the map were impacted. Mr. Welch stated the light purple and confirmed it was not mixed with residential.

Moved by Councilmember Jim McCarthy, **seconded by** Vice Mayor Miranda Sweet to read Ordinance No. 2023-02 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, DIVISION 10-40.30: NON-TRANSECT ZONES, SECTION 10-40.30.050 INDUSTRIAL ZONES TO MODIFY TABLE 10-40.30.050.B TO ALLOW MANUFACTURING/PROCESSING -- HEAVY IN THE LIGHT INDUSTRIAL ZONE WITH A CONDITIONAL USE PERMIT; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Jim McCarthy, **seconded by** Vice Mayor Miranda Sweet to adopt Ordinance No. 2023-02.

Vote: 7 - 0 - Unanimously

B. **Consideration and Adoption of Ordinance No. 2023-01:** An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code, Division 10-80.20: Definitions of Specialized terms, phrases, and building functions, Section 10-80.20.040: Definitions "D" to modify the term "duplex"; Providing for penalties, repeal of conflicting ordinances, severability, and establishing an effective date.

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to read Ordinance No. 2023-01 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, DIVISION 10-80.20: DEFINITIONS OF SPECIALIZED TERMS, PHRASES, AND BUILDING FUNCTIONS, SECTION 10-80.20.040: DEFINITIONS "D" TO MODIFY THE TERM "DUPLEX"; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to adopt Ordinance No. 2023-01.

Vote: 7 - 0 - Unanimously

C. **Consideration and Adoption of Ordinance No. 2023-03:** An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 12, Floodplains, Chapter 12-02, Stormwater Management Utility, by amending Section 12-02-002-0003, Schedule of Stormwater Management Utility Service Charges and Fees; providing for repeal of conflicting ordinances, severability, penalties, authority for clerical corrections, and establishing an effective date

Mayor Daggett opened the public hearing.

Stormwater Management Director Ed Schenk was available for questions.

Councilmember McCarthy sought clarification, stating that there were three scenarios presented previously, and that Council had voted on Option 3B. He confirmed that this is the option being voted on tonight. Mr. Schenk affirmed that this was correct.

There being no public comment Mayor Daggett closed the public hearing.

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Jim McCarthy to read Ordinance No. 2023-03 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 12, FLOODPLAINS, CHAPTER 12-02, STORMWATER MANAGEMENT UTILITY, BY AMENDING SECTION 12-02-002-003 SCHEDULE OF STORMWATER MANAGEMENT UTILITY SERVICE CHARGES AND FEES; PROVIDING FOR REPEAL OF CONFLICTING OF ORDINANCES, SEVERABILITY, PENALTIES, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Jim McCarthy to adopt Ordinance No. 2023-03.

Vote: 7 - 0 - Unanimously

9. PUBLIC HEARING ITEMS

A. **Consideration and Adoption of Ordinance No. 2023-04:** An Ordinance of the City Council of the City of Flagstaff, authorizing the exchange of property of substantially equal value with the Arizona Board of Regents; providing for delegation of authority, repeal of conflicting ordinances, and establishing an effective date

Consideration and Adoption of Resolution No. 2023-05: A Resolution of the City Council of the City of Flagstaff, approving the First Amendment to an Intergovernmental Agreement with the Arizona Board of Regents related to Consolidation of University Campus and Road Projects.

Mayor Daggett opened the public hearing.

Real Estate Manager Bryce Doty provided a PowerPoint presentation that covered the following:

VICINITY MAP
HOSKINS AVE RIGHT-OF-WAY
SUBJECT PROPERTIES
PARCEL SUBJECT TO DEVELOPMENT AGREEMENT
EXPANSION OF LONE TREE

Councilmember Matthews asked about the abandoned restaurant and whether the City is taking ownership of the property. Mr. Doty explained that while the property is still privately owned, it is currently burdened by a Development Agreement (DA) with the City. However, the City is releasing the owner from the DA's requirements.

Mayor Daggett inquired about future land use and whether Northern Arizona University (NAU) might need a new DA. Community Development Director Dan Folke responded that he was unsure at this time.

Councilmember McCarthy asked whether there is still potential for extending Route 66 to create a new entrance into NAU. Mr. Folke stated that the plan appears to have been abandoned for now. He also provided historical context on the parcel and clarified the changes in ownership over the years.

There being no public comment, Mayor Daggett closed the public hearing.

Moved by Councilmember Jim McCarthy, **seconded by** Vice Mayor Miranda Sweet to read Ordinance No. 2023-04 by title only for the first time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AUTHORIZING THE EXCHANGE OF PROPERTY OF SUBSTANTIALLY EQUAL VALUE WITH THE ARIZONA BOARD OF REGENTS; PROVIDING FOR DELEGATION OF AUTHORITY, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

10. DISCUSSION ITEMS

A. Presentation on Civil Rights and Municipal Equality Index

Management Analyst Chris Rhode provided a PowerPoint presentation that covered the following:

PRESENTATION OVERVIEW
WHO IT APPLIES TO
WHO IS EXEMPT
PROTECTED CLASSES
COMPLAINT PROCESS
CIVIL RIGHTS ORDINANCE
STATURE OF LIMITATIONS
STAFF RECOMMENDATION
MUNICIPAL EQUALITY INDEX
CONTENTS OF SCORECARD
OVERALL SCORE
WHERE WE LOSE POINTS
FLAGSTAFF 2022 SCORECARD
SINGLE-OCCUPANCY ALL-GENDER FACILITIES
CITY PROTECTS YOUTH FROM CONVERSION THERAPY

Mayor Daggett asked if this would be an ordinance that states that no counselor or therapist would be able to provide conversion therapy in the City. Mr. Rhode confirmed that was correct. Mayor Daggett asked for the Pima County's ordinance to be sent to Council.

CITY PROVIDES TRANSGENDER- INCLUSIVE HEALTHCARE BENEFITS
NON-DISCRIMINATION ORDINANCE IS ENFORCED BY CODA

Councilmember McCarthy stated that the Planning and Zoning Commission can make a planning policy but does not see a need to change for CODA.

YOUTH BULLYING PREVENTION POLICY FOR CITY SERVICES
CITY PROVIDES SERVICES TO LGBTQ+ PEOPLE EXPERIENCING HOMELESSNESS

Councilmember Matthews asked whether the review focused solely on Sharon's Manor or if other organizations, such as Anew, were also considered. Mr. Rhode responded that while others were included, the primary focus was on organizations that receive City funding.

CITY PROVIDES SERVICES TO LGBTQ+ OLDER ADULTS
CITY PROVIDES SERVICES TO THE TRANSGENDER COMMUNITY
REPORTED 2020 HATE CRIME STATISTICS TO THE FBI
LEADERSHIP'S PRO-EQUALITY LEGISLATIVE OR POLICY EFFORTS
CITY TESTS LIMITS OF RESTRICTIVE STATE LAW

Councilmember Aslan requested that staff monitor any upcoming laws relevant to these items and keep Council informed.

B. State Legislative Update

Chief of Staff Shawn Johnson, Public Affairs Director Sarah Langley, and Lobbyist Todd Madeksza provided a PowerPoint presentation that covered the following:

BILL PROCESS
OPPOSE RECOMMENDATION
SB1117
HB 2808
HB 2003
SB 1312
SB 1108
HCR 2043

Councilmember Aslan acknowledged that while some state legislation may seem frivolous, community concerns are valid. He asked about the likelihood of certain bills advancing. Mr. Johnson responded that it is too early to tell and that outcomes will depend on how negotiations progress. He deferred to Mr. Madeksza for further insight.

Mr. Madeksza emphasized the importance of actively opposing problematic bills early, as the Governor is generally hesitant to issue vetoes. Strong, informed opposition is key.

Mayor Daggett stressed the need for Council to receive information sooner, as residents frequently ask about pending legislation and expect timely answers.

SUPPORT RECOMMENDATION
HB 2453
SB 1224
SB 1714
SUPPORT LETTER FOR SB 1224

C. Discussion regarding a rate and fee study for water, reclaimed water, and wastewater funds.

Water Resources Manager Erin Young and Water Services Director Shannon Jones provided a PowerPoint presentation that covered the following:

WHY A RATE & FEE STUDY?
2023 STUDY DEVELOPMENT
COST OF SERVICE EXAMPLE
RATE, FEES, COST OF SERVICES SCOPE

Jilian Worssam submitted a written comment suggesting that ordinance enforcement fees could be used to offset the increase.

Councilmember McCarthy shared his experience serving on the Water Commission and emphasized the philosophy that individuals who use excessive amounts of water should pay accordingly. He questioned whether this principle should also apply to reclaimed water, especially as it may become a more critical water source in the future. He suggested that the City begin considering this issue now rather than delaying for another five years.

Council took a break from 5:03 p.m. through 5:23 p.m.

D. Discussion regarding potential resolution on City Council's position regarding United States Supreme Court Decision of Dobbs v. Jackson and regarding the Arizona legislature's enactment of laws on abortion

City Attorney Sterling Solomon briefly reviewed the topic. He and Senior Assistant City Attorney Marianne Sullivan were available for questions.

The following individuals addressed Council in support of a resolution:

- Debra Block
- Erika Christensen
- Garin Marschall
- Emma Schraner
- Joyce Davidson
- Susan Shapiro
- Kyle Nitschke
- Marilyn Weissman
- Dr. Sanjam Ahluwahia
- Julian Bernhardt
- Jasmine Viehe
- Mia Rodriguez
- Emma Burns
- Sydney Shevat
- Aeka Joshi
- Sabrina Hersey

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

- Samuel Copeland
- Jean Palumbo

The following individuals addressed Council in opposition to a resolution:

- Rosanna Torr
- Sandra Engelke
- David Monihan, Jr.
- Andrea

Written comments in opposition to a resolution were submitted by the following individuals:

- Cindy Bradford
- Pastor Nathaniel
- Donna Loverich
- Kathy Corcoran
- Sabra Lowe-Zedick

Councilmember Matthews emphasized that the Flagstaff City Council cannot change state law or protect abortion rights directly and that any action would be a symbolic, politically charged statement. She expressed reluctance to make such a statement for political purposes.

Councilmember House shared that this is a deeply personal issue for her, she stated she does not view the issue as political, but personal, and voiced support for drafting a resolution.

Councilmember Harris stated she is pro-choice and supports having legal staff draft a resolution.

Councilmember Sweet also voiced support for reproductive rights and backed the creation of a resolution.

Councilmember McCarthy thanked the public for their engagement and stated that decisions around abortion are personal and should not involve government interference. He supports drafting a resolution.

Councilmember Aslan affirmed that abortion is healthcare, and government should stay out of such decisions. He expressed support for going as far as legally possible, including exploring language from the Arizona Abortion Alliance resolution.

Mayor Daggett shared that she is pro-choice and supports moving forward with a resolution.

A majority of Council supported moving forward with drafting a resolution for consideration.

11. FUTURE AGENDA ITEM REQUESTS

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

A. **Future Agenda Item Request (F.A.I.R.):** A request by Mayor Daggett to place on a future agenda a discussion about parking requirements.

Michelle James from Friends of Flagstaff's Future addressed Council in support of parking reform.

Mayor Daggett expressed interest in parking requirements, particularly their connection to affordable housing, and acknowledged that staff is reviewing the issue. Planning Director Michelle McNulty shared that staff is finalizing a consultant request for a code analysis focused on parking and it is expected to be released within two weeks, with updates to Council anticipated in six to eight months. When asked about facilitating a discussion before hiring the consultant, Ms. McNulty recommended waiting until the consultant is on board to provide more public information.

Mayor Daggett then requested to withdraw the FAIR item in favor of a broader discussion.

12. PUBLIC PARTICIPATION

None

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

Councilmember Matthews discussed establishing pre-approved plans for ADUs to streamline the process.

Councilmember Harris shared excitement about attending the Parks and Recreation and Open Spaces Commissions. She suggested that Council should consider a code of ethics. Mr. Solomon noted that a previous Council reviewed this idea but it did not move forward.

Councilmember Sweet expressed enthusiasm for the Pluto Festival and highlighted upcoming grant opportunities.

14. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held February 21, 2023 adjourned at 7:24 p.m.

_____

MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on February 21, 2023. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL WORK SESSION
TUESDAY, MARCH 14, 2023
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the Work Session of the Flagstaff City Council held March 14, 2023, to order at 3:05 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR DAGGETT	
VICE MAYOR ASLAN (virtual)	
COUNCILMEMBER HARRIS	
COUNCILMEMBER HOUSE	
COUNCILMEMBER MATTHEWS	
COUNCILMEMBER MCCARTHY	
COUNCILMEMBER SWEET	

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

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

The Council and audience recited the pledge of allegiance, Councilmember Matthews read the Mission Statement of the City of Flagstaff, and Councilmember Houses read the 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. Public Participation

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

None

5. Review of Draft Agenda for the March 21, 2023 City Council Meeting

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

None

6. City Manager Report

City Manager Clifton highlighted a few items from his report. The highlights included:

- Congratulations to Officer Ty Webster
- LED Light Upgrades and snow removal
- Federal Earmark Appropriation

Councilmember Matthews expressed her gratitude for all the hard work.

Community Development Director Dan Folke gave a high-level overview of the Community Development End of Year Report.

Councilmember Matthews thanked Mr. Folke for all the work his department does.

Mayor Daggett stated that she was pleasantly surprised by the code compliance work.

City Manager Clifton addressed the recruiting efforts and called out Economic Vitality Director Heidi Hansen and the Economic Vitality team. He also added that he recommended a letter to support the Railway Safety Act of 2023, and he would like to write it and ratify it at a later meeting. Council stated they supported this effort.

Andres Aduato (Dapper Dre) addressed Council regarding the safety intersections and the idea of pedestrian and bike infrastructure improvements.

Adam Shimoni addressed Council and commented on the Capital Projects Report, and he addressed a few concerns. The first was the proposed width of the travel lanes and bike lane placements in designs. He also spoke about his excitement about the safety intersections.

7. Discussion and direction on whether to consider an invitation for bid for a lease within the Cheshire Park expansion area for a Telecommunication Facility (cell tower).

Community Development Director Dan Folke, Real Estate Manager Bryce Doty, and Assistant Parks and Recreation Director Amy Hagin gave a presentation to Council on whether to consider a bid for a lease within the Cheshire Park for a cell tower. Slides included:

- Introduction

- Request for Use of City Property
- Telecommunication Facilities
- Vicinity Map
- Request of Consideration
- Siting Requirements
- Considerations
- Service Need/Improvement in Area
- Potential Revenue
- Cheshire Park Expansion
- Property & Development Team
- Considerations Overview
- Next Steps if direction is to move forward

Councilmember House asked if the request was for a 100 ft. cell tower. Mr. Folke stated it would be. She also asked if they would have to reduce the height to 60 feet at this location. Mr. Folke confirmed that they would and anticipated that there would be difficulty siting this tower without a current park plan. Ms. Hagin confirmed that it would be difficult due to design.

Councilmember McCarthy stated that he supports the idea of better cell phone reception in the area but wonders if there are better sites in the area like where the water facility is. Mr. Doty explained that it is not a good site due to helicopter use and that the Schultz Y also has too much infrastructure. Councilmember McCarthy asked about the demonstration that there are no other alternatives for the CUP. Mr. Folke stated that there has not been an application to show other alternatives. Councilmember McCarthy stated that if there were no other alternatives, he could be open-minded, but he is troubled by not having all of the information.

Vice Mayor Aslan stated that he is comfortable with not moving this forward at this time based on the staff advisory committee's recommendation.

Mayor Daggett asked if there are any Council members who feel differently about the staff's recommendation. There are none who do.

8. Update on Minimum Wage and Office of Labor Standards

Management Analyst Chris Rhode provided an update on the Minimum Wage and Office of Labor Standards. Slides included:

- Ordinance Background
- Calculating the Minimum Wage
- Responsibilities of OLS
- 10-year Inflation Detail
- 2-year Inflation Detail (Annual)
- 2-year Inflation Detail (3 month)
- 2024 Minimum Wage
- 2022 OLS Cases
- 2022 Outreach
- 2022 and Future OLS Activities

Councilmember Matthews asked if the State's Labor Department is involved in minimum wage violations. Mr. Rhode stated that he refers cases outside city limits to the state or violations that do not involve wage.

Councilmember McCarthy asked about the staff recommendation and Mr. Rhode addressed the recommendation of yearly changes and how it is not currently addressed in the ordinance.

Joe Bader, representing the Flagstaff Living Wage Coalition, thanked Mr. Rhode for his work and the outreach. He added that the ordinance was proposed by the citizens for the Office of Labor Standards. He stated that he does not see the need for the change and addressed how the ordinance is voter protected.

Mayor Daggett asked if Council was comfortable with staff's recommended action.

Councilmember McCarthy stated that he is comfortable depending on language and the rest of council stated they are comfortable with the change.

9. **Council Discussion on Petition to Flagstaff City Council titled: Climate Emergency: Stop the Money Pipeline.**

Management Services Director Rick Tadder lead a discussion on the Citizen's Petition. Slides included:

- Citizens Petition
- City of Flagstaff Banking
- Topics for Consideration
- Banking Services
- Partnership
- Current Banking Services Contract
- Current Contract
- Community Banking
- Wells Fargo in the Community
- Wells Fargo approach to Climate Action and fossil fuels
- Staff Discussion/Recommendation

Vice Mayor Aslan stated that he has met with Fossil Free Arizona and County Treasurer Sarah Benatar, who recently went through the procurement process. He asked what the harm in putting out an RFP is. Mr. Tadder stated that his concerns are that the current contracts should not be stopped without cause, and he wonders what value there will be from that long, arduous process of at least eight to ten months with at least two to six months of staff work after to change to a new financial system. He did not want to see staff's time devoted to a change in a financial institution because it would lead to a lot of disruption to staff's time. Vice Mayor Aslan stated that it is valuable to ask what else is out there and what other benefits the City could procure by going through the process.

Councilmember Matthews addressed community banking. She spoke about using the RFP to ensure that an entity is getting the best bank for the buck. She stated that this is not the case here and that the City is not looking for a cost savings at this time. She also addressed the benefit of the partnership the city has with Wells Fargo at this time. She addressed the Navajo County RFP and how it had only three respondents. She added that she does not see the benefits of an RFP at this time. She stated that she has a concern with Council stepping across the line by directing staff in this manner.

Mayor Daggett called a break from 5:22 p.m. through 5:38 p.m.

The following individuals addressed Council in support of issuing an RFP for banking services:

- Kim Curtis, Fossil Free Arizona
- Nora Timmerman
- Nina Porter
- Michele James, Friends of Flagstaff's Future
- Olivia Dunn
- Allison Crane
- Leslie Hanson
- Nate Spangler
- Ynara Halabenda
- Joe Bader
- Eric Souders
- Peter Friederici
- Dave Fronske
- Martha Johnson
- Paul Beier
- Mark Alexander

- Stefan Sommer
- Debra Block
- Sandra Lubarsky
- Rev. Diamond Pate
- Susan Shapiro
- Adam Shimoni

The following individuals submitted written comments in support of issuing an RFP for banking services:

- Millicent Gray
- Ann Heitland
- Annette Nystedt
- Leah Mundell
- Cassandra Dakov
- Marie Jones
- Missy Ellen Ivey
- Deborah Witherspoon McPatter
- Madeline Trilling
- Celia Barotz

The following individuals addressed Council in opposition of issuing an RFP:

- Travis Smith
- Stephen Puhr

J. Richard Hull submitted a written comment in support of keeping the banking services for the city as they are.

Councilmember Matthews expressed her gratitude to the public for attending. She addressed the drilling in Alaska and the reasons for such. She stated that Flagstaff has adopted a very aggressive Carbon Neutrality Plan. She does not know if the plan represents the city as a whole. She added that Council does not direct staff, and it is dangerous to get into the weeds and overstepping. She addressed ethical violations and spoke about how they are spread throughout many banks. She spoke about how small community banks cannot do everything and how the City needs to go with a large bank, which will have issues. She stated that she is also concerned with the possibility of discrimination lawsuits in an RFP process if a limitation on fossil fuel investments is included. She stated that she believes that Council should not move this item forward.

Councilmember McCarthy stated that he is not ready to decide but commented that there is a clear need to phase out fossil fuels. He stated that he hopes these types of discussions go to Congress and our legislature.

Councilmember House asked what the options are in terms of seeking an RFP as we are approaching the deadline for renewal or non-renewal. Mr. Tadder stated that the City is in contract with Wells Fargo for the current term plus two extensions. He added that the City should continue in the contract unless there is a purposeful cause to break the contract.

Councilmember Harris stated that she does not know one institution that has not had some of the same practices as Wells Fargo. She stated that she supports staying with Wells Fargo and letting staff make the determination. She pointed out that this does not mean that she does not care about fossil fuels or climate change.

Mayor Daggett asked Mr. Tadder if there had to be cause to terminate the existing contract. She asked if staff can go out for proposals when the contract is completed. Mr. Tadder stated that staff can be in a procurement process during an existing contract and that an RFP can be issued prior to the contract expiration.

Councilmember McCarthy asked when the City could go to a new bank based on the current contract. Mr. Tadder stated that the contract goes through June 30, 2025. He added that the RFP could be

issued in summer or 2024 and that there will be a transition period.

The Council recessed in Executive Session from 7:22 p.m. through 7:50 p.m.

Vice Mayor Aslan supported a short-term renewal and the issuance of an RFP, suggesting a step-by-step approach for future planning. He cautioned against overburdening city staff at the moment and recommended waiting until the city has the capacity to proceed further. He encouraged regularly exploring banking options, believing better choices may exist in the market. He also noted the need to clarify whether the city can direct lobbyists on fossil fuel issues and suggested revisiting divestment policies. He concluded by touching on community engagement related to the Carbon Neutrality Plan.

Councilmember Matthews clarified that the discussion is about transactional banking, not investments, and referenced the Carbon Neutrality Plan. Councilmembers Sweet and House expressed support for maintaining the current banking arrangement.

Mayor Daggett asked if a policy could be developed to align procurement with climate goals. City Manager Clifton agreed that starting with policy is appropriate but noted it's a complex issue without a quick solution.

Councilmember McCarthy acknowledged ethical concerns about Wells Fargo but felt similar critiques apply to other banks and did not support issuing an RFP at this time, suggesting it might be considered when the contract ends.

Mayor Daggett concluded by thanking staff and advocating for the development of a fossil fuel/carbon neutrality divestment procurement policy to guide future discussions and potential legislative action. Mr. Solomon summarized that the general direction was to maintain the current arrangement while exploring alternatives.

10. Public Participation

None

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

Councilmember Matthews stated we are in tax season and the state tax credit options are great.

Councilmember Harris stated the Airport Commission had a meeting and there was progress on paid parking.

Councilmember Harris stated that Mountain Line will unveil an electric bus next week.

Councilmember House stated that the City of Flagstaff and Coconino County are beginning the process for regional plan.

12. Adjournment

The Work Session of March 14, 2023, adjourned at 8:15 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL COMBINED
SPECIAL MEETING / WORK SESSION
TUESDAY, MAY 23, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the Special Meeting held May 23, 2023, to order at 3:01 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. ROLL CALL

Present: Mayor Becky Daggett
Vice Mayor Austin Aslan (virtual)
Councilmember Deborah Harris
Councilmember Khara House
Councilmember Jim McCarthy
Councilmember Lori Matthews
Councilmember Miranda Sweet

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

The Council and audience recited the pledge of allegiance, Councilmember Matthews read the mission statement and Councilmember McCarthy read the 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. Public Participation

Public Participation enables the public to address the council about items that are not on the prepared agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment at the meeting is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the

agenda, your name will be called. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone to have an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

Michele James addressed Council regarding Northern Arizona Healthcare's rezoning ordinance. She expressed frustration that the first reading proceeded without sufficient information, and urged the Council to fully vet the project and consider consulting outside experts.

Dee Hoagland addressed Council and raised concerns about NAH's new hospital proposal, highlighting the need for systemic changes to combat climate change. She urged the inclusion of LEED Platinum Certification and alternative energy sources in the hospital's design. She also warned that placing the hospital on the town's outskirts could increase traffic and recommended incorporating affordable housing in plans for both the new and existing campuses.

Jill Stephenson addressed Council and stated that while all voices on pickleball were heard, she stressed that the climate crisis is a bigger challenge needing urgent attention. She urged the City to accelerate its transition to electric power and reduce consumption, and called for NAH to lower its carbon emissions to align with the City's goals. She recommended pausing the project until an environmental study is completed.

John McCartney also spoke, stating that NAH should build the hospital to be carbon net zero.

Stefan Sommer addressed Council about the NAH proposal, stressing the need to include carbon and sustainability standards. He recommended adding three key elements to the development agreement: LEED Platinum Certification, public transportation options, and public housing.

Uncle Don Fireland Fanning submitted written comments with concerns about the use of herbicides at Woody Mountain Well Field.

5. **Proclamation:** Public Works Week

   Mayor Daggett read and presented the proclamation.

6. **Proclamation:** Jewish American Heritage Month

   Councilmember House read and presented the proclamation.

7. **Consideration of Appointments:** Board of Adjustment.

   Moved by Councilmember Khara House, **seconded by** Councilmember Deborah Harris to appoint Devin Kelley to a term expiring May 2025.

   Vote: 7 - 0 - Unanimously

   Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to appoint Jed Westover to a term expiring May 2025.

   Vote: 7 - 0 - Unanimously

   Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to appoint James Maloney to a term expiring May 2025.

   Vote: 7 - 0 - Unanimously

8. **Consideration and Adoption of Resolution No. 2023-28:** A resolution of the Flagstaff City Council, approving an Intergovernmental Agreement between the City of Flagstaff and the City of Phoenix for recyclable materials processing.

   Public Works Director Scott Overton addressed Council regarding the approval of an

Intergovernmental Agreement between the City of Flagstaff and the City of Phoenix for recyclable materials processing.

Councilmember McCarthy asked if the recycling center in Phoenix accepts things that Flagstaff did not and asked if staff will reach out to the community to communicate what can be recycled. Mr. Overton stated that the City of Phoenix does collect different products, but Flagstaff has not changed their collections at this time. He added that there are higher commodity prices for glass and staff would like to continue the practice of separating glass due to shipping costs for at least the next six months.

Councilmember Matthews asked about the continuation of some contaminantion. She added that it would be prudent of the City to remind people of what can be recycled to contain costs. Mr. Overton stated that it a cyclical education pattern and that staff will work with Sustainability regarding education to continue to cut costs.

Councilmember McCarthy suggested that a target audience could be Short Term Rental owners to ask them to put notices about recycling in their units.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Jim McCarthy to read Resolution No. 2023-28 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF FLAGSTAFF AND THE CITY OF PHOENIX FOR RECYCLABLE MATERIALS PROCESSING

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Lori Matthews to adopt Resolution No. 2023-28.

Vote: 7 - 0 - Unanimously

9. **Consideration and Approval of Contract:** Emergency Contract for the Purchase of Materials/Services with Joe Dirt Excavating, Inc. for emergency hauling services of commingled recyclables in an amount not to exceed $200,000.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to ratify Contract No 2023-130: Emergency Contract for the Purchase of Materials/Services with Joe Dirt Excavating, Inc. for emergency hauling services of commingled recyclables in an amount not to exceed $200,000 and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

10. **Consideration and Adoption of Resolution No. 2023-21:** A resolution approving the filing of condemnation proceedings to acquire easements necessary for the Switzer Canyon Water Transmission Main Project, Phase IV.

Real Estate Manager Bryce Doty asked Council to postpone this item until the June 6, 2023 meeting.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Lori Matthews to postpone the item to June 6, 2023.

Vote: 7 - 0 - Unanimously

11. **Future Agenda Item Request (F.A.I.R.):** A Citizens' Petition titled Heavy Industrial Adjacent to Residential

Julian Bowers addressed Council regarding the petition and the nuisance that the current route is causing in several neighborhoods. He added that a dump truck rolled over on the top of Empire. He stated that they are seeing four to five heavy industrial vehicles on their residential streets every hour.

Joelle Worth addressed Council and responded to Traffic Engineering's findings. She requested certain routes be deleted.

Mayor Daggett asked Ms. Worth to speak about the conversation she had with the CEO of Sacred Peaks. Ms. Worth spoke about the difficulties that the staff and patients have turning left and how they turn themselves around in the neighborhood.

Daniel Raper addressed Council and spoke about the history of the property and stated that it was not supposed to be developed. He added that there are a lot of difficulties with the trucks going through the residential streets and believes there is a safety issue. He spoke about the different proposed routes. He asked if the City would be willing to work with Mr. Todd to have a rezone for residential.

Billy Todd, owner of the property, addressed Council and stated that all trucks follow traffic procedures. It is his approved access but he is open to suggestions.

Michelle Lindquist from the Oakwoods Pine Subdivision addressed Council and stated that she did not realize that their home abutted heavy industrial land.

Councilmember McCarthy noted that there are two key questions to consider: Is there a problem, and what is the solution? He acknowledged that a problem exists and recommended that staff and the Transportation Commission thoroughly review the issue.

Council was in agreement and asked Transportation staff to review the matter and bring it back to Council.

12. Adjournment

Mayor Daggett adjourned the Special Meeting at 4:06 p.m.

WORK SESSION

1. Call to Order

Mayor Daggett called the Work Session to order at 4:06 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. City Manager Report

City Manager Greg Clifton briefly reviewed his report.

Capital Improvements Engineer Trevor Henry provided an update on the City Engineering report and covered the projects on the Capital Improvements Map along with meetings with the Army Corps of Engineers. He also provided information about grants and construction of the Butler corridor.

Councilmember McCarthy asked if there was design planned for the Butler raised bike lane project. Mr. Henry stated that it will be a part of the bigger corridor on Butler.

Development Engineer David Millis provided an update on development projects.

Community Investment Director David McIntire covered the Economic Vitality Report including recent events, Airport updates, ParkFlag maintenance, and staff highlights.

Parks, Recreation, Open Space, and Events Director Rebecca Sayers reviewed the PROSE April and May Newsletters.

3. **Flagstaff Emergency Operations Plan Development**

Grants, Contracts, and Emergency Management Director Stacey Brechler-Knaggs and Emergency Manager Daniel Kelly introduced Emergency Management Partners Project Manager Ashleigh Makuch and the County Emergency Management staff who provided a PowerPoint presentation that covered the following:

INTRODUCTION
WHY DOES FLAGSTAFF NEED AND EOP?
THE PLANNING UNIVERSE
PROJECT OVERVIEW
PROJECT TIMELINE
PLANNING GUIDANCE
PLANNING PROCESS
THE PREPAREDNESS CYCLE
EOP STRUCTURE AND CONTENTS
CITY COORDINATING DIVISIONS
NEXT STEPS

4. **Butler and Beaver Pilot Bike Program Update**

Transportation Engineer Associate David Lemcke, Police Chief Dan Musselman, Multi-Modal Transportation Planner Martin Ince, Transportation Director Jeff Bauman, and Streets Section Director Sam Beckett provided a PowerPoint presentation that covered the following:

BACKGROUND
THE PILOT PLAN
FIRST EVALUATION JUNE 2022
JUNE 2022 RECOMMENDATIONS
RESULTS OF JUNE 2022 EVALUATION
TODAY -- SECOND EVALUATION
KEY TAKE-A-WAYS
WINTER SNOW OPERATIONS
SPRING GENERAL MAINTENANCE
POLICE DEPARTMENT INPUT -- POLICE CHIEF DAN MUSSELMAN
FIRE DEPARTMENT INPUT
COSTS
BICYCLE VOLUMES
CRASH DATA
COMMISSION RECOMMENDATIONS
STAFF RECOMMENDATIONS
RAISED BIKE LANES
SAFE STREETS FOR ALL (SS4A)
SS4A GRANT -- STREET CONVERSION
LOOKING FORWARD
SEPARATED/PROTECTED BIKEWAYS
UPCOMING REORGANIZATION

Mr. Beckett reviewed the staff recommendation regarding the removal of theseparated bike lanes on Butler and Beaver Streets. He explained that the current infrastructure presents increasing safety concerns, particularly in winter, and that accident data is trending negatively. The goal is to transition to buffered bike lanes that provide safer, more sustainable infrastructure while still promoting cycling. Mr. Beckett emphasized the importance of creating commuting opportunities that work now and set the stage for future improvements.

Councilmember Harris raised concerns about how vehicles respond when emergency vehicles

approach. Chief Musselman explained that during such instances, cars typically wait until the light changes or try to pull into nearby side streets, but there is often no clear space for them to go. Councilmember Harris also asked whether bicyclists had been consulted. Mr. Beckett confirmed that staff has been in regular communication with cyclists and that most feedback supports long-term solutions like raised bike lanes. Councilmember Harris also asked about storm drain relocation with a raised lane system, to which Mr. Bauman responded that the grates would need to be moved, a costly aspect of the project.

Councilmember Matthews expressed hesitation about the high cost of the proposed changes and the difficulty of maintaining safe infrastructure in a snowy climate. She noted that Butler and Beaver are already dangerous for pedestrians and cyclists and questioned the effectiveness of solutions like candlestick barriers. She asked whether rumble strips were considered as an alternative. Mr. Beckett replied that while the idea was explored, other cities reported increased noise complaints from such strips. Councilmember Matthews questioned whether the lanes could be left in place until fall and suggested the need for more effective interim solutions. Mr. Beckett responded that a significant number of barriers have already been removed due to accidents and that the current setup does not meet comfort standards for users. Councilmember Matthews inquired about the cost of the project to date, and Mr. Bauman stated that approximately $1 million has been spent on setup, with $50,000 in maintenance the first year and $100,000 in the second. He also confirmed that protected intersections are included in the budget.

Councilmember Sweet asked who was responsible for writing the grant application, and Mr. Lemcke confirmed it was being handled by the new Transportation Director, with MetroPlan, and Grants, Contracts, and Emergency Management Director Stacey Brechler-Knaggs. Councilmember Sweet also asked if the city would be able to maintain the updated pavement markings. Mr. Beckett responded affirmatively, stating that the markings would be refreshed each fall and spring and were easier to maintain than the current infrastructure. Councilmember Sweet questioned why Butler would be removed while Beaver might be retained, and Mr. Beckett explained that although over 50% of damaged curbs are on Beaver, crash data on Butler is significantly worse. Mr. Lemcke clarified that the current staff recommendation is to remove separated bike lanes from both streets and replace them with buffered lanes.

Councilmember McCarthy described observing a semi-truck with a trailer that crossed over the existing curb, raising questions about lane width. Mr. Bauman responded that future travel lanes will be similar in width but slightly wider, by about 18 inches, with adjustments made to curbs in areas requiring more turning space. Councilmember McCarthy agreed that the extra space would likely prevent the truck from hitting the curb and emphasized the need for functional design.

Councilmember House noted that many of the reported accidents were side-swipes and rear-end collisions and asked whether the physical barriers were contributing to safety risks. Mr. Beckett stated that the barriers are a contributing factor, and Chief Musselman added that they create ditches that narrow the roadway and increase side-swipes, especially in icy conditions. Councilmember House expressed hesitation about removing all infrastructure without guaranteed grant funding and voiced concern about moving backward in terms of cyclist safety.

Mayor Daggett asked how much narrower the current travel lanes are compared to what is being proposed. Mr. Bauman explained that in some areas, vehicle lanes are currently six to nine inches narrower than in the proposed configuration, with all of the reduced space having come from the vehicle lanes. Mayor Daggett also raised concerns about emergency vehicle access, especially during red lights when drivers are unable to yield. Chief Musselman confirmed that this issue occurs both in winter and summer and that traffic congestion, coupled with narrow lanes, often prevents vehicles from moving out of the way. Mayor Daggett inquired about snow removal in a raised lane system, and Mr. Beckett responded that snow storage would likely be handled through the PROSE Division, potentially with smaller plows, although specific plans are not yet developed. Mayor Daggett also questioned the increase in public complaints. Mr. Lemcke reported receiving 19 formal comments, three in favor of the lanes and sixteen opposed, while Mr. Beckett added that staff fielded approximately 400 calls over the winter months related to the issue.

Mr. Clifton commented that the pilot project is not demonstrating success and, while not a total failure,

presents enough concerns to justify reconsideration. He emphasized that the barriers are fragmented in many locations and often intersect with driveways, especially on Beaver, creating frequent damage and confusion for both drivers and cyclists. He noted that barriers are less effective in snowy communities and that similar setups in other cities do not face the same challenges. He personally avoids the barriered routes and prefers routes like West Avenue with raised bike lanes. He warned that continuing the current approach could generate public opposition that might hinder future multimodal transportation projects.

Councilmember Harris asked for clarification on what a raised bike lane would look like and whether it would be similar to those near the NAU campus on San Francisco Street. Staff confirmed that this is indeed the proposed design.

Dapper Dre addressed Council and thanked staff for the information and acknowledged the complexity of the decision. He reflected on the difference between reactive and proactive planning, noting that most bike and pedestrian infrastructure is implemented reactively, often after a tragedy. He questioned whether the current barriers are the best use of resources, calling them quick and reactive solutions. In contrast, he sees raised bike lanes as a proactive and effective measure. He cautioned against removing existing infrastructure without a replacement in place, emphasizing the importance of getting it right the first time. He stressed that if pedestrian and cyclist needs are not prioritized from the start, the city will continue to rely on retrofitting. He concluded by stating that funding decisions should reflect the needs of all users, reminding the group that every driver is also a pedestrian.

Susan Hueftle, Chair of the Bicycle Advisory Committee (BAC), addressed Council and stated that the BAC was shocked and disappointed by the staff recommendation to remove the curbs and candlesticks. She acknowledged that change is difficult but emphasized that the project was implemented without proper public education. She argued that infrastructure should not be removed until a viable alternative is in place. She stressed the importance of supporting the large portion of the population who are interested in biking but feel nervous about safety. While barriers may be inconvenient for some drivers, they significantly benefit cyclists. She recommended retaining some form of physical barrier, emphasized the need for reduced speed limits, and noted that encouraging cycling could help address broader community issues.

Adam Shimoni, speaking on behalf of the Flagstaff Biking Organization (FBO), shared his positive experience riding the bike lanes earlier that day, noting they were clear, free of vehicle interference, and felt safe. He described the pilot as successful overall, despite some maintenance challenges. Mr. Shimoni stated that the FBO supports both the project and its continued funding, and he endorsed the recommendations put forth by the BAC. He expressed concern that the Transportation Commission made decisions prior to hearing input from the BAC. Mr. Shimoni emphasized the importance of physical separation in bike infrastructure, particularly for more hesitant riders, and noted that it can help reduce traffic congestion. He downplayed maintenance costs, calling them minimal, especially when compared to the lack of maintenance on other bike infrastructure, such as Fourth Street. He also mentioned that existing data on the issue can be confusing.

Tyler Denham addressed the Council and shared that his experience using the bike lanes has been mostly positive. He acknowledged the maintenance challenges and agreed that a raised sidewalk or bike lane would be the ideal long-term solution. However, he expressed concern about the timing of removing the current infrastructure and urged the Council to delay its removal for as long as possible. Mr. Denham posed two specific questions: (1) What was the nature of the crashes being reported? and (2) At the last commission meeting, there was discussion about installing plastic bollards, why was that option ultimately rejected?

Tyler Denham and Matthew Eckhoff submitted written comments in support of the separated bike lanes.

Mayor Daggett expressed confusion about crash data and questioned the reported increase in single-vehicle crashes and side-swipes. She asked whether the data sets being compared were equal in scope. Mr. Lemcke clarified that most crash data comes from police reports and the ACIS system, noting trends are aligned despite some differences in collection periods. Chief Musselman added that some discrepancies may be due to one data set covering six months versus a full year, but he does

not believe that fully accounts for the increase. Updated ACIS data is expected in July 2022.

Councilmember House appreciated the shift in language from "removal" to "transition" and emphasized the importance of not fully dismantling the pilot project without secured grant funding. She supported moving toward raised bike lanes and suggested interim measures like reduced speed limits or flashing lights, especially in high-risk areas like Sawmill Plaza. She urged a continued focus on pedestrian and cyclist safety.

Mr. Clifton recommended modifying the existing infrastructure by removing problematic sections while keeping others.

Councilmember Harris noted the challenge of encouraging tourism while maintaining street safety. She proposed a two-pronged approach: improving cyclist infrastructure and reducing car congestion, possibly through tourism partnerships that encourage alternative transportation.

Councilmember Sweet shared her personal cycling experience, expressing that she no longer uses the bike lanes due to debris and obstacles. She witnessed a driver hit a curb and candlestick, highlighting concerns with current infrastructure. She supported revisiting the pilot after the grant decision and agreed with the idea of making targeted modifications.

Councilmember House reiterated her concern about removing infrastructure prematurely and highlighted the need for flashing signals and speed reduction in problem areas like Sawmill. She supported reprioritizing goals in favor of bike and pedestrian safety.

Mayor Daggett supported permanently reducing the speed limit on Butler, suggesting it would improve cyclist comfort without significantly impacting traffic. She proposed keeping barriers in place for now and removing them only in specific areas as needed. She suggested staff coordinate with the BAC and Transportation Commission to evaluate which barriers should remain and how to handle snow removal.

Councilmember House agreed with the Mayor's approach.

Councilmember Sweet also supported revisiting the issue after the grant decision, consulting with advisory committees, and exploring speed limit reductions and targeted modifications.

Councilmember Harris agreed and asked for clarification on grant timelines. Mr. Bauman noted that if awarded, construction could begin in late 2024, depending on final design timelines.

Councilmember Aslan supported raised bike lanes and recommended expediting funding and design. He supported maintaining existing bike lanes until fall.

Vice Mayor Aslan expressed uncertainty about where to land in the debate but noted a majority consensus was forming. Initially supportive of retaining the lanes, he acknowledged the need to monitor upcoming issues and supported continued dialogue.

Mayor Daggett supported proceeding with the design but advised managing expectations. Mr. Bauman confirmed current designs are at 50%, with potential to complete early next year and possibly begin construction in late 2024.

Council reached consensus on directing staff to move forward with the design for raised bike lanes, and to work with BAC and Transportation Commission to evaluate interim solutions, including selective barrier removal, speed reduction, and snow removal strategies. Staff is expected to return with recommendations by early September to allow time for winter preparation.

Mr. Clifton asked if there was support for reducing the Butler speed limit from 40 mph to 35 mph. Mayor Daggett, Councilmembers McCarthy, Harris, House, and Sweet expressed support for lowering the speed limit. Some noted that Butler's current operating speed is too high, particularly through residential and mixed-use areas.

Vice Mayor Aslan questioned why Council could not directly change the speed limit and asked for clarification on how speed limits are determined. Mr. Bauman explained that a traffic study, in accordance with state law, would be needed and would influence, but not solely determine, the speed limit. He noted Butler currently has a 35 mph limit from Milton to Lone Tree and 40 mph from Lone Tree to Ponderosa. A study would take several months.

Councilmember Harris also suggested increased enforcement along Butler as a short-term solution. Councilmember McCarthy supported using pedestrian and residential considerations to justify a lower speed.

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

Mayor Daggett shared that the City is receiving $8.9 million to help pay for the Highway 180 corridor flood mitigation.

6. **Public Participation**

None

7. **Adjournment**

The Work Session held May 23, 2023, adjourned at 8:26 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on May 23, 2023. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, APRIL 2, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Vice Mayor Aslan called the meeting of the Flagstaff City Council held April 2, 2024, to order at 3:05 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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.

PRESENT:	ABSENT:
VICE MAYOR ASLAN	MAYOR DAGGETT
COUNCILMEMBER HARRIS	
COUNCILMEMBER HOUSE	
COUNCILMEMBER MATTHEWS	
COUNCILMEMBER MCCARTHY	
COUNCILMEMBER SWEET	

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

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

The Council and audience recited the pledge of allegiance, Councilmember Sweet read the Mission Statement of the City of Flagstaff, and Vice Mayor Aslan read the 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.

Dennis Givens addressed Council and spoke about ageism, biking, community share agriculture, and protecting the environment in a financially responsible way.

5. PROCLAMATIONS AND RECOGNITIONS

A. **Proclamation:** Water Awareness Month

Vice Mayor Aslan read and presented the proclamation.

B. **Proclamation:** Water Professionals Appreciation

The Water Professionals Appreciation proclamation was combined with the item above.

C. **Proclamation:** Limb Loss and Limb Difference Awareness Month

Councilmember Matthews read and presented the proclamation.

6. COUNCIL LIAISON REPORTS

Councilmember House reported that she had to miss the last Housing Commission meeting due to illness.

Councilmember Sweet shared that MetroPlan would be meeting that week and Earth Day was coming up on April 20, 2024 at Bushmaster Park. She also shared that the Fremont slow street painting day was scheduled for May 18, 2024 and she encouraged people to attend.

Councilmember McCarthy stated that he would be attending the MetroPlan meeting, the Bicycle Advisory Committee meeting, and the Transportation Commission meeting.

Vice Mayor Aslan shared that he attended the Coconino Plateau Water Advisory Committee meeting.

Councilmember Matthews shared that she also attended the Coconino Plateau Water Advisory Committee meeting. She also reported that she attended the Criminal Justice Coordinating Council (CJCC) meeting, and she distributed cards that provided access to information about a variety of statistics. She voiced appreciation for the work and commitment of the CJCC.

7. LIQUOR LICENSE PUBLIC HEARINGS

Applications under Liquor License Public Hearings may be considered under one public hearing and may be acted upon by one motion unless otherwise requested by Council.

A. **Consideration and Action on Liquor License Application:** Takehiro Yoneuchi, "Hiro's Sushi Bar and Japanese Restaurant," 1312 S. Plaza Way, Series 12 (restaurant), New License.

Vice Mayor Aslan opened the public hearing.

Police Chief Dan Musselman introduced the application and noted no concerns.

There being no public comment, Vice Mayor Aslan closed the public hearing.

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Austin Aslan to forward the application to the State with a recommendation for approval.

Vote: 6 - 0 - Unanimously

8. 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.

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

Vote: 6 - 0 - Unanimously

A. **Consideration and Approval of Contract:** First Amendment to Cooperative Purchase Contract with FX Tactical for the purchase Police Uniforms and Equipment for the Flagstaff Police Department.

1. Approve the First Amendment to the Cooperative Purchase Contract with FX Tactical for Police Uniforms and Equipment equaling a not to exceed value $134,917.21; and
2. Authorize the City Manager to execute the necessary documents.

B. **Consideration and Approval of Contract:** Approve multiple contracts for the purchase of water meters for the City of Flagstaff Water Services Division in a FY2023-24 budgeted amount not to exceed $1,012,718.

1. Approve contract(s) with Core and Main Supply, Metron Farnier, Mountain States Pipe and Supply, Zenner USA, and/or Aquaflow Solutions for the purchase of water meters in a FY2023-24 budgeted amount not to exceed $1,012,718; and
2. Authorize the City Manager to execute all necessary documents.

C. **Consideration of Ratification and Approval of Contract:** Ratify the purchase of $27,341.01 with Ahead, Inc. and enter into a Cooperative Purchase Contract in the amount not to exceed $528,000.00 for FY24 and FY25, for the purchase of hardware, licensing, installation, and support maintenance.

1. Ratify the purchase with Ahead Inc. for vSAN Licensing for the Flagstaff Police Department in the amount of $27,341.01;
2. Approve the Cooperative Purchase Contract with Ahead Inc. in the amount not to exceed $528,000 for FY24 and FY25 (to include the ratification of $27,341.01), for the purchase of hardware, licensing, installation, and support maintenance; and
3. Authorize the City Manager to execute the necessary documents.

D. **Consideration and Approval of Letter of Support:** Flagstaff Shelter Services' Congressionally Directed Spending Request Letter of Support

Approve Letter of Support.

9. ROUTINE ITEMS

A. Parking District Enforcement Update and Consideration and Adoption of Resolution No. 2024-10 and Ordinance No. 2024-06: A Resolution of the Flagstaff City Council declaring as a public record that certain document filed with the City Clerk and entitled *"2024 Parking Code Amendments*"; and, an Ordinance of the Flagstaff City Council, amending the Flagstaff City Code, Title 9 Traffic, Chapter 9-01 Traffic Code, by adopting by reference that certain document entitled *"2024 Parking Code Amendments";* providing for repeal of conflicting ordinances, severability, and establishing an effective date.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Lori Matthews to adopt Resolution No. 2024-10.

Vote: 6 - 0 - Unanimously

Moved by Councilmember Jim McCarthy, **seconded by** Vice Mayor Austin Aslan to read Ordinance No. 2024-06 by title only for the final time.

Vote: 6 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 9 TRAFFIC, CHAPTER 9-01 TRAFFIC CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "2024 PARKING CODE AMENDMENTS"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Deborah Harris to adopt Ordinance No. 2024-06.

Vote: 6 - 0 - Unanimously

B. Consideration and Adoption of Ordinance No. 2024-10: An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff Zoning Map to rezone approximately 18.24 acres of real property generally located at 6500 E Route 66, from the Rural Residential (RR) zone with a Resource Protection Overlay (RPO) to the Heavy Industrial (HI) zone with a Resource Protection Overlay (RPO), providing for severability, authority for clerical corrections, and establishing an effective date.

Tony Cullum addressed Council and thanked staff for their excellent work. The matter began in 2019, with city departments reviewing it in 2020. The Fire Department identified a lack of water in the old cinder pit/mine area, prompting the developer to install a 6,000--7,000-foot water line with hydrants. Since then, a public meeting in August 2020 went well, all city departments had approved the project, planning and zoning gave unanimous approval, and a recent neighborhood meeting was also successful.

Robert Miller addressed Council and shared that in 2007, he bought the property intending to use it for their trucking company. After discovering a shortage of equipment parking in Flagstaff he had the idea of repurposing the reclaimed portion of the mine into flat land for use by small and local businesses.

Julie and Warren Smith addressed Council and stated that their property was just south of the project, and they fully supported it because of its two freeway access points that divert industrial traffic from Highway 89, proximity to the Wildcat water plant, and suitability for equipment and materials storage. They see it as an ideal and much-needed use of the property.

Brent Eagar addressed Council and stated that he supported the project because of the developer's entrepreneurial experience, care for the land, and the property's suitability for an industrial park. There was a community shortage of such spaces, good access, and a strong location, he believed that the project would benefit the community.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2024-10 by title only for the final time.
Vote: 6 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF ZONING MAP TO REZONE APPROXIMATELY 18.24 ACRES OF REAL PROPERTY GENERALLY LOCATED AT 6500 E ROUTE 66, FROM THE RURAL RESIDENTIAL (RR) ZONE WITH A RESOURCE PROTECTION OVERLAY (RPO) TO THE HEAVY INDUSTRIAL (HI) ZONE WITH A RESOURCE PROTECTION OVERLAY (RPO), PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Vice Mayor Austin Aslan, **seconded by** Councilmember Miranda Sweet to adopt Ordinance No. 2024-10.
Vote: 6 - 0 - Unanimously

10. REGULAR AGENDA

Vice Mayor noted that he would reorder the agenda to take Item 10G before Item 10F.

A. Consideration and Adoption of Ordinance No. 2024-09: An ordinance of the City Council of the City of Flagstaff amending the Flagstaff City Code, Chapter 1-14, Personnel System by amending the Employee Handbook of Regulations, Section 1-70-020 Employee Wellness and 1-50-039 Purchase Day Program; providing for repeal of conflicting ordinances; severability; authority for clerical corrections; and establishing an effective date.

Interim Deputy Human Resources Director Jennifer Caputo addressed Council and stated that the changes were related to employee wellness, and they were removing the specific details within the handbook. They were things that were subject to regular change at any time and removing them from the handbook would allow them to keep information updated.

The second change was related to the purchase day program; the handbook stated that it was open to full time employees, and they would like to offer that benefit to part time employees as well.

Councilmember McCarthy stated that the handbook was approved by Council and clarified that the request was for staff to be able to make changes to the wellness program without having to come back to Council. Mr. Clifton explained that the changes were clerical in nature, anything substantive to the handbook had to be approved by Council. Vice Mayor Aslan added that the leeway provided for was well within the scope of administrative oversight.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Jim McCarthy to read Ordinance No. 2024-09 by title only for the first time.
Vote: 6 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, CHAPTER 1-14, PERSONNEL SYSTEM, BY AMENDING THE EMPLOYEE HANDBOOK OF REGULATIONS, SECTION 1-70-020 EMPLOYEE WELLNESS AND 1-50-039 PURCHASE DAY PROGRAM; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

B. **Consideration and Adoption of Ordinance No. 2024-11:** An ordinance of the City Council of the City of Flagstaff amending Flagstaff City Code, Chapter 1-14, Personnel System, Section 1-14-001-0006, Employee Advisory Committee, Subsection 1-14-001-0006.1, Definitions, and the Employee Handbook of Regulations, Section 1-10-070, Employee Advisory Committee; providing for repeal of conflicting ordinances; severability; authority for clerical corrections; and establishing an effective date.

Employee Advisory Committee (EAC) Co-Chairs Jessica Vigorito and Daniel Carrick addressed Council and stated that the EAC aimed to strengthen employee/employer relations by providing a forum for employees to suggest policy, safety, compensation, and benefit changes to the City Manager. It was made up of elected representatives from all city divisions to ensure every area had a voice.

Two changes were proposed to broaden membership eligibility:

1. Include part-time employees, who receive the same benefits and follow the same policies as full-time staff but work 20--39 hours per week.
2. Allow non-managerial HR staff to serve as members. These changes are intended to increase staff participation in the committee.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Deborah Harris to read Ordinance No. 2024-11 by title only for the first time.

Vote: 6 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, AMENDING THE FLAGSTAFF CITY CODE, CHAPTER 1-14, PERSONNEL SYSTEM, SECTION 1-14-001-0006, EMPLOYEE ADVISORY COMMITTEE, SUBSECTION 1-14-001-0006.1, DEFINITIONS, AND THE EMPLOYEE HANDBOOK OF REGULATIONS, SECTION 1-10-070, EMPLOYEE ADVISORY COMMITTEE; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; SEVERABILITY; AUTHORITY FOR CLERICAL CORRECTIONS; AND ESTABLISHING AN EFFECTIVE DATE

C. **Consideration and Adoption of Resolution No. 2024-13:** A resolution of the Flagstaff City Council, approving an Intergovernmental Agreement for clinical practicum and or externship/internship education between Coconino Community College district and the city of Flagstaff Fire Department

Deputy Fire Chief Chris Fennell addressed Council and stated that the intergovernmental agreement was related to paramedic training, which shifted from Northern Arizona Healthcare to Coconino Community College as part of an accreditation process. He noted the program's positive impacts, including producing most regional paramedics, serving as a recruitment tool, and giving students exposure to the fire department's personnel and equipment.

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Miranda Sweet to read Resolution No. 2024-13 by title only.

Vote: 6 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN COCONINO COMMUNITY COLLEGE DISTRICT AND THE CITY OF FLAGSTAFF FIRE DEPARTMENT FOR CLINICAL PRACTICUM AND/OR EXTERNSHIP/INTERNSHIP EDUCATION

Moved by Vice Mayor Austin Aslan, **seconded by** Councilmember Miranda Sweet to adopt Resolution No. 2024-13.

Vote: 6 - 0 - Unanimously

D. **Consideration and Adoption of Resolution No. 2024-16:** A resolution of the Flagstaff City Council, approving an Intergovernmental Agreement: Cooperative Fire Rate Agreement (CFRA) with the Arizona Department of Forestry and Fire Management.

Wildland Fire Battalion Chief Paul Oltrogge addressed Council and stated that the agreement would move away from every two years to every five years. The agreement allowed the city to work through the Arizona Department of Forestry and Fire Management to get personnel and equipment ordered for wildland fire suppression and support. It also allowed for any costs incurred on those assignments or mutual aid responses to be fully reimbursed.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to read Resolution No. 2024-16 by title only.

Vote: 6 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING THE 2024 COOPERATIVE FIRE RATE AGREEMENT (CFRA) INTERGOVERNMENTAL AGREEMENT BETWEEN THE ARIZONA DEPARTMENT OF FORESTRY AND FIRE MANAGEMENT AND THE CITY OF FLAGSTAFF

Moved by Councilmember Jim McCarthy, **seconded by** Vice Mayor Austin Aslan to adopt Resolution No. 2024-16.

Vote: 6 - 0 - Unanimously

E. **Consideration and Adoption of Resolution No. 2024-14:** A resolution of the City of Flagstaff City Council, authorizing Amendment No. Two to an Intergovernmental Agreement between the State of Arizona and the City of Flagstaff for the design and construction of a roundabout at the signalized intersection of Fourth Street and Cedar Avenue/Lockett Road.

Engineering Project Manager Alec Latino provided a PowerPoint presentation that covered the following:

FOURTH AND LOCKETT ROUNDABOUT IGA AMENDMENT #2
FOURTH/CEDAR/LOCKETT ROUNDABOUT
THE PROJECT
IGA AMENDMENT #2-FOURTH AND LOCKETT ROUNDABOUT
PROJECT COST SUMMARY
IGA AMENDMENT #2

Vice Mayor Aslan shared that there had been some anxiety in the community about what could be handled traffic wise with all the various construction projects happening. Mr. Latino shared that the plan was to finish the Linda Vista construction before starting work on Fourth, Lockett, and Cedar, to ensure no overlap between the projects to minimize traffic disruption and keep traffic moving as smoothly as possible.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to read Resolution No. 2024-14 by title only.

Vote: 6 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AMENDMENT NO. TWO TO AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE ARIZONA DEPARTMENT OF TRANSPORTATION AND THE CITY OF FLAGSTAFF FOR THE DESIGN AND CONSTRUCTION OF A ROUNDABOUT AT THE SIGNALIZED INTERSECTION OF FOURTH STREET AND CEDAR AVENUE/LOCKETT ROAD

Moved by Councilmember Jim McCarthy, **seconded by** Vice Mayor Austin Aslan to adopt Resolution No. 2024-14.

Vote: 6 - 0 - Unanimously

F. **Consideration and Adoption of Resolution No. 2024-15 and Ordinance No. 2024-13:** 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 entitled "2024 Amendments to Flagstaff City Code, Title 13, Engineering Design and Standards and Specifications for New Infrastructure." and an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona amending the Flagstaff City Code, Title 13, Engineering Design Standards and Specifications for New Infrastructure.

Development Engineer David Millis provided a PowerPoint presentation that covered the following:

TITLE 13 2024 AMENDMENTS ENGINEERING DESIGN STANDARDS AND SPECIFICATIONS FOR NEW INFRASTRUCTURE
CHANGES TO PROPOSED AMENDMENTS SINCE PREVIOUS COUNCIL WORK SESSION
PREVIOUS COUNCIL DISCUSSION
ADDITIONAL CHANGES

Councilmember McCarthy noted that Council would revisit the rolled curb discussion in the future and requested adding a discussion on sidewalk width. He noted that older sidewalks are four feet wide, while current code required five feet, which increased concrete use, greenhouse gas emissions, land consumption, runoff, and housing costs. We wanted a thorough review of pros and cons through relevant commissions before the discussion returned to Council.

Moved by Councilmember Jim McCarthy, **seconded by** Vice Mayor Austin Aslan to read Resolution No. 2024-15 by title only.

Vote: 6 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "2024 AMENDMENTS TO FLAGSTAFF CITY CODE, TITLE 13, ENGINEERING DESIGN STANDARDS AND SPECIFICATIONS FOR NEW INFRASTRUCTURE"

Moved by Vice Mayor Austin Aslan, **seconded by** Councilmember Jim McCarthy to read Ordinance No. 2024-13 by title only for the first time.

Vote: 6 - 0 - Unanimously

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 "2024 AMENDMENTS TO FLAGSTAFF CITY CODE, TITLE 13, ENGINEERING DESIGN STANDARDS AND SPECIFICATIONS FOR NEW INFRASTRUCTURE"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

G. **Consideration and Adoption of Ordinance No. 2024-12:** An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 9 Traffic, Chapter 9-01 Traffic Code, Section 9-01-001-0002 Specific Speed Limits; providing for penalties, repeal of conflicting ordinances, severability, and establishing an effective date.

City Engineer Paul Mood provided a PowerPoint presentation that covered the following:

BUTLER AVENUE SPEED LIMITS
SUMMARY
CURRENT VS. PROPOSED POSTED SPEED LIMITS

ORDINANCE

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Jim McCarthy to read Ordinance No. 2024-12 by title only for the first time.

Vote: 6 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 9 TRAFFIC, CHAPTER 9-01 TRAFFIC CODE, SECTION 9-01-001-0002 SPECIFIC SPEED LIMITS; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

11. DISCUSSION ITEMS

A. Follow up discussion from the March 25, 2024 City Council - Water Commission Joint Meeting

Councilmember House exited the meeting at 4:20 p.m.

Water Resources Manager Erin Young and Carol Malesky with Stantec provided a PowerPoint presentation that covered the following:

WATER, RECLAIMED WATER, & WASTEWATER COST-OF-SERVICE STUDY -- WATER RATE DESIGN
WATER RATE OPTION 3
OPTION 2 + CLASS COMBINATION = OPTION 3
OPTION COMPARISON -- VOLUME CHARGE (PER 1,000 GALLONS)
WATER COS AVERAGE BILL IMPACTS FOR RATE OPTION 3 REVISED

Council discussion clarified that the displayed water rate charts showed only volume charges, with fixed charges listed separately, and that total bills combined both. Customers with low water usage, about 2,450 gallons/month or less, or those who significantly reduced consumption could avoid bill increases. Rate tiers were designed around essential indoor use of 50 gallons per person per day, allowing average households to stay within Tier 1 and larger households to remain in Tier 2. It was shared that helping seniors, single residents, and families on fixed incomes conserve water to limit impacts was important and there were suggestions for the city to provide practical conservation information for those who preferred self-reliance over requesting financial assistance.

It was asked when the last water rate study had been conducted. Staff stated that the last full cost of service study for water rates was in 2010, with rate adjustments in 2015, excluding reclaimed water, which was addressed in 2016. Those adjustments did not fully fund the CIP. Moving forward with the current proposal would fully fund the CIP for the first time in years and serve as a catch-up adjustment. While recognizing the necessity of the increases, Council emphasized the importance of helping residents, especially those with tight budgets, by providing information on ways to reduce water consumption and lower bills. Even small cost changes could significantly impact some households, so outreach and conservation guidance were encouraged.

WATER -- DISCUSSION OF OPTIONS
COUNCIL DIRECTION ON SINGLE-FAMILY VOLUME RATE

Council discussed choosing between the revised Option 3 and the previous version concerning single-family volume tier water rates. Supporters of the revised option highlighted that it lowered costs for those who conserved water, particularly benefiting people on fixed incomes by rewarding reduced usage. However, some Councilmembers expressed concern that the tier system might unfairly impact families who shared housing out of financial necessity, noting that high water use is not always due to wastefulness but sometimes reflected complex household situations. There was frustration over the need for such a significant rate increase, which was a result of delayed infrastructure investments by past councils.

Council acknowledged the tough reality that maintaining essential services like water required adequate funding, and delayed increases would only push the problem onto future councils. Suggestions were made to develop programs that help residents conserve water and reduce bills, such as rebates and community outreach focused on sustainability, particularly aimed at historically underrepresented neighborhoods.

The Council agreed to continue reviewing the rate options, with more comprehensive discussions planned for mid-April and beyond. There was consensus to support the revised Option 3 because it encouraged conservation and reflected valuable input from the Water Commission.

RECLAIMED WATER RATE AND POLICY DISCUSSION
WHAT ARE THE UPDATED RATES FOR RECLAIMED?
CURRENT / PROPOSED
RECLAIMED WATER COST OF SERVICE ANALYSIS
PREVIOUS WORK ON RECLAIMED WATER POLICY
RECLAIMED WATER CONSIDERATIONS AND DISCUSSION

Council discussion showed a general preference for Option 1, with the desire to avoid rushing the decision or making small, piecemeal rate increases without a thorough conversation.

Council was interested in having a more robust discussion about reclaimed water rates within the next six months, rather than immediately or arbitrarily raising rates by a small percentage. Some Councilmembers felt that reclaimed water should cover its own costs, but they wanted a detailed study and thoughtful consideration before implementing changes.

Council emphasized the need for transparency about the projects involved, how they would be funded, including bonds and grants, and the overall impact on water resources and ratepayers. They wanted clear communication to the public about what the rate increases would accomplish, particularly concerning the sustainability of water supplies.

The discussion also included a caution against encouraging excessive use of reclaimed water simply because it may appear cheaper, it was important to preserve reclaimed water for future potable needs or aquifer recharge rather than allowing it to be wasted on high consumption uses like watering lawns.

PUBLIC OUTREACH EVENT
NEXT STEPS

12. 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 Citizens' Petition titled Convert all City Vehicle Fleets to Electric

The following individuals addressed Council in support of the petition to convert all city vehicle fleets to electric:

- Jill Stephenson
- Dee Hoagland
- Stefan Sommer
- Jason Kordosky

The following comments were received:

- The Northern Arizona Climate Change Alliance urges rapid transition to electric vehicles (EV) and clean energy to drastically reduce carbon emissions by 2050.

- Transportation is a major source of greenhouse gases, and shifting away from gasoline-powered vehicles is critical for climate mitigation.
- Electric vehicles offer zero tailpipe emissions, lower fueling costs, and reduced maintenance expenses compared to gas-powered cars.
- Many major cities and counties have set ambitious goals to phase out fossil fuel vehicles and electrify public fleets.
- Flagstaff's current fleet electrification is under 10%, which is insufficient to meet the city's net zero emissions target by 2030.
- Specific targets include increasing electrification to 15% by the end of this year and 30% the next to stay on track for net zero.
- Accelerating fleet electrification also supports community adoption of EVs and expansion of charging infrastructure.
- Clean energy projects like solar and wind contribute positively to the local economy and public health.
- Existing city policies require phased replacement of fleet vehicles with electric models, but implementation needs to be faster and more comprehensive.
- There is a need to include medium and heavy-duty vehicles, such as police cruisers and fire trucks, in the electrification transition.

Vice Mayor Aslan asked for clarification on the current approach to fleet electrification, particularly whether it was better environmentally to fully use existing gas-powered vehicles before replacing them with electric ones. Sustainability Director Nicole Antonopoulos explained that the city followed an EV first policy based on the 2018 Climate Action and Adaptation Plan. When a vehicle reached the end of its service life, the city prioritized replacing it with an electric vehicle if available, or a hybrid as a second option, and only resorted to combustion engines if neither is feasible. The current fleet included 11 electric vehicles with five more on order.

Ms. Antonopoulos also shared that fleet electrification was complex and involved several considerations, including the wide range of vehicle types from sedans to heavy-duty vehicles, as well as the necessary infrastructure to support EVs. An infrastructure assessment funded by Arizona Public Service (APS) was underway to plan for charging needs, which would be presented to the Council in more detail at an upcoming Council meeting. Currently, the city had 26 EV charging ports funded by APS grants and was in the process of installing 16 more through an energy conservation contract. The city was balancing fiscal responsibility, infrastructure readiness, and vehicle replacement schedules in its approach to transitioning the fleet to electric.

Vice Mayor Aslan noted that he would not support moving the petition forward. The city was already actively working on fleet electrification, and he felt that the current process was sufficient.

Councilmember McCarthy agreed and felt that the city was already moving in the right direction.

Councilmember Sweet added that while she agreed with the elements of the petition, she believe that the city was already moving forward with exactly what the petition was asking for. She was not supportive of advancing the matter forward.

There was not requisite support to advance the matter forward to a future agenda.

13. OPEN CALL TO THE PUBLIC

None

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

Councilmember Matthews requested a FAIR item to discuss the process for selecting the Vice Mayor.

Councilmember McCarthy voiced his support for the conversation about the Vice Mayor selection process. He also shared that he had met with the Airport Director many times about the Thunder

Over Flagstaff event because the event had caused a lot of discomfort for people that were sensitive to noise issues. The event would not be happening this year and he was disappointed because he had hoped they could find a way to do it, so the air tour rides did not fly right over the city. If a solution could not be found, he was glad that the event was cancelled.

Councilmember Sweet shared that Friday was First Friday Art Walk downtown, she also would be reading a proclamation for The Field of Hope dedication in honor of all children who died from abuse or neglect in the prior year.

15. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held April 2, 2024, adjourned at 5:57 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on April 2, 2024. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, APRIL 16, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held April 16, 2024, to order at 3:03 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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.

PRESENT:	ABSENT:
MAYOR DAGGETT	
VICE MAYOR ASLAN	
COUNCILMEMBER HARRIS	
COUNCILMEMBER HOUSE	
COUNCILMEMBER MATTHEWS	
COUNCILMEMBER MCCARTHY	
COUNCILMEMBER SWEET	

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

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

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

Dennis Givens addressed Council with a message of appreciation and encouragement. He spoke about the value of public service and called public servants his heroes. He emphasized the importance of compassion, unity, and working together to serve the community.

Sustainability Supervisor Steven Thompson addressed Council and invited them and the community to attend the upcoming Earth Day celebration the following Sunday at Bushmaster Park.

William Bedlam, a business owner on Huntington, addressed Council and expressed concern about ongoing homelessness-related issues in the area. He described persistent problems including street camping, junk vehicles, public defecation, and disorderly behavior, which had created safety concerns for his staff and clients. Despite contacting the police, he said he was told nothing could be done. He urged the Council to take action to address the issue.

5. COUNCIL LIAISON REPORTS

Councilmember Harris shared updates from the Parks and Recreation Commission meeting, highlighting productive discussions and efforts to improve public understanding of park rules. She also provided an update on the Ponderosa Park sport courts, noting that construction was progressing and expected to begin soon.

Councilmember Sweet reported from the Beautification and Public Art Commission, where seven new Beautification-in-Action grants were currently under review, with decisions anticipated in May. She also noted upcoming meetings for Mountain Line, the Water Commission, and the Northern Arizona Municipal Water Users Association.

Councilmember House mentioned the April Housing Commission meeting was canceled but would resume next month. She attended the Flagstaff Sister Cities meeting alongside Mayor Daggett to explore future projects. Additionally, she praised the Teen Challenge Arizona Banquet she attended the week before, calling it a powerful event that surpassed its fundraising goals and featured inspiring recovery stories from participants.

6. APPOINTMENTS

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

A. **Consideration of Appointments:** Open Space Commission.

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to appoint Chelita Borbon Runbeck to a term expiring April 2027.

Vote: 7 - 0 - Unanimously

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.

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to approve the Consent Agenda as presented.

Vote: 7 - 0 - Unanimously

A. **Consideration and Approval of Contract:** Construction Contract for Boulder Pointe Traffic Calming Improvements.

1. Approve the construction contract with Summit Construction Company, LLC ("Contractor") in the amount of $427,863.00 and a contract time duration of 180 calendar days.
2. Approve a contract allowance of $13,847.00 which is 7.5% of the Engineer's Estimate of Probable Cost.
3. Approve Change Order Authority to the City Manager in the amount of $42,786.30 (10% of the contract amount, less allowance); and
4. Authorize the City Manager to execute the necessary documents.

B. **Consideration and Approval of Contract:** Approve the First Amendment to the Cooperative Purchase Contract with Pride Outfitting, LLC to upfit/outfit emergency equipment on an additional six patrol vehicles in an amount not to exceed $138,454.34.

1. Approve the First Amendment to the Cooperative Purchase Contract with Pride Outfitters, LLC to upfit/outfit emergency equipment on an additional six patrol vehicles in an amount not to exceed $138,454.34; and
2. Authorize the City Manager to execute all the necessary documents.

C. **Consideration and Approval of Contract:** Approve the First Amendment for Services with Sedona Protective Services, LLC dba Southwest Protective Services to add security services to City Libraries and City Hall.

1. Approve the First Amendment for Services with Sedona Protective Services, LLC dba Southwest Protective Services to add security services to City Libraries and City Hall in a total amount not to exceed $122,360.00; and
2. Authorize the City Manager to execute the necessary documents.

D. **Consideration and Ratification of Letter of Support:** Foundation for Senior Living's request for funding to Senator Sinema's Office.

Ratify the letter of support submitted to Senator Sinema's Office on behalf of the Foundation for Senior Living and the affordable housing projects they are planning to construct in downtown Flagstaff.

8. ROUTINE ITEMS

A. **Consideration and Adoption of Ordinance No. 2024-09:** An ordinance of the City Council of the City of Flagstaff amending the Flagstaff City Code, Chapter 1-14, Personnel System by amending the Employee Handbook of Regulations, Section 1-70-020 Employee Wellness and 1-50-039 Purchase Day Program; providing for repeal of conflicting ordinances; severability; authority for clerical corrections; and establishing an effective date.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2024-09 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, CHAPTER 1-14, PERSONNEL SYSTEM, BY AMENDING THE EMPLOYEE HANDBOOK OF REGULATIONS, SECTION 1-70-020 EMPLOYEE WELLNESS AND 1-50-039 PURCHASE DAY PROGRAM; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to adopt Ordinance No. 2024-09.

Vote: 7 - 0 - Unanimously

B. **Consideration and Adoption of Ordinance No. 2024-11:** An ordinance of the City Council of the City of Flagstaff amending Flagstaff City Code, Chapter 1-14, Personnel System, Section 1-14-001-0006, Employee Advisory Committee, Subsection 1-14-001-0006.1, Definitions, and the Employee Handbook of Regulations, Section 1-10-070, Employee Advisory Committee; providing for repeal of conflicting ordinances; severability; authority for clerical corrections; and establishing an effective date.

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Khara House to read Ordinance No. 2024-11 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, AMENDING THE FLAGSTAFF CITY CODE, CHAPTER 1-14, PERSONNEL SYSTEM, SECTION 1-14-001-0006, EMPLOYEE ADVISORY COMMITTEE, SUBSECTION 1-14-001-0006.1, DEFINITIONS, AND THE EMPLOYEE HANDBOOK OF REGULATIONS, SECTION 1-10-070, EMPLOYEE ADVISORY COMMITTEE; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; SEVERABILITY; AUTHORITY FOR CLERICAL CORRECTIONS; AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Khara House to adopt Ordinance No. 2024-11.

Vote: 7 - 0 - Unanimously

C. **Consideration and Adoption of Ordinance No. 2024-12:** An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 9 Traffic, Chapter 9-01 Traffic Code, Section 9-01-001-0002 Specific Speed Limits; providing for penalties, repeal of conflicting ordinances, severability, and establishing an effective date.

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2024-12 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE

FLAGSTAFF CITY CODE, TITLE 9 TRAFFIC, CHAPTER 9-01 TRAFFIC CODE, SECTION 9-01-001-0002 SPECIFIC SPEED LIMITS; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to adopt Ordinance No. 2024-12.

Vote: 7 - 0 - Unanimously

D. **Consideration and Adoption of Resolution No. 2024-15 and Ordinance No. 2024-13:** 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 entitled "2024 Amendments to Flagstaff City Code, Title 13, Engineering Design and Standards and Specifications for New Infrastructure." and an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona amending the Flagstaff City Code, Title 13, Engineering Design Standards and Specifications for New Infrastructure.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Jim McCarthy to adopt Resolution No. 2024-15.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Jim McCarthy to read Ordinance No. 2024-13 by title only for the final time.

Vote: 7 - 0 - Unanimously

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 "2024 AMENDMENTS TO FLAGSTAFF CITY CODE, TITLE 13, ENGINEERING DESIGN STANDARDS AND SPECIFICATIONS FOR NEW INFRASTRUCTURE"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Jim McCarthy to adopt Ordinance No. 2024-13.

Vote: 7 - 0 - Unanimously

9. REGULAR AGENDA

A. **Consideration and Adoption of Resolution No. 2024-18:** A resolution of the Flagstaff City Council, authorizing the acquisition of real property interests necessary for the Lone Tree Overpass Project, a public use; providing for delegation of authority, condemnation authority, repeal of conflicting resolutions, and establishing an effective date

Real Estate Manager Bryce Doty provided a PowerPoint presentation that covered the following:

LONE TREE OVERPASS CONDEMNATION
VICINITY MAPS
SV DIRTWORKS
CAMPUS CREST

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to read Resolution No. 2024-18 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, AUTHORIZING CONDEMNATION OF REAL PROPERTY FOR THE LONE TREE OVERPASS PROJECT; PROVIDING FOR DELEGATION OF AUTHORITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to adopt Resolution No. 2024-18.

Vote: 7 - 0 - Unanimously

B. **Consideration and Adoption of Ordinance No. 2024-14:** An ordinance of the City Council of the City of Flagstaff, ratifying the grants of easements and real property; and formally accepting grants of easements and real property; providing for severability, authority for clerical corrections, and establishing an effective date.

Real Estate Specialist Carmen Pryor addressed Council and stated that the ordinance was to ratify the acquisitions of easements for the prior year.

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2024-18 by title only for the first time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, RATIFYING THE GRANT AND RESERVATION OF EASEMENTS; AND FORMALLY ACCEPTING DEDICATIONS AND DONATIONS OF EASEMENTS AND REAL PROPERTY INTERESTS; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

C. **Consideration and Approval of Cooperative Agreement:** A Cooperative Agreement between the City of Flagstaff and Flagstaff Metropolitan Planning Organization for the purposes of a cash advance fund.

Management Services Director Rick Tadder explained that the cooperative agreement was designed to help manage the city's cash balances more efficiently. Under the agreement, the cash advance fund would be invested on the city's behalf, providing improved financial management and potential returns.

Councilmember McCarthy added that the Flagstaff Metropolitan Planning Organization had recently approved the same agreement.

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to approve the Cooperative Agreement between the City of Flagstaff and Flagstaff Metropolitan Planning Organization for the purposes of a cash advance fund.

Vote: 7 - 0 - Unanimously

D. **Consideration and Adoption of Resolution No. 2024-19:** A resolution of the Flagstaff City Council adopting a notice of intention to increase water, sewer, and reclaimed water rates or rate components, fees, or service charges; and setting a public hearing date on June 18, 2024.

Water Services Manager Erin Young and Carol Malesky with Stantec provided a PowerPoint presentation that covered the following:

WATER, RECLAIMED WATER, & WASTEWATER COST-OF-SERVICE STUDY
WHY ARE WE HERE?
AGENDA
HOW WE FUND OUR WATER SERVICES NEEDS
FINANCIAL PLANNING
KEY FINANCIAL ASSUMPTIONS & ADJUSTMENTS
FINANCIAL PLANNING SCENARIO RECAP
WATER FUND
INITIAL RATE STUDY 5-YEAR FINANCIAL OUTLOOK -- WATER
WATER FUND ANNUAL EXPENSES
FULL WATER CIP LIST

WATER FUND CIP FUNDING FY 24-33
WATER FUND RATE PROJECTIONS
WASTEWATER FUND
INITIAL RATE STUDY 5-YEAR FINANCIAL OUTLOOK -- WASTEWATER
WASTEWATER FUND ANNUAL EXPENSES
FULL WASTEWATER CIP LIST
WASTEWATER FUND CIP FUNDING FY 24-33
WASTEWATER FUND RATE PROJECTIONS
RECLAIMED WATER FUND
INITIAL RATE STUDY 5-YEAR FINANCIAL OUTLOOK -- RECLAIMED WATER
RECLAIMED WATER FUND ANNUAL EXPENSES
FULL RECLAIMED WATER CIP LIST
RECLAIMED WATER CIP FUNDING FOR FY 24-33
RECLAIMED WATER FUND RATE PROJECTIONS
CAPACITY FEES
CAPACITY FEE METHODOLOGIES -- COMBINED METHOD RECOMMENDED BY WATER COMMISSION
LEVEL OF SERVICE DISCUSSION -- ACTUAL USE RECOMMENDED BY WATER COMMISSION
SUMMARY OF COUNCIL DIRECTION
GROWTH RELATED WATER PROJECTS
WATER CAPACITY FEE OPTIONS USING THE COMBINED METHODOLOGY
PROPOSED WATER CAPACITY FEES -- COMBINED METHODOLOGY
GROWTH RELATED WASTEWATER PROJECTS
WASTEWATER CAPACITY FEE OPTIONS USING COMBINED METHODOLOGY
PROPOSED WASTEWATER CAPACITY FEE OPTIONS -- COMBINED METHODOLOGY
MISCELLANEOUS SERVICE FEES
MISCELLANEOUS FEE PROCESS
WATER METER INSTALLATIONS

Mayor Daggett asked whether the charge in question was included in the hookup capacity fees or if it was separate.

Ms. Malesky clarified that it was separate. The fee discussed was for the physical connection to the system, while capacity fees were charged for the additional demand placed on the system.

SERVICE CHARGES
SEWER MISCELLANEOUS FEES
SEWER SURCHARGE RATES FOR HIGH STRENGTH WASTE
COST-OF-SERVICE RATES
RATE DESIGN PRIORITIES
WATER RATES
RATE DESIGN OPTIONS REVIEW
WATER RATE STRUCTURE -- OPTION 3 REVISED
OPTION 3 REVISED -- FIVE YEAR RATES
WATER PROJECTED AVERAGE BILL IMPACTS FOR OPTION 3 REVISED

Councilmember McCarthy asked if the "institutional" rate category included Northern Arizona University, to which Ms. Malesky confirmed that it did. Councilmember McCarthy expressed concern that the proposed 39% rate increase for the institutional category seemed unusually high.

WASTEWATER RATES
FIXED + CONSOLIDATED -- OPTION 3
OPTION 3 -- FIVE YEAR RATES
WASTEWATER PROJECTED AVERAGE BILL IMPACTS FOR RATE OPTION 3
COMBINED BILL IMPACTS
BILL PROJECTIONS FOR PROPOSED RATE STRUCTURE -- RESIDENTIAL
BILL PROJECTIONS FOR PROPOSED RATE STRUCTURE -- COMMERCIAL
RECLAIMED WATER RATES
RECLAIMED WATER RATES BASED ON OPTION 3 REVISED

SUMMARY OF REVIEWED RATES & CHARGES

Councilmember Matthews expressed concern with moving forward on rate increases without more thorough public understanding and Council review. She questioned the growth projections underlying the Capital Improvement Plan and emphasized the need to explore different project timelines and financial impacts. Councilmember Matthews requested a future work session to review potential scenario modeling, including how project delays or funding changes would impact rates, in order to enhance public transparency and trust.

Ms. Malesky agreed that it would be valuable and noted that the city had time to host such sessions prior to final rate adoption. Water Services Director Shannon Jones also supported the idea of a town hall meeting to directly engage the public, answer questions, and provide clarity.

Councilmember Matthews stressed the need to proactively inform residents, noting that awareness was growing and many would have questions. She asked whether the public rate calculator was live, and Mr. Jones confirmed it included water and wastewater but not reclaimed water rates.

Councilmember Harris emphasized the importance of allowing the public to ask questions directly and suggested that scenarios be created to reduce overall costs. Councilmember Matthews added that extending the rate increase timeline from five to seven or ten years could be another option. She also asked why potential federal grant funding was not factored into the projections.

Councilmember House raised affordability concerns, both for institutions like Northern Arizona University and nonprofits, as well as for residential users. She asked whether the study considered broader economic impacts, such as housing affordability and institutional strain. Ms. Malesky responded that while the cost of service analysis focused on equity in rate distribution, policy options, such as waiving fees for affordable housing, could be explored to mitigate impacts.

Councilmember Sweet supported another meeting to go deeper into scenario planning and suggested Council submit questions in advance.

Councilmember Harris asked whether staff could run scenarios in real time during the sessions. Ms. Malesky noted the modeling tool could run certain scenarios on the fly, but having advance notice would ensure better preparedness and accuracy.

Councilmember McCarthy stated that the current issue stemmed from "sticker shock," and the only real ways to reduce that was to shift the cost burden or scale back planned projects. Mr. Jones explained that the base rate structure allowed customers to control costs through water usage, those who used more water saw larger increases. He noted that water customers using minimal volumes experienced little impact, while high-volume users would be more affected.

Councilmember Harris emphasized the need to clearly communicate trade-offs to the public, asking: "If I take it from here, where do I get it from?"

REQUESTED ACTION

Stephen Puhr addressed Council and urged caution, citing regional population data and long-term trends. He noted that Flagstaff's projected growth may not justify major infrastructure investments and stated that projections should reflect realistic assumptions about future population needs.

Ms. Young reported she had spoken with roughly 35 residents, who appreciated early notice of the five-year plan. She said the rate calculator was just released and that the city was monitoring website traffic. She received questions about potential senior discounts and emphasized that many residents were starting to pay attention.

Councilmember Matthews voiced concern that households with more residents, such as families doubling up, may face disproportionate impacts due to tiered rate structures. She also emphasized the need to make sure businesses and nonprofits were fully informed and used the rate calculator.

Ms. Young and Mr. Jones stated that they had been in ongoing communication with the Chamber of Commerce, Northern Arizona University, and other community groups. Mr. Jones added that outreach efforts were ongoing and that the team was working to facilitate conversations as quickly as possible.

Councilmember House asked whether usage of the calculator was being tracked. Ms. Young confirmed it was released earlier that day, and tracking data would be available.

Council supported holding both a dedicated work session and a separate town hall to enhance public understanding and ensure transparency around the proposed water and wastewater rate increases. The intention was to review scenario options, engage the public directly, and provide clear information on trade-offs, timelines, and impacts.

Moved by Vice Mayor Austin Aslan, **seconded by** Councilmember Khara House to read Resolution No. 2024-19 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL ADOPTING A NOTICE OF INTENTION TO INCREASE WATER SERVICES RATES OR RATE COMPONENTS, FEES OR SERVICE CHARGES, AND SETTING A PUBLIC HEARING DATE ON JUNE 18, 2024

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Khara House to adopt Resolution No. 2024-19.

Vote: 7 - 0 - Unanimously

A break was held from 5:18 p.m. through 5:30 p.m.

10. DISCUSSION ITEMS

A. Land Availability and Suitability Study and Code Analysis Project (LASS+CAP) Project Update and Discussion

Planning Director Michelle McNulty, Read Stapleton with DOWL, Jamin Kimmell with Cascadia Partners, and Mark Raggett with GBD Architects provided a PowerPoint presentation that covered the following:

LASS + CAP PROJECT UPDATE
AGENDA
1. PROJECT PURPOSE AND GOALS
PROJECT INTRODUCTION
PROJECT SCOPE
2. LAND AVAILABILITY/SITE SUITABILITY PROJECT FINDINGS
PURPOSE AND GOALS -- LASS
HIGH-LEVEL PROCESS
LASS FINDINGS
OPPORTUNITY SITES
GENERAL CONCLUSIONS -- OPPORTUNITY SITES
3. CODE ANALYSIS PROJECT: APPROACH AND METHODOLOGY
PURPOSE AND GOALS -- CAP
THREE PHASES OF THE CODE ANALYSIS
DISTILLING POLICIES AND GOALS INTO CLEAR OUTCOMES
SCOPE OF THE CODE ANALYSIS
METHODOLOGY
4. CODE DIAGNOSTIC KEY FINDINGS: ZONING AND SUBDIVISION CODES
WHERE IS THE BUILDABLE LAND? WHAT ZONES HAVE THE MOST CAPACITY FOR NEW HOUSING?
WHERE DOES THE REGIONAL PLAN CALL FOR NEW HOUSING TO BE PRIORITIZED TO

MEET CLIMATE AND HOUSING GOALS?
WHERE DOES THE REGIONAL PLAN CALL FOR NEW HOUSING TO BE PRIORITIZED TO MEET CLIMATE AND HOUSING GOALS?
WHERE ARE THE HOUSEHOLDS THAT ARE VULNERABLE TO DISPLACEMENT IF HOUSING PRODUCTION DOES NOT KEEP PACE?
WHERE ARE THE HOUSEHOLDS THAT ARE VULNERABLE TO DISPLACEMENT IF HOUSING PRODUCTION DOES NOT KEEP PACE?
OVERVIEW OF MAJOR BARRIERS AND ISSUES
REVIEW PROCEDURES: ZONING MAP AMENDMENT, SUBDIVISION
SINGLE-FAMILY RESIDENTIAL ZONE
MEDIUM DENSITY RESIDENTIAL ZONE
RESOURCE PROTECTION OVERLAY ZONE
COMMERCIAL ZONES
MINIMUM PARKING REQUIREMENTS
HIGH OCCUPANCY HOUSING REGULATIONS
AFFORDABLE HOUSING INCENTIVES
SUSTAINABLE BUILDING INCENTIVES
TENSIONS WITH OTHER POLICY GOALS
5. CODE DIAGNOSTIC KEY FINDINGS: ENGINEERING, TRANSPORTATION IMPACT ANALYSIS, AND FIRE ACCESS STANDARDS
STAKEHOLDER COMMENTS -- EXAMPLES
WATER AND SEWER POTENTIAL BARRIERS
TRANSPORTATION AND ACCESS CODE ISSUES
TIA REQUIREMENTS POTENTIAL ISSUES
6. CODE DIAGNOSTIC KEY FINDINGS: BUILDING CODE
BUILDING CODE KEY FINDINGS
7. NEXT STEPS
LASS + CODE DIAGNOSIS OUTREACH

Councilmember House thanked the presenters and reflected on how housing policy and code changes impacted both sustainability and housing goals. She raised the importance of incentivizing sustainability in existing developments, noting a potential missed opportunity to highlight the benefits of sustainability for current buildings. Mr. Kimmell responded that while the code could influence new development through standards and incentives, it was not designed to address existing buildings unless a project triggered code compliance. Other tools, such as financial incentives or loan programs, may be more appropriate for existing properties.

Councilmember House also asked about outreach to existing neighborhood associations and how they might be impacted. Mr. Stapleton confirmed that a public engagement plan, led by Renee Redday from Building Community Flagstaff, was in place to involve residents and interpret how diagnostic findings may affect neighborhoods.

Councilmember McCarthy emphasized the long-term savings associated with building features like insulation, suggesting that up-front costs may be offset by reduced operating costs. Vice Mayor Aslan praised the consultants for balancing multiple priorities and warned against focusing so narrowly on one issue that unintended consequences arise. He stressed the importance of finding common ground and relying on the collective perspective of the Council.

Councilmember Harris cautioned against over-regulating new housing, which could raise costs and exclude potential homeowners. She pointed out that many renters might not benefit from costly sustainability features like electric vehicle chargers and encouraged the team to engage with long-standing local organizations.

Mayor Daggett expressed enthusiasm for the progress made and encouraged more support for building smaller, more affordable homes. She emphasized the need to shift development trends away from large, high-cost homes and to prioritize land use that supported affordability. Councilmember Sweet echoed that sentiment, noting similar feedback from residents.

Mr. Clifton thanked the consulting and staff teams, highlighting concerns about the Resource

Protection Ordinance and its lack of attention to forest health, which had implications for fire risk and homeowners insurance.

Mayor Daggett highlighted the alignment between the city's goals for housing, sustainability, and climate action, noting that emphasizing the alignment could help bring more community members into the conversation.

11. FUTURE AGENDA ITEM REQUESTS

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

A. **Future Agenda Item Request (F.A.I.R.):** A request by Councilmember Matthews to place on a future agenda a discussion regarding the process for selecting the Vice Mayor.

Councilmember Matthews raised the topic of how the Vice Mayor was selected, emphasizing the importance of experience, history, and expertise in that role. She expressed her support for Vice Mayor Aslan, noting his prior service and preparedness. Councilmember Matthews recalled a past practice where the Vice Mayor position was given to the councilmember who received the most votes two years earlier, but stated that the role should be based not only on electoral performance but also on readiness to serve and contribute meaningfully. She recommended holding a discussion before the next election to consider whether changes should be made to the selection process.

Councilmember McCarthy agreed, referencing the former policy and voicing his support for revisiting the approach.

There was requisite support to advance the item to a future agenda for discussion.

12. OPEN CALL TO THE PUBLIC

None

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

Councilmember House shared her participation in the Northern Arizona Book Festival, praising the strong literary culture in Flagstaff. She acknowledged Black Maternal Health Week, Autism Acceptance Month, and Minority Health Month. She also joined the Mayor in a listening session with the Arizona Office of Tourism, describing it as a meaningful opportunity to promote Flagstaff's identity as a "community of dreamers and innovators" and to engage with the state's branding efforts.

Vice Mayor Aslan requested that the Council expedite discussion of a FAIR petition regarding a ceasefire, noting it had the support of four Councilmembers.

Councilmember Harris attended the Congress to Campus event at NAU, where students engaged with retired members of Congress. She also mentioned updates at Bushmaster Park sport courts, the upcoming Affordable Housing Summit at the Southside Community Association in partnership with NAU's Institute for Leadership, and reminded the public that tickets were available for Ms. Cleo's Tea Party.

Councilmember Matthews also attended the tourism listening session, noting it was informative and insightful to hear perspectives on Flagstaff's story and image.

Councilmember McCarthy shared that he attended the memorial service for Paul Babbitt, describing it as a moving event.

Mayor Daggett thanked Paul Babbitt Jr. for his contributions, particularly in helping make City Hall a reality.

14. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held April 16, 2024, adjourned at 6:49 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on April 16, 2024. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, MAY 21, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held May 21, 2024, to order at 3:04 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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.

PRESENT:	ABSENT:
MAYOR DAGGETT	COUNCILMEMBER MATTHEWS
VICE MAYOR ASLAN	
COUNCILMEMBER HARRIS	
COUNCILMEMBER HOUSE	
COUNCILMEMBER MCCARTHY	
COUNCILMEMBER SWEET	

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

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

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

Nadine Hart addressed Council regarding affordable housing and housing choice.

Dennis Givens addressed Council regarding Northern Arizona University Housing and how they were contributing negatively to the Housing crisis. He also stated he did not support the additional plane routes.

Abel Estrella addressed Council regarding the CATS homeless shelter and stated that he and the Sunnyside Association were against the shelter. He asked for Council to remove homeless encampments in the neighborhood and enact similar legislation to Tucson regarding homeless encampments.

5. PROCLAMATIONS AND RECOGNITIONS

A. Proclamation: National Travel and Tourism Week

Discover Flagstaff Director Trace Ward shared some words about National Eco-Tourism Week.

Vice Mayor Aslan read and presented the proclamation.

B. Proclamation: Jewish American Heritage Month

Councilmember Harris read and presented the proclamation.

C. Proclamation: Public Works Week

Mayor Daggett read and presented the proclamation.

D. Proclamation: Asian American and Pacific Islander Heritage Month

Councilmember House read and presented the proclamation.

6. COUNCIL LIAISON REPORTS

Councilmember House shared the Commission on Diversity Awareness continued discussions of support for the Pride in the Pines and Juneteenth events. She also stated that she joined the most recent meeting of the African American Legislative Committee who were hoping to focus in on local Juneteenth events.

Councilmember Sweet shared that MetroPlan received a grant award from Safe Streets. She added that the Cheshire Slow Down Art Project was complete and that there was a drone video online. She stated that she attended the multicultural art exhibit ribbon cutting at the Liz Archuleta Park.

Councilmember McCarthy stated that he recently met with Sustainability staff.

Councilmember Harris shared that she attended the ArtX kickoff event and lecture.

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.

Councilmember Harris requested that Items 7A and 7E be pulled because she had a potential conflict of interest on both items and would like to recuse herself from voting.

Councilmember Harris requested that items 7A and 7E be pulled for discussion. She noted that she had a potential conflict of interest on both items and would like to recuse herself from voting.

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to approve the Consent Agenda with the exception of Items 7A and 7E.

Vote: 6 - 0 - Unanimously

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to approve Consent Items 7A and 7E.

Vote: 5 - 0

A. **Consideration and Approval of Grant Agreement**: Grant agreement between the U.S. Environmental Protection Agency (EPA) and the City of Flagstaff for the Flagstaff Regional Resilience Project.

Approve Grant Agreement #98T90401 with the Environmental Protection Agency for the Flagstaff Regional Resilience Project in the amount of $1,000,000.

B. **Consideration and Approval of Contract:** Construction Manager at Risk Design Phases Services Agreement with C and E Paving & Grading, LLC for the annual Street Maintenance Program 2024, 2025 & 2026, in the amount of $139,943.13.

1. Approval of the Construction Manager at Risk Design Phases Services Agreement with C and E Paving & Grading, LLC for the annual Street Maintenance Program 2024, 2025 & 2026, in the amount of $139,943.13; and
2. Authorize the City Manager to execute the necessary documents.

C. **Consideration and Approval of Contract:** The Healthy Forest Initiative Grant Agreement between the City of Flagstaff and The Arizona Department of Forestry and Fire Management provides reimbursable funding to parcel owners within the City of Flagstaff and the Summit Fire and Medical District for Wildfire Hazardous Fuel Reduction.

Approve the Grant Agreement with the Arizona Department of Forestry and Fire Management in the amount of $243,750 of which $195,000 is Arizona Department of Forestry and Fire Management share, and $48,750 is homeowner share as part of grant match, and an indirect cost of $22,157 for grant and financial administration.

D. **Consideration of Ratification and Approval of Contract:** Cooperative Purchase Contract with Dell Marketing, LP for the IT Section to Purchase Dell Computer Hardware in an amount not to exceed $425,000 for each fiscal year for the term of the Agency Contract.

1. Approve the Cooperative Purchase Contract with Dell Marketing, LP for the IT Section to Purchase Dell Computer Hardware in an amount not to exceed $425,000 for each fiscal year for the term of the Agency Contract; and
2. Authorize the City Manager to execute the necessary documents.

E. **Consideration and Approval of Contract:** Cooperative Purchase Contract with Morning Dew Landscaping, Inc. for the Cleo Murdoch Neighborhood Park Construction for Phase One in the amount of $344,169.00 through CDBG Project 417C-22

1. Approve contract with Morning Dew Landscaping, Inc. in the total amount of $344,169.00 to construct phase one of the Cleo Murdoch Neighborhood Park; and
2. Authorize the City Manager to execute the necessary documents

F. **Consideration and Approval of Agreement:** Grant Agreement between the City of Flagstaff and the Gordon and Betty Moore Foundation to initiate a comprehensive, collaborative, and cross-sector initiative to change conditions such that community capacity, awareness of the benefits of fire to forest health, and community-wide smoke readiness have all increased, advancing wildfire resilience and public health.

Ratify year one of a Grant Agreement with the Gordon and Betty Moore Foundation in the amount of $249,850.

8. ROUTINE ITEMS

A. **Consideration and Adoption of Ordinance No. 2024-15:** An ordinance amending the Flagstaff City Code, Chapter 1-14, Personnel System, by amending the Employee Handbook of Regulations, Section 1-50-010 Holiday Leave; providing for repeal of conflicting ordinances, severability, authority for clerical correction, and establishing an effective date.

Councilmember House confirmed that the amendment added Juneteenth and Indigenous Persons day to the list of City approved holidays.

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2024-15 for the final time.

Vote: 6 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, CHAPTER 1-14, PERSONNEL SYSTEM, BY AMENDING THE EMPLOYEE HANDBOOK OF REGULATIONS, SECTION 1-50-010 HOLIDAY LEAVE; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to adopt Ordinance No. 2024-15.

Vote: 6 - 0 - Unanimously

B. **Consideration and Adoption:** City of Flagstaff Economic Development Strategic Plan 2024-29.

Community Investment Director David McIntire introduced Economic Development Administrator Creag Znetko, and Laura O'Blenis, Adam Peabody, and Jenna Evans from Stiletto, who provided a summary of the last presentation to Council and provided a brief history of the exercises that went into creating the plan.
They discussed the community participation, the priority sectors, the pillars for impact, impacts over time, and the ways they implemented feedback from the last meeting.

Councilmember Sweet asked if there were more opportunities after tonight for community input. Mr. McIntire stated that there would be a lot of opportunities for community input during the implementation.

Mayor Daggett asked Ms. O'Blenis to further speak about the awareness of economic opportunities. Ms. O'Blenis stated that the mechanism of sharing the information to the community about the initiatives were happening could be improved through branding and advertising. Mr. Peabody added

that the community wanted to hear more about the success stories.

Mayor Daggett asked Mr. McIntire whether he had compared the plan with ECoNA's plan or other regional plans. Mr. McIntire shared that there were comparisons between other communities and that they used the plan from Sedona as an example for developing the RSOQ. He added that there were differences between this plan and ECoNA's since they are regional and they were focusing on Housing, whereas the City had a Housing Division. He added that ECoNA was a stakeholder in the development of the plan and that there were comparisons with other community plans and with ECoNA. Ms. O'Blenis stated that Stiletto reviewed the plan from ECoNA and other neighboring communities as well as more broadly to help augment what was already happening in the community and ensuring that there was not duplication.

Written public comment was received from Michele James, representing Friends of Flagstaff's Future with suggestions on the plan.

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Khara House to approve the City of Flagstaff Economic Development Strategic Plan 2024-29.

Vote: 6 - 0 - Unanimously

C. **Consideration and Approval of Preliminary Plat:** JP325, LLC requests Preliminary Plat approval for Juniper Point, Parcel 2, located at 2000 John Wesley Powell Boulevard, a single-family subdivision of 62 lots on 17.54 (gross) or 11.36 (net) acres in the RR (Rural Residential) Zone utilizing the Planned Residential Development (PRD) option.

Planner Wesley Welch provided a PowerPoint presentation that covered the following:

JUNIPER POINT PARCEL 2
REQUEST OVERVIEW
VICINITY MAP
JUNIPER POINT BACKGROUND
PARCEL 2
PARCEL 2 -- PRELIMINARY PLAT
REQUIRED FINDING #1 ZONING CODE (TITLE 10)
RESOURCE PROTECTION PLAN
REQUIRED FINDING #2 ENGINEERING STANDARDS (TITLE 13)
REQUIRED FINDINGS #3 SUBDIVISION STANDARDS (TITLE 11)
RECOMMENDATIONS

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet approve the Preliminary Plat in accordance with the findings presented in the staff summary, the following conditions, and the Planning and Zoning Commission recommendation of approval.

1. The Final Plat shall adjust the plat boundaries to include the remainder of Juniper Point Parcel 1 Tract G.
2. The Final Plat and Engineering plans shall adjust the plat boundaries to include all areas that are being utilized for Resource Protection calculations.

Vote: 6 - 0 - Unanimously

9. REGULAR AGENDA

A. **Consideration and Adoption of Resolution No. 2024-17**: A resolution approving the City of Flagstaff's 2024 Annual Action Plan and authorizing its submission to the U.S. Department of Housing and Urban Development (HUD)

Housing Director Sara Darr and Housing & Grants Administrator Kristine Pavlik provided a PowerPoint presentation that covered the following:

CDBG FUNDING AVAILABLE

PROGRAM YEAR 2024 RECOMMENDATIONS

Councilmember McCarthy questioned whether helping only two families was a good use of funds. Ms. Pavlik responded that increasing affordable housing has as much value as completing larger projects like The Lantern.

Councilmember Harris expressed concern about how tenants are selected and whether the process ensures ethnic diversity. Staff clarified that Housing Solutions is HUD-approved and must comply with fair housing laws, which prohibit targeting specific demographics. However, Councilmember Harris emphasized the need to ensure outreach reaches diverse populations and raised concerns about institutionalized racism.

Mr. Clifton read a statement from Housing Solutions' Executive Director, which did not satisfy Councilmember Harris's concerns. Staff offered to review the outreach and selection process with her directly.

Housing Director Sara Darr explained that while they cannot target specific groups, they use broad outreach and prioritize eligible residents in transitional housing. She emphasized the program's focus on equity and inclusion.

Councilmember House asked about the safety needs at The Lantern and clarified that the funding for Housing Solutions would not fully meet that need. She supported the allocations and echoed concerns about disparate impacts. She also asked about flexibility in the Public Services Fund, and Ms. Pavlik confirmed there was some due to increased funding.

Mayor Daggett highlighted that the two affordable units would be deed-restricted in perpetuity, benefiting more than just two families over time.

Council discussed balancing immediate housing needs, equity in access, and long-term impact of the proposed funding allocations.

Abel Estrella addressed Council and spoke against the CATS Mobile Resources and Outreach Bus. Mayor Daggett clarified that the project the CDBG funds would be used for ongoing services. Mr. Estrella stated that the Sunnyside Community Association was against the project in whole.

Wendy White address Council and thanked the Housing Staff for their consideration of the CATS in the CDBG application and stated that she was disappointed that the community did not see the value of their project. She presented some of the accomplishments of the program.

Councilmember House stated that there was convolution of two conversations regarding the Community Action Teams of Flagstaff's requests and that there needed to be care to have a conversation about community engagement rather than where to house the unsheltered population.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to read Resolution No. 2024-17 by title only.

Vote: 6 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL APPROVING THE CITY OF FLAGSTAFF COMMUNITY DEVELOPMENT BLOCK GRANT 2024 ANNUAL ACTION PLAN AND AUTHORIZING ITS SUBMISSION TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to adopt Resolution No. 2024-17.

Vote: 6 - 0 - Unanimously

B. **Consideration and Possible Action:** Use of the Council Initiative Fund.

City Manager Greg Clifton and Senior Deputy City Manager Shannon Anderson provided a PowerPoint presentation that covered the following:

CONSIDERATION OF USING COUNCIL INITIATIVE FUNDS
FLAGSTAFF COMMUNITY BAND
OTHER FUNDING CONSIDERATIONS
FUNDING REQUEST FOR ELEVATE PREK
BUDGET TEAM DISCUSSED ALTERNATIVES

Mr. Clifton explained that while the budget process is not formally finalized, staff has prepared the key components and explored alternative allocations to fund Elevate PreK, acknowledging Council's support for early childhood education.

Mayor Daggett clarified that the discussion was for the current fiscal year and asked about a proposed $1,000 allocation to the Flagstaff Community Band.

Councilmember House supported the reallocation of funds as presented by staff.

Vice Mayor Aslan, a volunteer board member of the Community Band, noted that a $1,000 sponsorship would be appreciated and reaffirmed that Council Initiative Funds are not meant to be ongoing sources of funding. He emphasized that funding requests should originate from Councilmembers, not the public, and supported Elevate PreK and future STEM projects.

Councilmember McCarthy asked for clarity on the $1,000 allocation to the band and supported funding both the band and Elevate PreK. Mr. Clifton noted that about $4,000 would remain for Elevate PreK after the band allocation.

Councilmember Sweet expressed that such issues should be addressed earlier in the budget development process. She asked about leftover Aid to Tourism, Travel, or Hospitality funds. Finance Director Brandi Suda confirmed some grant funds were unspent due to low applicant turnout and supported reallocating $35,000.

Economic Vitality Director Heidi Hansen added that although funds were allocated to stakeholders, not all followed through to collect them.

Councilmember Harris supported Elevate PreK funding but wanted to understand why the request was being made now, and expressed interest in hearing public input on the matter.

Overall, there was general support for funding Elevate PreK and the Community Band, but concern was raised about timing, process, and source of funding requests.

Public comment:

Scott Pettit and Liz Archuleta addressed Council in support of Elevate PreK. Councilmember McCarthy clarified with Mr. Pettit that the classroom was a pilot project and after the data was collected, they would figure out future funding.

Ms. Archuleta asked Council to change Elevate PreK's request to $30,000 from the City so that they do not impact the City's initiative funds. She added that United Way would find the funding through grants and donor contributions.

Vice Mayor Aslan asked if United Way would accept the allocation of the Council's Initiative Fund if the Council directed it that way. Ms. Archuleta stated that they could use the money.

Mayor Daggett stated that she was fully in support of the program and she was grateful to the United Way for taking it on. She added that she was supportive of the ARPA funds and the use of the

remainder of the Council Initiative Fund to Elevate PreK. She asked Council if they would prefer to give the Community Band $1,000 or $1,499.

Councilmembers Harris, McCarthy, Sweet, and Mayor Daggett supported $1,499 to the Community Band.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to allocate $1,499 to the Community Band and the remainder of the Council Initiative fund be allocated to Elevate Pre-K.

Vote: 6 - 0 - Unanimously

A break was held from 5:25 p.m. through 5:37 p.m.

10. DISCUSSION ITEMS

A. Water, Sewer, and Reclaimed Water Rates and Fees Study Special Work Session

Water Resources Manager Erin Young introduced the Stantec consultants, Carol Malesky, Andrew Burnham, and Zac Koch.

Vice Mayor Aslan shared his gratitude to Ms. Malesky, Mr. Burnham, and Mr. Koch for coming in person to the last meeting.

Ms. Malesky introduced her team and continued the PowerPoint presentation to Council.

FINANCIAL PLANNING SCENARIOS
DEBT FACTORS
INCREASED PERCENTAGE OF DEBT
PROJECTED DEBT FINANCED PROJECTS
WATER FUND FAMS CONTROL PANEL -- INCREASED BORROWING AND RATE PROJECTIONS
INCREASED BORROWING ON RATE PROJECTIONS

Councilmember McCarthy raised concerns about the use of debt funding for city projects. H stated that he is uncomfortable with applying debt to cover maintenance-related issues. He questioned whether the proposed debt capacity would be used for both categories. In response, Water Services Director Shannon Jones confirmed that the debt would indeed fund a combination of long-term capital projects and maintenance needs.

Mayor Daggett followed up by asking where the funds to repay this debt would come from. Finance Director Malesky explained that the primary source of repayment would be through existing water rate revenues. Additionally, a portion of the repayment would be supported by capacity fee revenues, which are typically collected from new developments to offset the impact on public infrastructure.

CIP FUNDING
CIP FUNDING AND EXECUTION REDUCTION
WATER FUND FAMS CONTROL PANEL -- CAPITAL FUNDING AND RATE REDUCTION
REDUCED CIP IMPACT OF RATE PROJECTIONS

Councilmember McCarthy asked about the impact of not doing CIP projects. Mr. Jones said it would slow needed infrastructure replacement, like water pipes, which they hope to increase from 2 to 4 miles per year.

Mayor Daggett asked about the cost of issuing debt. Ms. Malesky said projections use a conservative interest rate and the debt cost would be a weighted average.

PROJECTED BILL IMPACTS
WATER RATE STRUCTURE -- CIP REDUCTION RATE PROJECTIONS
WATER PROJECTED AVERAGE BILL IMPACTS -- CIP REDUCTION SCENARIO

WASTEWATER PROJECTED AVERAGE BILL IMPACTS -- CIP REDUCTION SCENARIO ADDITIONAL QUESTIONS
LEVEL OF SERVICE ESTIMATED IMPACTS ON REVENUE REQUIREMENTS WATER CAPACITY FEES
LEVEL OF SERVICE ESTIMATED IMPACTS ON REVENUE REQUIREMENTS WASTEWATER CAPACITY FEES
CAPACITY FEE COMPARISON PER ERU

Mayor Daggett asked why Tempe's fees were lower than Flagstaff's and if it was due to fewer infrastructure needs. Mr. Burnham explained that Tempe's needs were not primarily infrastructure-related and confirmed they are currently conducting a rate study.

DEFERRED CIP IMPACT ON RATE PROJECTIONS

Mayor Daggett asked if the rate increase was pushed forward, could there be additional rate increases in the future. Ms. Malesky stated that was correct.

COMMUNITY COMMENTS
COMMENTS AND FORWARD-LOOKING OPPORTUNITIES

Councilmember McCarthy asked whether a higher fixed charge could be implemented to ensure seasonal residents--those in Flagstaff for only three months a year--pay their fair share for infrastructure use.

MATRIX OF FACTORS FOR DECISION

Councilmember House noted the report focused on single-family homeownership and did not include multi-family or rental housing. Mayor Daggett asked why water rates hadn't increased in four years. Ms. Young explained delays due to COVID and staffing, with a study only beginning last year. Ms. Suda added that rates could be changed legally without a study but larger changes typically require one.

Mayor Daggett inquired if current capacity fees fully covered growth-related projects. Mr. Jones said fees contributed but weren't enough to cover all growth costs. Ms. Malesky noted raising fees would have minimal impact and effects would be seen further in the future.

Michele James, Executive Director of Friends of Flagstaff's Future (F3), addressed Council stated that F3 was concerned about equity issues regarding water rate changes. She suggested that Council hold a meeting regarding equity issues and the water rate and to delay the completion of the rate study.

Vice Mayor Aslan asked Ms. James if anything discussed tonight moved the needle for F3. Ms. James stated that they assumed that if equity issues were discussed in the water rate study that it would cause a delay. She added that the water rate studies out of ASU would be worth considering.

Steven Puhr addressed Council asked for clarification from Stantec on some of the expenses. He stated that the 6% inflation of costs for chemicals and other consumables was not accurate.

Mayor Daggett clarified that the escalation rate Mr. Puhr discussed was regarding chemicals. He confirmed that it was and that there was 0.43% annual growth when averaged over the past ten years when the outliers are removed.

Vice Mayor Aslan thanked Mr. Puhr for his perspective. He asked Mr. Puhr if he felt that he had been heard throughout the process and that the process had been transparent. Mr. Puhr replied that the hour meeting that he had to meet with the consultant and staff was not enough. He added that he had not heard anything wrong with his assumptions.

Written public comment was received from Ryan Martin and Ben Ruddell in support of the change.

Ms. Malesky expressed concern about salary increases of 3% to 5% annually, which felt high compared to the 2.4% growth projection. She emphasized using a conservative approach despite past criticism. Councilmember Harris argued the pandemic was an anomaly and should not heavily influence forecasts. Mayor Daggett requested updated comparisons of capacity fees at different rates, which staff agreed to provide.

Ms. Young outlined the timeline staff hoped for Council direction that night to meet deadlines for a draft in June and first reading by mid-June. Vice Mayor Aslan clarified that a majority vote would decide if Council was split.

Councilmember Harris raised equity concerns about rate impacts on vulnerable residents, asking about assistance programs. Ms. Young described existing programs and payment plans but noted new low-income programs might not be available until after the rate study is complete. Harris stressed resolving equity issues before moving forward, while Mr. Jones confirmed pandemic-era shutoff moratorium resources had ended.

Vice Mayor Aslan supported moving forward with the rate study despite the equity concerns, noting peer cities' rate increases and emphasizing the need for capacity funding. He preferred medium-to-high growth and debt financing levels. Councilmember House largely agreed, favoring 90% CIP funding and prioritizing equity discussions. Councilmember Sweet supported yearly water reviews and continued equity focus.

Council weighted in on growth, escalation, CIP funding, and debt levels, with slight variations but general agreement on cautious growth (around 1%), moderate escalation (about 3.5%), and significant CIP funding (80-90%). Councilmember McCarthy suggested using property taxes to help lower water costs for low-income residents.

Mayor Daggett highlighted the Council's responsibility to ensure high-quality water services and sustainable water resources for Flagstaff. Mr. Solomon noted that the Council's input showed consensus, and direction would be averaged accordingly.

Councilmember Sweet added that the team worked very hard and that she could not thank them enough for their time.

Mayor Daggett also shared her thanks.

11. OPEN CALL TO THE PUBLIC

None

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

None

13. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held May 21, 2024, adjourned at 8:14 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on May 21, 2024. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, JUNE 4, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held June 4, 2024, to order at 3:03 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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.

PRESENT:	ABSENT:
MAYOR DAGGETT	
VICE MAYOR ASLAN	
COUNCILMEMBER HARRIS	
COUNCILMEMBER HOUSE	
COUNCILMEMBER MATTHEWS	
COUNCILMEMBER MCCARTHY	
COUNCILMEMBER SWEET (virtual)	

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

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

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

Dennis Givens addressed Council and spoke about divesting from Wells Fargo banking services and suggested increasing police patrols on bicycles.

5. PROCLAMATIONS AND RECOGNITIONS

A. **Proclamation:** Gun Violence Awareness Day

Mayor Daggett read and presented the proclamation.

6. COUNCIL LIAISON REPORTS

Vice Mayor Aslan reported that two meetings were canceled recently due to quorum issues but he attended the Coconino Plateau Water Advisory Council meeting, which included preparation for the upcoming September field trip and a presentation by the Grand Canyon Community Trust on spring observations from the Springs Stewardship Institute.

Councilmember Harris announced she would attend the Timber Sky groundbreaking on Friday and invited everyone to Juneteenth activities including a festival on Saturday, a Community Talk on Sunday, and a Gala on Friday. She also thanked Mountain Line for their summer pass program allowing kids to ride the bus all summer for $24.

7. APPOINTMENTS

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

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

Anthony Garcia addressed Council and reflected on his experience since joining the commission in 2016, noting the significant growth from limited staff and direction to a vibrant commission. He praised staff for listening to the public and commission, resulting in meaningful change. He highlighted the integration of public art into capital improvement projects and expressed pride in the program's maturation within the city.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to appoint Carla McCord to a term expiring June 2027.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Jim McCarthy to appoint Michael Rulon to a term expiring June 2027.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to appoint Matt McGrath to a term expiring June 2027.

Vote: 7 - 0 - Unanimously

8. LIQUOR LICENSE PUBLIC HEARINGS

Applications under Liquor License Public Hearings may be considered under one public hearing and may be acted upon by one motion unless otherwise requested by Council

A. **Consideration and Action on Liquor License Application:** Mikal Charles Antunez, "D-Luxe Barbershop," 18 N. Leroux Street, Series 07 (Beer and Wine Bar), Location/Owner Transfer

Mayor Daggett opened the public hearing.

Sergeant Almendarez introduced the two applications and noted no concerns.

Councilmember Harris inquired about the concept of a barber shop with a liquor license. Applicant Mikal Charles explained that such setups were common in larger cities and emphasized his intention to operate legally.

Councilmember Harris asked about who would serve alcohol and verify IDs in the barber shop. Mr. Charles clarified that the bar and barber shop would be in separate buildings, with wristbands for those over 21 to prevent mingling between the two areas.

Councilmember McCarthy pointed out that the training was incomplete according to a report. Mr. Charles responded that he had completed initial training and since then also finished management training.

There being no public comment, Mayor Daggett closed the public hearing.

Moved by Vice Mayor Austin Aslan, **seconded by** Councilmember Deborah Harris to forward the application to the state with a recommendation for approval.

Vote: 7 - 0 - Unanimously

9. 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.

Councilmember Harris requested that items 9A and 9E be pulled for discussion.

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to approve the Consent Agenda with the exception of 9A and 9E as presented.

Vote: 7 - 0 - Unanimously

A. **Consideration and Approval of Contract:** Purchase of two (2) 10-Wheel Snowplow Dump Trucks from RWC Group LLC

Councilmember Harris expressed concern about recent severe winter storms and inquired how the new trucks would perform.

Streets Section Director Sam Beckett explained that the new trucks were replacements with similar specifications to those ordered previously, which had performed well. He anticipated the new vehicles would meet the city's needs and expectations.

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Miranda Sweet to approve the equipment purchase for two (2) 2025 International HX520 SFA Heavy Duty plow trucks from RWC Group, LLC in the amount of $782,210.11 through cooperative purchase contract #CTR069476 with the Arizona Department of Administration, State procurement office and authorize the City Manager to execute all necessary documents.

Vote: 7 - 0 - Unanimously

B. **Consideration and Approval of Construction Services Contract**: Approve the Contract with Major League Painting Inc. for Painting Downtown Green Assets

1. Approve the Contract with Major League Painting, Inc in the amount of $168,181.75 to cover costs for all personnel, equipment, tools, materials, supervision, and services for the painting and finishing of specified assets within the boundaries of Route 66 and Cherry Ave, spanning from Humphrey to Verde Streets in municipal green.
2. Authorize the City Manager to execute all necessary documents.

C. **Consideration and Approval of Contract:** Approval of a Construction Manager at Risk Construction Phase Services Agreement for the Street Maintenance Program and approve GMP 1 to C and E Paving & Grading, LLC.

1. Approve the Construction Manager at Risk (CMAR) Construction Phase Services Agreement with C and E Paving & Grading, LLC for the Street Maintenance Program 2024, 2025 & 2026 for a Guaranteed Maximum Price (GMP) of $6,376,102.20; and
2. Approve GMP 1 authorizing C and E Paving & Grading, LLC to execute the 2024 Street Maintenance Program; and
3. Authorize the City Manager to execute the necessary documents.

D. **Consideration and Approval of Contract:** Cooperative Purchase Contract with Carollo Engineers, Inc. for Engineering Services on the Fort Tuthill Well Pump House #2 in an amount not to exceed $499,988.00.

1. Approve the Cooperative Purchase Contract with Carollo Engineers, Inc. for Engineering Services on the Fort Tuthill Well Pump House #2 in an amount not to exceed $499,988.00; and
2. Authorize the City Manager to execute the necessary documents.

E. **Consideration and Approval of Contract:** Approval of the Cooperative Purchase Contract with PFVT Motors, LLC dba Peoria Ford for the purchase of Four 2023 Ford Explorer Police Interceptors for the Flagstaff Police Department in the amount of $211,955.44.

Councilmember Harris thanked staff for moving forward with vehicle purchases, emphasizing public safety as the top priority despite climate goals.

Jill Stephenson addressed Council and urged the city to fully commit to carbon neutrality by 2030 by purchasing only electric vehicles (EVs), citing available funding and charging infrastructure.

Phoenix Eskridge-Aldama addressed Council and expressed support for the Carbon Neutrality Plan but concern over agenda items not aligning with it, stressing the urgent health impacts of climate change and calling for greater EV use.

Stefan Sommer submitted a written comment in opposition to the purchase.

Police Chief Dan Musselman explained that EVs suitable for police work were currently unavailable and needed vehicles would not arrive until mid-2025, so they could not wait. Larger, functional

vehicles are required for patrol duties and harsh weather.

Councilmember Harris asked about available EV options. Chief Musselman replied that some EVs exist but did not meet the department's operational needs. EVs were in the fleet for specific uses but not patrol.

Sustainability Director Nicole Antonopoulos acknowledged challenges with EV availability and infrastructure. She assured Council that staff was updating policies to prioritize EVs and working toward carbon neutrality goals.

Facilities and Fleet Director Jennifer Brown noted efforts to introduce EVs where feasible. Prioritizing infrastructure and job requirements and moving from EV to hybrid to conventional as appropriate.

Climate Program Manager Denae Presler explained that fast DC charging infrastructure was not yet in place which limited current EV adoption for public safety vehicles.

Vice Mayor Aslan appreciated public input and staff oversight and expressed trust in staff's aggressive EV acquisition protocol.

Councilmember McCarthy voiced strong support for gradual transition to EV or hybrid and stressed infrastructure development.

Councilmember Harris confirmed the assumption that public safety took precedence over climate goals.

Mr. Clifton affirmed that citizen safety superseded all other considerations.

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Miranda Sweet to approve the Cooperative Purchase Contract with PFVT Motors, LLC dba Peoria Ford for the purchase of Four 2023 Ford Explorer Police Interceptors for the Flagstaff Police Department in the amount of $211,955.44 and authorize the City Manager to execute all necessary documents.

Vote: 7 - 0 - Unanimously

F. **Consideration and Approval of Council Meeting Schedule Adjustment:** Reschedule the August 27, 2024 regular meeting to August 26, 2024.

Reschedule the Tuesday, August 27, 2024 meeting to Monday, August 26, 2024.

G. **Consideration and Approval of Letter of Support:** Letter of Support to advance the Northeastern Arizona Indian Water Rights Settlement Act

Approve the Letter of Support

10. REGULAR AGENDA

A. **Consideration and Adoption of Resolution No. 2024-25:** A resolution of the Council of the City of Flagstaff, Arizona adopting the tentative budget for Fiscal Year 2024-2025.

Assistant Finance Director Heidi Derryberry provided a PowerPoint presentation that covered the following:

CITY OF FLAGSTAFF FY 2024-2025 BUDGET
TIMELINE
LEGAL SCHEDULE A
HIGHLIGHTS
TOTAL EMPLOYEE INVESTMENT
CHANGES SINCE APRIL RETREAT
ADDITIONAL INFORMATION

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to read Resolution No. 2024-25 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA ADOPTING THE TENTATIVE BUDGET FOR THE FISCAL YEAR 2024-2025

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to adopt Resolution No. 2024-25.

Vote: 7 - 0 - Unanimously

B. **Consideration and Adoption of Resolution No. 2024-24:** A resolution of the Flagstaff City Council adopting the City of Flagstaff Public Safety Personnel Retirement System Pension Funding Policy; delegating authority; and establishing an effective date.

Management Services Director Rick Tadder informed Council that adoption of an annual pension funding policy was required, and the City had done so since FY2020. The fire pension plan was currently over 100% funded, while the police plan had dipped to 97%. He explained that factors like actuarial assumptions, investment returns, and officer salaries affected funding levels. The city had previously set aside savings to address such fluctuations, allowing a quick return to full funding.

Mr. Clifton emphasized that using the contingency funds was appropriate and aligned with the original intent of the pension funding strategy, which anticipated potential shortfalls.

Stefan Sommer submitted written comments in opposition.

Moved by Councilmember Khara House, **seconded by** Councilmember Jim McCarthy to read Resolution No. 2024-24 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL ADOPTING THE CITY OF FLAGSTAFF PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM PENSION FUNDING POLICY; DELEGATING AUTHORITY; AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Khara House, **seconded by** Councilmember Jim McCarthy to adopt Resolution No. 2024-24.

Vote: 7 - 0 - Unanimously

C. **Consideration and Adoption of Resolution No. 2024-23:** A resolution of the Flagstaff City Council, designating its Chief Fiscal Officer for officially submitting the fiscal year 2024-2025 expenditure limitation report to the Arizona Auditor General, and establishing an effective date.

Management Services Director Rick Tadder informed Council that the city was required to annually designate a Chief Fiscal Officer for expenditure limitation reporting. As City Treasurer, he had served in the role consistently.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to read Resolution No. 2024-23 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, DESIGNATING THE CHIEF FISCAL OFFICER FOR OFFICIALLY SUBMITTING THE FISCAL YEAR 2024-2025 EXPENDITURE LIMITATION REPORT TO THE ARIZONA AUDITOR GENERAL, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to adopt Resolution No. 2024-23.

Vote: 7 - 0 - Unanimously

D. **Consideration and Adoption of Resolution No. 2024-26:** A resolution of the Flagstaff City Council, amending the Procurement Code Manual, Article 4 and adding Article 32 and establishing an effective date.

Purchasing Director Patrick Brown addressed Council and stated that the amended manual included the direction provided by Council at the work session the prior week.

David Spence addressed Council urging them to strengthen Option 1 in the proposed procurement code updates. He emphasized the global nature of climate change and criticized Wells Fargo for being one of the top funders of fossil fuel projects, calling for stronger screening to prevent such institutions from being prioritized.

Jill Stephenson addressed Council and spoke in opposition of Option 1, stating that the public and Council had not had adequate time to review the options. She advocated for delaying the vote to allow for meaningful amendments.

Dee Hoagland addressed Council and echoed the concerns of others and highlighted how other cities were updating their codes to better align with climate action, urging Flagstaff to do the same.

Kathy Flaccus addressed Council and asked Council to tighten the vague language in Option 1, pushing for clearer requirements.

Leah Mundell addressed Council and supported delaying the vote to allow for more public input and a stronger climate-aligned option.

The following individuals submitted written comments in support of Option 3:

- Jason Kordosky
- Stefan Sommer
- Michele James
- Amy Borne
- Emily Moxcike
- Kathleen Armstrong
- Pat Ellsworth

Sustainability Director Nicole Antonopoulos explained that the Sustainability Division, along with legal and procurement, developed a range of options for Council to consider, ranging from low to high risk, based on research from across the U.S. and Europe. She noted the constraints under Arizona law and highlighted that the goal was to provide a full range of choices in terms of fossil fuel association.

Mayor Daggett asked about the 10-point scoring for the new criteria. Mr. Brown stated that it was modeled after the value-added knowledge category and was not scientific but intended to maintain consistency. Ms. Antonopoulos added that, from a sustainability perspective, the point value made a strong statement and could be increased if Council desired.

Councilmember Matthews expressed concern that the proposals were too aggressive, noting that petroleum-based products were still essential and that local banks lacked the capacity to serve large municipal needs. She emphasized that Wells Fargo had a strong sustainability record and that penalizing them based on legal industry associations would harm staff operations and not advance the city's Carbon Neutrality Plan (CNP).

Councilmember Harris agreed, stating that while she deeply cared about environmental issues, her responsibility was to prioritize Flagstaff and its practical needs. She said the policy would not

advance the CNP and might do more harm than good.

Councilmember McCarthy shared that he believed strongly in addressing climate change but viewed the proposed policy as symbolic and lacking direct impact. He voiced concern about the increased staff burden and noted that any unethical behavior by financial institutions could already be addressed through existing procedures.

Mr. Clifton clarified that the policy was administratively feasible and emphasized that the question before Council was about values, not implementation barriers.

Councilmember House said she supported Option 1, not just as a feel-good measure, but as a meaningful expression of community values. She viewed it as a step forward that balanced climate priorities without compromising city operations.

Vice Mayor Aslan reiterated his support for Option 1, describing it as a meaningful and realistic step in the larger conversation about divestment. He encouraged ongoing evolution of city policies and stressed the importance of preparing for future shifts in financial industry standards.

Moved by Vice Mayor Austin Aslan, **seconded by** Councilmember Khara House to read Resolution No. 2024-26 by title only.

Vote: 4 - 3

NAY: Councilmember Deborah Harris
Councilmember Jim McCarthy
Councilmember Lori Matthews

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, AMENDING THE PROCUREMENT CODE MANUAL, ARTICLE 4 AND ADDING ARTICLE 32, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Vice Mayor Austin Aslan, **seconded by** Councilmember Khara House to adopt Resolution No. 2024-26.

Vote: 4 - 3

NAY: Councilmember Deborah Harris
Councilmember Jim McCarthy
Councilmember Lori Matthews

E. **Consideration and Adoption of Resolution No. 2024-22 and Ordinance No. 2024-16:** A resolution of the Flagstaff City Council declaring as a public record that certain document filed with the City Clerk and entitled "2024 amendments to chapters 2-03, 2-13, 2-14, 2-20, and 3-06 of the city code related to the parks and recreation commission, tourism commission, beautification and public art commission, open spaces commission, and hospitality industry tax revenues" and An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 2, Boards and Commissions, Chapters 2-03, Parks and Recreation Commission, 2-13, Tourism Commission, 2-14, Beautification and Public Art Commission, and 2-20, Open Spaces Commission, and Title 3, Business Regulations, Chapter 3-06, Hospitality Industry Tax Revenues, by adopting by reference that certain document entitled "2024 Amendments to Chapters 2-03, 2-13, 2-14, 2-20, and 3-06 of the City Code Related to the Parks and Recreation Commission, Tourism Commission, Beautification and Public Art Commission, Open Spaces Commission, and Hospitality Industry Tax Revenues," providing for repeal of conflicting ordinances, severability, clerical corrections, and establishing an effective date.

Economic Vitality Director Heidi Hansen provided a PowerPoint presentation that covered the following:

BED, BOARD, AND BOOZE (BBB) RELATED CODE UPDATES
WHAT IS THE BBB?
WHAT SERVICES RECEIVE BBB FUNDING?
BBB CODE CHANGE AND RENEWAL TIMELINE
BBB CODE CHANGE RECOMMENDATIONS

PARKS AND RECREATION / OPEN SPACE
TOURISM & VISITOR SERVICES
ECONOMIC DEVELOPMENT
BEAUTIFICATION AND ARTS & SCIENCES

Stefan Sommer submitted written comments in opposition of the amendments.

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to read Resolution No. 2024-22 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "2024 AMENDMENTS TO CHAPTERS 2-03, 2-13, 2-14, 2-20, AND 3-06 OF THE CITY CODE RELATED TO THE PARKS AND RECREATION COMMISSION, TOURISM COMMISSION, BEAUTIFICATION AND PUBLIC ART COMMISSION, OPEN SPACES COMMISSION, AND HOSPITALITY INDUSTRY TAX REVENUES"

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to read Ordinance No. 2024-16 by title only for the first time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 2, BOARDS AND COMMISSIONS, CHAPTERS 2-03, PARKS AND RECREATION COMMISSION, 2-13, TOURISM COMMISSION, 2-14, BEAUTIFICATION AND PUBLIC ART COMMISSION, AND 2-20, OPEN SPACES COMMISSION, AND TITLE 3, BUSINESS REGULATIONS, CHAPTER 3-06, HOSPITALITY INDUSTRY TAX REVENUES, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "2024 AMENDMENTS TO CHAPTERS 2-03, 2-13, 2-14, 2-20, AND 3-06 OF THE CITY CODE RELATED TO THE PARKS AND RECREATION COMMISSION, TOURISM COMMISSION, BEAUTIFICATION AND PUBLIC ART COMMISSION, OPEN SPACES COMMISSION, AND HOSPITALITY INDUSTRY TAX REVENUES," PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

11. DISCUSSION ITEMS

A. Discussion and Direction following Council's Revisions to Water, Wastewater, and Reclaimed Water Model Assumptions and Resulting Rates

Water Services Director Shannon Jones, Water Resources Manager Erin Young, and Carole Malesky with Stantec provided a PowerPoint presentation that covered the following:

WATER, RECLAIMED WATER, & WASTEWATER COST-OF-SERVICE STUDY
COUNCIL DIRECTED SCENARIO
MATRIX OF FACTORS FOR DIRECTION PRESENTED ON MAY 21
RESULTS FOR ADJUSTED MODEL ASSUMPTIONS
COUNCIL DIRECTED SCENARIO IMPACT ON RATE PROJECTIONS

Councilmember Matthews questioned the terms of a proposal, pointing out that after year five, the request appeared to show no escalation, yet a 5% increase was still included in the documentation. Mr. Jones responded that their current recommendation did not include escalation beyond year five. He clarified that the 5% figure was not part of the actual request but was included only as part of a five-year projection in case unforeseen circumstances arose. He emphasized that there was nothing currently on the horizon prompting that increase, it was simply a planning estimate, not a firm ask.

PROJECTED BILL IMPACTS
WATER RATE STRUCTURE -- COUNCIL DIRECTED SCENARIO RATE PROJECTIONS
RECLAIMED WATER RATE STRUCTURE -- COUNCIL DIRECTED SCENARIO RATE

PROJECTIONS
WATER PROJECTED AVERAGE BILL IMPACTS -- COUNCIL DIRECTED SCENARIO
WASTEWATER RATE STRUCTURE -- COUNCIL DIRECTED SCENARIO RATE PROJECTIONS
WASTEWATER PROJECTED AVERAGE BILL IMPACTS -- COUNCIL DIRECTED SCENARIO
RATE STUDY COUNCIL DIRECTION SUMMARY
COUNCIL CONFIRMATION
NEXT STEPS

Mayor Daggett noted that she had previously asked for information comparing actual flow data versus projections and appreciated the response showing that the difference had a minimal impact on rates.

Councilmember McCarthy expressed support for the updated figures, stating that the revised numbers struck a good balance. He was pleased to see that customer rate increases had been reduced while still addressing the city's needs.

Councilmember House agreed with Councilmember McCarthy and appreciated the additional effort staff had put into returning with updated information. She emphasized the level of attention both Council and staff had given to the issue and praised the willingness to reassess and make adjustments based on community needs and impact. She felt the city was moving in the right direction.

Councilmember Matthews asked whether final direction had been given on the impact fees. Mr. Jones responded that capacity fees were increasing.

Councilmember Matthews said she was more comfortable with the recent changes but still wanted time to finish communicating with the business community. She voiced concern over the city and its consultants using different methodologies and felt the full impact was not yet clear. She requested to wait until the next meeting to give final direction.

Councilmember Harris added that she had asked for more information, specifically about the figures provided by Mr. Puhr, and had not received answers yet. She wanted to understand why the city was not using Mr. Puhr's numbers. Mr. Clifton explained that Mr. Puhr's figures focused on population growth and inflation.

Councilmember Harris acknowledged the work being done by staff but emphasized her need for a full explanation. Mr. Jones responded that a reply was already drafted and would be shared soon. He noted that while the city did consider population growth, it did not use high inflation figures in its models.

Ms. Malesky added further clarification, stating that she and her team had reviewed Mr. Puhr's letter and met with him to discuss his model. They identified that his assumptions included a projected FY2025 budget that did not align with city estimates. That was the first major difference. Secondly, the city's model uses two escalation factors: a general inflation rate of 3.5% and a separate factor for costs that increased above inflation. In contrast, Mr. Puhr's model used simplified assumptions and lacked detail, making it less feasible for the city's needs.

Mayor Daggett revisited her earlier interest in allowing utility customers to "round up" their water bills to help support residents in need. She said she had previously been told the system might not allow it but wanted to continue exploring that option.

Councilmember Sweet echoed interest in a round-up option and asked whether changes could still be made based on upcoming meetings with the business community.

Mayor Daggett stated that the current proposal reflected the last discussion, and that staff had examined it from all angles. She voiced support for moving forward as presented.

A majority of Council expressed support for proceeding with the current information and staff recommendations.

12. 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 McCarthy to place on a future agenda a discussion regarding towing and car storage charges and the use of cash versus credit cards.

Councilmember McCarthy brought up a concern raised by a resident regarding their car being towed and the associated charges, which appeared unreasonable. He noted that the individual was not allowed to pay with a credit card, which added to the frustration. Councilmember McCarthy asked that staff look into the issue and research how other cities handled similar situations. He expressed interest in whether the city could put regulations in place to ensure towing practices, including pricing and payment options, were fair and equitable.

Mr. Clifton clarified that the issue in question did not stem from city-operated towing services. Instead, the incident involved a private towing company on a private lot, which limited the city's authority.

City Attorney Sterling Solomon added that state law did allow for a cap on towing charges, and there may be opportunities to explore similar caps by reviewing what other municipalities had done. However, when it came to payment methods, such as whether a company accepts credit cards, the city may not have the legal authority to regulate that aspect.

There was requisite support to advance the item to a future agenda for discussion.

B. **Future Agenda Item Request (F.A.I.R.):** A request by Councilmember Matthews to place on a future agenda a discussion about expanding the Employer Assisted Housing program and how to expand the program to local employers for workforce housing using incentives.

Councilmember Matthews noted that the city already had an allocation to incentivize affordable housing development. While acknowledging that Flagstaff could not solve the entire housing crisis alone, she emphasized the City's role in offering incentives that could help address local needs. She encouraged keeping the approach broad and flexible, particularly to support employers considering Employer Assisted Housing (EAH). She said that such incentives could give businesses the boost they needed to move forward with housing solutions for their workers.

Mayor Daggett asked whether the idea tied into the city's current incentive policy, code work, and the ongoing efforts of the housing staff and Housing Commission.

Housing Director Sarah Darr responded that staff was aware of the community conversations happening around EAH and was actively participating in some of them. She noted that employer-assisted housing spanned a wide range of options, and that staff had been exploring various models. However, they had not specifically looked at incentives like building permit waivers or fee reductions tailored to EAH projects. She added that it may be possible to incorporate insights from the city's code analysis project and consider options such as a matching program that could help smaller employers provide housing for their staff.

Councilmember Matthews clarified that she was specifically referring to the budget line item for incentives. She asked if the Incentive Program for Affordable Housing (IPAH) was separate from what was currently being discussed.

Ms. Darr confirmed that IPAH was directly tied to the incentive policy. The funding set aside under IPAH traditionally supported projects like those led by Habitat for Humanity, Housing Solutions, and tax-credit developments. It did not currently have any specific criteria targeting EAH.

Councilmember Matthews stated her intent was to broaden the scope of the IPAH funding so that it

could also be available to local employers looking to provide employee housing.

Ms. Darr stated that it was not something staff had actively worked on or evaluated, but that it could be incorporated into the upcoming rewrite of the IPAH policy, which was part of the ongoing LASS/CAP project. She also mentioned there may be another potential funding source that could align with the effort.

Mayor Daggett recommended that instead of bringing the topic back to Council as a standalone item, staff should integrate it into the broader policy work being developed for the Housing Commission. That way, it could be considered there before coming back to Council for a recommendation.

Council agreed that the topic be included in the upcoming discussions with the Housing Commission for recommendations to Council.

13. OPEN CALL TO THE PUBLIC

None

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

Councilmember Matthews shared that she was honored to be one of 27 individuals selected statewide to participate in the Flinn Brown Fellowship, a prestigious leadership program in Arizona.

Councilmember Harris reported that over the past month, she had spent time in the Brannon Homes area near the Boys and Girls Club. She expressed concern about the condition of the neighborhood, noting the poor appearance of the buildings and deteriorating paint. She urged staff to take a closer look at the area to determine what could be done and that it was not appropriate to have people live in those conditions.

Vice Mayor Aslan brought up that he had travel plans during Thanksgiving week and would like to consider cancelling the Council meeting scheduled for that week.

Mayor Daggett offered her congratulations to Councilmembers Matthews and Vice Mayor Aslan for being selected as Flinn Brown Fellows, calling it a great program they would certainly enjoy. She also provided an update on local homelessness data, noting that she had requested weekly updates from service providers. That week, the number of adults experiencing homelessness was reported at 705, including 25 families with children, a decrease from 772 the previous week and significantly lower than the average trend. She highlighted the importance of the weekly conference calls taking place among service providers to coordinate resources and support and emphasized the availability of the Front Door program for anyone seeking housing assistance.

15. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held June 4, 2024, adjourned at 5:54 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on June 4, 2024. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____

CITY CLERK

CITY COUNCIL WORK SESSION
TUESDAY, JUNE 11, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the meeting of the Flagstaff City Council held June 11, 2024, to order at 3:05 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for 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

Present: Becky Daggett, Mayor
Austin Aslan, Vice Mayor
Deborah Harris, Councilmember
Khara House, Councilmember
Jim McCarthy, Councilmember
Lori Matthews, Councilmember
Miranda Sweet, Councilmember

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

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

Ralph Hernandez, a summer resident of Kit Carson Mobile Home Park, addressed Council and shared concerns about eviction notices requiring all residents to move their homes and vehicles by the end of October. He noted that only a pre-application meeting for redevelopment has occurred with the City, and the project is not yet approved. Mr. Hernandez argued the evictions may be premature and possibly unjust, asking the City to clarify the legitimacy of the notices and consider intervening, referencing a similar case in Phoenix.

Eileen Robinson addressed Council and explained she is another resident in the area and the park has 250 trailer spaces, including 30 permanent manufactured homes, many of which have been in place for decades. She stated that alternative parks within 100 miles either cannot accommodate their trailers or have no space. Ms. Robinson emphasized that many residents are seniors, veterans, and widows, and said the eviction notice was devastating both financially and emotionally. She asked for any support the City could offer.

Leslie Rudders addressed Council and agreed the park needs upgrades but opposed the sudden approach. She proposed slowing down the process, possibly relocating units within the park, or providing buyouts. She stressed the need for transparency and consideration, and requested the City assign a liaison or tenant advocate to assist residents with logistics and documentation.

Nadine Hart addressed Council regarding the housing authority management and voucher programs, noting that some properties resemble third-world conditions. She criticized poor oversight, especially when tenants take in others without proper vetting. As a voucher holder, Ms. Hart said misbehavior by some discourages landlords from participating in the program. She urged more accountability and on-the-ground involvement from housing authority leadership to ensure safety and property maintenance.

Ralph Hernandez also submitted written comments regarding Kit Carson campground.

5. **Proclamation:** Pride Month

Mayor Daggett read and presented the proclamation.

6. **Review of Draft Agenda for the June 18, 2024 City Council Meeting**

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

Councilmember House stated she would not be present at the next meeting but asked Council to consider a Juneteenth Proclamation.

7. **City Manager Report**

Mr. Clifton briefly reviewed his report.

Assistant Parks and Recreation, Open Space, and Events (PROSE) Director Amy Hagin briefly reviewed the PROSE monthly report.

Housing Director Sarah Darr briefly reviewed the Housing monthly report.

Deputy Human Resources Director Jennifer Caputo briefly reviewed the June Human Resources and

Risk Management Newsletter.

8. **Engage, Empower, Elevate program update from recipient Community Assistance Teams of Flagstaff**

Sustainability Coordinator Tia Hatton and Executive Director of CATs Wendy White provided a PowerPoint presentation that covered the following:

ENGAGE, ELEVATE, EMPOWER ANNUAL UPDATE
TODAY'S AGENDA
E3 INITIATIVE
COMMUNITY ASSISTANCE TEAMS OF FLAGSTAFF
C.A.TS' MISSION
LOST HUMAN POTENTIAL
C.A.TS OF FLAGSTAFF
UNSHELTERED PEOPLE WANT TO WORK
C.A.TS PEOPLE AT WORK PROGRAM (C.A.TS P@W)
WHAT OUR CREW OF HOMELESS PEOPLE DID IN 2023
WHERE THEY PICKED UP LITTER
LITTER COLLECTED BY LOCATION
P@W CREW EXPERIENCES
DEMOGRAPHICS
REAL OUTCOMES

Councilmember House thanked the speakers for their presentation and expressed appreciation for the work they do to contribute to and be part of the community.

9. **Airport Emergency Plan and Triennial Full-Scale Exercise Update**

Emergency Program Manager Daniel Kelly, Airport Director Brian Gall, and Ashley Makuch with EM Partners provided a PowerPoint presentation that covered the following:

FLAGSTAFF PULLIAM AIRPORT
AIRPORT EMERGENCY PLAN UPDATE & TRIENNIAL FULL-SCALE EXERCISE
AGENDA
OPENING COMMENTS
PROJECT OVERVIEW
PROJECT TIMELINE
PLANNING GUIDANCE
WHY UPDATE THE AEP?
AEP STRUCTURE
PARTNER ALIGNMENT
THE PLANNING UNIVERSE
EXERCISE OVERVIEW
EXERCISE OBJECTIVES
PREPARING FLAGSTAFF

Councilmember Harris asked whether Northern Arizona University would be involved in the upcoming training exercise. Ms. Makuch confirmed that NAU Emergency Management would serve as the controller for the event.

Councilmember Harris also inquired about community notification, to which Mr. Gall responded that a communications plan is being developed to ensure broad outreach through multiple channels.

Councilmember McCarthy asked if regular flights would continue during the exercise. Mr. Gall clarified that normal airport operations will not be impacted, aside from closures in specific areas.

10. Discussion regarding High Occupancy Housing zoning requirements and zoning code regulations tied to components of the Regional Plan

Zoning Code Manager Tiffany Antol provided a PowerPoint presentation that covered the following:

HIGH OCCUPANCY HOUSING
UPDATES TO THE ZONING CODE GENERAL REQUIREMENTS
PURPOSE OF WORK SESSION
HIGH OCCUPANCY HOUSING PLAN
HIGH OCCUPANCY HOUSING LAND USE DEFINITIONS
ZONING DISTRICTS THAT PERMIT HOH
ACTIVITY CENTER MAP
CITY COUNCIL WORK SESSION
PROVISIONS THAT ARE BASED ON REGIONAL PLAN CLASSIFICATIONS

Mayor Daggett inquired whether a pedestrian shed is calculated as a quarter mile to commercial areas or transit access points. Ms. Antol clarified that it is measured as a quarter mile to a point such as an intersection. She noted that the ideal setup includes mixed-use areas with higher concentrations of residential and commercial activity. However, she added that not all designated activity centers are immediately suitable for development, often due to a lack of supporting infrastructure, which is why the Conditional Use Permit (CUP) provision exists.

Mayor Daggett then asked if a CUP is the only available remedy for a desirable project located outside of a pedestrian shed. Ms. Antol responded that, under the current framework, the only recourse for such a project would be a regional plan amendment.

EXAMPLE CODE PROVISIONS
CHANGES TO DENSITY TABLE FOR ALL DEVELOPMENTS
EXAMPLE -- VILLAGE AT ASPEN PLACE

Councilmember House expressed general support for the proposed changes and appreciation for the recognition of how historic zoning regulations have created equity barriers. She referenced the proposal to shift from strict standards to more flexible preferences and asked whether compatibility determinations by the Planning and Zoning Commission would be guided by objective criteria or left to subjective interpretation. Ms. Antol responded that the intent is to develop objective criteria based on existing code parameters and community-identified priorities. She noted that referencing existing historic districts and building clear preferences into the code would help ensure developers understand how their projects would be evaluated.

Councilmember McCarthy reflected on the original intent of the High Occupancy Housing (HOH) amendments, recalling that they were designed to prevent the construction of oversized apartments with multiple bedrooms and bathrooms in residential neighborhoods. He noted that the current example being discussed was quite different and seemed to be the kind of project people would want to live in. He voiced support for making adjustments to avoid penalizing projects that fall just outside of established parameters.

Councilmember Matthews also supported the changes, emphasizing how efforts to prevent certain developments often lead to unintended consequences that block desirable projects. She asked if concerns about fire hazards and housing restrictions were being factored into the Resource Protection Overlay (RPO) discussions. Ms. Antol confirmed they were, noting that recent tours with Regional Plan Committee members helped visualize the implications. She acknowledged that more work is needed and that the regional plan will provide a stronger foundation moving forward.

Councilmember Sweet agreed it was the right time to review these issues alongside the regional plan and voiced appreciation for efforts to maintain appropriate guardrails in the process.

Councilmember Harris stated her conditional support, emphasizing the need to ensure the changes do not further harm communities already impacted by past policies. She stressed the importance of

trusting staff expertise but also voiced concerns about representation on the Regional Plan Committee and whose voices are driving the decision-making.

Vice Mayor Aslan reiterated his support for increasing housing density in Flagstaff as a key solution to the city's housing challenges. However, he urged caution in discussions related to resource overlays, warning against assumptions--such as the idea that reducing trees will automatically lower insurance costs--without solid evidence. He called for a thoughtful, gradual rollout with robust community engagement to minimize unintended consequences.

Mayor Daggett concluded by expressing general support for the direction of the proposals. She echoed the sentiment that flexibility is important as long as it leads to achieving the desired outcomes and stated she looked forward to seeing what staff would bring back.

11. Open Call to the Public

None

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

Councilmember Harris shared her experience attending the recent workforce summit, highlighting it as an eye-opening opportunity to learn about issues such as workforce development, housing, and childcare. She also reminded everyone of the upcoming Juneteenth celebration at the Murdoch Center on the 15th.

Councilmember McCarthy reflected on the earlier comments from Kit Carson residents, expressing concern about the situation and suggesting that the City help facilitate conversations between the parties involved. He emphasized the importance of helping residents come together to talk and explore solutions.

Councilmember Sweet reported attending the Habitat for Humanity ribbon-cutting at Timber Sky and expressed excitement about the progress of the project. She also attended a potluck at Mobile Haven with the Mayor and city staff, as well as a visit to the Museum of Northern Arizona. She mentioned participating in the Beautification and Public Arts meeting, noting several exciting projects in the pipeline. She also shared plans to take part in the upcoming Pride Parade and a "Name That Tune" event.

Councilmember House participated in a briefing with the Bravo Fire team and toured the Incident Command site, expressing appreciation for the Fire Department and Wildland Fire team's efforts. She thanked Councilmember Matthews for her insightful questions and strong articulation during the event. She also attended the Habitat ground-breaking, describing it as an amazing opportunity for the community. She noted she would be absent next week due to an upcoming conference.

Mayor Daggett discussed ongoing conversations around property insurance, referencing a prior meeting with the Governor where she and others encouraged state-level involvement in addressing insurance industry practices and climate-related risk. She suggested gathering local insurance agents and industry leaders to showcase Flagstaff's forest health work. She stated that she also attended a webinar titled People Over Parking, focused on eliminating parking minimums, and offered to share the recording with anyone interested. She met with the Indigenous Circle of Flagstaff, attended the Habitat for Humanity ground-breaking, and joined the Mobile Haven potluck, thanking Councilmember Sweet for initiating the event and emphasizing the value of connecting staff with residents. Lastly, she shared details from a recent press conference in Phoenix with Congressman Stanton and other Arizona mayors, highlighting the signing of agreements with ACE. She celebrated Flagstaff receiving $1.5 million in funding for the Killip School water retention basin through the 595 program and praised City staff for their hard work securing external funding to support local projects.

13. Adjournment

The Work Session of the Flagstaff City Council held June 11, 2024, adjourned at 5:51 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL WORK SESSION
TUESDAY, JUNE 25, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the meeting of the Flagstaff City Council held June 25, 2024, to order at 3:01 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for 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

Present: Becky Daggett, Mayor
Austin Aslan, Vice Mayor
Deborah Harris, Councilmember
Khara House, Councilmember
Lori Matthews, Councilmember
Jim McCarthy, Councilmember
Miranda Sweet, Councilmember

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

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

Dr. Emily Davalos addressed Council regarding concerns on the enforcement of city codes in the La Plaza Vieja neighborhood. She highlighted ongoing construction activity that she believes violates existing codes and the conditions outlined in the building permit, expressing frustration over the City's lack of enforcement.

Matthew Dyer, owner of Southside Tavern, addressed Council and shared ongoing challenges related to the relocation of a dumpster near his business. Originally moved due to a mural installation, the new location has raised safety concerns for his staff, who report feeling threatened and followed. Mr. Dyer also discussed an increase in noise complaints since the reopening of the nearby Mission, despite his efforts to mitigate sound levels by lowering the bass and modifying how the Tavern's doors close. He noted that while his business is growing, the rising foot traffic contributes to noise levels, and despite his proactive communication with residents and frequent calls to law enforcement, the situation remains unresolved. He expressed feeling harassed and questioned whether there is a defined decibel-level ordinance for noise.

Jacob Raatz, Energy Specialist with the City's Sustainability Office, addressed Council and shared information about an upcoming opportunity to learn more about transitioning to rooftop solar. He invited the community to attend a statewide webinar that will cover how to evaluate solar providers, understand best practices, and apply for tax credits and incentives.

Dennis Givens addressed Council and spoke in honor of Health Awareness Day, encouraging residents to live in pursuit of happiness and wellness. He praised the City's growing support for community gardens and emphasized the importance of reconnecting with nature. He also advocated for promoting small businesses and the practice of martial arts, stating that communities become safer when individuals learn self-defense. He closed by encouraging continued efforts toward justice and well-being for all.

Paul Beier submitted written comments asking Council to re-think water rate increases that would effect the Inner Basin Waterline project.

5. Review of Draft Agenda for the July 2, 2024 City Council Meeting

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

None

6. Swearing in of Police Chief Sean Connolly

City Manager Greg Clifton introduced the highlight of the evening, welcoming Sean Connolly as the new Police Chief for the City of Flagstaff. Mr. Clifton expressed enthusiasm about Connolly's appointment, noting his extensive career spanning over 30 years in law enforcement with the City of Phoenix before joining Flagstaff. He provided a brief overview of Chief Connolly's background and experience.

Presiding Magistrate Tom Chotena administered the Oath of Office, officially swearing in Chief Sean Connolly.

Chief Connolly then offered brief remarks, expressing his gratitude for the opportunity, reflecting on the

significance of public service, and sharing his appreciation for the support he has received.

7. **Proclamation:** 2SLGBTQ Month

Mayor Daggett read and presented the proclamation.

8. **Proclamation:** Parks and Recreation Month

Mayor Daggett read and presented the proclamation.

9. **June Work Anniversaries**

Mr. Clifton introduced Kori Vogt as the new Human Resources and Risk Management Director for the City of Flagstaff. Ms. Vogt took a brief moment to introduce herself and share her enthusiasm for joining the organization.

Deputy City Manager Joanne Keene highlighted those who celebrated work anniversaries in June.

10. **City Manager Report**

Mr. Clifton briefly reviewed his report.

Sustainability Director Nicole Antonopoulos briefly reviewed the Sustainability monthly report.

Economic Vitality Director Heidi Hansen briefly reviewed the Economic Vitality monthly report.

Councilmember Harris expressed appreciation for the efforts being made across the city, noting how beautiful the flowers downtown are. She inquired about the possibility of implementing similar beautification efforts along the Fourth Street corridor, particularly on the north side of Route 66.

Economic Vitality Director Heidi Hansen responded that the team had explored the idea of hanging flowers, but unfortunately, the poles on Fourth Street are not structurally capable of supporting the weight. However, she committed to revisiting the idea with the beautification team to explore alternative options.

Councilmember House shared her excitement about the upcoming Green Book tour and raised a question regarding black, indigenous, and people of color representation and programming. She asked whether any related activities or content were incorporated into the city's Summer Reading Challenge, particularly those that reflect diverse histories and communities. Ms. Hansen replied that it does not appear to be included in the current program but she committed to looking into the matter further and providing a follow-up.

11. **2024-2025 Implementation Plan for the 10-Year Housing Plan**

Housing Program Manager Adriana Fisher provided a PowerPoint presentation that covered the following:

10-YEAR HOUSING PLAN 2024-2025 IMPLEMENTATION PLAN
PRESENTATION OUTLINE
HOUSING PLAN CREATION TIMELINE
10-YEAR HOUSING PLAN OVERVIEW
A FRAMEWORK FOR ACTION
OVERARCHING GOAL & ELEMENTS
10-YEAR HOUSING PLAN REPORTING & IMPLEMENTATION SCHEDULE
FACTORS INFLUENCING STRATEGY SELECTION
2024-2025 IMPLEMENTATION PLAN
FISCAL YEAR 2024-2025 STRATEGIES

Mayor Daggett inquired about how strategies from related plans, particularly those supporting

increased housing density, will be reflected in the updated regional plan. She asked whether this would be addressed through a standalone section or through integrated language emphasizing density as a strategy to support affordable housing.

Ms. Fisher responded that her team has been working closely with Comprehensive and Neighborhood Planning Manager Sara Dechter to ensure that these strategies are thoughtfully incorporated throughout the regional plan chapters. Rather than a single section, the intention is to embed these concepts more broadly within the document.

Community Development Director Dan Folke added that the Regional Plan primarily consists of goals and policies, which are implemented through tools such as the zoning code. Each area type within the plan includes a range of recommended densities. Adjustments may be made to those ranges, and implementation of any changes would occur through future zoning code amendments. The regional plan serves as the foundation and guiding document for those zoning updates.

REGIONAL PLAN-RELATED STRATEGIES
ONGOING STRATEGIES

Mayor Daggett asked whether the term "net zero" referred specifically to energy, to which Housing Director Sarah Darr confirmed it is related to sustainability goals.

Councilmember Harris emphasized the importance of prevention when it comes to homelessness, suggesting that more focus is needed on identifying and supporting individuals before they reach crisis points. She pointed out that many at-risk individuals are victims of domestic violence or facing other serious vulnerabilities. She urged staff to consider how to make people feel more secure and reduce the cost of recovery by investing in proactive strategies.

Mayor Daggett asked about current eviction prevention programs, and Councilmember Harris followed up by asking how the city is identifying residents before they reach the stage of eviction. Ms. Fisher acknowledged the importance of these points and noted that collaboration with nonprofit partners will be essential for success.

Councilmember Matthews expressed concern that while the housing plan was approved about two and a half years ago, there appears to be limited visible progress. She noted the language in the plan often includes exploratory or planning terms like "develop," "explore," or "identify," but lacks clear action or completion markers. She pushed for quicker implementation, especially of ideas like the Employer Assisted Housing fund and suggested incorporating employer incentives into existing frameworks. She advocated for focusing on fewer priorities each year to ensure actual results, warning that the city is falling behind on housing solutions.

Ms. Fisher clarified that the current document outlines only what staff are working on in this fiscal year, and updates will be provided in September. Ms. Darr added that much of the foundational work is underway behind the scenes. She acknowledged that in the early stages, there was discomfort around committing to actions without funding, but with the housing bond now approved, they are beginning to integrate more actionable steps.

Councilmember Matthews encouraged staff to bring forward clear, funded proposals when the next budget process begins in January, promising her support and championing for sufficient housing investment.

Councilmember House asked whether there are opportunities to reform existing prevention programs to help residents before they reach a crisis point. She expressed concern that many services only engage once someone is already experiencing homelessness or eviction and asked for systemic changes to shift toward early intervention. She also asked why the city cannot simply build more public housing. Ms. Darr explained that the federal Faircloth Amendment, passed in 1997, prohibits the creation of additional public housing units beyond those that existed at that time. Flagstaff's most recent public housing project narrowly made the cut. Since then, the city has focused on supporting non-profit housing developers and leveraging partnerships.

Councilmember House further asked what could be done to improve access to housing choice (Section 8) vouchers. Ms. Darr explained that new vouchers wereoccasionally made available by Congress, but they require cooperation with the Veterans Affairs, which has staffing issues. Even with available vouchers, it is hard to place tenants due to bureaucratic and market constraints. Regarding fair market rent calculations, she noted the system reverted to outdated methods post-pandemic, which makes it harder to reflect Flagstaff's actual market. Staff continue to advocate for updated metrics.

Councilmember Sweet expressed hope that the city can help bridge the gap between businesses and housing needs to better understand what is working and what is not.

The discussion ended with Mayor Daggett reaffirming support for the Housing team and encouraging continued collaboration and advocacy.

12. Proposed Amendment to Observatory Mesa Right-of-Way Easement

Open Space Supervisor Robert Wallace and Deputy City Attorney Kevin Fincel provided a PowerPoint presentation that covered the following:

PROPOSED AMENDMENT TO OBSERVATORY MESA ACCESS ROAD RIGHT-OF-WAY EASEMENT
OBSERVATORY MESA NATURAL AREA
OBSERVATORY MESA NATURAL AREA SECTION 6
OBSERVATORY MESA NATURAL AREA & PROPOSED ROW AMENDMENT
COMING FROM HIDDEN HOLLOW, PROPOSED TO ALIGN WITH THE CURRENT ROAD OUTSIDE THE CURRENT ROW
TERRAIN ALONG ALIGNMENT
STEEP GRAD PROPOSED FOR NEW ALIGNMENT
APPROACHING PRIVATE PROPERTY BOUNDARY
PRIVATE PROPERTY BOUNDARY. ALIGNMENT PROPOSED TO BE MOVED TO PRIVATE PROPERTY
CHANGES IN LAND PROTECTION AND USE
CITY AND STATE ROLE
DEED OF CONSERVATION EASEMENT
CONSIDERATIONS
OPEN SPACES COMMISSION CONCERNS
OPEN SPACES COMMISSION RECOMMENDATION
NEXT STEPS

Councilmember House asked why an HOA is being proposed. Mr. Fincel explained that since maintenance of the road, particularly snow removal, is essential, there needs to be a legal entity responsible for it. An HOA would provide that structure, allowing the city to impose conditions and ensure compliance, with all parcel owners becoming members.

Vice Mayor Aslan shared that he was undecided on the matter, calling it a values-based conversation. On one hand, he supports property owners' rights, but on the other, he's concerned about the long-term impacts of building roads in remote areas. Roads tend to expand and connect, which could lead to pressure to link with Highway 180 or I-40 and potentially impact nearby sensitive areas like Lowell Observatory. He asked about the potential for unintended connectivity and how Lowell Observatory might be involved in the conversation.

Mr. Wallace responded that this area is fairly removed from Lowell, and there is no current perceived connection. Mr. Fincel acknowledged that while things could change in the future, current conditions--such as neighboring private property and dedicated parkland--limit alternative access points. Owners to the north have not been open to access, and parcels to the east are protected land.

Mr. Wallace added that motorized traffic is not allowed on adjacent lands, and future development proposals would still need to go through a formal state review process. There is currently no desire or plan to connect the proposed road through to other sections.

Vice Mayor Aslan asked how strictly the development potential is spelled out, noting he envisioned just a few homes. Mr. Fincel explained that the parcels are zoned Rural Residential, meaning one unit per five acres without public water or roads. In theory, about 20 homes could be built if the land were one large parcel, but because of lot sizes and other limitations, the actual number would likely be much lower.

Vice Mayor Aslan also mentioned the tree density in the lower parcels. Mr. Fincel said they have discussed thinning with the owners, who have been open to access for that purpose.

Vice Mayor Aslan said he is still undecided and asked the property owners to address his concerns directly if possible.

Councilmember Harris raised questions about who would pay for the road and meet the conditions. Mr. Fincel confirmed the property owners would be responsible and would need to hire professionals as needed. He noted that much of the route follows an existing easement and that city staff, particularly Mr. Wallace, would likely be a resource to assist.

Councilmember Harris also asked if there is any adjacent state land that might come up for sale in the future. Assistant Parks and Recreation Director Amy Hagin said there is none nearby. Councilmember Harris followed up by asking whether the property owners had been informed about development limitations when they purchased their land. Mr. Fincel said that would be a question for the owners themselves.

Councilmember Matthews asked whether the city recognized these private parcels and the access easement when it acquired nearby land. Mr. Fincel confirmed they did, and Mr. Wallace added that property owners were notified at the time.

Councilmember Matthews said that the proposed road mostly follows the existing informal route and could reduce unauthorized off-road paths currently forming due to the lack of an official trails map. She supported the road upgrade, saying it would provide a stable, defined route without significant environmental disruption.

Councilmember McCarthy asked if the seven property owners had an agreement to allow access across each other's land. Mr. Fincel said he had not seen a formal document but believed that such an agreement exists.

Alexis Stack, one of the owners of a smaller parcel in the discussed area, addressed the Council and shared that her family is from Flagstaff and that the city is her home. She emphasized her understanding of the importance of preservation and said that she and the other property owners have spent over a year meeting with city staff and the Open Spaces Commission to ensure their approach is respectful and thoughtful. She explained that the group is simply requesting a legal description of the existing easement that accounts for topographical constraints. She added that the proposed adjustment would actually be beneficial to the conservation easement. Her parcel, in particular, has an encumbrance on the title that grants access to a neighboring property.

Councilmember McCarthy asked for confirmation that there is access to all seven parcels, and Ms. Stack confirmed that there is. She added that her intent is to build a small home along with an accessory dwelling unit for aging family members. Their request is simply for the city to work with them to maintain their legal right of way.

Cody Routson addressed Council and thanked staff for their efforts in navigating the complex issue of property access. He expressed his intent to build a home on his parcel and emphasized that reasonable access cannot be denied. While access is complicated, he acknowledged the rights involved. He noted that the existing access is a primitive, unmaintained road that does not always align with the proposed road location. Both the easement and the road fall under the conservation easement, making it impossible to fully meet the city's access standards.

Councilmember Matthews asked how he feels about the extensive list of proposed conditions. Mr.

Routson responded that they are trying to do their best to meet everyone's concerns and gain access. He believes most conditions are achievable, though some will be more challenging.

Councilmember Matthews encouraged the property owners to evaluate the proposed conditions thoroughly and share any concerns, especially if any are impossible to meet, so the Council can address them.

Councilmember Sweet thanked the owners, staff, and commission for their efforts. While she does not have major reservations, she cautioned about potential slippery slope effects and emphasized the need for future guardrails.

Councilmember McCarthy noted the owners already have an existing legal easement, and the proposed minor changes to accommodate fire access and other safety concerns seem reasonable. He expressed support and openness to the plan, aligned with the Open Spaces Commission's recommendations.

Councilmember Harris expressed sensitivity toward individual property rights and frustration that previous landowners might not have been fully informed about restrictions before selling. She supports helping owners build homes but acknowledged the conditions are overwhelming and will require significant effort.

Vice Mayor Aslan finds the property owners' request reasonable and supports moving forward. However, he reminded them that the final decision will likely come after a new Council is seated. He emphasized respect for the Open Spaces Commission's recommendations and noted that while the land was bought with voter-approved funds, the conditions seem appropriate and relevant to the community.

Mr. Fincel shared that some conditions were adjusted based on property owner feedback at the Open Spaces Commission meetings. He praised the commission's thoughtful balancing of all interests.

Mayor Daggett appreciated the Open Spaces Commission's work and emphasized supporting owners' rights. She requested that when this returns to Council, they include any input from the Forest Service regarding road plans.

Councilmember House appreciated hearing from owners directly and asked for updates on proposals for thinning trees on the lower parcels, balancing housing development with fire safety.

Councilmember Harris asked about consensus among owners and what would happen if one owner opts out.

Mr. Fincel said all owners have been agreeable so far, but they will address any future disagreements if they arise.

13. Open Call to the Public

Sabrina addressed Council and expressed concerns about the ongoing development of forest land and its negative impact on the climate.

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

Councilmember Matthews shared concerns about the upcoming water rate review, noting discussions with Mr. Clifton and Water Services about adjusting rates based on CPI rather than a fixed inflation index. She hopes the proposed parameters will ease business worries and offered to share the email details.

Councilmember Harris attended the State Transportation Board meeting and the Open Spaces Commission meeting focused on the road easement. She will also attend the Mountain Line board meeting.

Councilmember McCarthy welcomed the State Transportation Board during their event in Flagstaff.

Councilmember Sweet mentioned a waterline tour and gave a shout-out to Deputy City Manager Joanne Keene for arranging a driver for the new electric vehicle for the July 4 parade, reminding participants to arrive early.

Councilmember House met with Governor Hobbs discussing local issues including housing and representation for northern and southern communities. She encouraged partnership with the Governor's office and promoted the "Back to Flagstaff Homecoming Celebration" from June 29 to July 2 noting participation from the Commission on African American Affairs.

15. Adjournment

The Work Session of the Flagstaff City Council held June 25, 2024, adjourned at 6:42 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, SEPTEMBER 17, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held September 17, 2024, to order at 3:03 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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.

PRESENT:	ABSENT:
MAYOR DAGGETT	
VICE MAYOR ASLAN	
COUNCILMEMBER HARRIS	
COUNCILMEMBER HOUSE	
COUNCILMEMBER MATTHEWS	
COUNCILMEMBER MCCARTHY	
COUNCILMEMBER SWEET	

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

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

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

IT Manager Shawn Armour addressed Council and recognized IT Professionals Week and acknowledged the contributions of the City's IT Division.

Hunter Herbert, Executive Director of the Downtown Business Alliance, addressed Council and thanked them for their service and expressed enthusiasm for future collaboration.

Public Works Streets Director Sam Beckett addressed Council and provided an update on the Road Repair and Street Safety Project, highlighting ongoing work in the downtown area.

Dennis Givens addressed Council and acknowledged U.S. Constitution Day and extended an invitation to Morning Glory Cafe. He also expressed concerns about individual freedoms, stating that people should not be forced to act against their will.

5. COUNCIL LIAISON REPORTS

Councilmember Harris shared that she attended the Parks and Recreation Commission meeting, where discussions focused on ice rink operations.

Councilmember Sweet noted that a Water Commission meeting was scheduled to take place later that week.

6. APPOINTMENTS

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

A. Consideration of Appointments: Parks and Recreation Commission

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Khara House to appoint Neil Frazier for a term expiring August 2027.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to appoint Jill Christensen for a term expiring August 2027.

Vote: 7 - 0 - Unanimously

Moved by Mayor Becky Daggett, **seconded by** Councilmember Miranda Sweet to appoint Josh Stackhouse for a term expiring August 2026.

Vote: 7 - 0 - Unanimously

B. **Consideration of Appointments:** Housing Commission

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to appoint Devonna McLaughlin to the Low Income Housing Expert position for a term expiring September 2027.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House to appoint Karen Flores to the Real Estate Professional - Lender position for a term expiring September 2027.

Vote: 7 - 0 - Unanimously

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

Moved by Vice Mayor Austin Aslan, **seconded by** Councilmember Jim McCarthy to appoint Audra Travelbee for a term expiring June 2028.

Vote: 7 - 0 - Unanimously

D. **Consideration of Appointments:** Airport Commission

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Jim McCarthy to appoint Robert Carpenter for a term expiring October 2027.

Vote: 7 - 0 - Unanimously

Moved by Vice Mayor Austin Aslan, **seconded by** Councilmember Jim McCarthy to appoint Andrew Shouse for a term expiring October 2027.

Vote: 7 - 0 - Unanimously

7. LIQUOR LICENSE PUBLIC HEARINGS

Applications under Liquor License Public Hearings may be considered under one public hearing and may be acted upon by one motion unless otherwise requested by Council.

Mayor Daggett opened the public hearing on the application.

Sergeant Nick Almendarez introduced the applications and noted no concerns with Golden Dragon but that there were active Zoning Code and Building violations for Wanderlust Brewing Company.

There being no public comment, Mayor Daggett closed the public hearing.

A. **Consideration and Action on Liquor License Application:** Xiande Fang, "Golden Dragon", 2730 E. Lakin Dr., Series 12 (Restaurant), New License

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Lori Matthews to forward the application to the state with a recommendation for approval.

Vote: 7 - 0 - Unanimously

B. **Consideration and Action on Liquor License Application:** Nathan Phillips, "Wanderlust Brewing Company", 1519 N. Main Street, #102, Series 03 (In State Microbrewery), Acquisition of Control

Councilmember McCarthy referenced the meeting packet, noting that while a concept plan was mentioned, a building application had not yet been submitted.

Planning Director Michelle McNulty responded that the applicant had participated in a pre-application meeting and was actively working to submit the necessary materials. She stated that the Planning

Division was comfortable moving the application forward at that stage in the process.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to forward the application to the state with a recommendation for approval.

Vote: 7 - 0 - Unanimously

8. 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.

Councilmember Harris requested that Item 8A be pulled for discussion.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House to approve the Consent Item 8B as presented.

Vote: 7 - 0 - Unanimously

A. **Consideration and Approval of a Loan Agreement:** Approval of a loan agreement with The Villas on Lake Mary, LLC for $397,398.00 distributed from the American Rescue Plan Act Coronavirus Local Fiscal Recovery Funds (ARPA). Loan documents include a sub-award loan agreement, consent and subordination agreement, declaration of restrictive covenants, promissory note, and deed of trust.

Councilmember Harris asked for more details about the loan structure and what happened with the funds once they were repaid. Housing and Grants Administrator Kristine Pavlik explained that the funds came from the American Rescue Plan Act (ARPA) allocation. When repaid, the funds returned as program income and could be reallocated to support other housing programs. She stated that the loan was for 30 years with no interest, and the borrower was required to maintain affordability for the full term in accordance with state Low-Income Housing Tax Credit requirements.

Councilmember Harris followed up by asking what the borrower needed the funds for. Ms. Pavlik responded that the applicant had responded to a Notice of Funding Availability and was ranked through a competitive process. The request was due to significant cost increases in their development project. She added that the applicant had also applied for incentive funds, and all funding decisions were made through the established application and review process.

Councilmember Harris then asked about the timeline for spending ARPA funds and how repayment fit within those requirements. Ms. Pavlik clarified that ARPA funds must be allocated by the end of the year (2025) and spent by the end of next year (2026). She added that the applicant was expected to draw down the funds quickly once awarded.

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Khara House to approve the loan agreement between the City of Flagstaff and The Villas on Lake Mary, LLC, utilizing $397,398.00 of the American Rescue Plan Act Coronavirus Local Fiscal Recovery Funds and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

B. **Consideration and Approval of Final Plat** JP325, LLC requests Final Plat approval for Juniper Point, Parcel 2, located at 2000 John Wesley Powell Boulevard, a single-family subdivision of 62 lots concentrated on 17.54 acres of the approximately 240-acre site in the Rural Residential (RR) Zone utilizing the Planned Residential Development (PRD).

Staff recommends approving the final plat and authorizing the Mayor to sign both the plat and City/Subdivider Agreement when notified by staff that all conditions have been met and documents are ready for recording.

9. ROUTINE ITEMS

A. Consideration and Adoption of Ordinance No. 2024-21: An ordinance of the City Council of the City of Flagstaff accepting and approving an easement agreement and grant of easement from BNSF for the installation of a water line and fire hydrant for fire suppression purposes.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2024-21 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ACCEPTING AND APPROVING AN EASEMENT AGREEMENT WITH BNSF; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to adopt Ordinance No. 2024-21.

Vote: 7 - 0 - Unanimously

B. Consideration and Approval of Contract: Change Order 3 with Hunter Contracting Co. for the Inner Basin Waterline Restoration Project

Capital Improvements Project Manager David Pedersen provided a PowerPoint presentation that covered the following:

INNER BASIN WATERLINE RESTORATION PROJECT
PROJECT STAKEHOLDERS
EXCITING NEWS
EXCITING NEWS -- SITE 30
EXCITING NEWS -- SITE 9
EXCITING NEWS -- SITE 7
EXCITING NEWS -- SITE I
EXCITING NEWS -- SITE A
CONTRACT & PROJECT TIMELINE
PREVIOUS CHANGE ORDERS
THE UNEXPECTED
CHANGE ORDER 3

Councilmember House expressed hope that the project information could be shared more broadly, suggesting that a video highlighting the work accomplished would be valuable for outreach. Grants, Contracts, and Emergency Management Director Stacey Brechler-Knaggs agreed, stating the project was being submitted for state and federal awards, and a video would be a strong addition to the application. Mr. Pederson noted that there was a project website available to share more detailed information with the public.

Councilmember Sweet reported participating in the recent field tour and praised the impressive progress made in a relatively short time. She expressed enthusiasm for the upcoming event on the fourth.

Council expressed appreciation for the significant work completed and excitement to showcase the accomplishments to a wider audience. They also discussed logistical challenges and the time required to access various sites with necessary equipment and materials.

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to approve Change Order 3 for repair work at Flagstaff Spring with Hunter Contracting Co. in the amount of $189,098.20 and no additional calendar days to the contract period and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

10. REGULAR AGENDA

A. Consideration and Adoption of Resolution No. 2024-36: A resolution of the Flagstaff City Council, approving an Intergovernmental Agreement between MetroPlan and the City of Flagstaff for project management of the Transportation Alternatives Safe Routes to School Grant Award

Transportation Planner Martin Ince presented an Intergovernmental Agreement (IGA) authorized with MetroPlan, related to a Safe Routes to School grant awarded to MetroPlan a few months ago. The grant, managed statewide by ADOT, included three components: a feasibility study for a left-turn lane from Pine Cliff onto Cedar on the Mesa; concept planning for pedestrian and bicycle accommodations around schools, with a focus on the Sunnyside area and construction, which would occur later subject to available funding. The city's portion of the grant was approximately $500,000, with a local match required, which had already been budgeted within the current concept planning funds.

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to read Resolution No. 2024-36 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN METROPLAN AND THE CITY OF FLAGSTAFF FOR PROJECT MANAGEMENT OF THE TRANSPORTATION ALTERNATIVES SAFE ROUTES TO SCHOOL GRANT AWARD

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to adopt Resolution No. 2024-36.

Vote: 7 - 0 - Unanimously

B. Consideration of Proposed Amendment to Observatory Mesa Right-of-Way Easement

Open Space Supervisor Robert Wallace provided a PowerPoint presentation that covered the following:

PROPOSED AMENDMENT TO OBSERVATORY MESA RIGHT-OF-WAY EASEMENT
OBSERVATORY MESA NATURAL AREA
OBSERVATORY MESA NATURAL AREA SECTION 6
OBSERVATORY MESA NATURAL AREA & PROPOSED ROW AMENDMENT
PHOTOS OF PROPOSED EASEMENT
CHANGES IN LAND PROTECTION AND USE
CITY AND STATE ROLE
DEED OF CONSERVATION EASEMENT
CONSIDERATIONS
OPEN SPACES COMMISSION CONCERNS
OPEN SPACES COMMISSION RECOMMENDATION
NEXT STEPS
OPTIONS FOR CONSIDERATION

Councilmember House asked if the discussion had any bearing on the greater Mesa Observatory. Mr. Robert Wallace responded that the road in question was currently public access and was not included in the trail plan draft except as a pedestrian walking area.

Councilmember Harris acknowledged the difficulty of the issue, recalling from the Open Space Commission discussion that the commission likely would not be satisfied with any solution other than not proceeding, which was not an option. She expressed hope to avoid similar situations in the future.

Councilmember Matthews inquired whether the road was the property owners only access and if they were now requesting it to be realigned. Deputy City Attorney Kevin Fincel confirmed that it was

their sole access.

Cody Routson addressed Council, thanking them for considering the item. He confirmed it was their only access and noted they had worked collaboratively with the city and Open Spaces Commission to reach the best possible compromise. He stated they were prepared to meet the terms and conditions identified.

Councilmember Matthews asked about the timeline for developing the property.

Mr. Routson replied that the process was taking longer than anticipated but they hope to begin building as soon as possible after completing the necessary procedures.

Councilmember Matthews noted that the city purchased the land. Mr. Fincel clarified that the city purchased the land after the easement was granted to prior owners.

Councilmember Matthews asked why the access issue was not resolved at that time. Mr. Fincel explained the city was aware of the easement and the private properties when the land was purchased and that the issue arose from fire code requirements necessitating road improvements.

Councilmember Matthews commented that while the easement and access existed, the need for road improvements was identified later. Mr. Fincel affirmed that the city always understood road improvements would be necessary upon purchase.

Councilmember House asked if the property owners were aligned with the Open Spaces Commission recommendations. Mr. Routson confirmed their agreement with the recommendations and their willingness to meet the outlined terms.

Vice Mayor Aslan expressed that he was inclined to recommend approval of the easement with the Open Spaces Commission conditions, provided they adequately addressed the property owners' needs. He emphasized the city's obligation to honor the spirit of the land purchase and affirmed it was fair for private owners to have access. He voiced concern about future development but stated he could support moving forward if the Open Spaces Commission conditions were sufficient.

Mr. Routson stated they could meet the conditions and noted that the road could only serve a limited number of homes, approximately 30 units. He explained that further development would present access challenges, including secondary access requirements.

Mr. Fincel added that any significant additional development would trigger subdivision requirements, and the lack of water and sewer infrastructure further limited development potential. He emphasized that those factors served as safeguards against overdevelopment.

Council gave direction to support amending the right-of-way easement #16-88092.

C. **Consideration and Adoption of Resolution No. 2024-35:** A resolution approving a Binding Waiver of Enforcement for one parcel of land located in the Canyon Del Rio subdivision in the City of Flagstaff.

Deputy City Attorney Kevin Fincel provided a PowerPoint presentation that covered the following:

PROP 207 CLAIMS BINDING WAIVER OF ENFORCEMENT
BACKGROUND
ORDINANCE 2022-04
PROP 207 CLAIMS
OVERVIEW OF PROP 207
BINDING WAIVER OF ENFORCEMENT

Vice Mayor Aslan expressed reluctance to grant the waiver, preferring to allow the legal process to proceed, as he did not believe the property owners' claim had merit.

Councilmember McCarthy sympathized with the Vice Mayor's concerns but indicated he was inclined to approve the resolution.

Councilmember Matthews agreed with both Vice Mayor Aslan and Councilmember McCarthy, stating she did not view the situation as a violation. However, considering housing and density needs, she supported approving the waiver to enable additional housing.

Councilmember Harris also agreed to move forward, noting the potential costs in time and money if the matter were taken to court.

Vice Mayor Aslan acknowledged the collective decision but noted he did not believe the vote should be unanimous. While he understood the need for housing, he cautioned that granting the waiver could set a precedent that developers might use to push further demands. He emphasized the importance of clearly defining the city's stance to protect future interests.

Councilmember Matthews pointed out that the incentives for the project changed after 2022 and that prior to those changes, the project would have met the incentive requirements. Deputy City Attorney Kevin Fincel confirmed and noted the developer's intent to use prior provisions.

Councilmember Matthews stated she did not believe the owners had a strong case but recognized merit in their situation due to changes in incentives during their development process.

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to read Resolution No. 2024-35 by title only.

Vote: 6 - 1

NAY: Vice Mayor Austin Aslan

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING BINDING WAIVERS OF ENFORCEMENT FOR ONE PARCEL OF LAND WITHIN THE CORPORATE LIMITS OF THE CITY OF FLAGSTAFF

Moved by Councilmember Khara House, **seconded by** Councilmember Deborah Harris to adopt Resolution No. 2024-35.

Vote: 6 - 1

NAY: Vice Mayor Austin Aslan

11. OPEN CALL TO THE PUBLIC

DJ addressed Council and thanked them for their sensible actions and access to the law library. He referenced his ongoing housing discrimination claim and urged the Council to help, saying it did not make sense for him to remain homeless. He emphasized that his concerns were made respectfully.

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

Vice Mayor Aslan noted he would attend the State of the Verde Watershed Conference remotely next week, focusing on strengthening watershed partnerships.

Councilmember House announced her election as secretary of the Arizona Commission of African American Affairs.

Mayor Daggett highlighted National Register to Vote Day and reminded residents that the voter registration deadline was October 7, directing them to vote.gov. She also announced a $1 million EPA grant from the Inflation Reduction Act for three resiliency hubs in Flagstaff. She congratulated the Sustainability staff for securing the funding and expressed excitement for future updates.

13. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held September 17, 2024, adjourned at 4:37 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on September 17, 2024. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL WORK SESSION
TUESDAY, SEPTEMBER 24, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the meeting of the Flagstaff City Council held September 24, 2024, to order at 3:02 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for 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

Present: Becky Daggett, Mayor
Austin Aslan, Vice Mayor
Deborah Harris, Councilmember
Khara House, Councilmember
Lori Matthews, Councilmember
Jim McCarthy, Councilmember
Miranda Sweet, Councilmember

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

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

Peggy Shelton-Scurlock and Rebecca Durrenberger addressed Council and recognized the International Day of Peace, speaking to its significance and encouraging continued local observance and awareness of global peace efforts.

Climate Action Section Director Jenny Niemann addressed Council and provided an update on the fourth round of the Northern Arizona Solar Co-op. She highlighted continued community interest and participation in the initiative aimed at expanding access to solar energy in the region.

Mario Mastrosimone, a resident of Hospital Hill, addressed Council and expressed concerns about the impact of short-term rentals on local housing affordability. He noted that one individual owns 27 Airbnb units in the area and urged the city to consider policies that limit the number of licenses issued, as seen in other municipalities.

Sara Sweeny, representing High Altitude Roller Derby, addressed Council and spoke about the value of roller derby in the community and the challenges faced due to the loss of dedicated practice space. She explained that sharing the MEMS facility with other sports groups has significantly limited their practice time. She advocated for the development of a multipurpose indoor sports facility and requested that this be added to a future Council agenda.

5. Review of Draft Agenda for the October 1, 2024 City Council Meeting

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

None

6. City Manager Report

Mr. Clifton briefly reviewed his report.

Stormwater Manager Ed Schenk provided a PowerPoint presentation that covered the following:

MEADE LANE DRAINAGE
MEADE LANE DRAINAGE IMPROVEMENT
SUMMARY
HYDROLOGY
MEADE LANE PLAN AND PROFILE
MEADE ROADWAY SECTION

Councilmember McCarthy raised a concern regarding the potential for backflow if the Rio de Flag were at a high-level flood condition. Mr. Schenk responded that based on the current elevations, backflow would be unlikely, as simultaneous flooding of the two areas was improbable.

Tom Pearson addressed Council and emphasized the ongoing threat of flooding and urged the Council to act immediately. He highlighted that the drainage problem was well known, due to undersized pipes, and called for urgent implementation of available solutions, stressing the need for decisive funding action.

Gail Reed addressed Council and expressed appreciation that funding was being directed toward fixing the issues on Meade Lane but urged that the project not be delayed for two years. She asked for the work to begin as soon as possible.

Mr. Clifton shared that three projects were currently being funded through FEMA and that the Meade Lane project is considered a high priority with a strong design and funding already in progress.

Laura Kessler addressed Council and raised concerns about potential backflow from the Rio de Flag, and its effects on residential water and sewer systems. She asked about the status of the plan's approval and permitting process and requested financial relief from the city for past personal expenditures related to flood damage. She also asked when residents would be safe from future flooding and requested a specific timeline.

Mr. Schenk explained that the project was at 60% design and was currently going through city and Arizona Department of Environmental Quality permitting. He noted that while approvals were pending, progress is being made quickly, with construction expected in "months, not years." He added that design completion was expected before grant approval.

Councilmember Matthews asked for an updated schedule of current and future capital projects. Mr. Schenk confirmed that the updated list would be available during the January budget retreat and that a financial review of outcomes is underway.

Councilmember Matthews also inquired about flood-related grants. Sustainability Director Nicole Antonopoulos stated that residents would apply for flood prevention and neighborhood sustainability grants, with information available on the city website. However, she clarified that the grants were prescriptive and not retroactive. Councilmember Harris further clarified that grants were not designed to offer tax or fee relief, which Ms. Antonopoulos confirmed.

Housing Specialist Marissa Molloy presented the housing monthly report.

Councilmember McCarthy asked about the homebuyer assistance program timeline, and Housing Director Sarah Darr stated that a presentation on the proposed expansion of the program would be delivered later in October.

Human Resources and Risk Management Director Kori Vogt presented her division's monthly report.

Councilmember Harris inquired about local job fair attendance for recruitment efforts, and Ms. Vogt confirmed participation at upcoming Northern Arizona University and Flagstaff Unified School District's events. Councilmember Harris also asked about employee referral programs, and Ms. Vogt noted that an incentive program existed and was recently enhanced.

Mayor Daggett mentioned her upcoming attendance at the Disability Resources Fair and invited departments to provide materials for distribution.

Sustainability Director Antonopoulos presented the sustainability report.

Councilmember Sweet praised the sandbag removal event in Coconino Estates, commending city staff and residents.

Mayor Daggett asked if staff would be volunteering for the general election, and Mr. Clifton confirmed that they would.

7. Creative Flagstaff Annual Update

Community Investment Director Dave McIntire introduced Creative Flagstaff Interim Executive Director Julie Comnick who provided a PowerPoint presentation that covered the following:

COCONINO CENTER FOR THE ARTS CELEBRATING 40 YEARS
1984-2024

GALLERY
YOUTH ART
YOUTH PERFORMANCE
THEATRE
COMMUNITY
GRANTS AND OPPORTUNITIES
ENGAGEMENT
THANK YOU FOR YOUR SUPPORT

Mayor Daggett noted that the Bed, Board, Beverage tax she referenced was Proposition 487, which would appear on the November ballot and was the vehicle by which the city funded the programs she described.

8. 18-Month Report for the 10-Year Housing Plan

Housing Program Manager Adriana Fisher provided a PowerPoint presentation that covered the following:

18-MONTH REPORT FOR THE 10-YEAR HOUSING PLAN
AGENDA
10-YEAR HOUSING PLAN OVERVIEW
18-MONTH REPORT
HOUSING MARKET CONDITIONS
HIGHLIGHTS
OVERARCHING GOAL AND ELEMENT PROGRESS

Mayor Daggett asked how often housing data was updated on the city's website. Ms. Fisher stated it was updated quarterly in January, April, July, and October.

Mayor Daggett requested clarification on how affordable and market-rate housing worked together and noted that housing numbers reflected both city and partner efforts. Ms. Fisher confirmed and added that affordable housing means different things to different people.

Councilmember Matthews asked what "preserved" meant. Ms. Fisher explained it referred to rehabilitating existing housing units, including efforts to keep low income tax credit properties from converting to market-rate.

Mayor Daggett asked how market-rate and affordable units complemented each other. Ms. Fisher explained that they worked with partners to provide a range of options, including land trusts and down payment assistance, not just 80% adjusted median income units.

With high local housing costs, Mayor Daggett questioned the relevance of the term "market rate." Ms. Darr explained that market rate reflects what the market would bear. While terms like "attainable" or "workforce housing" were used, the city still categorized units as either market-rate or affordable to address the full housing spectrum.

STRATEGY PROGRESS
COMPLETED STRATEGIES
ONGOING STRATEGIES
HOUSING RESOURCES AND COMMUNITY EFFORTS
LEGISLATIVE EFFORTS

Councilmember McCarthy noted that approximately 25% of homes in Flagstaff were owned by non-residents, with entire neighborhoods being taken over by short-term rentals. He stressed the need to work with state legislators to address the issue. Mayor Daggett asked if the 25% figure was accurate, and Ms. Darr confirmed that updated property tax data supported that percentage.

Mayor Daggett also asked about the number of Airbnbs in the city, and Ms. Darr responded that staff would follow up with that information. She added that the city was restricted in its ability to regulate

short term rentals or second homes, only requiring short term rentals to register.

Councilmember Harris asked for assurance that all available funds for down payment and rental assistance were being used. Assistant Housing Director Justyna Costa confirmed that down payment assistance funds were fully allocated, and that additional funding would be available through the upcoming housing bond. Funds for employer-assisted housing were still available. Regarding rental assistance, Ms. Costa noted it was administered by the county.

Councilmember Sweet commended the Housing team's efficiency and encouraged residents to visit the city's website for information.

Councilmember Matthews asked about updates on employer workforce housing incentives. Ms. Darr said new policy changes were being incorporated into the code analysis project and would be part of the upcoming incentive package.

Councilmember House emphasized the importance of continuous public education on affordable and workforce housing, which included essential workers like teachers and firefighters.

Ms. Fisher shared updated figures, reporting that as of June 2024, there were approximately 4,007 second homes and 628 short-term rentals in Flagstaff.

9. Discussion of possible revisions to the Nuisance Noise Ordinance

Mr. Clifton and Senior Assistant City Attorney Marianne Sullivan provided a PowerPoint presentation that covered the following:

NUISANCE NOISE ORDINANCE
BACKGROUND
COMBINED WORK GROUP UPDATE
COMMENTS AND CONCERNS
DRAFT ORDINANCE
NUISANCE NOISE ORDINANCE DIRECTION

Councilmember House raised a question regarding the current policy language that allowed for waiving civil penalties when individuals participated in certain programs, asking whether it would be rephrased or removed. Ms. Sullivan clarified that the clause only applied under the nuisance party ordinance and not more broadly.

Vice Mayor Aslan expressed concern about the vague and subjective language used in the noise ordinance, particularly phrases like "clearly audible" and "disturbs others." He warned that such language could lead to inconsistent or unfair enforcement and noted that personal interpretation by officers could vary widely. Ms. Sullivan responded that the language was adapted from Arizona's disorderly conduct statute and was meant to provide officers with a reasonable enforcement standard. She emphasized that officers would need to personally hear the noise and determine whether it constituted a legal disturbance. Vice Mayor Aslan reiterated his discomfort, stating that some complaints he had heard did not sound like genuine disturbances and that the ordinance could be overly subjective.

Councilmember Matthews agreed, questioning whether requiring noise to stop two hours before bars legally closed was realistic. Ms. Sullivan explained that while bars may stay open until 2:00 a.m., city policy currently required music and outdoor noise to end at midnight, and the ordinance aimed to strengthen enforceability by introducing the disturbance component.

Craig Bouchard addressed Council and criticized the ordinance changes, arguing the process lacked community inclusion and was trying to solve a problem that did not exist. He warned that overly strict noise rules could lead to a "silent downtown," ultimately hurting the city's economic vitality.

Southside Tavern owner Matthew Dyer addressed Council and spoke about the financial risks to local nightlife, particularly the loss of revenue between midnight and 2:00 a.m. He suggested the use of

decibel meters as an objective tool, noting that noise could be measured and managed rather than relying solely on subjective judgment.

Blake Whitten, a long-time Southside homeowner, addressed Council and shared that he lost his tenant due to bar noise and had been unable to rent the property since, costing him approximately $20,000. He argued that residential rights were being overlooked and that the noise issue was driving away renters and undermining the housing market.

Candace Ryan addressed Council in support of the ordinance changes and emphasized the chronic disruption noise caused to nearby residents. She noted that many people had moved away and urged the Council to take action after years of complaints.

Dawn Rochelle, Joan Martini, and Jim McCarthy submitted written comments regarding the need for a sound ordinance that protected the residential neighborhood.

Vice Mayor Aslan acknowledged the challenge in balancing business interests with residential quality of life and supported maintaining the current hours with slight modifications, such as treating Thursday night differently from weekends. He proposed adding a high legal standard like "beyond a reasonable doubt" for violations, but Ms. Sullivan clarified that civil cases relied on a "preponderance of evidence," and that officers already had discretion under existing law.

Mr. Dyer outlined the mitigation steps taken, such as: timed shutoff of outdoor speakers at 10:00 p.m., door closers to prevent patio sound leakage, offering air conditioning to nearby tenants, using decibel meters to monitor and adjust sound levels, and additional security to ensure doors remain closed. Mr. Dyer said noise levels typically remained below 60 decibels and that the loudest noise often came from people, not music. He also stated that he had reached out to neighbors with contact information but had not received direct complaints.

Councilmember Matthews raised concerns with vague language in the ordinance, particularly sections that relied on subjective criteria like "clearly audible" from a complainant's property. She requested tighter definitions to prevent misuse and ensure fair enforcement. Ms. Sullivan noted that while "clearly audible" was part of the existing ordinance, the new proposal strengthened it by adding a requirement that the noise must also be disturbing.

Councilmember McCarthy highlighted a key change in the proposal: measuring noise from the complainant's location rather than inside their home, which he said could help reduce intrusiveness. He shared personal knowledge of at least five residents who had moved due to excessive noise and cited a local yoga studio that ceased nighttime classes because of nearby bar activity. He emphasized the need to distinguish between central business zones and residential or community commercial areas, suggesting that stricter noise rules should apply in residential areas, including 24/7 limitations.

Councilmember House supported adding a "reasonableness" standard and stressed the importance of ongoing communication between residents and businesses. She emphasized that any compromise would require both sides to give and acknowledged that no solution would fully satisfy everyone. She also advocated for including a formal warning before imposing penalties and supported equal treatment of individuals and businesses in the ordinance. She suggested that failure to provide identifying information be included as a civil offense.

Ms. Sullivan agreed on the importance of finding a balanced solution. She noted that the city's Downtown Vision Plan called for increased housing on the north side of the tracks, where some businesses already operated with outdoor music.

Councilmember Harris supported a warning system before penalties and argued that both businesses and individuals should be held to the same standards. She stressed the importance of mutual respect and compromise and noted that loud environments could drive customers away just as much as residents.

Mayor Daggett asked for clarification on who would be cited in noise complaints, residents or individuals. Ms. Sullivan explained that either could be cited depending on the situation, including

patrons outside a business. Mayor Daggett affirmed her desire for a vibrant downtown but emphasized balance. She supported including a warning before penalties, exploring use of sustainability grants for sound mitigation, and acknowledged that indoor music could still constitute a violation if it disturbed neighbors.

Staff would continue to refine the ordinance language, with an emphasis on balancing enforcement, business needs, and resident concerns and bring it back for further consideration at a later meeting.

10. Open Call to the Public

None

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

Councilmember McCarthy shared that he recently participated in the Hogan blessing at Flag High School and was honored to be part of the event. He also had his first meeting with staff from Adrian Fontes' office regarding the America 250 plans.

Councilmember Harris reported attending a victim witness event over the weekend and highlighted the Southside Community Association's upcoming annual health fair in October, focused on housing as a healthcare issue. She encouraged the Housing and Sustainability department to participate and noted her recent meeting with the Flagstaff Family Food Center to discuss their challenges, expressing hope for a future presentation on city support for the center.

Vice Mayor Aslan attended the Friends of the Verde conference in the Verde Valley.

Councilmember Sweet reflected on the Hogan blessing as a beautiful event and mentioned plans to visit Levitate Adventure Park with the Mayor to discuss support for small businesses in Flagstaff. She also noted the unveiling of the Route 66 mural and her attendance at the victim witness event.

Mayor Daggett announced that next week was Week Without Driving, aimed at promoting accessible communities, and shared that she planned to participate. She shared that the Disability Resources Fair was in October at High Country Conference Center, where she would attend with the Commission on Inclusion and Adaptive Living, and noted the Flagstaff Festival of Science week, including a star party at Buffalo Park. She highlighted that the Community Assistance Team would host a pop-up care village at Bushmaster Park during the upcoming weekend and emphasized them as a community resilience hub.

12. Adjournment

The Work Session of the Flagstaff City Council held September 24, 2024, adjourned at 7:00 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, OCTOBER 1, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held October 1, 2024, to order at 3:04 p.m.

Mayor Daggett announced that she would be reordering the agenda to take Item 14A after the Consent Agenda.

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.

PRESENT:	ABSENT:
MAYOR DAGGETT	COUNCILMEMBER HARRIS
VICE MAYOR ASLAN	COUNCILMEMBER HOUSE
COUNCILMEMBER MATTHEWS	
COUNCILMEMBER MCCARTHY	
COUNCILMEMBER SWEET	

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

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

The Council and audience recited the pledge of allegiance, Councilmember Matthews read the Mission Statement of the City of Flagstaff, and Councilmember Sweet read the 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. APPROVAL OF MINUTES FROM PREVIOUS MEETINGS

A. **Consideration and Approval of Minutes:** City Council Special Meeting (Executive Session) of June 21, 2019, Combined Special Meeting/Work Session of June 25, 2019, Work Session of October 29, 2019, Joint City/County Work Session of November 4, 2019, Combined Special Meeting/Work Session of November 12, 2019, Regular Meeting of January 21, 2020, Work Session of January 28, 2020, Budget Retreat of April 23, 2020, Work Session of May 12, 2020, Combined Special Meeting/Work Session of May 26, 2020, Work Session of June 11, 2020, Special Meeting of December 11, 2020, Infrastructure Retreat of September 30, 2021, Infrastructure Retreat of December 9, 2021, Capital Projects Retreat of March 31, 2022, Work Session of January 10, 2023, Combined Special Meeting/Work Session of January 31, 2023, Work Session of March 28, 2023, Work Session of November 28, 2023, Regular Meeting of December 5, 2023, Budget Retreat of December 14, 2023, Regular Meeting of December 19, 2023, Special Meeting (Executive Session) of March 5, 2024, Special Meeting (Executive Session) of March 12, 2024, Work Session of March 12, 2024, Special Meeting (Executive Session) of March 26, 2024, Special Meeting (Executive Session) of April 2, 2024, Special Meeting (Executive Session) of April 9, 2024, Work Session of April 9, 2024, Special Meeting (Executive Session) of April 16, 2024, Special Meeting (Executive Session) of April 23, 2024, Combined Special Meeting/Work Session of April 23, 2024, Special Meeting (Executive Session) of May 7, 2024, Special Meeting (Executive Session) of May 14, 2024, Special Meeting (Executive Session) of June 4, 2024, Special Meeting (Executive Session) of June 25, 2024, Special Meeting (Executive Session) of July 2, 2024, Special Meeting of August 19, 2024, Special Meeting (Executive Session) of August 26, 2024, Regular Meeting of August 26, 2024, Regular Meeting of September 3, 2024, Work Session of September 10, 2024, and Special Meeting (Executive Session) of September 10, 2024.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to approve the minutes of City Council Special Meeting (Executive Session) of June 21, 2019, Combined Special Meeting/Work Session of June 25, 2019, Work Session of October 29, 2019, Joint City/County Work Session of November 4, 2019, Combined Special Meeting/Work Session of November 12, 2019, Regular Meeting of January 21, 2020, Work Session of January 28, 2020, Budget Retreat of April 23, 2020, Work Session of May 12, 2020, Combined Special Meeting/Work Session of May 26, 2020, Work Session of June 11, 2020, Special Meeting of December 11, 2020, Infrastructure Retreat of September 30, 2021, Infrastructure Retreat of December 9, 2021, Capital Projects Retreat of March 31, 2022, Work Session of January 10, 2023, Combined Special Meeting/Work Session of January 31, 2023, Work Session of March 28, 2023, Work Session of November 28, 2023, Regular Meeting of December 5, 2023, Budget Retreat of December 14, 2023, Regular Meeting of December 19, 2023, Special Meeting (Executive Session) of March 5, 2024, Special Meeting (Executive Session) of March 12, 2024, Work Session of March 12, 2024, Special Meeting (Executive Session) of March 26, 2024, Special Meeting (Executive Session) of April 2, 2024, Special Meeting (Executive Session) of April 9, 2024, Work Session of April 9, 2024, Special Meeting (Executive Session) of April 16, 2024, Special Meeting (Executive Session) of April 23, 2024, Combined Special Meeting/Work Session of April 23, 2024, Special Meeting (Executive Session) of May 7, 2024, Special Meeting (Executive Session) of May 14, 2024, Special Meeting (Executive Session) of June 4, 2024, Special Meeting (Executive Session) of June 25, 2024, Special Meeting (Executive Session) of July 2, 2024, Special Meeting of August 19, 2024, Special Meeting (Executive Session) of August 26, 2024, Regular Meeting of August 26, 2024, Regular Meeting of September 3, 2024, Work Session of September 10, 2024, and Special Meeting (Executive Session) of September 10, 2024.

Vote: 5 - 0 - Unanimously

5. 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.

Dennis Givens addressed Council regarding various issues impacting Flagstaff.

Library Director Linda Tillson addressed Council and introduced new Deputy Director Jennifer Stanonpoulos, who expressed excitement about joining Team Flagstaff and serving the city.

Coleen Maring, Chief People Officer for Northern Arizona Healthcare addressed Council and stated that feedback from the Prop 480 campaign highlighted the need for greater listening and engagement. In response, they were holding small group meetings internally and externally and inviting public participation in focus groups across the region to gather input. They looked forward to ongoing dialogue and sharing updates.

Dick Hingson addressed Council and discussed proposed noise control amendments and concerns related to the Zoning Code, particularly community commercial zoning and the impact of patio bars on nearby homeowners.

Housing Intern Aiden Ruttledge and Housing Program Manager Adriana Fisher addressed Council and recognized Housing America Month and announced upcoming related events.

Candace Ryan addressed Council and expressed disappointment with the Council's stance on the noise ordinance, highlighting the challenges residents face in enjoying peaceful homes.

Eric Wolverton addressed Council and shared updates on workforce affordable housing. He announced that applications were open for the first ten starter homes at Timber Sky. He confirmed that plans remained on track for 20 homes next year and another 20 the following year.

Danielle Adams, Interim Executive Director of the Flagstaff Dark Skies Coalition, addressed Council and thanked them for their participation in recent events and expressed gratitude to the City of Flagstaff for ongoing support. She highlighted the success of maintaining the event as a free community offering.

6. PROCLAMATIONS AND RECOGNITIONS

A. Proclamation: Domestic Violence Awareness Month

Mayor Daggett read and presented the proclamation.

B. Proclamation: Out of the Darkness Suicide Prevention Walk

Mayor Daggett read and presented the proclamation.

7. COUNCIL LIAISON REPORTS

Councilmember Sweet reported that the Beautification and Public Art Commission was working on the Aspen Niche project which was currently under construction and would include bicycle parking facilities in the downtown area.

Councilmember McCarthy provided updates on transportation matters, noting participation in recent Transportation Commission and MetroPlan meetings that week.

Vice Mayor Aslan attended the Verde River Watershed Conference and the Coconino Plateau Water Advisory Council annual field trip, describing both as valuable opportunities for learning and discussion about the Verde Valley and Verde River. He also welcomed the Board of Regents, who

held their meeting in Flagstaff, he highlighted the importance of the relationship-building visit.

Councilmember Matthews toured the Inner Basin with the U.S. Senate Bureau of Indian Affairs committee. She also noted upcoming events, including the Indigenous Peoples' Day celebration on October 14 at the Elks Lodge and Tourism Service Day scheduled for the following day.

Mayor Daggett announced that the Commission on Inclusion and Adaptive Living would participate in the Disability Resources Fair on Saturday at High Country Conference Center. The commission would also lead an accessibility walk from the campus area into downtown.

Blake Whitten submitted written comments about noise issues in Southside.

8. APPOINTMENTS

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

A. **Consideration of Appointments:** Planning and Zoning Commission

Moved by Mayor Becky Daggett, **seconded by** Councilmember Jim McCarthy to appoint Christine Sheehy for a term expiring December 2025.

Vote: 5 - 0 - Unanimously

B. **Consideration of Appointments:** Building and Fire Code Board of Appeals

Moved by Councilmember Miranda Sweet, **seconded by** Mayor Becky Daggett to appoint Jacob Conger for a term expiring October 2026.

Vote: 5 - 0 - Unanimously

9. LIQUOR LICENSE PUBLIC HEARINGS

Applications under Liquor License Public Hearings may be considered under one public hearing and may be acted upon by one motion unless otherwise requested by Council.

Mayor Daggett opened the public hearing on the applications.

Sergeant Nick Almendarez introduced the applications and noted no concerns.

There being no public comment, Mayor Daggett closed the public hearing.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to forward the applications to the state with a recommendation for approval.

Vote: 5 - 0 - Unanimously

A. **Consideration and Action on Liquor License Application:** Jared Michael Repinski, "Kickstand Kafe", 719 N Humphreys Street, Series 12 (Restaurant), New License

B. **Consideration and Action on Liquor License Application:** Jun Yu, "Hunan Restaurant," 1926 N. 4th St., Ste. 8, Series 07 (Beer and Wine Bar), Owner Transfer

C. **Consideration and Action on Liquor License Application:** Lauren Mosier, "Embassy Suites Flagstaff," 706 S. Milton Rd, Series 06, Owner Transfer

10. 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.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to approve the Consent Agenda as presented.

Vote: 5 - 0 - Unanimously

A. **Consideration and Approval of Contract:** Fourth Amendment to the Construction Manager at Risk (CMAR) Construction Services Agreement with Eagle Mountain Construction, Inc. for the Spruce Wash Flood Mitigation Suite of Projects to add Guaranteed Maximum Price (GMP) 4.

1. Approve the Fourth Amendment to the CMAR Construction Services Agreement with Eagle Mountain Construction, Inc. for the Spruce Wash Mitigation Suite of Projects to include GMP 4 in the amount of $1,949,943.54 and adding 0 days to the contract duration; and
2. Approve an Owner's Contingency of $75,000.00, which is approximately 6% of GMP 4; and
3. Authorize the City Manager to execute the necessary documents.

B. **Consideration and Approval of Contract:** Ratify the Project Partnership Agreement with the Department of the Army for Killip School Regional Detention Basin Inlet Project

Ratify the Project Partnership Agreement between the Department of the Army and the City of Flagstaff for Design and Constructin Assistance for the Killip School Regional Detention Basin Inlet Project in the amount of $1,500,000.

C. **Consideration and Approval of Contract:** Ratify the Agreement with the USDA, Forest Service for the Spruce Wash, Wedge Detention Basin

Ratify the Agreement between the USDA, Forest Service Southwestern Region, Coconino National Forest and the City of Flagstaff for the Spruce Wash, Wedge Detention Basin in the amount of $3,500,000.

D. **Consideration and Approval of Proprietary Purchase:** Purchase of Saf-T-Chlor dry sodium chlorite water treatment chemicals from CDG Environmental in an amount not to exceed $200,000, annually.

1. Approve the Purchase of Saf-T-Chlor dry sodium chlorite water treatment chemicals from CDG Environmental, LLC in an amount not to exceed $200,000, annually; and
2. Authorize the City Manager to execute all necessary documents.

E. **Consideration and Approval of Contract:** Cooperative Purchase Contract with Courtesy Chevrolet in the amount of $55,631.64, for the purchase of one (1) Chevrolet 2500 Silverado WT for Facilities.

1. Approve the contract with Courtesy Chevrolet for the purchase of one (1) Chevrolet Silverado 2500 WT in the amount of $ 55,631.64 for Facilities; and
2. Authorize the City Manager to execute the necessary documents.

11. PUBLIC HEARING ITEMS

A. **Consideration and Adoption of Resolution No. 2024-37 and Ordinance No. 2024-22:** 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 entitled "PZ-24-00008 -- Concept Plan Review, Accessory Structures, Accessory Uses, Home Occupations, and Basement, Basement Garages,

Building Stem Walls, Crawl Spaces and Podium Parking" and an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code.

Mayor Daggett opened the public hearing.

Zoning Code Manager Tiffany Antol provided a PowerPoint presentation that covered the following:

ZONING CODE AMENDMENT MISCELLANEOUS
CITY'S PROPOSED ZONING CODE TEXT AMENDMENT
OVERVIEW OF PROPOSED AMENDMENT
STAFF RECOMMENDATION
FINDINGS
RECOMMENDATION

Councilmember McCarthy acknowledged receipt and appreciation of the responses to a list of questions he sent over the weekend.

Councilmember Matthews expressed support for efforts to simplify the process for developers to bring in housing and commended the work involved in the initiatives.

Mayor Daggett noted that some communities in Arizona did not permit Accessory Dwelling Units (ADUs). Ms. Antol highlighted that many cities prohibited ADUs and emphasized the opportunity for Flagstaff to be an outstanding model.

There being no public comment, Mayor Daggett closed the public hearing.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to read Resolution No. 2024-37 by title only.

Vote: 5 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "PZ-24-00008 -- CONCEPT PLAN REVIEW, ACCESSORY STRUCTURES, ACCESSORY USES, HOME OCCUPATIONS, AND BASEMENT, BASEMENT GARAGES, BUILDING STEM WALLS, CRAWL SPACES AND PODIUM PARKING"

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2024-22 by title only for the first time.

Vote: 5 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "PZ-24-00008 -- CONCEPT PLAN REVIEW, ACCESSORY STRUCTURES, ACCESSORY USES, HOME OCCUPATIONS, AND BASEMENT, BASEMENT GARAGES, BUILDING STEM WALLS, CRAWL SPACES AND PODIUM PARKING"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

B. Consideration and Adoption of Resolution No. 2024-38 and Ordinance No. 2024-23: 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 entitled "PZ-24-00010 - Zoning Map Amendment Process" and an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code

Mayor Daggett opened the public hearing.

Zoning Code Manager Tiffany Antol provided a PowerPoint presentation that covered the following:

ZONING CODE AMENDMENT SECTION 10-20.50.040 ZONING MAP AMENDMENT PROCESS
CITY'S PROPOSED ZONING CODE TEXT AMENDMENT
OVERVIEW OF PROPOSED AMENDMENT
STAFF RECOMMENDATION
FINDINGS
RECOMMENDATION

Mayor Daggett raised a question about how items submitted during the summer break were handled and assumed internal discussions had taken place on the matter. Ms. Antol responded that the process would need to be determined.

There being no public comment, Mayor Daggett closed the public hearing.

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to read Resolution No. 2024-38 by title only.

Vote: 5 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "PZ-24-00010 -- ZONING MAP AMENDMENT PROCESS"

Councilmember McCarthy asked what would happen if the Council did not meet the state-imposed deadline.

Ms. Antol explained that the law went into effect regardless of Council action. If the city did not take action, a zoning request would still be approved by default, although it would not officially amend the zoning code. She clarified that while the Council was still required to go through the formal process, when local zoning regulations conflict with state law, the state law prevails.

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to read Ordinance No. 2024-23 by title only for the first time.

Vote: 5 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "PZ-24-00010 -- ZONING MAP AMENDMENT PROCESS"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

C. **Consideration and Adoption of Resolution No. 2024-39 and Ordinance No. 2024-24:** 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 entitled "PZ-24-00134 - Accessory Dwelling Units" and an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code.

Mayor Daggett opened the public hearing.

Zoning Code Manager Tiffany Antol provided a PowerPoint presentation that covered the following:

ZONING CODE AMENDMENT SECTION 10-40.60.030 ACCESSORY DWELLING UNITS
HOUSE BILL 2720
ACCESSORY DWELLING UNITS
OVERVIEW OF PROPOSED AMENDMENT
STAFF RECOMMENDATION
FINDINGS

RECOMMENDATION

Councilmember Matthews raised concerns about equity, noting that not all residents could afford to build an ADU. Ms. Antol responded that it was a valid concern, particularly for individual homeowners working through a mortgage. She noted the importance of considering city incentives to support ADU development and mentioned discussions around offering model building plans to assist homeowners.

Councilmember Matthews added that while affordability was an issue, the ADU program being developed by the Sustainability Division may help reduce costs. She also emphasized that affordability concerns should not lead to eliminating the option entirely.

Councilmember McCarthy asked about the concern regarding the removal of parking requirements and whether that change was based on state legislation. Ms. Antol confirmed that it was, and the city did not have the authority to alter that provision.

Mayor Daggett expressed concern that the legislative changes took away elements the Council had strongly advocated for, especially related to short-term rentals (STRs). Ms. Antol clarified that while some state requirements override local controls, the provision requiring owner occupancy was still in place.

Councilmember Matthews emphasized that, regardless of Planning and Zoning Commission opinions or Council preferences, the amendment was mandated by state law, limiting local flexibility. Ms. Antol noted that the city did slightly diverge from state rules by maintaining an 800-square-foot cap.

Mary Norton, Vice Chair of the Planning and Zoning Commission but speaking personally, expressed full support for ADUs and praised Flagstaff's leadership. She acknowledged the benefits of pre-approved building plans but criticized the new state law for removing local oversight. She highlighted potential issues in historic districts and urged the Council to provide feedback to state representatives.

Tyler Denham spoke in favor of the ordinance, particularly the removal of parking requirements. He noted that the Regional Plan and 10-Year Housing Plan already called for revisiting such requirements. He referenced similar reforms in California, which led to a 10% increase in ADU construction, and suggested that the changes could significantly boost ADU production, especially in more restrictive cities.

There being no further public comment, Mayor Daggett closed the public hearing.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to read Resolution No. 2024-39 by title only.

Vote: 5 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "PZ-24-00134 -- ACCESSORY DWELLING UNITS"

Moved by Councilmember Jim McCarthy, **seconded by** Vice Mayor Austin Aslan to read Ordinance No. 2024-24 by title only for the first time.

Vote: 5 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "PZ-24-00134 -- ACCESSORY DWELLING UNITS"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

12. REGULAR AGENDA

A. ~~**Consideration and Adoption of Resolution No. 2024-42 and Ordinance No. 2024-25:** A resolution of the Flagstaff City Council declaring as a public record that certain document filed with the City Clerk and entitled "Noise Control Amendments" and an ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 6, Police Regulations, Chapter 6-08, Noise Control, by adopting by reference that certain document entitled "Noise Control Amendments"; providing for repeal of conflicting ordinances, severability, authority for clerical corrections, and establishing an effective date.~~

ITEM REMOVED FROM THE AGENDA

13. DISCUSSION ITEMS

A. **Discussion and Direction:** Regional Plan modification to allow the option to provide water and sewer service outside Urban Growth Boundary upon City of Flagstaff Council approval.

Mr. Clifton explained that the item was originally placed on the agenda as a placeholder due to uncertainty about its advancement within the Regional Plan planning efforts. Since then, it had been reviewed by the Water Commission and the Regional Planning Committee. Both groups, along with staff and legal counsel, had expressed consensus and support for the proposal. While Council discussion was welcome, it may not be necessary given the broad agreement.

Councilmember McCarthy asked whether the proposal, if implemented, would grant anyone outside the urban growth boundary access to city water and sewer services. Comprehensive Neighborhood Planning Manager Sara Dechter clarified that property owners outside the urban growth boundary could request service, but each request would still go through the city's existing review process.

Councilmember McCarthy noted that retaining a city approval process made sense. Water Services Director Shannon Jones confirmed that the intention was to allow a clear but controlled process for such requests.

Mayor Daggett inquired whether the change would eliminate the need for a major plan amendment. Ms. Dechter responded that while it may remove the requirement for a major plan amendment, a minor plan amendment could still be necessary if the property use was changing.

Mayor Daggett also raised concerns about extending services outside corporate limits, particularly within or beyond the urban growth boundary. Mr. Clifton clarified that much of the urban growth boundary fell within city corporate limits. The proposal would allow, through a formal process, the extension of water and wastewater services beyond the urban growth boundary but still within city limits. Ms. Dechter added that any request outside the urban growth boundary would require review by the Water Commission and City Council.

Mayor Daggett asked about service maintenance responsibilities and whether additional charges would be imposed or included in the Capital Improvement Plan. Mr. Jones responded that if infrastructure was already in place, property owners or developers would be responsible for infrastructure extension costs. Ongoing maintenance would follow the same procedures as properties currently served within the system.

Mayor Daggett mentioned watching the Regional Planning meeting and noted limited opposition, though there were some questions regarding the urban growth boundary, corporate boundaries, and property taxes. Mr. Jones confirmed that those types of questions were expected and would be addressed as part of Council's review process.

14. FUTURE AGENDA ITEM REQUESTS

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

A. **Future Agenda Item Request (F.A.I.R.):** A Citizens' Petition titled "Jack Welch Memorial Bridge at Picture Canyon"

Karen Malis-Clark requested Council support to name a bridge in honor of Jack Welch and explained the significance of the proposal.

Paul Beier spoke in favor of the petition, highlighting Jack's legacy and his contributions to the Flagstaff community.

Open Space Supervisor Robert Wallace noted that the group had consulted with Open Space staff, who would continue to advance the request through the appropriate process and return to the Council with a formal recommendation.

Mike Calacariv submitted a written comment in support of the request.

There was requisite Council support to advance the item to a future agenda for discussion.

15. OPEN CALL TO THE PUBLIC

None

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

Vice Mayor Aslan commended Danielle on her recent involvement with the Dark Sky Alliance, expressing pride in having played a role in the development of the new position. He reflected on early discussions with Chris Luginbill about the future of the Dark Sky Coalition and noted it was rewarding to see the new evolution of the Dark Sky Alliance coming to fruition. He also raised concern about the recent number of pedestrian train-related fatalities, with five incidents in the past month or two, urging the need for further discussion and action to address pedestrian safety near railways. He requested a FAIR for a Council discussion.

Mayor Daggett shared that she had inquired about the pedestrian incidents as well and that a presentation from Engineering was being planned to discuss possible solutions.

Councilmember McCarthy acknowledged that it was the 100th birthday of former President Jimmy Carter and wished him a happy birthday.

Councilmember Sweet reported participating in a large meeting and tour with the Natural Resources Conservation Service (NRCS) to discuss flood mitigation efforts. She also attended the ribbon cutting for the Inner Basin project and the Firefighter graduation ceremony. She thanked Joshua and the Police Department for their support in recovering her stolen bicycle, noting that officers went above and beyond their call of duty.

Mayor Daggett also attended the NRCS meeting and tour, stating that the progress on flood mitigation projects was impressive. She spoke at NAU's "Lumberjack Thrives" alumni event and had a positive visit to Levitate Adventure Park. Additionally, she met with the U.S. Interagency Council on Homelessness alongside Housing Director Sarah Darr. She praised Ms. Darr's deep knowledge of housing policies and expressed appreciation for her leadership in housing discussions.

Mr. Clifton announced that the noise ordinance had been temporarily removed from the agenda to allow more time for thorough vetting and public input. It would return for Council consideration soon.

17. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held October 1, 2024, adjourned at 4:50 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 1, 2024. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL WORK SESSION
TUESDAY, OCTOBER 8, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the meeting of the Flagstaff City Council held October 8, 2024, to order at 3:02 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for 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

Present:	Becky Daggett, Mayor Austin Aslan, Vice Mayor Deborah Harris, Councilmember Lori Matthews, Councilmember Jim McCarthy, Councilmember Miranda Sweet, Councilmember
Absent:	Khara House, Councilmember

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

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

Nadine Hart addressed Council and spoke about traffic concerns around the high school.

Eva Putzova addressed Council and spoke about the Palestine/Israel conflict.

Michael Wells addressed Council regarding the need for sound barriers along I-40 and requested information on how to pursue their installation.

Water Services Program Manager Tamara Lawless announced that Flagstaff received the EPA WaterSense Partner of the Year Award, becoming the first utility in Arizona to earn this top honor. She highlighted the significance of the award in recognizing water efficiency and product performance, and thanked the EPA, city leadership, and the community for their ongoing support of water conservation.

Laura Franke addressed Council and spoke about the Palestine/Israel conflict.

Catherine Jadin addressed Council and spoke about the Palestine/Israel conflict.

5. **Review of Draft Agenda for the October 15, 2024 City Council Meeting**

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

None

6. **Proclamation:** Indigenous Peoples' Day

Councilmember Matthews read and presented the proclamation.

7. **Proclamation:** Housing America Month

Councilmember Sweet read and presented the proclamation.

8. **Proclamation:** Disability Awareness Month

Mayor Daggett read and presented the proclamation.

9. **Presentation from Commission on Inclusion and Adaptive Living for On-Demand Wheelchair Accessible Vehicles (WAV)**

Communication and Civic Engagement Director Stacy Saltzburg introduced the Chair of the Commission on Inclusion and Adaptive Living Rachael Simukonda along with Anne Huffman and Estella Hollander who provided a PowerPoint presentation that covered the following:

WHAT IS WAV?
WAV -- WHEELCHAIR ACCESSIBLE VEHICLE
OUR ASK
WHAT WE KNOW
EXCERPTS FROM LETTER OF SUPPORT
PROGRESS

OBSTACLES TO OVERCOME

Vice Mayor Aslan began by thanking everyone for their focus on the gap in WAV transportation and bringing the issue to Council's attention. He shared a concerning incident where a person trying to access a WAV fell out of their wheelchair. He emphasized that if housing was considered a right in Flagstaff, then mobility should also be viewed as an entitlement and right, since anyone could suddenly face a medical condition that immobilized them. The conversation was about taking care of each other. He then asked if rideshare companies were aware of the inequities in their service regarding accessibility.

LaRaina Reyes from Mountain Line responded that it had been difficult to get meaningful feedback or communication from the rideshare organizations. One challenge was that operators used their own personal vehicles, which complicated providing accessible options.

Ms. Huffman noted that the Uber and Lyft apps in the valley do offer a WAV option.

Vice Mayor Aslan wondered if those companies had an obligation to address the gap in service and suggested that advocating for WAV services be included in the City's legislative agenda.

Ms. Reyes mentioned that there was a bill in California related to taxi services and accessibility.

Councilmember Matthews asked how far in advance paratransit rides needed to be scheduled. Ms. Hollander replied that riders must call by 5 p.m. the day before to schedule. Ms. added that scheduling in advance did not guarantee that someone would get their preferred time and sometimes riders had to adjust their own schedules to fit paratransit availability.

Councilmember Sweet asked if the Board of Mountain Line was actively looking for partnerships to address the challenges. Ms. Hollander said the challenge was finding a willing partner; there had been little interest in purchasing or assisting with vehicle acquisition. Councilmember Sweet followed up, asking if they were actively seeking partners. Ms. Hollander confirmed they were, noting that it was a roughly three-and-a-half-year project and that they were open to ideas and contacts.

Councilmember Sweet expressed hope that someone willing to partner would emerge.

Mr. Martinez emphasized how quickly mobility could change for someone, and that access to quality community transportation services, especially WAV, would make a huge difference.

Councilmember Harris inquired about liability insurance for Uber and Lyft drivers using their personal cars and whether the companies covered that. Ms. Simukonda responded that while drivers must have insurance, it was solely their responsibility.

Councilmember Harris mentioned she sometimes saw medical transport vehicles in town and asked if that company had been approached for partnership. Ms. Simukonda stated that it was a company out of Phoenix, and they had been approached about a possible partnership.

Councilmember Matthews acknowledged that nighttime service options were limited and that it was a real challenge. She asked if Mountain Line's fleet was at full capacity or if there was room to add vehicles. Ms. Hollander said they had some ability to add capacity as needed, with eight vans currently in service working to meet demand.

Councilmember McCarthy shared that when his wife was unable to drive, Mountain Line service worked well, though he recognized the need for improvement. He suggested that expanding service through Mountain Line and medical transport companies seemed like the most viable options. Funding remained the obvious hurdle, though Mountain Line did receive grants and other support. Collaborating with those providers to find funding might be the way forward.

Mayor Daggett noted that the county offers limited transportation services for elderly residents, which did not address this issue. She asked if Mountain Line would have restrictions in providing broader service if funding and staffing were not issues.

Ms. Hollander explained that federal funding came with many rules and restrictions. Without those federal funds, they could explore more flexible funding options and potentially expand services.

Mayor Daggett concluded by expressing general support for addressing this mobility gap and expressed interest in connecting further to explore solutions. She thanked the speakers for bringing the issue forward, and recognized it as a significant and previously underappreciated area of transportation need.

Andy Fernandez addressed Council with comments about Mountain Line.

10. John Wesley Powell Project Update

Capital Improvements Project Manager David Pedersen and Planning Director Michelle McNulty provided a PowerPoint presentation that covered the following:

JWP EXTENSION PROJECT UPDATE
VICINITY MAP
BACKGROUND
J.W. POWELL BLVD STUDY AREA

Council briefly discussed the Arizona Trail and how it integrated with the project.

FINANCIAL
DEVELOPMENT AGREEMENT
TRAILS, WILDLIFE, AND OPEN SPACE
JWP SPECIFIC PLAN
J.W. POWELL BLVD PROPOSED ALIGNMENTS

Councilmember Harris mentioned the possible need for a school and asked about being in contact with Flagstaff Unified School District (FUSD). She inquired how that process worked and whether FUSD was responsible.

Ms. McNulty explained that part of the process was identifying if there was a need from the population moving into the area for an additional school. Currently, FUSD had indicated they did not see the need for a new school in the area, as the numbers did not support it. However, if that changed during the planning process it would definitely be part of the project to identify where a school could be located if needed.

Councilmember Matthews asked if, when the project came back to Council in June, the plan was to present the final agreement on the road alignment and other things that had been in discussion for years.

Mr. Pedersen responded that he was optimistic that there would be a lot to present but noted that some things move quickly and others more slowly, so he was hesitant to commit to anything specific.

11. Beulah/University Realignment Project Update

Capital Improvements Project Manager David Pedersen provided a PowerPoint presentation that covered the following:

BEULAH/UNIVERSITY REALIGNMENT PROJECT
VICINITY MAP
PROJECT HISTORY
PROJECT SCHEDULE
PROJECT OVERVIEW -- BEFORE & AFTER
BEULAH BLVD PEDESTRIAN CROSSING PHOTOS
PROGRESS

Vice Mayor Aslan stated that it was great to watch the progress happen and gave a shout out to Adam Shimoni for his influence on some of the modifications around bike and pedestrian safety. He then asked if Mr. Pedersen could speak more about landscaping and beautification. Mr. Pedersen responded that the line item for landscaping was about $1 million. He explained that black cinders were selected to help with aesthetics based on the results from winter. He also noted that there were certain approved plants for use, which made the process very complex. The subcontractor responsible for landscaping was doing a great job with species selection, line-of-sight considerations, and other factors.

12. Discuss the proposed expansion of the Community Homebuyer Assistance Program (CHAP) to incorporate bond funds resulting from Proposition 442

Assistant Housing Director Justyna Costa introduced Housing Planner Jessica Donohoe who provided a PowerPoint presentation that covered the following:

PROPOSED BOND-FUNDED HOMEBUYER ASSISTANCE PROGRAM
MEETING PURPOSE
HOUSING COMMISSION BRAINSTORM 01/25/2024
CURRENT COMMUNITY HOMEBUYER ASSISTANCE PROGRAM,
ELIGIBILITY CRITERIA
FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION (FMPO) MAP
CURRENT CHAP CRITERIA

Councilmember Matthews asked about the maximum ratios, specifically the 35% housing figure, and wanted to know what it represented. Ms. Costa responded that it was a range developed in collaboration with Housing Solutions of Northern Arizona.

SUCCESS OF CHAP UPDATES
AFFORDABILITY ANALYSIS FOR 80-150% AMI (2024)
LACK OF SUPPLY UNDER $550,000
WHAT IS CURRENTLY AVAILABLE
CURRENT VS PROPOSED ELIGIBILITY CRITERIA
CURRENT VS PROPOSED CHAP CHANGES
EXAMPLE OF SHARED APPRECIATION FORMULA (% OF ASSISTANCE)
SCENARIOS
PROPOSED PERMANENT AFFORDABILITY OPTION -- PILOT
NEXT STEPS

Councilmember Matthews asked about the current definition related to home ownership, specifically why the proposal was changing the requirement from the FMPO boundary and the rule about not owning a home in the last three years. Housing Director Sarah Darr explained that previously, people had to wait the full three years, which was something they wanted to address. The updated requirement still included a one-year work or live residency in Flagstaff before qualifying. Another qualifier was that applicants could not own a second home.

Councilmember Matthews inquired about the number of households they hoped to serve as referenced in the election materials. Ms. Darr confirmed there were initial estimates, but those were based on very different market conditions.

Councilmember Matthews noted that with $200,000 allocated for permanent affordability, if they originally committed to 500 homes but were only serving 35, that needed consideration. Ms. Darr said she did not anticipate a large number of people would be interested in permanent affordability. She described it as a pilot program, and while unsure how it would work in Flagstaff, the city's investment in the land should grow over time. When homes were sold, the city could recoup funds and reutilize them.

Councilmember Harris asked if the program involved loans. Ms. Darr replied no, the city purchased the land, so the value remained with the municipality.

Councilmember Harris asked if homeowners could sell their homes. Ms. Darr explained that under the land trust model, resales occurred regularly. The city continued to own the land under the home, and the home must be sold to a qualified household. If a non-qualified person purchased it, the city charged market-rate rent for the land.

Councilmember Harris asked for clarification about equity, if someone qualified for assistance, lived in the home for five years, could they sell it for more than they paid. Ms. Darr said the resale formula was appraisal-based and considered how the homeowner cared for the home. The homeowner walked away with whatever equity was built over time, balancing risks and rewards.

Councilmember Sweet complimented the housing team for their innovation and expressed excitement about the pilot program.

Mayor Daggett thanked the team and shared feedback from a homeowner using CHAP, who mentioned it would be helpful to refinance to take equity out to build an ADU without repaying everything immediately. She asked if this had been considered. Ms. Darr said typically the policy had been that the community was paid first, but the ADU issue had surfaced as something they could explore further.

Andy Fernandez addressed Council speaking in opposition.

13. Discussion of possible revisions to the Nuisance Noise Ordinance

Senior Deputy City Manager Shannon Anderson and Senior Assistant City Attorney Marianne Sullivan provided a PowerPoint presentation that covered the following:

NUISANCE NOISE ORDINANCE
UPDATES

Candace Ryan addressed Council regarding a noise ordinance issue that also involved zoning. She explained that it was both a zoning and noise ordinance problem, she pointed out comparisons between businesses on the north side of the tracks. Although the Tavern fell under a bar classification, it did not operate as a typical bar. She shared that after years of research on how to address it, she noted that standard quiet hours were 10:00 p.m. Monday through Thursday. She mentioned her home was upgraded before purchase, while the tavern, built in the 1930s, may not be constructed to handle the noise. Without decibel measurements, officers needed another way to determine nuisance. She expressed frustration that six years of inaction had caused people to move and that residents had been bullied. Councilmember McCarthy asked what time Ms. Ryan's family typically went to bed. Ms. Ryan replied that her daughter slept around 8:00 p.m., and the rest of the family around 9:00 p.m.

Matthew Dyer addressed Council and thanked them for revising the times in the ordinance but stressed that more could be done to avoid wasting resources. He noted that Friday and Saturday sales accounted for about 48% of revenue, and those hours were crucial to his business. He said the community focus had centered on one business and that he felt personally attacked. Councilmember Matthews referenced the tavern's business model changes. Mr. Dyer explained that Craig Bouchard bought the business in 2020 and that they had been trying to accommodate. He noted uncertainty about the Tavern's history, saying it used to be more of a restaurant/bar.

Blake Whitten addressed Council and spoke about the September meeting, stating he wanted to rent his home but was unable due to zoning issues separate from the noise ordinance. He requested enforcement of zoning and warned he would seek legal counsel for economic damages if the city failed to act, mentioning the nightclub business model.

Councilmember McCarthy observed that there was no noise issue for years but that problems began when the business model shifted to a bar.

Ms. Ryan noted that before their purchase it was Cafe Ole, and it was more of a tavern that had since shifted to a nightclub.

Councilmember McCarthy added that a year ago, another bar with a rooftop area was a much worse noise problem, emphasizing that the issue is not just with one business but multiple.

Vice Mayor Aslan asked if the legal language around "pervasive" noise was included in the ordinance and wanted to ensure it was not too narrowly defined.

Ms. Sullivan confirmed that the draft ordinance used the dictionary definition of pervasive, noting that if not defined in statute, judges defaulted to the common dictionary meaning.

Vice Mayor Aslan said he did not love the definition but was willing to work with it. He stated the language matched what was hoped for in the last ordinance draft and cautioned against litigating a specific incident instead of applying it citywide. He supported trying the language and believed it gave police discretion to interpret what was reasonable.

Mayor Daggett asked why there were two different zoning designations--commercial on one side and community commercial (CC) on the other. Community Development Director Dan Folke said he would need to research the history but noted that zoning often reflected permitted uses and varying intensities.

Councilmember Sweet requested more information about the zoning differences and noted that other cities faced similar challenges. She shared she visited the Southside Tavern and Ms. Ryan's residence and observed mitigation measures like sound blankets and foam blocks that absorbed noise. She suggested considering grants for sound mitigation and noted businesses with live music valued their hours. Ultimately, she emphasized the importance of being good neighbors and exploring solutions.

Councilmember Matthews expressed hope for a win-win concession, recognizing that irritants would persist in the area due to its long history and college student population. She pointed out that decisions would impact downtown housing growth.

Councilmember McCarthy remarked he did not know why the zoning changed to community commercial but that it encouraged compatible residential and commercial use. He suggested revising the definition of "pervasive" noise to be "present or felt in areas of a property used by the occupant."

Mr. Solomon cautioned against limiting the definition to areas used by the occupant, as it could be exploited.

Ms. Sullivan advised that if Council wanted to adopt a definition, it should say "present or felt in any areas throughout the property."

Vice Mayor Aslan noted that Councilmember McCarthy's definition narrowed the scope, while the current language allowed a broader appeal.

Mr. Solomon recommended keeping the current language, explaining that judges and juries interpret such terms variably, and leaving it open to interpretation was preferable.

Councilmember Harris confirmed that Ms. Ryan's house had been remodeled before purchase, including new insulation, dual-pane windows, and higher fencing. She expressed concern about returning to the issue and emphasized the need to be good neighbors. She reminded Council that the zoning allowed for both residential and business uses and that residents had a right to rental income just as businesses had a right to operate. She supported moving forward with the proposed ordinance.

Councilmember Matthews added that CC zoning was changed in 2011 and suggested a session to explore grandfathering of existing businesses.

Mr. Folke confirmed that bars and taverns were permitted in all commercial zones.

A majority of Council did not support Councilmember McCarthy's proposed language changes.

Councilmember McCarthy suggested adding "disturbance of the peaceful enjoyment or slumber of

another person."

Mr. Solomon explained that peaceful enjoyment already included slumber.

Mayor Daggett supported the inclusion, noting that sleep was a crucial aspect of peaceful enjoyment.

Vice Mayor Aslan preferred staff's recommended language and opposed further changes.

The majority of Council opposed Councilmember McCarthy's proposed language.

Councilmember McCarthy asked about the meaning of "extended period" noise, referencing Tucson's ordinance defining it as 15 minutes. He proposed defining the period as 15 minutes.

Councilmember Harris asked why no specific time was included. Ms. Sullivan said the term is dictionary-defined but could be changed to include a time limit.

Mayor Daggett questioned how a judge would view a citation involving a specific time period, noting that terms like "continuous" or "sustained" were broad. Ms. Sullivan said proving a 15-minute noise period would be necessary with such a limit.

Vice Mayor Aslan was satisfied leaving interpretation to judges and wary of limiting judicial discretion. Councilmember Harris agreed.

A majority of Council did not support Councilmember McCarthy's proposed time definition.

Councilmember McCarthy proposed that quiet hours be 10:00 p.m. Sunday through Thursday and midnight Friday and Saturday.

Mayor Daggett acknowledged the difficulty of the issue and asked Mr. Dyer if later hours were dependent on music. Mr. Dyer said without music patrons would not come and that losing the 10:00 p.m. to 2:00 a.m. hours would threaten his business.

Councilmember Matthews asked if the CC zoning included many houses, citing San Francisco between Cottage and Butler.

Mr. Folke said CC zones were mixed-use with many residences converted to businesses.

Councilmember Harris mentioned that south of Butler had mostly housing and few businesses and cautioned against blaming business closures solely on music or zoning issues.

Councilmember Matthews referred to "death by a thousand cuts," acknowledging multiple factors impacted businesses.

Councilmember McCarthy said bars could succeed without open patios or noise that disturbed neighbors.

Mayor Daggett noted eagerness to move past the issue, supporting staff's language but remained open to future adjustments if needed.

The majority of Council directed staff to move forward with the proposed changes and Option B regarding civil penalties.

14. Open Call to the Public

Andy Fernandez addressed Council and spoke on various items.

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

Councilmember Sweet shared that she would be attending the upcoming Indigenous Peoples' Day

celebration on Monday. She also expressed that she was open to continued discussions surrounding the noise issue.

Councilmember Matthews added that she would also be attending the Indigenous Peoples' Day celebration, joining in the community's observance.

16. Adjournment

The Work Session of the Flagstaff City Council held October 8, 2024, adjourned at 6:30 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, OCTOBER 15, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held October 15, 2024, to order at 3:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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.

PRESENT:	ABSENT:
MAYOR DAGGETT	
VICE MAYOR ASLAN	
COUNCILMEMBER HARRIS	
COUNCILMEMBER HOUSE	
COUNCILMEMBER MATTHEWS	
COUNCILMEMBER MCCARTHY	
COUNCILMEMBER SWEET	

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

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

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

Dennis Givens addressed Council and shared his recent experience participating in a ride-along with the Police Department and encouraged others to do the same. He also addressed ongoing housing challenges in the community.

Colleen Maring, Chief People Officer for Northern Arizona Healthcare, addressed Council and provided updates from Northern Arizona Healthcare and expressed appreciation for the Council's support of the Out of the Darkness walk. She highlighted upcoming Indigenous Peoples' Day events and invited councilmembers to attend the Courage and Care event for Breast Cancer Awareness Month, which will feature specialized providers speaking on education and awareness topics.

5. PROCLAMATIONS AND RECOGNITIONS

A. October Work Anniversaries

Deputy City Manager Joanne Keene highlighted those employees with work anniversaries in October.

6. COUNCIL LIAISON REPORTS

Councilmember Matthews shared that the city celebrated its first official Indigenous Peoples' Day holiday, describing it as a highly attended event focused on reflection, learning, and community.

Councilmember Harris also attended the Indigenous Peoples' Day celebration and found it both enjoyable and informative, particularly noting the presentation by Indigenous business owners and their suggestions for how the city can support their growth.

Councilmember Sweet noted several upcoming meetings, including Mountain Line Technical Advisory Committee, the Rural Transportation Summit, and the Water Commission.

Councilmember House attended the "push-in" ceremony for the new fire truck, sharing how fun it was and mentioning recent fire academy graduates. She also noted that October was Housing America Month and planned to participate in online discussions on workforce housing. She shared that the Commission on Diversity Awareness meeting was scheduled for the next day and hoped to increase city involvement in the Martin Luther King Day celebration.

Mayor Daggett announced the upcoming Flagstaff Housing Authority meeting that week.

7. LIQUOR LICENSE PUBLIC HEARINGS

Applications under Liquor License Public Hearings may be considered under one public hearing and may be acted upon by one motion unless otherwise requested by Council

A. **Consideration and Action on Liquor License Application:** Andrea Dahlman Lewkowitz, "Home 2 Suites/Tru Flagstaff" 3451 Lake Mary Rd, Series 07 (Beer and Wine Bar), New Application

Mayor Daggett opened the public hearing on the applications.

Sergeant Nick Almendarez introduced the applications and noted no concerns.

There being no public comment, Mayor Daggett closed the public hearing.

Moved by Councilmember Khara House, **seconded by** Councilmember Jim McCarthy to forward the application to the state with a recommendation for approval.

Vote: 7 - 0 - Unanimously

B. **Consideration and Action on Liquor License Application:** Jeffrey Miller, "Baddies Food Joint", 409 S San Francisco St, Series 12 (Restaurant), New License

Mayor Daggett opened the public hearing.

City Clerk Stacy Saltzburg clarified that while a related Series 6 bar license application had also been submitted, it was not yet ready for Council review and would come forward in the coming weeks. She noted that the Council would ultimately provide two separate recommendations and that while a public objection had been received, it referenced the Series 6 license but was clarified to apply to both. She emphasized that the current recommendation should focus solely on the Series 12 application.

Sergeant Nick Almendarez reviewed his report and findings.

Olivia Gillette addressed Council and spoke in opposition of the application, citing concerns based on her hospitality experience, including underage serving, drug sales, and other safety issues.

Anthony Miele addressed Council and opposed the application, raising concerns about management practices and underage drinking.

Arhlyn Johnson addressed Council and expressed opposition, speaking to concerns regarding sanitation at the establishment.

Chris Caterinicchio emphasized that past violations occurred under a former owner and expressed frustration with enforcement. He encouraged the city to push the state for stricter oversight.

Arhlyn Johnson also submitted written comments in opposition of the application.

There being no further public comment, Mayor Daggett closed the public hearing.

Vice Mayor Aslan acknowledged the concerns and reminded attendees that the Council's role was to make a recommendation, while the State ultimately determined whether to issue the license.

Mayor Daggett re-opened the public hearing to allow additional discussion.

Applicant Don Hulen addressed the Council, explaining that in his 12 years of holding liquor licenses, he had only one violation and had since implemented ID scanners. He stated that he took over operations at the Southside Tavern and prioritized creating a safe environment. He mentioned specific efforts, such as staff tasked with ensuring the safety of patrons, especially women. He also noted that the majority of his staff remained with him and that former employees who spoke against the application were upset and spreading misinformation. Mr. Hulen expressed confidence in the legitimacy of his business and said he had maintained good communication with the State Liquor Department.

Councilmember McCarthy questioned why, despite many reports of violations, action had not been

taken by the state or city. He specifically asked about a reported incident involving a patron falling. Mr. Hulen responded that the individual had been denied service when they returned later in the night and reiterated that violations were taken seriously.

Councilmember McCarthy also referenced a letter from a competitor recommending denial and asked for a response. Mr. Hulen stated that some complaints were motivated by competition and reiterated that he would not risk his business over liquor violations.

Sergeant Almendarez reported that in 2024, there were 122 police records associated with the location. He clarified that each report was forwarded to the State Liquor Department. He explained that while police send reports to the State, enforcement and follow-up were handled by the liquor board.

Mayor Daggett inquired further about how reports translated into citations. Sergeant Almendarez explained that each incident was investigated independently and that citations depended on the actions taken by responding officers.

With no additional comments, Mayor Daggett closed the public hearing.

Councilmember House expressed concern about the license given the testimony and evidence presented. While leaning toward recommending denial, she noted the complexity of the issue and urged caution.

Councilmember Matthews stated that many of the issues raised did not relate directly to the liquor license and emphasized the need for more information before making a final decision.

Councilmember Harris echoed concern and encouraged those with complaints to pursue them with the appropriate authorities.

Councilmember McCarthy initially moved to recommend further investigation but, following legal clarification from City Attorney Sterling Solomon that such action must come from the Liquor Board, he withdrew the motion.

Councilmember McCarthy concluded that while there was enough cause for concern, the Council's recommendation may not ultimately impact the State's decision.

Moved by Councilmember Khara House, **seconded by** Councilmember Deborah Harris to forward the application to the state with a recommendation for denial based on the testimony received at the public hearing and other factors.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Khara House, **seconded by** Councilmember Deborah Harris to forward the application to the state with a recommendation for denial based on the testimony received at the public hearing and other factors.

Councilmember McCarthy stated that the State Liquor Board would conduct their investigation and make a rational decision based on the facts presented.

Councilmember House added that she believed the concerns raised during the hearing warranted further investigation by the State.

Councilmember Sweet agreed, stating that she did not feel she had enough information to support the license and that a denial recommendation would trigger additional review at the state level.

Vote: 7 - 0 - Unanimously

8. 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.

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Khara House to approve the Consent Agenda as presented.

Vote: 7 - 0 - Unanimously

A. **Consideration and Approval of Contract:** Airport Custodial Services Contract with Pinnacle Janitorial, Inc., not to exceed the budgeted amount of $156,000 annually for the Term of the Contract.

1. Approve the Airport Custodial Services Contract with Pinnacle Janitorial, Inc., not to exceed the budgeted amount of $156,000 annually for the Term of the Contract; and
2. Authorize the City Manager to execute the necessary documents.

B. **Consideration and Approval of Contract:** Ratification of First Amendment to City-Wide Custodial Services Contract with Pinnacle Building Services to assume additional City facilities.

1. Ratify the First Amendment to the City-Wide Custodial Services Contract with Pinnacle Building Services, previously executed to ensure continuity of custodial services for additional City facilities.
2. Authorize the City Manager to execute any further necessary documents.

C. **Consideration and Ratification:** Letter of Opposition to ACC Docket 24-0025: Proposed Modifications to the Electric Energy Efficiency Standards Rules -- Article 24

Retroactively approve the letter of opposition.

D. **Consideration and Approval of Contract:** First Amendment to the Cooperative Purchase Contract with AT&T Corp. in the amount of $179,721.45 to add three additional 9-1-1 telephone systems to the emergency communications center.

1. Approve the First Amendment to the Cooperative Purchase Contract with AT&T Corp. in the amount of $179,721.45 to add three additional 9-1-1 telephone systems to the emergency communications center; and
2. Authorize the City Manager to execute the necessary documents.

E. **Consideration and Approval of Meeting Cancelation:** City Council Regular Meeting of November 26, 2024

Cancel the Regular Council Meeting of November 26, 2024.

9. ROUTINE ITEMS

A. **Consideration and Adoption of Resolution No. 2024-37 and Ordinance No. 2024-22:** 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 entitled "PZ-24-00008 -- Concept Plan Review, Accessory Structures, Accessory Uses, Home Occupations, and Basement, Basement Garages, Building Stem Walls, Crawl Spaces and Podium Parking" and an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to adopt Resolution No. 2024-37.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2024-22 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "PZ-24-00008 -- CONCEPT PLAN REVIEW, ACCESSORY STRUCTURES, ACCESSORY USES, HOME OCCUPATIONS, AND BASEMENT, BASEMENT GARAGES, BUILDING STEM WALLS, CRAWL SPACES AND PODIUM PARKING"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Miranda Sweet, **seconded by** Vice Mayor Austin Aslan to adopt Ordinance No. 2024-22.

Vote: 7 - 0 - Unanimously

B. Consideration and Adoption of Resolution No. 2024-38 and Ordinance No. 2024-23: 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 entitled "PZ-24-00010 - Zoning Map Amendment Process" and an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to adopt Resolution No. 2024-38.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2024-23 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "PZ-24-00010 -- ZONING MAP AMENDMENT PROCESS"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Khara House to adopt Ordinance No. 2024-23.

Vote: 7 - 0 - Unanimously

C. Consideration and Adoption of Resolution No. 2024-39 and Ordinance No. 2024-24: 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 entitled "PZ-24-00134 - Accessory Dwelling Units" and an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Deborah Harris to adopt Resolution No. 2024-39.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Deborah Harris to read Ordinance No. 2024-24 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "PZ-24-00134 -- ACCESSORY DWELLING UNITS"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House to adopt Ordinance No. 2024-24.

Vote: 7 - 0 - Unanimously

10. REGULAR AGENDA

A. Consideration and Adoption of Resolution No. 2024-40: A resolution authorizing an Intergovernmental Agreement (IGA) between the City of Flagstaff and the State of Arizona, acting by and through the Arizona Department of Transportation (ADOT) for the Ponderosa Parkway Rail Crossing Safety Improvements.

Project Manager Christine Cameron stated the project was at Ponderosa and would include fencing, signage, lighting, pedestrian gates, and a pre-signal for northbound vehicles crossing the tracks. The state was dedicating $1.25 million in federal highway funds for the project, with no required city match; however, the city would be responsible for any additional improvements it wanted to add. If approved, the design phase would begin, and BNSF would handle construction through its third main line project.

Councilmember McCarthy asked whether the intersection would include wayside horns for a potential quiet zone. Ms. Cameron was not certain but stated she would follow up and suggested that it may be part of a separate project. The discussion acknowledged ongoing interest from east side residents about establishing quiet zones.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to read Resolution No. 2024-40 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN ARIZONA DEPARTMENT OF TRANSPORTATION AND THE CITY OF FLAGSTAFF FOR PONDEROSA PARKWAY BNSF RAIL CROSSING SAFETY IMPROVEMENTS

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to adopt Resolution No. 2024-40.

Vote: 7 - 0 - Unanimously

B. Consideration and Adoption of Resolution No. 2024-41: A resolution authorizing an Intergovernmental Agreement (IGA) between the City of Flagstaff and the State of Arizona, acting by and through the Arizona Department of Transportation (ADOT) for the Fanning Drive Rail Crossing Safety Improvements.

Project Manager Christine Cameron stated the scope of work was similar to the previous project and included pedestrian gates, fencing, signage, and lighting. However, the location would not require a northbound pre-signal for vehicles due to the shorter crossing distance, which allowed drivers to better gauge their position relative to Route 66. The project amount was $1.2 million.

Councilmember Harris asked for clarification on the location, and it was confirmed to be at Fanning Drive, near the old Sizzler.

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to read Resolution No. 2024-41 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN ARIZONA DEPARTMENT OF TRANSPORTATION AND THE CITY OF FLAGSTAFF FOR FANNING DRIVE BNSF RAIL CROSSING SAFETY IMPROVEMENTS

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to adopt Resolution No. 2024-41.

Vote: 7 - 0 - Unanimously

C. **Consideration and Adoption of Resolution No. 2024-43 and Ordinance No. 2024-26:** A resolution of the Flagstaff City Council declaring as a public record that certain document filed with the City Clerk entitled "*Animal Keeping Code Amendments*" and an ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 6, Police Regulations, Chapter 6-03, Animal Keeping.

Coconino County, Arizona, amending the Flagstaff City Code, Title 6, Police Regulations, Chapter 6-03, Animal Keeping.

Sustainability Resilience Analyst Genevieve Pearthree and Sustainability Program Manager Steven Thompson provided a PowerPoint presentation that covered the following:

CHAPTER 6-03: ANIMAL KEEPING CODE AMENDMENT
HB 2325: REQUIRED UPDATES
UPDATES TO COMPLY WITH HB 2325
UPDATES TO MAKE THE CODE EASIER TO IMPLEMENT
OPTIONS & STAFF RECOMMENDED ACTION

Councilmember McCarthy asked if the city code, like state code, included provisions to prevent people from raising roosters. Ms. Pearthree confirmed that such regulations were already included in the city code.

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to read Resolution No. 2024-43 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "2024 ANIMAL KEEPING CODE AMENDMENTS"

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2024-26 by title only for the first time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 6, POLICE REGULATIONS, CHAPTER 6-03, ANIMAL KEEPING, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "2024 ANIMAL KEEPING CODE AMENDMENTS"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

D. **Consideration and Approval of Municipal Services Accounts, Miscellaneous Account Receivable, Transaction Privilege Tax, Insufficient Funds and Library Write-offs:** Delinquency and Uncollectible Accounts for Fiscal Year 2023-24.

Management Services Director Rick Tadder explained that the write-off of delinquent and uncollectable accounts was an annual practice and a sound financial approach, as it avoided

recognizing funds unlikely to be collected. Although accounts were written off, they remained active for collection efforts. He thanked the Customer Service team for their diligence in helping customers stay current and setting up payment plans. Mr. Tadder noted that the amount requested for write-off was only $25,000, representing just 0.05% of accounts, the lowest he has seen.

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Austin Aslan to approve the write-off of delinquent and uncollectible Municipal Services accounts, Miscellaneous Account Receivables, Transaction Privilege Tax accounts and Insufficient Funds in the combined amount of $25,548.26.

Vote: 7 - 0 - Unanimously

E. **Consideration and Adoption of Resolution No. 2024-42 and Ordinance No. 2024-25:** A resolution of the Flagstaff City Council declaring as a public record that certain document filed with the City Clerk and entitled "Noise Control Amendments" and an ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 6, Police Regulations, Chapter 6-08, Noise Control, by adopting by reference that certain document entitled "Noise Control Amendments"; providing for repeal of conflicting ordinances, severability, authority for clerical corrections, and establishing an effective date.

Ralph Schmid addressed the Council in opposition to the proposed noise ordinance amendments, sharing that six years ago he contacted Code Compliance and City Council about loud noise issues, but was dismissed and told to keep calling the police. While one bar has closed, a tavern on its fourth owner continued to operate loudly, causing unbearable noise incompatible with the city's and state's definitions of Community Commercial (CC). He argued the current proposal was too broad and ineffective.

Candace Ryan addressed Council and opposed the amendments, emphasizing that noise and zoning issues needed to be addressed with tailored standards based on zones rather than a single ordinance for all areas. She noted that CC zoning extended to Birch, and questioned why the Southside was treated differently. She criticized the city's handling of the tavern's impact on the neighborhood and suggested businesses must comply with zoning requirements.

Blake Whitten addressed Council and spoke against the amendments, sharing that a recent tenant of his home moved out due to noise from the Southside Tavern, leaving the home vacant since December 2023. He expressed frustration that the city did not support efforts to control noise, making it impossible to rent the property.

Councilmember McCarthy pointed out that the affected zone was primarily CC and advocated for stricter sound regulations, as businesses should be compatible with residential uses encouraged in the zone. He noted all speakers moved in before noise became an issue and suggested considering a noise curfew of 10:00 p.m. Sunday through Thursday and midnight on weekends.

Councilmember House expressed openness to reviewing the zoning code and considering the request.

Councilmember Sweet wanted to better understand CC zoning to inform future decisions.

Mr. Clifton acknowledged the community's concerns and said a well-prepared discussion on CC zoning would be brought forward in the future.

Councilmember Harris agreed on the need to discuss zoning and cautioned about the precedent set by ignoring noise complaints. She emphasized the health impacts and urged a pause to reconsider the proposed hour changes.

Councilmember Matthews echoed the call for a deeper conversation, noting the issue was more specific to the southside and involved balancing business interests with residential concerns. She stressed the need for more information before decisions and openness to considering changes, including adjusting hours.

Councilmember Sweet supported pausing the ordinance until after the zoning discussion, confident a good decision would follow.

Councilmember House highlighted the unique nature of the CC zoning in the neighborhood and expressed a desire to understand its history and challenges to address equity concerns.

Vice Mayor Aslan supported the ordinance as drafted but was open to changing weeknight hours to 10:00 p.m., while hesitant to adjust weekend hours. He noted the ordinance applied city wide, but the complaints seem tied to one location. He suggested focused changes for CC zoning later.

Councilmember Harris inquired about the timeline for zoning discussions, and Mr. Clifton estimated several weeks would be needed for preparation.

Councilmember McCarthy concluded by acknowledging the balance between the freedom to engage in activities and the freedom from their negative impacts.

Moved by Councilmember Khara House, **seconded by** Councilmember Jim McCarthy to postpone until after a Work Session discussion related to zoning can be had.

Vote: 7 - 0 - Unanimously

A break was held from 5:07 p.m. through 5:17 p.m.

11. DISCUSSION ITEMS

A. ADUs (Accessory Dwelling Units) Model Plans Pilot Program

Sustainability Resilience Analyst Genevieve Pearthree, Housing Program Manager Adriana Fisher, and Building Code Researcher Alena Crotty provided a PowerPoint presentation that covered the following:

ACCESSORY DWELLING UNIT (ADU) MODEL PLANS PILOT PROGRAM
PRESENTATION OUTLINE
ACCESSORY DWELLING UNITS (ADU)
ADOPTED HOUSING AND CLIMATE GOALS
10-YEAR HOUSING PLAN STRATEGIES
EVOLUTION OF HOUSING FOCUS
WHO IS BEING IMPACTED?
BACKGROUND RESEARCH
COMMON BARRIERS TO BUILDING AN ADU
FLAGSTAFF COMMUNITY SURVEY RESULTS
DESIGN PROFESSIONAL SURVEY FINDINGS
MODEL PLANS LIBRARIES IN OTHER CITIES
TUCSON: CASITAS MODEL PLAN LIBRARY
ADU MODEL PLANS PROGRAM GOALS
BENEFITS ON AN ADU MODEL PLANS LIBRARY
RFIP -- REQUEST FOR INFORMAL PROPOSALS
POTENTIAL RFIP DESIGN REQUIREMENTS
FLAGSTAFF ADU MODEL PLANS LIBRARY
NEXT STEPS

Councilmember Matthews expressed appreciation for the presentation and timeline, noting she had raised this topic multiple times. She asked about the cost difference between building ADUs fully electric versus including natural gas. Ms. Pearthree responded that while exact numbers were not available, it was generally easier to build without natural gas. Councilmember Matthews emphasized that cost would be a key factor for ADU builders. Ms. Pearthree added that ADUs would be required to be solar-ready, but actual solar installation would not be mandatory. Sustainability Section Director Jenny Niemann added that avoiding trenching costs might balance out expenses.

Councilmember House shared excitement about the project and asked about flexibility in exterior

design, as aesthetic requirements could be a concern for developers. Ms. Pearthree explained that while Flagstaff aesthetics would guide design criteria, ADUs would not be required to match the main house but should be visually pleasing.

Councilmember Harris inquired if average Flagstaff lots could accommodate ADUs, to which Ms. Pearthree replied that increased size flexibility aimed to fit various lot sizes. Councilmember Harris also asked if there were plans to engage homeowners associations (HOAs) about supporting housing solutions. Ms. Pearthree confirmed outreach and education efforts would include HOAs, though the city could not change their covenants.

Vice Mayor Aslan questioned why the pilot program was limited to ten ADU designs and whether more would be added later. Ms. Pearthree explained the limit was due to funding, with plans to expand the design library after evaluating the program's success.

Mayor Daggett noted that the request for proposals would be open beyond Flagstaff, and Ms. Pearthree confirmed anyone over 18 working in the U.S. could apply. Mayor Daggett expressed enthusiasm for the initiative and encouraged the expansion of ADUs.

12. OPEN CALL TO THE PUBLIC

None

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

Councilmember McCarthy thanked the Council for being open-minded about continuing the discussion on the noise issue.

Councilmember Matthews shared excitement for the upcoming Northern Arizona University Homecoming game on Saturday.

14. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held October 15, 2024, adjourned at 5:46 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 15, 2024. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL COMBINED SPECIAL
MEETING / WORK SESSION
TUESDAY, OCTOBER 22, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the Special Meeting of the Flagstaff City Council held October 22, 2024, to order at 3:01 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this special 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

Present: Mayor Becky Daggett
Vice Mayor Austin Aslan
Councilmember Deborah Harris
Councilmember Khara House
Councilmember Lori Matthews
Councilmember Jim McCarthy
Councilmember Miranda Sweet

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

The Council and audience recited the pledge of allegiance, Councilmember House read the Mission Statement of the City of Flagstaff, and Vice Mayor Aslan read the 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. Proclamation: National Homelessness Awareness Month

Mayor Daggett read and presented the proclamation.

5. **Proclamation:** Native American Heritage Month

Councilmember Matthews read and presented the proclamation.

6. **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.

Associate and Comprehensive Planner Elsa Erling addressed Council and announced that the Regional Plan was now available online for a 60-day public review and encouraged community participation through comments and upcoming related events.

Malisa Szclkiewicz addressed Council and spoke on beautification efforts in the Southside neighborhood, thanked the Council for pausing the noise ordinance discussion to better understand zoning issues, and raised concerns about trash blocking a local mural.

Alexander Shenkin addressed Council and provided an update on FLOW, a Flagstaff-based company with local support.

Dennis Givens addressed Council and advocated for increased mental health resources, better accessibility and awareness for people with disabilities, more inclusive job opportunities, improved sidewalks and snow removal, and extended bus hours; he also invited the community to a democracy celebration at Bushmaster Park.

Senior Deputy City Manager Shannon Anderson addressed Council and recognized Economic Vitality Director Heidi Hansen for receiving the Joe and Marie Rolle Spirit of Northern Arizona University Award.

7. **LIQUOR LICENSE PUBLIC HEARINGS**

Applications under Liquor License Public Hearings may be considered under one public hearing and may be acted upon by one motion unless otherwise requested by Council.

Mayor Daggett opened the public hearing on both applications.

Sergeant Nick Almendarez introduced the applications noting no concerns.

Councilmember McCarthy inquired about regulations prohibiting liquor establishments near schools, asking whether the rules also applied to universities. Sergeant Nick Almendarez clarified that the restriction only applied to K-12 schools.

There being no public comment, Mayor Daggett closed the public hearing.

Councilmember McCarthy expressed his view that serving liquor on the Northern Arizona University campus was inappropriate.

Moved by Councilmember Jim McCarthy, to forward both applications to the state with a recommendation for denial.

Motion failed for lack of a second.

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Lori Matthews to forward both applications to the state with a recommendation for approval.

Vote: 6 - 1

NAY: Councilmember Jim McCarthy

A. Consideration and Action on Liquor License Application: Christopher Wilke, "Rolle Activity Center", 304 E Pine Knoll Dr., Series 05 (Government), New License

B. Consideration and Action on Liquor License Application: Christopher Wilke, "Lumberjack Stadium", 824 S. San Francisco St., Series 05 (Government) New License

8. Adjournment

The Special Meeting of the Flagstaff City Council held October 22, 2024, adjourned at 3:33 p.m.

WORK SESSION

1. Call to Order

Mayor Daggett called the Work Session of the Flagstaff City Council held October 22, 2024, to order at 3:33 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for 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. Former Courthouse Redevelopment Discussion

Mr. Clifton provided background on the project under discussion, noting that it had been in internal planning for an extended period and previously brought before Council prior to the summer recess. At that time, Council provided direction regarding aspects of the procurement process. A competitive solicitation was conducted as a result. Mr. Clifton expressed appreciation for all staff involved, emphasizing that the project had been a rewarding effort and one that staff were enthusiastic to see move forward.

Planning Director Michelle McNulty and Community Investment Director Dave McIntire provided a PowerPoint presentation that covered the following:

FORMER COURTHOUSE REDEVELOPMENT
VICINITY MAP
FRAMING THE RFP
PROPOSAL
PROPOSAL -- CONCEPTUAL FLOOR PLANS
PROPOSAL -- CONCEPTUAL ELEVATIONS
INPUT SEEKING

Councilmember Sweet stated that, in general, she was supportive of utilizing alleyways for activation. After walking the alleyway in question, she noted there was a better way to redirect pedestrian traffic

and, with that understanding, she was supportive of continuing to explore the proposal.

Vice Mayor Aslan asked how tall the proposed building would be in comparison to the nearby Residence Inn. Ms. McNulty responded that the building would be approximately three stories taller than the Residence Inn.

Councilmember Matthews clarified that the building would be seven stories tall and asked whether that was within the city's current code. Ms. McNulty confirmed it was. She explained that the project could be developed using either conventional zoning or the transect zoning approach, both of which would allow the proposed height. She added that transect zoning required additional setbacks for each story, which helped protect the viewshed and reduced overshadowing of surrounding buildings.

Councilmember McCarthy asked about the allowable height in the area and noted that the proposed hotel was not as tall as zoning would permit. He inquired about the projected height under the preliminary plans. Ms. McNulty clarified that 50 feet was allowed by right, and with a Conditional Use Permit (CUP), there was no specified height limit. The proposal was for a seven-story building, which would be approximately 70 to 87 feet tall.

Mr. Shane Shumway spoke on behalf of the development team, noting his family has operated businesses in Arizona for five generations and currently employs 15 people in Flagstaff. He confirmed that the height under the transect zone was within legal limits at 87 feet, compared to 55 feet for the Residence Inn.

Mayor Daggett asked if vacating the alley would allow the building to physically overhang or occupy that space. Ms. McNulty clarified that the vacated alley would be converted into an outdoor civic space, not used for building construction.

Councilmember McCarthy expressed that he was comfortable with converting the alley into a civic space. He added that it would be beneficial if a grocery store could be included in the development. Ms. McNulty emphasized that alley vacation had not yet been confirmed as necessary, but staff wanted to provide Council with early awareness and gather feedback.

Councilmember House asked about utility impacts in the event the alley was vacated. Ms. McNulty responded that utility lines in the alley would need to be relocated if it were vacated.

Councilmember Matthews asked about the 265 parking spaces proposed for the development and whether they would be turned over to city parking. Ms. McNulty explained that the project included a total of 315 parking spaces, 265 as part of the building and 50 on the ground floor, with only 15 spaces designated for turnover to ParkFlag.

Councilmember Matthews pointed out that the project was previously sold to the public as one that would provide more parking. She expressed concern that the expectation may not be met. Ms. McNulty acknowledged the concern and explained that if Council was not satisfied with the number of public spaces, the matter could be revisited. She emphasized the need to understand priorities and tradeoffs. If more public parking was desired, staff would need guidance on how that impacted the overall development.

Councilmember Matthews reiterated her concern about the public's expectations and questioned the justification for needing 300 spaces in total. She stated that it was important to remain aligned with what was communicated to the community.

Council indicated their support of the alley.

Mr. McIntire addressed the ongoing discussions about parking, acknowledging that the original hope was for more public parking availability. However, the number of uses within the development affected how much space was available. He noted they were working on alternative designs that may include additional spaces turned over to ParkFlag, but any increase in public parking would come at a tradeoff, less housing or fewer hotel rooms, which could impact the overall viability of the project. He added that ParkFlag continued to actively seek additional parking opportunities downtown, emphasizing it was not

the end of efforts to provide more parking in the area.

Mr. Shumway shared that the development included approximately 80 apartment units, primarily studios and one-bedroom units with a few two-bedrooms, and about 150 hotel rooms. Regarding parking, he noted that it was a difficult challenge, especially as they must still provide parking for the existing Residence Inn, the potential grocery tenant, apartment residents, and hotel guests. With that demand, the 315 parking spaces met their needs, leaving only 15 spaces for ParkFlag. He argued that downtown needed customers, and while parking could support that, it was the presence of amenities and residents that truly drives vibrancy. Reducing the number of residential or hotel units could allow for more public parking but may require tapping into dedicated parking funds.

Councilmember Matthews voiced support for the overall concept, especially for increasing downtown density and housing, but stressed the importance of honoring commitments made to the community, specifically, public parking that was previously promised.

Councilmember Harris asked if the 15 spaces would be paid parking and requested that future proposals included the original language used to communicate with voters for better context. Mr. McIntire responded that no specific number of parking spaces was promised in the initial Council materials or RFP, though parking was addressed in general terms.

Mr. Clifton affirmed that parking was always expected to be a central discussion. He stated the city intended to uphold its commitments to the public but clarified that those commitments did not specify centralized parking. The idea was always to disperse parking throughout downtown, integrated with other uses. While there was reference to parking in public materials, no lockbox funds had been used, and the city remained committed to facilitating the discussion with transparency and honesty around tradeoffs.

Councilmember House asked about the parking standard in city code, and Ms. McNulty replied that it was approximately 1.5 spaces per residential unit, depending on whether conventional or transect zoning was used.

Mr. Shumway stated that their internal standard was a 1:1 ratio of parking spaces to apartment units, which they believe met the need.

Councilmember House expressed comfort with the current number of parking spaces, considering community values such as multimodal access and reducing car dependency. She supported the potential for increasing ParkFlag spaces without expanding the total parking supply.

Councilmember Sweet voiced excitement about the project and asked about current parking at the site, employee permits, and whether spaces were lost with the Downtown Connection Center (DCC). She also inquired about the city's broader efforts to find parking solutions.

Mr. McIntire stated that there were 90 spaces in the current surface lot, which became public only after courthouse demolition. They were now used for employee and pay-to-park. The DCC plans included 75--100 surface spaces and the potential for a garage after the completion. He mentioned discussions with developers about partnering for additional downtown parking, particularly with Flagstaff Shelter Services and other future owners. However, he acknowledged tradeoffs, including the loss of spaces and the importance of activating downtown through strategic development.

Councilmember Sweet asked if downtown business owners had been engaged and whether they supported the project. Downtown Business Alliance Executive Director Hunter Herbert responded that the project has only recently become public, so direct outreach had not yet occurred. However, he noted that it aligned with catalytic projects identified in the Downtown Vision Plan. He emphasized the importance of public-private partnerships for parking and the desire for downtown vibrancy.

Vice Mayor Aslan expressed excitement about the project and how it fit into the downtown vision. He shared concerns about building height but supported increased density. He challenged the assumption that public parking must be in one location and requested clear communication to the public. He also asked how confident the team was in securing a grocery tenant, expressing skepticism based on other

vacant big-footprint spaces around town. He supported parking structures that could be convertible in the future and emphasized the need for housing that supported families. He cautioned against giving the impression that the development was just another hotel or student housing, warning it could generate public pushback. He inquired about any communication with the Rodway Inn. Mr. McIntire explained that additional parking development was likely to occur on the north and east edges of downtown and near the DCC. He stated the grocery use appeared viable from an economic development perspective.

Mr. Shumway added that the planned grocery space was 17,000 square feet, a size suitable for a small grocer. Though they did not yet have a letter of intent, they were actively pursuing tenants. He emphasized the units were intended for young professionals, not students, and they were open to evaluating unit mix. He stated that demand existed for hotel rooms and downtown conference space. They had not yet engaged with Rodway Inn but were willing to do so as the project progresses.

Mr. Herbert confirmed that now that the project was public, broader community engagement could begin.

Councilmember Harris expressed overall support for the project and conference space. She shared that her son lived contentedly in an efficiency unit in downtown LA and emphasized the importance of including an affordable grocery option. She cautioned against losing civic space at the DCC site and emphasized the importance of visitor access and the need to consider shuttle options. She also noted downtown may not be suited to families with children due to lack of play space.

Councilmember Matthews noted that average occupancy was closer to 50%, suggesting there may be room to adjust parking numbers accordingly. However, she stressed that snow and winter weather make mobility challenging and reinforced the need to follow through on promises made to the public about parking availability.

Mr. Clifton addressed the DCC and civic space conversations, noting the many competing priorities in that area. He emphasized that the DCC had been designed to accommodate a future parking garage if resources were available. He reiterated that the civic plaza remained part of the vision and had not been removed. He emphasized improved access through features like the pedestrian underpass and the importance of a vibrant, connected downtown core.

Mayor Daggett thanked Mr. Shumway for committing to market research before finalizing investment. She asked whether grocery parking would be open to downtown visitors, suggesting a possible model where the first two hours were free. She suggested staff from the Housing Section speak with the team about unit mix, noting studios and one-bedrooms were currently the greatest housing need. She expressed support for the vibrancy the project could bring, while acknowledging the many details yet to be finalized.

Ms. McNulty noted that concerns about building height remained, and staff would continue negotiating elevations and design elements.

Vice Mayor Aslan closed by stressing the importance of how the project was framed to the public. He warned that many would assume it was student housing, so it was essential to proactively frame the narrative around young professionals and community vibrancy.

3. United States Department of Agriculture Urban Agriculture and Innovative Production Grant Update: Community Food Systems Assessment

Food Systems Coordinator Natalie Pierson introduced partners Eileen Horn with New Venture Advisors, and Summer Grandy with Flagstaff Family Food Center, together they provided a PowerPoint presentation that covered the following:

COMMUNITY FOOD SYSTEMS ASSESSMENT
DISCUSSION OVERVIEW
OUR TEAM AND PARTNERS
PURPOSE OF THE USDA GRANT PROJECT

ASSESSING AND GROWING A SUSTAINABLE COMMUNITY FOOD SYSTEM
2024 COMMUNITY FOOD SYSTEM ASSESSMENT
COMMUNITY FOOD SYSTEM ASSESSMENT PROCESS
WHAT MAKES UP FLAGSTAFF'S FOOD SYSTEM?
AG LANDSCAPE AND FOOD PRODUCTION
LOCAL FOOD CHANNELS OF NORTHERN ARIZONA
ACCESS TO COMMUNITY GARDENS IN FLAGSTAFF, ARIZONA
FOOD SYSTEM INFRASTRUCTURE
FOOD SYSTEM INFRASTRUCTURE OF NORTHERN ARIZONA
FOOD RETAIL ENVIRONMENT
FOOD RETAIL LOCATIONS IN FLAGSTAFF, ARIZONA
FOOD CONSUMPTION AND HEALTH
FOOD ACCESS
OVERALL FOOD INSECURITY IN NORTHERN ARIZONA (2021)
CHILD FOOD INSECURITY IN NORTHERN ARIZONA (2021)
PERCENTAGE OF ELIGIBLE INDIVIDUALS NOT RECEIVING SNAP BENEFITS (NORTHERN AZ)
FOOD WASTE AND RECOVERY
PARTNER CONTRIBUTIONS
STAGE 1
WHERE ARE WE NOW?

Councilmember House raised questions about the underutilization of the Supplemental Nutrition Assistance Program (SNAP) and asked whether resources could be shared through the city's social media to improve awareness and access. Ms. Peirson confirmed that efforts were underway in collaboration with Coconino County Public Health, the Family Food Center, the Sustainability Office, and other partners to develop and distribute SNAP outreach materials. Councilmember House also inquired about the potential for public fruit tree areas or foraging spaces, which, while not a specific theme in the recent community survey, aligned with strong community interest in self-provisioning and food sovereignty.

Councilmember House asked if edible landscapes or community gardening opportunities could be incorporated into future public park developments. Staff responded that it was already happening in several areas, including the establishment of a new food forest at Bushmaster Park and community gardens at multiple city locations, such as the Hal Jensen Recreation Center. The efforts aimed to integrate food access with public spaces, and the city was interested in expanding such programs based on community feedback and available resources.

Councilmember Matthews shared that while she enjoyed the therapeutic and social benefits of gardening, her personal experience showed it was costly and yielded little food, making it unlikely to solve food insecurity. Drawing on her background running a transitional housing program, she emphasized the value of food education. Many residents did not know how to use food from food banks, often relying on convenience foods. By cooking meals and sharing simple recipes, she helped demonstrate how to prepare nutritious meals with limited resources--suggesting that basic cooking education could greatly support food-insecure communities.

4. Update on the Red Gap Ranch Water Pipeline Feasibility Study

Water Resources Manager Erin Young introduced Kevin Black, Brad Hill, and Doug Smith who together provided a PowerPoint presentation that covered the following:

RED GAP RANCH PROJECT UPDATE
PROJECT PURPOSE AND NEED
CITIZENS APPROVE FUTURE WATER SUPPLY BOND ELECTION
TODAY'S PRESENTATION
CITY COUNCIL AUTHORIZED THE PURCHASE OF RED GAP RANCH FOR $7.9M FOR ITS WATER SUPPLY IN 2005
REGIONAL PLANNING
OVERVIEW
CITY OF FLAGSTAFF PLANNING

POPULATION DEMAND PROJECTIONS
PROJECT HISTORY
HISTORICAL TIMELINE
PHASE 1 SELECTED ALIGNMENT (APRIL 2009)
SOUTHERN ALIGNMENT ALTERNATIVE (2011)
SEGMENT 1 REVISIONS FOR I-40 CORRIDOR (2016)
SEGMENT 3 CULTURAL RESOURCE (2019)
ALIGNMENT FOR PHASE II STUDY (2021)
ADOT COORDINATION
ADOT COORDINATION ITEMS
RIGHTS OF WAY
LAND OWNERSHIP RESEARCH
PHASE II DESIGN
PIPELINE SIZING, MATERIALS, AND BACKFILL
PUMP STATIONS
ELECTRICAL SUPPLY -- TYPICAL PUMP STATION
SOLAR POWER
PUMP STATION SITE CONSIDERATIONS
CONTROL SCHEMES
WATER TREATMENT PLANT CONSIDERATIONS
COMPARATIVE WATER QUALITIES
TREATMENT PROCESS CONSIDERATIONS -- SULFATE AND TDS
WATER TREATMENT PLANT LOCATION
ENVIRONMENTAL AND PERMITTING
ENVIRONMENTAL SCOPE
FUTURE STEPS
OPINION OF PROBABLE CONSTRUCTION COST (OPCC)
ASSUMPTIONS
SCHEDULE
REPORT COMPLETION SCHEDULE

Vice Mayor Aslan stated his appreciation for the continued dialogue around the Red Gap Ranch (RGR) water supply project. He noted the importance of having RGR as a backup resource but emphasized that such infrastructure investment should only proceed if the city was serious about eventually using it. He stated that he was not concerned with the current pace of the conversation but hoped red flags could be avoided. He raised environmental concerns, including the use of diesel fuel to power water pumps and suggested exploring more carbon-neutral options. He also voiced concern about the environmental implications of brine disposal and supported the idea of treating water earlier in the process, especially if there were users along the proposed pipeline route. Mr. Smith clarified that diesel generators would only serve as a backup power source. Diesel would be stored on-site but used only during power outages.

Councilmember McCarthy asked if reverse osmosis (RO) had been considered for treating reclaimed water instead of using RGR water to meet water quality standards. Ms. Young responded that such blending opportunities and treatment options were actively being explored.

Mayor Daggett asked for a broader understanding of what water conservation, development, and usage strategies might take place before the city invested in infrastructure to access RGR. She pointed out that feasibility studies were underway for other water sources. Ms. Young explained that when RGR was purchased, the anticipated need for that water was projected to be in 2020. However, due to consistent reductions in community water usage, the projected need had been pushed back significantly. Flagstaff continued to grow into its existing groundwater supply. She highlighted that since 2005, reclaimed water had reached its summer use capacity, and the city was now pursuing direct potable reuse (DPR) as a strategy. Introducing advanced treatment could allow the city to use an additional 3,500 acre-feet currently available year-round. RGR would provide 12,000 acre-feet of redundancy daily, a major advantage in the event of a catastrophic fire or long-term drought. While the need for RGR may not be immediate, the city should avoid waiting for a water crisis to build the infrastructure and instead look to optimize all water systems together.

Mayor Daggett asked whether the potential for external entities to tap into the pipeline and help pay for it was already factored into the financial estimates. Ms. Young responded that those contributions were not currently included in the cost estimates but would be considered as potential users were identified and the project advanced. Their involvement could also enhance the city's eligibility for federal funding.

Mr. Black added that the city was pursuing an economy of scale. Contributions from potential partners would reduce the amount of federal dollars needed and supported the capital investment through shared funding.

Mayor Daggett confirmed that water from RGR was included in the city's Assured Water Supply (AWS) 100-year certification. Ms. Young noted that the city must demonstrate ongoing progress toward utilizing that supply to maintain its AWS certification. If the city had not reached its trigger point within 20 years, the state would reevaluate and expect to see evidence of advancement toward activating the RGR resource.

Councilmember Sweet supported the city's proactive planning and recommended organizing a site visit to RGR. She said visualizing the infrastructure helped her better understand the project, and she felt it would benefit other councilmembers as well.

Councilmember Harris emphasized that the RGR project was not something the city needed to activate immediately. She stressed the importance of being able to explain to residents why the city was investing in the project and added, "You can never have too much water." Ms. Young agreed, noting that those types of large-scale water projects took time. The city was in a good position to evaluate its options and seek funding opportunities over time rather than rushing.

Mr. Hill, an independent hydrologist, informed Council that he was contracted by the city to conduct a detailed analysis of when a new water supply would be necessary. The analysis, which would be presented to the Water Commission, considered scenarios such as catastrophic wildfires and droughts to assess system redundancy and resilience.

Ward Davis, representing the Flagstaff Water Group, addressed Council and noted that at the time RGR was approved, there were no viable alternatives. However, with the development of advanced treatment technology for reclaimed water, new options had emerged. He pointed out that incremental implementation of potable reuse allowed for a "pay-as-you-go" model. Mr. Davis stated that studies done by Mr. Hill and the firm Carollo had laid the groundwork for understanding how to integrate DPR and that those technologies were better understood and regulated than they were ten years ago. He advocated for revisiting those studies and incorporating their findings into current planning.

Mayor Daggett asked whether the earlier studies Mr. Davis referred to were commissioned by the city. Mr. Davis clarified that the studies were conducted by Carollo Engineering. Mr. Hill added that the 2017 study evaluated all potential water supplies except RGR, and the 2018 study focused on the footprint for advanced treatment at the Wildcat Hill and Rio de Flag facilities. Those studies were city funded.

Ms. Young noted that the studies explored how indirect and direct potable reuse could function within Flagstaff's existing system. She described the process as iterative, with the city continuously learning and adjusting as it gathered new information. The studies confirmed that the facilities had space for direct potable reuse, but raised questions about RO treatment and brine disposal, which were still under evaluation. The findings from the studies would help inform the feasibility phase of future water planning efforts.

5. FAIR -- Discussion and Possible Direction Regarding Vice Mayor Selection Process

Councilmember Matthews shared that the motivation for raising the issue of vice mayor selection stemmed from her own experience running for office, realizing how much she did not know at the time. After being elected, she often heard comments about "drinking from the fire hose," especially during the first year of learning council duties. She noted that, after speaking with other cities, many shared that they avoided selecting a new councilmember as vice mayor, citing the role's importance as a

substitute for the mayor. The vice mayor should be comfortable in public speaking and ready to represent the city. She also noted that the current system assigned the position to the person with the highest vote count in the most recent election, but that may not always result in the most experienced or prepared person taking on the role.

Councilmember McCarthy explained that historically, the council's practice was to appoint the person with the highest vote count in the election two years prior, ensuring they had experience. The practice changed when the council wanted to prevent a particular person from serving as vice mayor. Councilmember McCarthy suggested returning to the previous system.

Vice Mayor Aslan agreed, suggesting the vice mayor role go to the top vote-getter in the previous election (not the most recent), maintaining a connection to voter choice while ensuring experience. He emphasized that the vice mayor's role was mostly theoretical unless succession was required and noted that while the current system had worked, it required a functional council. He supported the idea of making a change now rather than later.

Councilmember Matthews asked for input from Councilmember Sweet on her experience as a newer member serving as vice mayor.

Councilmember Sweet shared that she served as vice mayor while still learning her council duties, which made it challenging. She acknowledged that she did a good job, but it was a steep learning curve. She raised the idea of appointing the vice mayor on a yearly basis, similar to how the Board of Supervisors rotated the role. This would give more members the opportunity to serve if they were interested.

Councilmember Harris stated that she requested a job description for the vice mayor role but found none existed. She expressed concern that expectations for the role were unclear and believed the vice mayor should represent the city when the mayor was unavailable. She supported creating a job description to clarify the responsibilities.

Councilmember Sweet agreed, saying that clearer expectations would have helped when she was vice mayor. She noted that the mayor's discretion currently defined the role, which could lead to inconsistencies.

Vice Mayor Aslan added that the role was undefined and varied depending on the mayor. He supported assigning the vice mayor position to the top vote-getter from the previous election but was concerned that selecting the role with three new councilmembers immediately after an election could lead to unstable dynamics. He emphasized the importance of continuity and voter influence in the process and opposed annual rotation.

Councilmember Harris reminded the group that the last time the system was changed, it was due to four councilmembers deciding together, something that could happen again, regardless of the system.

Councilmember Matthews said she liked the idea of annual rotation, but also saw value in giving more experienced members a chance to serve. She supported defining the role and exploring other scenarios to avoid unintended consequences.

Mayor Daggett cautioned that if the system alternated annually, it would not work to use vote totals as a guide. She asked how they could ensure the vice mayor had experience if the highest vote-getter was newly elected.

Councilmember House raised concerns about assuming the top vote-getter was best suited to serve. She supported re-evaluating the process and creating a pathway that allowed those with interest and experience to serve. She asked what would happen if the top vote-getter declined the role.

Councilmember McCarthy responded that the role was ultimately selected by council and not defined in code. If someone did not want the role, they could decline, and it would move to the next person.

Councilmember Sweet pointed out that when she served as vice mayor, she had very little experience,

and the role was still manageable. However, she supported reviewing how other cities of similar size approach vice mayor selection to inform any potential change.

Councilmember McCarthy emphasized his continued support for appointing the top vote-getter from the election two years prior. He proposed that the current vice mayor, who received the highest votes in the last election, served one more year and then transition.

Vice Mayor Aslan reiterated that the vice mayor position, unlike in the Board of Supervisors, was directly influenced by the electorate. The role's most important function was succession, and voters expected some say in that. He acknowledged that while he was honored to serve, he would be fine stepping aside and noted he had six years of experience to contribute.

Councilmember Harris suggested selecting a vice mayor from among those with two years of experience, allowing both council and public expectations to be met.

Councilmember House added that she would like to see a review of practices in other cities of similar size and population, as vote totals did not always equate to a clear public mandate for vice mayor.

Councilmember Matthews said she would take the lead on researching how other cities and towns handled it and suggested revisiting the issue after the upcoming election.

Nadine Hart addressed Council, expressing concern that appointing a vice mayor by default based on vote totals did not ensure the most qualified person. She wanted more council input and review of candidates' attendance and willingness to engage with the community.

Dennis Givens addressed Council and advocated for letting the voters determine.

After discussion, a majority of the Council gave direction to leave the system as it was.

6. Open Call to the Public

Nadine Hart addressed Council and shared concerns from a recent Flagstaff Housing Authority (FHA) board meeting, explaining that for months they had been trying to schedule a meeting to discuss retaining housing for Housing Choice Voucher holders but had been unsuccessful. She noted that during discussions on the Regional Plan, it became clear that none of her concerns were being addressed by the Housing Director. She expressed worry about the high turnover rate and a lack of transparency between voucher holders and FHA. She suggested that there should be representatives from Silar Home and Brannon Homes involved and emphasized the need for more structure and a stronger voice in the meetings.

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

Vice Mayor Aslan stated that the conversation about the vice mayor position had fallen apart previously but expressed that all the candidates would make great vice mayors. He agreed that the current vice mayor position would remain as is.

Councilmember McCarthy brought up a concern raised during public participation about a dumpster placed in front of a mural, instead of inside a designated area. He pointed out that the city and the neighborhood had invested significant funds to install the mural, and it was unfair to place a dumpster in front of it. He noted that during the mural installation, the dumpster had been temporarily moved to the street and argued it should be returned there. Additionally, he referenced a letter from Habitat Harmony regarding prairie dog colonies and suggested the Council revisit previous decisions about prairie dogs. He proposed that instead of bulldozing colonies, they should be relocated to new sites. He requested a FAIR for the item to come to Council for discussion.

8. Adjournment

The meeting of the Flagstaff City Council held October 22, 2024, adjourned at 7:12 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 22, 2024. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, NOVEMBER 5, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held November 5, 2024, to order at 3:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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

Present: Mayor Becky Daggett
Vice Mayor Austin Aslan
Councilmember Deborah Harris
Councilmember Khara House
Councilmember Lori Matthews
Councilmember Jim McCarthy
Councilmember Miranda Sweet

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

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

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

Dennis Givens expressed his gratitude to the Council and staff, sharing that he had learned a great deal from his experience and appreciated being part of the process. He also encouraged lobbying the state regarding Airbnb regulations.

Colleen Maring, Chief People Officer and General Counsel for Northern Arizona Healthcare, thanked the Coconino County Recorder's Office for sending a representative to assist hospital-based voters who may not have otherwise been able to cast their ballots.

5. PROCLAMATIONS AND RECOGNITIONS

A. Presentation of Leadership in Energy Efficiency Award

Ramon Alatorre, Senior Utility Program Manager at the Southwest Energy Efficiency Project (SWEEP), presented SWEEP's 2024 Leadership and Energy Efficiency Award to the City of Flagstaff Sustainability Office and local contractor Eli Chamberlain. The award recognized their outstanding efforts in advancing energy efficiency and climate-friendly practices, aligning closely with state and federal standards, particularly those set by the Inflation Reduction Act. Mr. Alatorre praised the city's longstanding requirements for energy audits and high-efficiency equipment, which position residents to benefit from new state rebates. He also commended Mr. Chamberlain for his exceptional customer support, guiding homeowners through rebate processes and installing nearly 100 cold-climate heat pumps. It was only the second time in two decades a sustainability office had received the award, and the first time it had been jointly awarded, highlighting Flagstaff's leadership as a regional model in climate action and energy efficiency.

6. COUNCIL LIAISON REPORTS

Councilmember McCarthy shared that he attended the National Meeting of the Railroad Passenger Association, describing it as a great meeting.

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.

Mayor Daggett indicated that staff removed Item 7A from the agenda.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to approve the Consent Agenda as presented with the exception of Item 7A.

Vote: 7 - 0 - Unanimously

A. **Consideration and Approval of Contract:** Award the Design-Build Services Agreement for the Montalvo Science, Technology, Engineering and Mathematics (STEM) Education Community Center to Loven Contracting, Inc.

ITEM PULLED FROM AGENDA

B. **Consideration and Approval of Contract:** Contract for Professional Services with J.E. Fuller and Associates for $100,000.00 to develop a Surface Water - Groundwater Recharge Model

1. Approve the Contract for Professional Services with J.E. Fuller for $100,000.00 to develop a Surface Water - Groundwater Recharge Model; and
2. Authorize the City Manager to execute the necessary documents.

C. **Consideration and Approval of Contract:** Cooperative Purchase Contract with Empire Southwest, LLC for the purchase of two (2) 2024 CAT AWD Motor Graders in an amount not to exceed $868,457.73.

1. Approve the Cooperative Purchase Contract with Empire Southwest, LLC for the purchase of two (2) 2024 Caterpillar 140 AWD Motor Graders in an amount not to exceed $868,457.73; and
2. Authorize the City Manager to execute the necessary documents.

D. **Consideration and Approval of Contract:** Renewal of a Contract for Digital Ad Serving for a one-year term in the amount of $160,000.00, with authority for the City Manager to approve the final one-year term in an additional amount of $160,000 (total of $320,000).

1. Approve renewal of contract with Datafy with authority for the City Manager to approve the final one-year term in an additional amount of $160,000 (total of $320,000) through September 14, 2026, and
2. Authorize the City Manager to execute the necessary documents.

E. **Consideration and Approval of Contract:** Approve the Construction Contract with Summit Construction Company, LLC for the Spruce Wash Water & Sewer Replacement at North First Street.

1. Approve the construction contract with Summit Construction Company, LLC ("Contractor") in the amount of $613,650.00 and a contract time duration of 290 calendar days;
2. Approve a contract allowance of $46,023.75, which is 7.5% of the Contractor's Bid;
3. Approve Change Order Authority to the City Manager in the amount of $61,365.00 (10% of the contract amount, less allowances); and
4. Authorize the City Manager to execute the necessary documents.

8. ROUTINE ITEMS

A. **Consideration and Adoption of Resolution No. 2024-43 and Ordinance No. 2024-26:** A resolution of the Flagstaff City Council declaring as a public record that certain document filed with the City Clerk entitled "*Animal Keeping Code Amendments*" and an ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 6, Police Regulations, Chapter 6-03, Animal Keeping.

Moved by Councilmember Khara House, **seconded by** Councilmember Jim McCarthy to adopt Resolution No. 2024-43.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Khara House, **seconded by** Councilmember Jim McCarthy to read Ordinance No. 2024-26 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 6, POLICE REGULATIONS, CHAPTER 6-03, ANIMAL KEEPING, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "2024 ANIMAL KEEPING CODE AMENDMENTS"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN

EFFECTIVE DATE

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to adopt Ordinance No. 2024-26.

Vote: 7 - 0 - Unanimously

9. REGULAR AGENDA

A. **Consideration and Adoption of Resolution No. 2024-44:** A resolution of the Flagstaff City Council, approving an Intergovernmental Agreement between the City of Flagstaff and Coconino County for submission of a grant application and approval upon award of the U.S. Department of Justice, Fiscal Year 2024 Edward Byrne Memorial Justice Assistance (JAG) Grant.

Police Support Services Manager Allison Hughes presented a proposed intergovernmental agreement with Coconino County to apply for the 2024 Edward Byrne Memorial Justice Assistance Grant. The grant, which required a joint application due to Flagstaff's status as a disparate jurisdiction, would fund less-lethal equipment to enhance law enforcement capabilities and public safety. The city's portion of the grant was $2,383, with no significant financial impact, as the funds had been budgeted for FY24.

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to read Resolution No. 2024-44 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN COCONINO COUNTY AND THE CITY OF FLAGSTAFF FOR THE APPLICATION FOR THE EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT (JAG) PROGRAM FY 2024 LOCAL SOLICITATION / CFDA #16.738

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to adopt Resolution No. 2024-44.

Vote: 7 - 0 - Unanimously

B. **Consideration and Approval of Budget Adjustment:** Fiscal Year 2023-24 Year End Budget Adjustment for Police and City Manager Divisions and Fiscal Year 2024-35 Budget Adjustments for City Manager Division

Finance Director Brandi Suda highlighting that state law required the city to stay within its legally adopted budget but allowed reallocations with Council approval when justified. Adjustments included increasing the Police Department budget by $900,000 and the City Manager's Office budget by $9,800 for 2023-24, and an additional $65,000 for the City Manager's Office in 2024-25, all offset by reductions in the non-departmental budget. The increases were mainly due to higher personnel and travel costs and a $3.2 million additional contribution to the Public Safety Personnel Retirement System pension plan to maintain full funding.

Management Services Director Rick Tadder and Ms. Suda provided a PowerPoint presentation that covered the following:

ADDITIONAL PENSION CONTRIBUTION -- FY2023-24 BUDGET ADJUSTMENT
PSPRS PENSION FUNDING HISTORY
LIABILITIES TO ASSETS, ALL PUBLIC SAFETY PLANS
LIABILITIES TO ASSETS, CITY OF FLAGSTAFF
CITY OF FLAGSTAFF -- UNFUNDED LIABILITY TRAJECTORY, ESTIMATE FROM 2019 AND 2023
FINANCIAL BENEFIT FROM PENSION FINANCING
FLAGSTAFF PSPRS FUNDING POLICY
PSPRS -- POLICE PLAN

FUNDED STATUS
FUNDING FOR $3.2M CONTRIBUTION

Councilmember Matthews referenced a $316,000 savings from the public safety radio replacement purchase, noting that a significant portion of the urgent equipment was bought in fiscal year 2022-23, with some funds carried over into 2024-25 to finalize the purchases. Ms. Suda confirmed that a large part of the purchase was paid for in FY 22-23, with some resources carried over, but the full carryover amount was not needed.

Moved by Councilmember Jim McCarthy, **seconded by** Vice Mayor Austin Aslan to approve the transfer of FY2023-24 budget appropriations from the General Fund Non-Department account to the Police Department and City Manager Division in the amounts of $1,900,000 and $9,800, respectively and approve the transfer of FY2024-25 budget appropriation from the General Fund Non-Department account to City Manager Division in the amount of $65,000.

Vote: 7 - 0 - Unanimously

10. OPEN CALL TO THE PUBLIC

Chris C. spoke in support of increasing the Police Department's budget, he expressed appreciation for Chief Connolly and the positive changes being implemented within the department. He also thanked Lieutenant Sapp and Officer Rumbley for their work, particularly regarding the city's liquor policy. He raised continued concerns about the establishment formerly known as Bandolero's, now rebranded as Baddie's, citing issues with the business operations and ownership. He had previously brought these concerns to Council and reiterated the need for attention to the matter.

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

Councilmember McCarthy reported that he attended a meeting of the Railroad Passengers Association in Tucson, where several speakers raised concerns about the Amtrak Station in Flagstaff. They noted the lack of adequate indoor waiting space, which often forced passengers to wait outside which was especially problematic when trains were delayed for hours. He added that while the Visitor Center operated successfully in the station, it had overtaken space that was previously used for passenger waiting. He requested a FAIR that the city explore alternatives, including the possibility of relocating the Visitor Center or identifying another solution to improve the waiting area for Amtrak passengers.

Councilmember House shared that she attended a First Friday event on equity and art in action. Following the event, community members expressed concern and frustration regarding a dumpster placed in front of a new mural in the Southside neighborhood. She requested the city look into a permanent relocation of the dumpster to preserve the visibility and impact of the public art.

Senior Deputy City Manager Shannon Anderson responded that the issue had recently come to staff's attention and that Public Works, Beautification, and Public Art staff were actively working on a solution. She assured the Council that efforts were already underway to address the placement of the dumpster.

12. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held November 5, 2024, adjourned at 3:49 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on November 5, 2024. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____

CITY CLERK

CITY COUNCIL WORK SESSION
TUESDAY, NOVEMBER 12, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the meeting of the Flagstaff City Council held November 12, 2024, to order at 3:02 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for 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

Present: Becky Daggett, Mayor
Austin Aslan, Vice Mayor
Deborah Harris, Councilmember
Khara House, Councilmember
Lori Matthews, Councilmember
Jim McCarthy, Councilmember
Miranda Sweet, Councilmember

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

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

Craig Bouchard addressed Council regarding a recent newspaper article and thanked Councilmember Matthews for her input. He spoke about concerns related to a dumpster located behind his property and the impact it has on nearby businesses using it.

5. Review of Draft Agenda for the November 19, 2024 City Council Meeting

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

None

6. Proclamation: Lung Cancer Awareness Month

Mayor Daggett read and presented the proclamation.

7. City Manager Report

Mr. Clifton briefly reviewed his report.

8. Post-wildfire Flooding Update

Public Works Director Scott Overton, Capital Improvements Engineer Trevor Henry, Stormwater Manager Ed Schenk, Brady Henderson with AZ Climate Corp., Julie Leid with Peak Engineering, and Joe Loverich with JE Fuller provided a PowerPoint presentation that covered the following:

POST-WILDFIRE FLOODING UPDATE
OBJECTIVES FOR TONIGHT
OVERALL MAP
WATERSHED CONDITIONS
PRIMARY CHANGE IN WATERSHED
LOOKING FORWARD
2024 MONSOONS
SPRUCE WASH
SUITE OF PROJECTS
SPRUCE WASH SCHEDULE
SPRUCE WASH BUDGET
GRANDVIEW DRIVE RECONSTRUCTION
THE "WEDGE" STORM DRAIN
LINDA VISTA CROSSING
CEDAR AVENUE CROSSING
ARROYO SECO TO DORTHA CHANNEL
ARROYO SECO INLET
KILLIP BASINS INLET
KILLIP BASINS OUTLET
TRAFFIC CONTROL
COMMUNICATIONS

Mayor Daggett shared that a resident had raised concerns about gas line work behind her home and

asked whether the issue had been resolved and steps taken to prevent recurrence.

Ms. Leid confirmed that follow-up conversations had occurred with all involved parties. A key takeaway was the importance of having a licensed plumber on site or on call to respond promptly to any future issues.

SCHULTZ CREEK
SYSTEM OF IMPROVEMENTS
SCHULTZ CREEK LONG TERM MITIGATION
SCHULTZ CREEK MODELING
SHORT-TERM MITIGATIONS -- SCHULTZ CREEK
RE-USING SANDBAGS
NON-FIRE 2024 FLOOD SUMMARY
LEGISLATIVE ACTIONS
FLOOD PREVENTION GRANTS

Councilmember Matthews inquired whether the available grant applies to renters. Ms. Leid confirmed that it does, though a homeowner agreement must be in place. Councilmember Matthews expressed appreciation for the staff's hard work, noting her initial doubts about completing the process in time.

Councilmember House echoed her thanks, praising the team's efforts and the community's patience and collaboration. She expressed enthusiasm for the progress made and what is still to come.

9. Public Works Streets Section 2024 Snow Operations Presentation and Discussion

Public Works Streets Director Sam Beckett, provided a PowerPoint presentation that covered the following:

STREETS 2024 SNOW OPERATIONS
PRESENTATION OBJECTIVES
2023-24 SEASON REVIEW
SNOW SHIFTS -- EQUIP AND STAFFING
STREETS SNOWPLOW FLEET
STREETS STAFFING
STREETS WINTER RESPONSIBILITIES
STREETS SNOW RESPONSE POLICY
STREETS -- SNOW PLOWING PRIORITIES
POST EVENT
STREETS STRATEGIC VISION AND GOALS

Councilmember Sweet asked for an update on the separated bike lane project, noting that while improvements were seen last year, the visibility of concrete barriers remains a concern during snow events, especially when candlesticks are missing. Mr. Beckett explained that bike lane snow removal is currently a secondary service. On primary routes such as Butler, snowplows operate continuously, but it still takes around three hours to complete a pass on bike lanes. He noted that complaints were minimal last winter. Councilmember Sweet acknowledged the improvements and expressed appreciation.

Councilmember House asked about staffing levels, having seen snow crew job postings. Mr. Beckett responded that they are not yet fully staffed out of a goal of 24 temporary snow operators, only 12 positions are filled. He emphasized the difficulty in recruiting due to high demand in the construction field and said they are exploring ways to remain competitive.

Councilmember House raised concerns about snow pile removal in cul-de-sacs. Mr. Beckett clarified that these are typically addressed last and only when resources allow. The process requires disassembling trucks to switch functions, which is labor-intensive and hard on equipment. The team balances these operations as best as possible given current resources.

Councilmember Matthews suggested exploring temporary hazard pay to improve recruitment,

especially since CDL drivers are in high demand. She noted it is a tough sell to attract someone to work in hazardous conditions during the night. Public Works Director Scott Overton acknowledged the pressures and shared that compensation is being taken seriously, including recent adjustments through the city's market pay study. He added that while the city offers a snow stipend, they are focused on long-term cultural and structural changes rather than one-time fixes.

Councilmember Harris inquired about driver restrictions for snowplow operators. Mr. Beckett responded that while federal rules require drivers to stop after 16 hours, the city enforces a stricter 14-hour limit for safety. Shifts are designed around 12 hours to ensure proper rest before operating again.

Councilmember Harris also asked how residential areas are prioritized. Mr. Beckett explained that the city uses a quadrant system, assigning trucks to different areas, prioritizing routes for emergency access and school transportation. While ideally there would be five trucks per side of the city, current staffing often results in just three. Arterial roads are the main focus, and routes are designed to minimize left turns for efficiency.

Mayor Daggett mentioned residents reporting their roads never being plowed and asked how the city is addressing that. Mr. Beckett shared that GIS mapping has been implemented to guide operators unfamiliar with certain areas, and GPS tracking helps confirm service coverage. However, service does not always meet expectations. The city is working to improve response and encourages residents to report missed areas through phone or online forms.

Mayor Daggett also emphasized the importance of clearing bike lanes quickly and asked about the city's policy on chemical deicers. Mr. Beckett confirmed that Council made a deliberate decision not to use deicers, considering environmental, operational, and financial impacts. However, ADOT does apply deicers on state routes that run through Flagstaff.

Vice Mayor Aslan reiterated the need for timely bike lane clearing and pointed out safety issues for pedestrians, including snowbanks and lingering cinders. He raised concerns about sidewalk maintenance and questioned how cinders are managed post-season. Mr. Beckett explained that property owners are responsible for clearing adjacent sidewalks. Cinders should be swept into the roadway, where city sweepers can collect them. For city-owned sidewalks, responsibility is shared among multiple departments, and coordination is ongoing to improve response. Mr. Beckett emphasized the importance of community cooperation in maintaining safe conditions. Vice Mayor Aslan acknowledged progress but noted that some problem areas persist.

Keith Becker, a 47-year resident, addressed Council and expressed deep concern over the city's current snow removal operations. He stated that the existing plan endangers lives, particularly for those with medical needs who cannot navigate secondary streets. Citing a personal example, he noted that he often has to drive his neighbor to dialysis due to impassable roads. He alleged that snow operators sometimes intentionally pile five-foot berms, further obstructing access. Many essential workers, including medical professionals, are unable to reach their jobs due to poor plowing on non-primary routes. Mr. Becker urged the Council to revisit the four-inch snow rule and called for snow removal on all streets, not just priority routes. He recommended purchasing five additional snowplows and increasing staffing levels from 88% to 150% to meet the city's growing needs.

Mayor Daggett inquired whether additional personnel or equipment would be requested in the upcoming budget and asked about the effectiveness of current recruitment strategies. Mr. Beckett responded that while Public Works is seeing some success with focused recruitment efforts, they plan to request only a few additional positions due to budget constraints. He emphasized the importance of balancing resources while still progressing toward strategic goals.

Russ Randall addressed Council and emphasized that accessible and inclusive infrastructure is a basic human right, especially for those with physical disabilities who rely on safe transportation to medical appointments. He urged the Council to ensure that snow removal efforts throughout the city are inclusive and compliant with legal accessibility requirements.

Rachael Simukonda addressed Council and shared her personal difficulties accessing medical care during recent snow events due to inadequate plowing of secondary streets. She advocated for a

reassessment of the priority street system, noting that many essential services like schools and clinics are located on secondary roads. Ms. Simukonda also highlighted accessibility issues with the city's online complaint form, stating it is not ADA compliant. She requested improved coordination among divisions and better enforcement for timely sidewalk clearing, as well as ADA training for snow removal staff and temporary hires.

Mayor Daggett asked Mr. Beckett to address concerns regarding the primary vs. secondary street plowing strategy. Mr. Beckett explained that while the goal is to reach all city roads, limited resources necessitate prioritization. Programs like PROSE, Sustainability Snow Heroes, and internal teams assist with berm removal. However, the city is still working to keep pace with growth and connect residents to resources.

Mayor Daggett requested that Public Works' contact information be shared through the city's social media during winter and noted ongoing efforts to revamp the city website with a focus on ADA compliance. Mr. Beckett confirmed he would coordinate with customer service to improve complaint form accessibility.

Councilmember Harris suggested software solutions that can make digital forms fully ADA compliant. She also raised concerns about emergency vehicles accessing unplowed streets. Mr. Beckett responded that departments coordinate response efforts and that fire engines, police, and EMS vehicles are equipped appropriately for such conditions.

Councilmember McCarthy reminded attendees that the city offers a berm removal service for elderly or physically challenged residents.

10. Discussion of Nuisance Noise and Community Commercial Zoning Codes

Senior Deputy City Manager Shannon Anderson, Zoning Code Manager Tiffany Antol, and Assistant City Attorney Marianne Sullivan provided a PowerPoint presentation that covered the following:

NUISANCE NOISE AND COMMUNITY COMMERCIAL ZONE CODES
BACKGROUND
NUISANCE NOISE CITY CODE
COMMUNITY COMMERCIAL ZONE

Councilmember McCarthy referenced a previous city approach that applied different allowable noise levels for residential, commercial, and industrial zones and asked why this model could not be used again. Ms. Antol explained that zoning enforcement is complex and that land use categories are easier for staff to apply than zoning districts. She emphasized the importance of treating all properties fairly and noted that prioritizing one use over another within zones, such as residential over commercial, is not how the zoning code is currently structured.

Councilmember Sweet suggested setting different quiet hours for the downtown area based on the boundaries of the Downtown Business Alliance (DBA), acknowledging that expectations for noise levels differ between downtown and residential neighborhoods like the Southside. Ms. Antol and Ms. Sullivan confirmed that time-based distinctions are not unusual and have been done in other city codes. Councilmember House raised concerns about how the Community Commercial (CC) zone has evolved, particularly in the Southside, from its original vision as a live/work area to one that now heavily includes residential properties. Ms. Antol explained that many lots in the Southside do not meet modern development standards and that there has been limited commercial development in those areas compared to other CC-zoned neighborhoods.

Vice Mayor Aslan expressed concerns about potential claims under Proposition 207, which allows property owners to sue the city if new regulations reduce their property value. City Attorney Solomon confirmed that such claims are often subjective and most frequently arise from zoning code changes. Councilmember Harris emphasized that the core issue is behavior, not just zoning, and stressed the importance of taking action rather than referring residents to courts, especially those with limited resources.

Craig Bouchard addressed Council and argued that citywide ordinance changes are unnecessary, citing only 14 noise complaints according to Flagstaff Police data. He described the issue as a private dispute between himself, his tenant, and a neighbor, and warned that broader action could lead to legal challenges, reduced property values, and lost city revenue. He urged the Council to let the matter be resolved in court, not through citywide policy.

Candace Ryan addressed Council and shared that she filed a noise complaint in October and emphasized that residents are proposing a reasonable compromise--quiet hours starting at 8:00 p.m. on weekdays and 10:00 p.m. on weekends, not a 24/7 restriction. She called for clearer ordinance language requiring officers to assess noise from the property line, not inside homes, and said Southside residents are being subjected to disturbances not tolerated elsewhere.

Councilmember McCarthy noted that Ms. Ryan had researched zoning and neighborhood conditions before moving in, acknowledging that while commercial uses are allowed, that should not override residents' right to a livable environment.

Blake Whitten addressed Council and urged them to adopt the resident proposal, calling it a fair compromise. He warned that failure to act could lead to legal action and stated the proposed quiet hours aim to protect families' well-being. He also suggested a four-strike system for suspending business licenses over repeated violations.

Dawn Tucker addressed Council and supported the resident proposal, citing health concerns and stress from ongoing disturbances. She emphasized that this is not an isolated issue.

Sean Golightly addressed Council and echoed support for the resident-submitted ordinance, noting it would have little impact on live music while addressing a long-neglected problem. He stressed that residents have waited years for action and that it is time for a resolution. Mr. Golightly also submitted written comments in support of the resident submitted ordinance.

Councilmember McCarthy noted that multiple families have moved due to ongoing disturbances and highlighted the ineffectiveness of the current requirement for police to enter homes to verify noise violations. He supported quiet hours of 8:00 p.m. and 10:00 p.m.

Councilmember Matthews cautioned that those hours could harm businesses and lead to unintended consequences, including Prop 207 claims. She supported the staff's proposed hours of 12:00 a.m. and 1:00 a.m. and emphasized the need for a long-term, realistic solution that balances residential and commercial needs.

Councilmember House supported a compromise between 8:00 p.m. and midnight, noting that the HC-zoned neighborhood already observes quiet hours of 10:00 p.m. to 7:00 a.m. She questioned why similar standards could not apply elsewhere.

Councilmember Harris strongly supported the 8:00 p.m. and 10:00 p.m. quiet hours, stressing the health and safety concerns and noting the community's exhaustion with inaction. She urged the Council to have the courage to say no to problem businesses.

Vice Mayor Aslan warned against overregulating based on a single dispute, arguing that overly restrictive noise rules could damage downtown vibrancy and bring legal risk. He supported 9:00 p.m. and midnight hours and warned that citywide application of the ordinance would be problematic.

Councilmember Sweet was open to a carve-out for downtown, using the DBA's taxing district as a boundary, while Mayor Daggett asked for clarification on whether similar delineations could apply to Southside.

Further discussion confirmed general agreement that police should assess noise from the doorstep or just outside a residence, rather than inside. Ms. Sullivan noted that current police procedures vary depending on the nature of the complaint. A majority of Councilmembers supported measuring noise from the doorstep.

Council discussed penalty options, with Mayor Daggett and Councilmembers McCarthy, Harris, and House supporting Option A, which includes a $1,000 fine for a fourth violation, while Vice Mayor Aslan, and Councilmembers Matthews, and Sweet supported Option B, a less severe structure. There was also discussion about the phrase "sustained noise," with Councilmember McCarthy recommending it be clearly defined, such as noise lasting more than 10 minutes. Mr. Solomon acknowledged the term's ambiguity but maintained it is the best available phrasing.

Councilmember McCarthy stressed that the ordinance's intention is not to shut down bars, but to ensure that noise does not infringe on residents' rights. He supported the 8:00 p.m. and 10:00 p.m. proposal, arguing that it offers balance. He acknowledged that such early hours might be too restrictive and expressed interest in gauging business owners' input.

Councilmember House reiterated support for 10:00 p.m. and midnight as a reasonable compromise.

Councilmember Sweet agreed, noting that future construction in downtown could incorporate soundproofing, and emphasized the importance of transparency with incoming businesses.

The Council agreed to a potential carve-out for the downtown area from north of Route 66 to Cherry Avenue and from Humphreys Street to WC Riles, with the ordinance applying differently outside that boundary. Final options, including weekday/weekend hours, enforcement location, and penalties, will return for Council action.

11. Open Call to the Public

None

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

Mayor Daggett stated that the Arizona Department of Veterans' Services recently held a ribbon-cutting ceremony for a new veteran's home, which includes 80 beds and currently houses five veterans. She described it as a great event. She also noted that Lowell Observatory will be holding a grand opening for its new Discovery Center.

Councilmember McCarthy referenced a letter from Jean Myers that Council received regarding the City's consideration of an ordinance to preserve prairie dog colonies. He requested a Future Agenda Item Request to revisit the issue. Mr. Clifton confirmed that the item is already on the list and will be coming forward soon.

13. Adjournment

The meeting of the Flagstaff City Council held November 12, 2024, adjourned at 7:04 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, DECEMBER 3, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held December 3, 2024, to order at 3:14 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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.

Present:	Mayor Becky Daggett Councilmember Deborah Harris Councilmember Khara House Councilmember Lori Matthews Councilmember Jim McCarthy Councilmember Miranda Sweet
Absent:	Vice Mayor Austin Aslan

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

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

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

Colleen Maring, Chief People Officer and General Counsel at Northern Arizona Healthcare, recognized local healthcare professionals at a Flagstaff-area awards ceremony. RJ Reed, CRNA at FMC, received the 2024 Greg Cox Advanced Practice Provider of the Year Award for his dedication, leadership, and 17 years of service in anesthesia. The award honors the late Greg Cox, a long-time FMC Physician Assistant. Christy Rebe, a nurse navigator in the breast care clinic, was named Mason Nurse of the Year for her compassionate support and guidance of patients through their cancer care journey. Over 100 nominations were considered for these system-wide awards.

Matthew Dyer addressed Council and requested that Councilmember McCarthy stop making negative online comments about Southside Tavern. He believed that the comments had harmed his business and reputation. He provided one-star reviews, blocked messages, screenshots of alleged statements, and emails sent to Councilmember McCarthy since January that went unanswered. He made efforts to remain respectful and asked for mutual restraint in future online postings.

5. COUNCIL LIAISON REPORTS

Councilmember Sweet reported that MetroPlan would meet that week and there was an upcoming ribbon cutting of Aspen Niche.

Councilmember Harris expressed her gratitude to Northern Arizona University for the well-attended community reception they hosted.

6. APPOINTMENTS

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

Mayor Daggett noted that Councilmember Matthews had a family emergency and her appointments would be postponed to the meeting of December 10, 2024.

A. Consideration of Appointments: Indigenous Commission

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to appoint Mowana Lomaomvaya to a term expiring December 2027.

Vote: 5 - 0 - Unanimously

Moved by Councilmember Khara House, **seconded by** Councilmember Jim McCarthy to appoint Darrell Marks to a term expiring December 2027.

Vote: 5 - 0 - Unanimously

B. **Consideration of Appointments:** Planning and Zoning Commission

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to appoint Carole Mandino to a term expiring December 2027.

Vote: 5 - 0 - Unanimously

C. **Consideration of Appointments:** Water Commission

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to appoint Ron Doba to a term expiring December 2027.

Vote: 5 - 0 - Unanimously

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to appoint Donald Bills to a term expiring December 2027.

Vote: 5 - 0 - Unanimously

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Khara House to appoint Matthew Garcia to a term expiring December 2026.

Vote: 5 - 0 - Unanimously

Moved by Mayor Becky Daggett, **seconded by** Councilmember Miranda Sweet to appoint Haley Paul to a term expiring December 2025.

Vote: 5 - 0 - Unanimously

D. **Consideration of Appointments:** Tourism Commission.

Moved by Mayor Becky Daggett, **seconded by** Councilmember Jim McCarthy to appoint Jamie Thousand to a term expiring January 2028.

Vote: 5 - 0 - Unanimously

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to appoint Regina Salas to a term expiring January 2028.

Vote: 5 - 0 - Unanimously

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Jim McCarthy to appoint Julie Comnick to a term expiring January 2028.

Vote: 5 - 0 - Unanimously

E. **Consideration of Appointments:** Open Space Commission.

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to appoint Molly Joyce to a term expiring April 2027.

Vote: 5 - 0 - Unanimously

7. LIQUOR LICENSE PUBLIC HEARINGS

Applications under Liquor License Public Hearings may be considered under one public hearing and may be acted upon by one motion unless otherwise requested by Council.

A. **Consideration and Action on Liquor License Application:** Arti Patel, "Days Inn", 2735 S Woodlands Village Blvd, Series 11 (Hotel/Motel), New License

Mayor Daggett opened the public hearing.

City Clerk Assistant Georganna Staskey introduced the applications and noted that there were no

concerns from the Police Department or Community Development.

There being no public comment, Mayor Daggett closed the public hearing.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to forward the application to the state with a recommendation for approval.

Vote: 5 - 0 - Unanimously

8. 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.

Councilmember McCarthy requested that Item 8B be pulled for discussion.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to approve the Consent Agenda with the exception of Item 8B as presented.

Vote: 5 - 0 - Unanimously

A. **Consideration and Ratification:** Letter of Support for Arizona Public Service Company's ("APS") SAGUARO Program.

Retroactively approve the letter of support.

B. **Consideration and Approval:** Letter of Support for the Funding of the Pioneer Museum and Arizona Historical Society FY2026 Budget.

Councilmember McCarthy stated that he strongly supported the letter of support for the Pioneer Museum. He requested that the words "per year" be added at the end of a sentence in the second paragraph where it says "Flagstaff receives over 5.5 million day and overnight visitors."

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to approve the letter of support as amended.

Vote: 6 - 0 - Unanimously

C. **Consideration and Approval of Contract:** B2B Direct Sales, Inc. dba The HVAC Company and the City of Flagstaff for the purchase of an HVAC unit for the Aquaplex.

1. Approve the Cooperative Purchase Contract between the B2B Direct Sales, Inc. dba The HVAC Company and the City of Flagstaff to purchase a 35 ton Trane TCD420 air conditioning unit in the amount not exceed $171,988.33; and
2. Authorize the City Manager to execute the necessary documents.

D. **Consideration and Approval of Contract:** Purchase of (75) Police Patrol Rifles and accompanying accessories/equipment from Cats Arms LLC dba Sionics Weapon Systems, in an amount not to exceed $178,999.55, for the Flagstaff Police Department.

1. Approve the Purchase Contract with Cats Arms LLC dba Sionics Weapon Systems, in an amount not to exceed $178,999.55, for Police Patrol Rifles for the Flagstaff Police Department; and
2. Authorize the City Manager to execute all necessary documents.

E. **Consideration and Approval of Contract:** Approval the contract amendment to the Professional Services Contract with Terros Health to include Emergency Medical Care Technicians in the operations of the Community Alliance, Response & Engagement (CARE) Unit

1. Approve the contract amendment to Terros Health for the inclusion of Emergency Medical Care Technicians in the CARE Unit contract.
2. Authorize the City Manager to execute all necessary documents.

F. **Consideration and Approval of Settlement:** City of Flagstaff vs Arizona Materials Properties, LLC et al

1. Approve global settlement of the pending condemnation proceeding and claims for relocation benefits under the Uniform Relocation Act related to acquisition of property owned by Arizona Materials Properties, LLC, pursuant to the terms discussed in Executive Session subject to City Attorney approval of final form of document; and
2. Authorize and direct the City Manager and/or City Attorney to execute all documents and take other actions as are necessary to finalize the global settlement.

G. **Consideration and Approval of Contract:** Ratification of expenditures with Stantec Consulting Services, Inc. for additional services in the amount of $128,134 and approval of the First Amendment for a total contract amount of $340,000.

1. Approve the First Amendment to the contract with Stantec Consulting Services, Inc. in the amount of $128,134; and
2. Authorize the City Manager to execute the necessary documents.

H. **Consideration and Approval of Contract:** Cooperative Purchase Contract with ExerPlay, Inc. for the Mobile Haven Park and Smokerise Park playground replacement in the amount of $165,603.33

1. Approve the Cooperative Purchase Contract in the amount of $165,603.33 with ExerPlay, Inc. replacing the aged playgrounds with new playgrounds as a turnkey project through the 1GPA Cooperative Purchasing Agreement #23-07P-04; and
2. Authorize the City Manager to execute the necessary documents.

I. **Consideration and Approval of Contract:** Fifth Amendment to the Construction Manager at Risk (CMAR) Construction Services Agreement with Eagle Mountain Construction, Inc. for the Spruce Wash Flood Mitigation Suite of Projects to add Guaranteed Maximum Price (GMP) 5.

1. Approve the Fifth Amendment to the CMAR Construction Services Agreement with Eagle Mountain Construction, Inc. for the Spruce Wash Mitigation Suite of Projects to include GMP 5 in the amount of $7,988,896.61 and adding 0 days to the contract duration; and
2. Approve an Owner's Contingency of $75,000.00, which is approximately 1% of GMP 5; and
3. Authorize the City Manager to execute the necessary documents.

9. ROUTINE ITEMS

A. **Consideration and Adoption of Resolution No. 2024-45 and Ordinance No. 2024-28:** 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 entitled "PZ-24-00009 - Subdivision Process" and an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code Title 11, General Plans and Subdivisions.

Councilmember McCarthy moved to to adopt Resolution No. 2024-45 with Alternative 2. Zoning Code Manager Tiffany Antol explained that Alternative 1 was approved at the last meeting when the first read of the ordinance was done. Councilmember McCarthy asked for a brief summary of the

alternatives. Ms. Antol stated that Alternative 2 was where 100% of property owners within a subdivision had to sign rather than a percentage. However, there was a provision provided for when someone could not get the signatures, then they would go through the notification process.

Councilmember McCarthy withdrew his motion.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to adopt Resolution No. 2024-45.

Vote: 5 - 0 - Unanimously

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2024-28 by title only for the final time.

Vote: 5 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF AMENDING THE FLAGSTAFF CITY CODE, TITLE 11, GENERAL PLANS AND SUBDIVISIONS, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "PZ-24-00009 -- SUBDIVISION PROCESS"; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Khara House, **seconded by** Councilmember Jim McCarthy to adopt Ordinance No. 2024-28.

Vote: 5 - 0 - Unanimously

B. **Consideration and Adoption of Ordinance No. 2024-27:** An ordinance of the City Council of the City of Flagstaff, authorizing the exchange of real property of substantially equal value, with property owner Gary S. Christensen M.D.

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2024-27 by title only for the final time.

Vote: 5 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AUTHORIZING THE EXCHANGE OF REAL PROPERTY OF SUBSTANTIALLY EQUAL VALUE, WITH PROPERTY OWNER GARY S. CHRISTENSEN M.D. FOR THE SCHULTZ CREEK TRAILHEAD; PROVIDING FOR DELEGATION OF AUTHORITY, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Khara House, **seconded by** Councilmember Jim McCarthy to adopt Ordinance No. 2024-27.

Vote: 5 - 0 - Unanimously

C. **Consideration and Adoption of Ordinance No. 2024-29:** An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff Zoning Map to rezone approximately 13.96 acres of real property located at 4631 S Lake Mary Road, from the Estate Residential (ER) zone with a Resource Protection Overlay (RPO) to the High Density Residential (HR) zone with a Resource Protection Overlay (RPO), providing for severability, authority for clerical corrections, and establishing an effective date.

The following individuals addressed Council in opposition to the rezoning:

- Tobie Bardsley
- Marilyn Reuvers
- John Lloyd
- Jill Cooper

- Frances Joseph

The following comments were received:

- Concerned about increased traffic from a new hotel and tourists traveling to nearby lakes.
- Concerned about lack of sidewalks and limited public transportation.
- There was only one firehouse that served the area, it was a safety concern.
- Oppose more apartments and give preference to single-family homes to maintain aesthetics and community character.
- Rezoning would negatively impact their quality of life and go against neighborhood input.
- Planning and Zoning Commission recommended denial.
- Preserve rural character and consider the impact of high-density development in a rural area.
- Align development with the city's mission and long-term planning goals.

Councilmember House asked if a representative of the development could speak to the overall plan of the community, what was envisioned, and what work had been done in terms of the concerns of the community.

Mike Maerowitz with Snell and Wilmer, representing Atlantic Development, stated that it had been a lengthy, three-year process working with city staff on a development application. That included addressing public infrastructure challenges, designing the project to align with the city's regional plan and suburban designation, and conducting extensive public outreach through neighborhood and individual meetings. He acknowledged the concerns about change from neighbors but emphasized the project's importance in addressing the city's housing emergency. While it would not solve all housing issues, the project represented a significant step toward meeting the city's housing priorities with an appropriately designed development.

Councilmember House asked staff about the reference to the number of apartments available versus the need, as well as the numbers referenced in the 10-Year Housing Plan.

Housing Director Sarah Darr stated that the current community rental vacancy rate was approximately 6.74%, which was below the national average and slightly above typical local rates of around 5%. She indicated that Section 8 voucher holders often struggled to find available units, as vacancies in complexes rarely remained open for long. Thousands of local households were on waiting lists for affordable housing, reflecting local preference policies. She also shared that progress on the city's 10-year housing plan was tracked quarterly. It showed incremental improvements, but the goals had not yet been met. The plan emphasized both affordable housing and overall housing supply to meet community demand. Housing staff were working with regional planners to forecast future needs. The demand continued to outpace supply.

Mayor Daggett asked about the wait times for those on the waiting list. Ms. Darr stated that it was 18 to 24 months depending on the number of bedrooms.

Councilmember McCarthy stated that he was willing to support the project if they accepted the conditions provided in the agenda packet and included the FUTS construction. Mr. Maerowitz agreed.

Councilmember Sweet asked about the micro transit and if there had been any conclusion. Mr. Maerowitz stated that there was ongoing conversations with Mountain Line about transit options in the area. While traditional bus service was not feasible due to current density, future growth may allow for it. There was potential for micro-transit or shuttle service and they supported and committed to continue exploring those options. Councilmember Sweet asked if there was a way to include that in the development agreement. Mr. Maerowitz offered a statement that could be added to the development agreement such as "the developer shall use reasonable efforts to continue discussions with Mountain Line about bringing micro-transit to service the property."

Mayor Daggett emphasized that Council carefully reviewed all materials, including Planning and Zoning Commission meetings, staff reports, emails, and community input, before considering the housing project. She acknowledged neighborhood concerns but stressed the city's ongoing housing crisis, citing data and experiences with residents struggling to find housing. The Council aimed to

balance housing needs with climate goals and regional planning priorities. She also noted that a variety of housing types were necessary. She was open to lower-density, locally affordable projects, but acknowledged the challenge in finding suitable options for current residents.

Councilmember Sweet emphasized that Council had done their homework by thoroughly reviewing materials, watching the Planning and Zoning Commission meetings, visiting the site, meeting with residents, and consulting staff. She echoed the Mayor's comments about due diligence and stressed that while she understood the neighbors' concerns, the city was facing a housing emergency that required difficult decisions.

Councilmember Harris acknowledged the difficulty of unwanted projects in neighborhoods but stressed that Council did listen and carefully considered input. She highlighted the housing struggles in the community, where essential workers like firefighters, police officers, nurses, and teachers were forced to live far away and commute, which also impacted climate goals. She encouraged empathy, emphasized that the issue affected the entire community, and expressed support for moving the project forward despite the challenges.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Deborah Harris to read Ordinance No. 2024-29 by title only for the final time with the inclusion of the conditions that were presented in the agenda packet.

Councilmember McCarthy withdrew his motion and Councilmember Harris agreed.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Deborah Harris to read Ordinance No. 2024-29 by title only for the final time with the following conditions:

1. The subject property must be developed in accordance with the approved site plan and the conditions of approval dated December 22, 2022. Modifications (other than minor modifications) to the approved site plan will require an amendment to this Direct to Ordinance Zoning Map Amendment request.
2. All other requirements of the Zoning Code and other City codes, ordinances and regulations, shall be met by the proposed development.
3. All terms, conditions, and restrictions detailed within the "Lake Mary Housing Development Agreement" must be fully satisfied.
4. In the event the property is rezoned and the Developer fails to obtain final Civil Plan approval within two (2) years of the effective date of the rezoning ordinance, then the City may schedule a public hearing before the City Council for the purpose of causing the zoning on the Property to revert to the former classification of Estate Residential (ER) in accordance with A.R.S. § 9-462.01. Civil Plan approval will not be granted until the following condition precedent is met:
    - The Developer obtains the required approvals from the National Forest Service to locate the pressurized sewer line in National Forest Service property.
5. Affordable Housing Incentives are being requested for this Project. Zoning Code Section 10-30.20.020.I includes eligibility requirements. To ensure compliance with the Zoning Code, the developer shall implement a minimum of one (1) of the following items with final construction permit approvals:
    - Extend the Flagstaff Urban Trails System ("FUTS") from the existing terminus at John Wesley Powell and Lake Mary Road, down Lake Mary Road to the Site along the west side of Lake Mary Road, in general conformance with the Comprehensive Plan Map 26d: Existing and Planned Flagstaff Urban Trails, as amended November 3, 2022.
6. The applicant will pursue reasonable discussions with Mountain Line regarding micro-transit in the near future.

Vote: 5 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF ZONING MAP TO REZONE APPROXIMATELY 13.96 ACRES OF REAL PROPERTY LOCATED AT 4631 SOUTH LAKE MARY ROAD, APN 115-03-001A, FROM THE ESTATE RESIDENTIAL (ER) ZONE IN THE RESOURCE PROTECTION OVERLAY TO THE HIGH DENSITY

RESIDENTIAL (HR) ZONE IN THE RESOURCE PROTECTION OVERLAY WITH CONDITIONS; PROVIDING FOR SEVERABILITY; AUTHORITY FOR CLERICAL CORRECTIONS; AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to adopt Ordinance No. 2024-29.

Vote: 5 - 0 - Unanimously

D. **Consideration and Adoption of Resolution No. 2024-46:** A resolution of the City Council of the City of Flagstaff, Arizona, authorizing the execution of the Lake Mary Housing Development Agreement between the City of Flagstaff and Flagstaff OZ Ventures, LLC. related to the development of approximately 13.96 acres of real property generally located at 4631 South Lake Mary Road and establishing an effective date.

Senior Planner Ben Mejia provided a PowerPoint presentation that covered the following:

LAKE MARY HOUSING
DEVELOPMENT AGREEMENT
COUNCIL OPTIONS

Mayor Daggett clarified that there would be 20% affordable units for a maximum household income of 80% AMI which was separate from the acceptance of vouchers. If someone used a voucher that did not count towards the affordable units. Mr. Mejia stated that she was correct.

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to read Resolution No. 2024-46 by title only.

Vote: 5 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, AUTHORIZING THE EXECUTION OF THE LAKE MARY HOUSING DEVELOPMENT AGREEMENT BETWEEN FLAGSTAFF OZ VENTURES, LLC. AND THE CITY OF FLAGSTAFF RELATED TO THE DEVELOPMENT OF APPROXIMATELY 13.96 ACRES OF REAL PROPERTY GENERALLY LOCATED AT 4631 SOUTH LAKE MARY ROAD; AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to adopt Resolution No. 2024-46.

Vote: 5 - 0 - Unanimously

E. **Consideration and Approval:** Change Order 2 with Eagle Mountain Construction for the Beulah/University Realignment Project

Capital Improvements Project Manager David Pedersen provided a PowerPoint presentation that covered the following:

BEULAH/UNIVERSITY REALIGNMENT PROJECT
VICINITY MAP
PROJECT MAP
CHANGE ORDER 1
CHANGE ORDER 2

Mayor Daggett asked if drivers would no longer be able to make a left from Milton to Fresquez. Mr. Pedersen confirmed and stated that it would be a right-in and right-out. The intent was to turn onto University Avenue if they needed to go in that direction.

PROJECT SCHEDULE
PROGRESS

Councilmember House shared that she had received some concerns about safety at the University Square apartments, she asked if the work associated with the change order would address those concerns. Mr. Pedersen stated that there would be improvements and with the opening of the road that week, the issues would be resolved.

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to approve Change Order 2 for with Eagle Mountain Construction for $390,173.15 and 20 additional calendar days to the contract period and authorize the City Manager to execute the necessary documents.

Vote: 5 - 0 - Unanimously

10. PUBLIC HEARING ITEMS

A. Public Hearing: FY 2020 and FY2022 Biennial Development Impact Fee Audits

Mayor Daggett opened the public hearing.

Finance Director Brandi Suda stated that the public hearing on development fees was required by state law. The city had collected fees since 2009 and adopted updated public safety development fee plans in 2014 and 2020 to comply with new requirements. Instead of forming an advisory committee, the city chose to complete biannual audits, contracting with Heinfeld Meech & Co. The audits for fiscal years 2019--2022 identified minor exceptions: one missed fee assessment and variances in growth projections. The reports were posted October 7, 2024, and while the hearing was required, no Council action was needed.

Mayor Daggett asked how processes had been changed to address the exceptions. Ms. Suda explained that the processes had not changed but Finance took time to meet with Community Development staff about the missed fee assessment to understand what had happened during that time to make sure it would not happen again. It was an unusual circumstance on the missed fee assessment. In terms of the variances in growth projections, it would likely be an exception on every report because what was projected when the plan was developed would never match exactly to what actually happened. Staff did the best they could, but it was difficult to estimate that growth.

There being no public comment, Mayor Daggett closed the public hearing.

11. REGULAR AGENDA

A. Consideration and Adoption of Resolution No. 2024-47: A resolution of the Flagstaff City Council, approving the adoption of the 2024 City of Flagstaff Forest Management Plan.

Forest Health Supervisor Neil Chapman provided a PowerPoint presentation that covered the following:

CITY OF FLAGSTAFF FOREST MANAGEMENT PLAN
NATIONAL COHESIVE WILDFIRE MANAGEMENT STRATEGY
INTENT
NATURAL ENVIRONMENT WITHOUT STRUCTURES DESIRED CONDITIONS
BASAL AREA COLLECTED VIA A DRONE FLIGHT
BASAL AREA COLLECTED VIA A SAMPLING GRID
BUILT ENVIRONMENT DESIRED CONDITIONS

There were questions about where the five feet clearance began and how staff was educating the public. Mr. Chapman explained that the five-foot clearance referred to the area extending five feet out from a home's exterior walls, known as the "immediate zone," which was most vulnerable to wildfire embers. Recommendations included removing flammable materials, vegetation, firewood, and debris; keeping roofs and gutters clear; and using non-combustible fencing. Those guidelines helped reduce wildfire risk. Decisions about nearby trees depended on factors like needle accumulation and homeowner maintenance ability. Outreach to homeowners was done through social media, Firewise awareness events, a new outreach position, and especially word of mouth when neighbors share information after fire department visits.

FOREST STEWARDSHIP PLANS FOR DEVELOPERS

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to read Resolution No. 2024-47 by title only.

Vote: 5 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING THE ADOPTION OF THE 2024 CITY OF FLAGSTAFF FOREST MANAGEMENT PLAN

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to adopt Resolution No. 2024-47.

Vote: 5 - 0 - Unanimously

B. **Consideration and Adoption of Resolution No. 2024-49:** A resolution of the Flagstaff City Council, approving an Intergovernmental Agreement between Arizona Department of Public safety and the City of Flagstaff for Law Enforcement Retention Initiatives Funding.

Police Support Services Manager Allison Hughes explained that the agreement provided $150,000 through an intergovernmental arrangement to support police recruitment and retention, funded under 2024 state legislation. The money would be used to hire a vendor specialized in performance coaching and workforce support. Like many agencies, the city faced difficulties attracting and keeping officers due to fewer applicants, competition from other industries, early retirements, and burnout. The initiative aimed to improve officer well-being, job satisfaction, and performance, ultimately strengthening the Police Department.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to read Resolution No. 2024-49 by title only.

Vote: 5 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN ARIZONA DEPARTMENT OF PUBLIC SAFETY AND THE CITY OF FLAGSTAFF FOR LAW ENFORCEMENT RETENTION INITIATIVES FUNDING

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Khara House to adopt Resolution No. 2024-49.

Vote: 5 - 0 - Unanimously

A break was held from 4:59 p.m. through 5:17 p.m.

Councilmember Matthews joined the meeting at 5:20 p.m.

C. **Consideration and Adoption of Resolution No. 2024-50:** A resolution of the City Council of the City of Flagstaff, Arizona, authorizing the execution of the development agreement with Little America Hotels and Resorts, LLC ("Little America") for construction of the John Wesley Powell (JWP) extension across Little America property.

Planning Director Michelle McNulty, Traffic Engineer Jeff Bauman, and Deputy City Attorney Kevin Fincel provided a PowerPoint presentation for Items 11C, 11D, and 11E that covered the following:

JWP EXTENSION DEVELOPMENT AGREEMENTS
J.W. POWELL EXTENSION VICINITY MAP
BACKGROUND
TRAILS, WILDLIFE, AND OPEN SPACE
ROADWAY CROSS-SECTIONS -- FOUR TYPES
ROADWAY CROSS-SECTION ONE
ROADWAY CROSS-SECTION TWO

ROADWAY CROSS-SECTION THREE
ROADWAY CROSS-SECTION FOUR
J.W. POWELL MAP
JWP SPECIFIC PLAN
MAIN COMPONENTS
DEVELOPMENT AGREEMENT - 3 SEPARATE AGREEMENTS
AGREEMENT WITH LITTLE AMERICA

There were a few edits made to the agreement after the agenda was published. Mr. Fincel reviewed those change points:

- In combination with the existing water and wastewater infrastructure would support at least 1,500 single-family residential units without LA having to upgrade the improvements.
- Sufficient capacity within the infrastructure improvements within the JWP Right of Way.
- Clarification that capacity fees will still be collected for water and wastewater.

AGREEMENT WITH STL405, JP325, AND GIBSON
1ST AMENDMENT TO CANYON DEL RIO

Nick Wood from Snell and Wilmer, representing Gibson, Lindsay Schube from Gammage and Burnam, representing STL405, Juniper Point, and Canyon Del Rio, and Benjamin Tad representing Gibson, thanked staff for the partnership, collaboration, and work that has gone into getting to where they were.

Councilmember Matthews also expressed her appreciation to staff and all the parties involved. It was great to see how people could come together, problem solve, and find agreements that served everyone.

Written comment from Dana Jolly and Xiaoging MA were submitted regarding concerns about John Wesley Powell.

Anne Vonesh addressed Council with concerns about traffic on Butler. There had been no resolution on the traffic congestion and now there were going to be more homes in the area to add to the problems.

City Engineer Paul Mood explained that the Butler and Fourth Street Improvement Project was at 30% design and moving forward. They were waiting for the development agreements to be approved because some of the other improvements impacted the Butler project. Staff was also waiting to hear on the RAISE grant applications that had been submitted. If the city was awarded that grant funding, there were some different things that could be done with the Butler/Fourth project.

Mayor Daggett asked how long to construction given that it was at 30% design and still waiting on grant funding. Mr. Mood stated that it would be a minimum of six to nine months for design and then a year to 18 months for construction.

Mayor Daggett asked what the plan was if the city was not successful in getting the grant. Mr. Mood said that the project would still move forward. They were considering a pedestrian underpass for the grant, and if not successful, that element would come out of the project.

Mayor Daggett expressed a desire to discuss the speed limit on Butler by the schools at a later time.

Rick Natenberg addressed Council and stated that the map showed 300 feet on either side of the right-of--way (ROW). It looked like the access to River Valley Road would be cut off. His other concern was that while it sounded generous that Little America was giving up ROW, they were getting improved infrastructure in return. They were getting the gold mine while citizens were getting the shaft. He also expressed concerns about impact to the wildlife in the area.

Ms. McNulty clarified that the 300 notation on the map was a reference to the property owners who needed to be notified of the public meeting as it was required that all property owners within 300 feet

were required to be notified.

Mr. Mood stated that the access to River Valley Road would remain the same, off of Harold Ranch Road. The developer would also be improving Harold Ranch Road to the existing low water crossing that the County recently improved. In the development agreement it called out that the property owners could use millings with chip sealing on top. When Canyon Del Rio developed their portions next to Harold Ranch Road, they would improve the interim condition to a local road. With regard to stormwater, there were strict federal processes that had to be followed, and there would be no adverse effects created. A design for the box culverts or something else to accommodate the flow without causing any adverse impacts downstream was needed.

Mayor Daggett asked if there was a migratory route where the overpass would be. Mr. Mood responded yes and that staff had obtained the most current pattern data from Arizona Game and Fish. They were considering smaller box culverts for an underpass and an at-grade crossing for elk. Those were elements that would come in the future and they would continue to work closely with Game and Fish.

Scott Tonn addressed Council and stated that between Lake Mary Road and the Lone Tree turn off to John Welsey Powell, the traffic went way beyond the speed limit. There should be a 35 mph limit. Additionally, the city should address how to deal with the thinning of the medians so the landscape and trees are not demolished in the future with expansion.

Mr. Mood stated that the current development agreement called out the 35 mph speed limit but it covered only the current end of Pine Canyon through Canyon Del Rio, it did not include Lake Mary Road to the access to Pine Canyon. Council could provide direction for speed changes if desired. In terms of landscaping, the intent was to keep it natural, as it currently was. While not in the development agreement staff would look and consider the future widening of the road to make sure that trees and landscape accommodated that.

Mayor Daggett stated that the Council could set a 35 mph speed limit for the entire length of John Wesley Powell, but it was something that could be changed by a future Council.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to read Resolution No. 2024-50 by title only subject to the amendments recommended by staff.

Vote: 6 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL AUTHORIZING A DEVELOPMENT AGREEMENT BETWEEN LITTLE AMERICA HOTELS AND RESORTS, LLC AND THE CITY OF FLAGSTAFF RELATED TO CONSTRUCTION OF THE JOHN WESLEY POWELL (JWP) EXTENSION ACROSS LITTLE AMERICA PROPERTY; AND ESTABLISHING AN EFFECTIVE DATE AS AMENDED

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to adopt Resolution No. 2024-50 subject to the amendments recommended by staff.

Vote: 6 - 0 - Unanimously

D. **Consideration and Adoption of Resolution No. 2024-51:** A resolution of the City Council of the City of Flagstaff, Arizona, authorizing the execution of the development agreement with JP325, LLC ("JP325"), STL405, LLC ("STL405"), and Kelly J. Gibson and Christy R. Gibson ("Gibson") for construction of the John Wesley Powell extension.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House to read Resolution No. 2024-51 by title only subject to the amendments recommended by staff.

Vote: 6 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL AUTHORIZING A DEVELOPMENT AGREEMENT BETWEEN JP325, LLC, STL405, LLC, KELLY J. GIBSON AND CHRISTY R. GIBSON, AND THE CITY OF FLAGSTAFF RELATED TO CONSTRUCTION OF THE JOHN WESLEY POWELL (JWP) EXTENSION; AND ESTABLISHING AN EFFECTIVE DATE AS AMENDED

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Deborah Harris to adopt Resolution No. 2024-51 subject to the amendments recommended by staff.

Vote: 6 - 0 - Unanimously

E. **Consideration and Adoption of Resolution No. 2024-52:** A resolution of the City Council of the City of Flagstaff, Arizona, authorizing the execution of the First Amendment to the Canyon Del Rio Development Agreement.

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to read Resolution No. 2024-52 by title only.

Vote: 6 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL AUTHORIZING A DEVELOPMENT AGREEMENT BETWEEN CDR DEVCORP, LTD, CDR LAND INVESTORS II, LLC, AND THE CITY OF FLAGSTAFF RELATED TO CONSTRUCTION OF THE JOHN WESLEY POWELL (JWP) EXTENSION ACROSS CANYON DEL RIO; AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Khara House, **seconded by** Councilmember Miranda Sweet to adopt Resolution No. 2024-52.

Vote: 6 - 0 - Unanimously

12. 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 Citizens' Petition titled "Miranda Sweet Conflict of Interest"

City Attorney Sterling Solomon stated that the Charter required that within 31 days the Council had to act on citizen petitions. He stated that he had attached a legal memorandum that explained his opinion that there was not a conflict of interest.

There was not requisite support to advance the item to a future agenda.

13. OPEN CALL TO THE PUBLIC

None

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

Councilmember Matthews reminded everyone that it was Giving Tuesday and to consider supporting local non-profits

Councilmember House shared that she was notified that she was the recipient of one of the National League of Cities Centennial Under Forty Impact awards. There were thirty-nine other elected officials who received the award as well.

Mayor Daggett shared that Toys for Tots had placed their boxes around town including one in the City Hall lobby. She encouraged people to bring a new unwrapped toy for donation. She highlighted a few upcoming events: the Handmade Holiday Market, First Friday Artwalk, Art Markets on Fort

Valley Road, and the Winter Wonderland and tree lighting.

Councilmember Harris shared that the Cleo Murdoch community park was completed and she invited everyone to check it out. She thanked the PROSE division for their great work. There would be an official grand opening in the future.

Mayor Daggett stated that at the next Council meeting, they would be recognizing the outgoing Councilmembers and she encouraged all to attend.

15. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held December 3, 2024, adjourned at 7:00 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on December 3, 2024. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, APRIL 8, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
2:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting (Executive Session) to order at 2:00 p.m.

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR DAGGETT (virtual) VICE MAYOR SWEET COUNCILMEMBER ASLAN (virtual) COUNCILMEMBER GARCIA (virtual) COUNCILMEMBER HOUSE COUNCILMEMBER MATTHEWS (virtual) COUNCILMEMBER SPENCE	

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

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body and discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, pursuant to A.R.S. §38-431.03(A)(3) and (4), respectively.

i. Litigation Update

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held April 8, 2025, reconvened into Open Session at 2:13 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, APRIL 22, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
1:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting (Executive Session) to order at 1:01 p.m.

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR DAGGETT (virtual) VICE MAYOR SWEET COUNCILMEMBER ASLAN (virtual) COUNCILMEMBER GARCIA (virtual) COUNCILMEMBER HOUSE COUNCILMEMBER MATTHEWS (virtual) COUNCILMEMBER SPENCE	

Others present: City Manager Greg Clifton; Deputy City Attorney Kevin Fincel.

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body, discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation pursuant to A.R.S. §38-431.03(A)(3), (4), respectively

i. Legal advice and update on pending and potential litigation.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held April 22, 2025, reconvened into Open Session at 1:48 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, MAY 6, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
12:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting (Executive Session) to order at 12:01 p.m.

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR DAGGETT	
VICE MAYOR SWEET	
COUNCILMEMBER ASLAN	
COUNCILMEMBER GARCIA (virtual)	
COUNCILMEMBER HOUSE	
COUNCILMEMBER MATTHEWS	
COUNCILMEMBER SPENCE	

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

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

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

i. Legal advice regarding Federal and Arizona fair housing laws and state statute limiting cities' authority to adopt local fair housing ordinances.

B. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting.A.R.S. §38-431.03(A)(1)

i. Discussion of employment of a public officer, appointee, or employee.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held May 6, 2025, reconvened into Open Session at 2:39 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, MAY 13, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
12:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting (Executive Session) to order at 12:01 p.m.

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR DAGGETT (virtual) VICE MAYOR SWEET COUNCILMEMBER ASLAN (virtual) COUNCILMEMBER GARCIA (virtual) COUNCILMEMBER HOUSE (virtual) COUNCILMEMBER MATTHEWS COUNCILMEMBER SPENCE	

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

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body, discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, and discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property, pursuant to A.R.S. §38-431.03(A)(3), (4), and (7), respectively

i. Legal advice, discussion, and consultation regarding development of old courthouse property and negotiation of related development agreement

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held May 13, 2025, reconvened into Open Session at 2:06 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, MAY 20, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
1:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting (Executive Session) to order at 1:01 p.m.

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR DAGGETT (virtual) VICE MAYOR SWEET COUNCILMEMBER ASLAN (virtual) COUNCILMEMBER GARCIA (virtual) COUNCILMEMBER HOUSE (virtual) COUNCILMEMBER MATTHEWS COUNCILMEMBER SPENCE	

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

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body and discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, pursuant to A.R.S. §38-431.03(A)(3) and (4), respectively.

i. Water litigation update

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held May 20, 2025, reconvened into Open Session at 2:18 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, JUNE 3, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
1:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting (Executive Session) to order at 2:02 p.m.

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR DAGGETT (virtual) VICE MAYOR SWEET COUNCILMEMBER ASLAN (virtual) COUNCILMEMBER GARCIA (virtual) COUNCILMEMBER HOUSE COUNCILMEMBER MATTHEWS COUNCILMEMBER SPENCE	

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

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body, discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, and discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property, pursuant to A.R.S. §38-431.03(A)(3), (4), and (7), respectively.

i. Legal advice, discussion, and consultation regarding Canyon Del Rio development agreement and purchase of right of way.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held June 3, 2025, reconvened into Open Session at 2:25 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, JUNE 10, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
1:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting (Executive Session) to order at 1:02 p.m.

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR DAGGETT (virtual)	COUNCILMEMBER HOUSE
VICE MAYOR SWEET	
COUNCILMEMBER ASLAN (virtual)	
COUNCILMEMBER GARCIA	
COUNCILMEMBER MATTHEWS (virtual)	
COUNCILMEMBER SPENCE	

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

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting, pursuant to A.R.S. §38-431.03(A)(1).

i. Presiding Magistrate Re-appointment

B. Discussion or consultation for legal advice with the attorney or attorneys of the public body, discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, and discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property, pursuant to A.R.S. §38-431.03(A)(3), (4), and (7), respectively

i. Legal advice, discussion, consultation, and instruction regarding lease agreement with CBAR 19 Flagstaff, LLC pertaining to its lease of a portion of Tract 7B of the Pulliam Airport Airpark Unit 1, and related reimbursement agreement for right-of-way improvements.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held June 10, 2025, reconvened into Open Session at 1:39 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, JUNE 17, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
12:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting (Executive Session) to order at 12:03 p.m.

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR DAGGETT	COUNCILMEMBER ASLAN
VICE MAYOR SWEET	
COUNCILMEMBER GARCIA (virtual)	
COUNCILMEMBER HOUSE (virtual)	
COUNCILMEMBER MATTHEWS	
COUNCILMEMBER SPENCE	

Others present: City Manager Greg Clifton

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 6 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting.A.R.S. §38-431.03(A)(1)

i. Discussion of employment of a public officer, appointee, or employee.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held June 17, 2025, reconvened into Open Session at 12:03 p.m. at which time the meeting adjourned.

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MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, JUNE 24, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
1:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting (Executive Session) to order at 1:02 p.m.

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR DAGGETT	
VICE MAYOR SWEET	
COUNCILMEMBER ASLAN (virtual)	
COUNCILMEMBER GARCIA (virtual)	
COUNCILMEMBER HOUSE (virtual)	
COUNCILMEMBER MATTHEWS	
COUNCILMEMBER SPENCE	

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

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body, and discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, pursuant to A.R.S. §38-431.03(A)(3), (4), and (7), respectively.

i. Legal advice, discussion, and possible direction from City Council regarding various contracts related to the Rio de Flag Flood Control Project.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held June 24, 2025, reconvened into Open Session at 1:30 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, JULY 1, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
12:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting (Executive Session) to order at 12:07 p.m.

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR DAGGETT	
VICE MAYOR SWEET	
COUNCILMEMBER ASLAN	
COUNCILMEMBER GARCIA	
COUNCILMEMBER HOUSE	
COUNCILMEMBER MATTHEWS	
COUNCILMEMBER SPENCE	

Others present: City Manager Greg Clifton

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting.A.R.S. §38-431.03(A)(1)

i. Discussion of employment of a public officer, appointee, or employee.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held July 1, 2025, reconvened into Open Session at 1:58 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, JULY 29, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
2:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting (Executive Session) to order at 2:07 p.m.

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR DAGGETT	
VICE MAYOR SWEET	
COUNCILMEMBER ASLAN	
COUNCILMEMBER GARCIA	
COUNCILMEMBER HOUSE	
COUNCILMEMBER MATTHEWS	
COUNCILMEMBER SPENCE	

Others present: Deputy City Attorney Kevin Fincel

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting. 4. Discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation. In accordance with A.R.S. §38-431.03(A)(1)(4).

i. City Manager Temporary Employment Agreement

B. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except

that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting. In accordance with A.R.S. §38-431.03(A)(1).

i. City Manager Recruitment Update

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held July 29, 2025, reconvened into Open Session at 2:58 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, AUGUST 12, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
3:30 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting (Executive Session) to order at 3:33 p.m.

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR DAGGETT	COUNCILMEMBER ASLAN
VICE MAYOR SWEET	COUNCILMEMBER HOUSE
COUNCILMEMBER GARCIA	
COUNCILMEMBER MATTHEWS	
COUNCILMEMBER SPENCE	

Others present: City Clerk Stacy Saltzburg.

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 5 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting. In accordance with A.R.S. §38-431.03(A)(1).

i. Discussion and consideration of City Manager recruitment process

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held August 12, 2025, reconvened into Open Session at 4:16 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

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CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, AUGUST 26, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
1:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting (Executive Session) to order at 1:00 p.m.

2. Roll Call

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia (arrived 1:02 p.m.)
Councilmember Khara House (arrived 1:01 p.m.)
Councilmember Lori Matthews
Councilmember David Spence (arrived 1:02 p.m.)

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 4 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body, discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, and discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property, pursuant to A.R.S. §38-431.03(A)(3), (4), and (7), respectively

i. Condemnation Litigation Update

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held August 26, 2025, reconvened into Open Session at 1:33 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on August 26, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, AUGUST 26, 2025
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held August 26, 2025, to order at 3:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

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

The Council and audience recited the pledge of allegiance, Councilmember Garcia read the Mission Statement of the City of Flagstaff, and Vice Mayor Sweet read the 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. APPROVAL OF MINUTES FROM PREVIOUS MEETINGS

A. **Consideration and Approval of previous minutes**: City Council Special Meeting of July 29, 2025, Regular Meeting of July 1, 2025, Joint Work Session of June 30, 2025, Work Session of June 24, 2025, Regular Meeting of June 17, 2025, Work Session of June 10, 2025, Regular Meeting of June 3, 2025, Work Session of May 27, 2025, Regular Meeting of May 20, 2025, Work Session of May 13, 2025,

Regular Meeting of May 6, 2025, Regional Plan Retreat of May 2, 2025, Budget Retreat of April 25, 2025, Budget Retreat of April 24, 2025, Special Meeting/Work Session of April 8, 2025, Special Meeting of July 3, 2024, Joint Work Session of March 25, 2024, Regular Meeting of March 19, 2024, Regular Meeting of March 5, 2024, Joint Work Session of March 4, 2024, Work Session of February 13, 2024, Regular Meeting of February 6, 2024, Budget Retreat of February 2, 2024, Budget Retreat of February 1, 2024, Work Session of January 23, 2024, Work Session of January 9, 2024, Work Session of November 14, 2023, Work Session of October 24, 2023, Work Session of June 14, 2022, Work Session of October 11, 2022, Special Work Session of May 24, 2022, and Work Session of October 12, 2021.

Moved by Councilmember Anthony Garcia, **seconded by** Vice Mayor Miranda Sweet to approve the minutes of the City Council Special Meeting of July 29, 2025, Regular Meeting of July 1, 2025, Joint Work Session of June 30, 2025, Work Session of June 24, 2025, Regular Meeting of June 17, 2025, Work Session of June 10, 2025, Regular Meeting of June 3, 2025, Work Session of May 27, 2025, Regular Meeting of May 20, 2025, Work Session of May 13, 2025, Regular Meeting of May 6, 2025, Regional Plan Retreat of May 2, 2025, Budget Retreat of April 25, 2025, Budget Retreat of April 24, 2025, Special Meeting/Work Session of April 8, 2025, Special Meeting of July 3, 2024, Joint Work Session of March 25, 2024, Regular Meeting of March 19, 2024, Regular Meeting of March 5, 2024, Joint Work Session of March 4, 2024, Work Session of February 13, 2024, Regular Meeting of February 6, 2024, Budget Retreat of February 2, 2024, Budget Retreat of February 1, 2024, Work Session of January 23, 2024, Work Session of January 9, 2024, Work Session of November 14, 2023, Work Session of October 24, 2023, Work Session of June 14, 2022, Work Session of October 11, 2022, Special Work Session of May 24, 2022, and Work Session of October 12, 2021.

Vote: 7 - 0 - Unanimously

5. 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.

Parks, Recreation, Open Space, and Events Division Director Rebecca Sayers addressed Council and highlighted Senior Deputy City Manager Shannon Anderson who was the recent recipient of the Gabe Zimmerman Award for Public Service.

Charlie Silver addressed Council and stated he was a longtime resident and requests Council to think about what makes Flagstaff unique. He requested more be done for conservation and preserving the essence of Flagstaff.

Northern Arizona Healthcare Chief People Officer Colleen Maring addressed Council and provided an update on their strategic planning meeting. She stated the plan can be accessed on their website. She briefly highlighted the main points of the plan and stated the Community Health Needs Assessment can also be accessed online. She stated they will post progress as they meet the goals.

Mayor Daggett took a moment of silence for a Captain Paul Sanders from the Flagstaff Fire Department who has recently passed away.

6. PROCLAMATIONS AND RECOGNITIONS

A. **Proclamation:** SMART Week

Mayor Daggett read and presented the proclamation.

7. July and August Work Anniversaries

Senior Deputy City Manager highlighted those employees with work anniversaries in July and August.

Mayor Daggett noted the number of tenured firefighters on the list.

8. COUNCIL LIAISON REPORTS

Councilmember Garcia shared updates from the Parks and Recreation Commission on playground equipment, recreation center improvements, and the Bushmaster sports court. He noted the commission's interest in sound mitigation at Bushmaster Park and upcoming discussions on further updates. He expressed appreciation for Parks and Recreation Commission and looks forward to this week's Library Board discussions.

Councilmember Aslan stated he has a few commission meetings in the coming week.

Vice Mayor Sweet stated that she was nominated as Vice Chair of Northern Arizona Council of Governments, with her first meeting later that week. She noted MetroPlan secured over $34 million in grants for 2025 regional projects. Mountain Line will hold its first meeting at the new Downtown Connection Center the following day. She also mentioned the freshly painted water tank at Buffalo Park and a recent Water Commission meeting focused on using reclaimed water on Flagstaff golf courses.

Councilmember Spence stated he attended the Open Spaces Commission and Transportation Commission meetings during the Council break, noting that both commissions remain actively engaged in assessing community needs.

Mayor Daggett stated there was a Commission of Inclusion and Adaptive Living meeting later in the week.

9. APPOINTMENTS

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

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

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to appoint Meredith Curley to the Beautification and Public Art Commission.

Vote: 7 - 0 - Unanimously

B. **Consideration of Appointments**: Airport Commission

Moved by Councilmember David Spence, **seconded by** Councilmember Khara House to appoint Thomas Waddell to the Airport Commission.

Vote: 7 - 0 - Unanimously

Moved by Mayor Becky Daggett, **seconded by** Councilmember David Spence to appoint Robert Hanovich to the Airport Commission.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to appoint Chris Spelke to the Airport Commission.

Vote: 7 - 0 - Unanimously

C. **Consideration of Appointments**: Personnel Board

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Anthony Garcia to appoint Cynthia Chilcoat to the Personnel Board.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Lori Matthews, **seconded by** Councilmember David Spence to appoint Kenyon Lemon to the Personnel Board.

Vote: 7 - 0 - Unanimously

10. LIQUOR LICENSE PUBLIC HEARINGS

Applications under Liquor License Public Hearings may be considered under one public hearing and may be acted upon by one motion unless otherwise requested by Council.

Mayor Daggett opened the public hearing.

Deputy City Clerk Georganna Staskey introduced the applications and indicated that the Police Department and Community Development had provided their respective findings.

There being no public comment, Mayor Daggett closed the public hearing.

Moved by Councilmember Anthony Garcia, **seconded by** Councilmember Lori Matthews to forward the applications to the state with a recommendation for approval.

Vote: 7 - 0 - Unanimously

A. **Consideration and Action on Liquor License Application**: Consideration and Action on Liquor License Application: Ronda Renee Stump "Flagstaff Mountain Market LLC", 1508 E Route 66 , Series 007 (Beer and Wine Bar), Owner/Location Transfer.

B. **Consideration and Action on Liquor License Application**: Michael Walter Marquess "Mother Road Brewing", 1300 E Butler Ave. Ste 200, Series 001 (In-State Producer), New License

11. 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.

Mayor Daggett pulled Item 11C from the Consent Agenda stating it would come back to Council at a later date and Councilmember Garcia requested to pull Item 11H for discussion.

Moved by Councilmember David Spence, **seconded by** Councilmember Lori Matthews to approve the Consent Agenda as presented with the exception of Items 11C and 11H.

Vote: 7 - 0 - Unanimously

A. **Consideration and Approval of Contract:** Seventh Amendment to the Construction Manager at Risk (CMAR) Construction Services Agreement with Eagle Mountain Construction, Inc. for the Spruce Wash Flood Mitigation Suite of Projects to add Guaranteed Maximum Price (GMP) 7 for the Killip Outlet.

1. Approve the Seventh Amendment to the CMAR Construction Services Agreement with Eagle Mountain Construction, Inc. for the Spruce Wash Mitigation Suite of Projects to include GMP 7 in the amount of $985,666 and adding 0 days to the contract duration; and
2. Approve an Owner's Contingency of $15,000, which is approximately 2.0% of GMP 7; and
3. Authorize the City Manager to execute the necessary documents.

B. **Consideration and Approval of Contract:** Library Computer Replacement Cycle Purchase for an amount not to exceed $426,085, annually with Dell Marketing, LP, for a period of 3 years, with 2 one-year extensions.

1. The City Council approves the Library Computer Replacement Cycle Purchase for an amount not to exceed $426,085, annually with Dell Marketing, LP, for a period of 3 years, with 2 one-year extensions; and
2. Authorize the City Manager to execute the necessary documents.

C. **Consideration and Approval of Final Plat** Request from EPS Group, Inc, on behalf of CDR Devcorp LTD, for Final Plat approval of "The Lookout at Canyon del Rio" located at 3770 E Whetstone Dr, 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).

Item pulled from the agenda.

D. **Consideration and Approval of Contract:** Award a 3-Year Subscription with Q-Mation for a SCADA Software Package in an amount not to exceed $121,344.

1. Approval of 3-Year Subscription with Q-Mation for a SCADA Software package in an amount not to exceed $121,344; and
2. Authorize the City Manager to execute all necessary documents.

E. **Consideration and Approval of Contract:** Library Books, Spoken Word, DVDs and Digital Media Cooperative Purchase from Baker & Taylor, LLC in an amount not to exceed $200,000 annually for a period of 3 years, with 2 one-year extensions.

1. The City Council approves the Library Books, Spoken Word, DVDs and Digital Media Cooperative Purchase from Baker & Taylor, LLC in an amount not to exceed $200,000 annually for a period of 3 years, with 2 one-year extensions; and
2. Authorize the City Manager to execute the necessary documents.

F. **Consideration and Approval of Contract:** Library E-materials & DVDs Cooperative Purchase in an amount not to exceed $50,000 annually with Midwest Tape, LLC, for a period of 3 years.

1. The City Council approves the Library E-materials & DVDs Cooperative Purchase in an amount not to exceed $50,000 annually with Midwest Tape, LLC, for a period of 3 years; and
2. Authorize the City Manager to execute the necessary documents.

G. **Consideration and Approval of Contract:** Library E-materials Purchase for an amount not to exceed $117,000, annually with OverDrive, Inc., for a period of 3 years, with 2 one-year extensions.

1. The City Council approves the Library E-materials Purchase for an amount not to exceed $117,000, annually with OverDrive, Inc., for a period of 3 years, with 2 one-year extensions; and
2. Authorize the City Manager to execute the necessary documents.

H. **Consideration and Approval of a Contract:** First Amendment to the Mental Health Service Agreement with Redemption Counseling Center, Inc. for Flagstaff Fire and Police Department personnel

Councilmember Garcia inquired about how the program is communicated and whether additional measures are taken when services are underutilized.

Fire Chief Mark Gaillard explained that the department has shifted from solely focusing on equipment care to prioritizing firefighter health, including mental wellness. He emphasized the importance of annual physicals and mental health checkups for prevention, not just crisis response. He shared that even that morning, a crisis team met with the department following a recent loss. The program offers early intervention, education, and crucial access to mental health professionals, who are in short supply in the community.

Deputy Chief Chris Fennell added that both the Fire and Police Departments have used the program for about five years, noting it has saved marriages, jobs, and lives.

Councilmember Garcia thanked staff for highlighting the program's positive impact.

Councilmember House expressed appreciation for the department's prioritization of mental health and trauma-informed care, calling it an honor to serve on a council that supports this work.

Moved by Councilmember Anthony Garcia, **seconded by** Vice Mayor Miranda Sweet to approve the First Amendment to the Mental Health Service Agreement with Redemption Counseling Center, Inc. in the additional amount of $293,872.50 for Flagstaff Fire and Police Department personnel and authorize the City Manager to execute all necessary documents.

Vote: 7 - 0 - Unanimously

I. **Consideration and Approval of Contract:** 3-Year Software Maintenance Agreement for GIS Software with Environmental Systems Research Institute, Inc. (esri) in the amount of $197,508.43

1. Approve the 3-year Software Maintenance Agreement with esri for GIS software in the amount of $197,508.43; and
2. Authorize the City Manager to approve the necessary documents.

J. **Consideration and Approval of Contract:** Arizona 911 Grant Agreement between Arizona Department of Administration Office of Grants and Federal Resources and the City of Flagstaff acting as the System Administrator for Coconino County.

Approve the acceptance of grant funding in the amount of $497,152.00 from the Arizona Department of Administration, Office of Grants and Federal Resources, to support the FY2026 9-1-1 budget for Coconino County.

K. **Consideration and Approval of Contract:** Second Amendment to Greg Clifton Employment Agreement.

Approve the Second Amendment to Greg Clifton Employment Agreement and authorize the Mayor to execute the Second Amendment on behalf of the City.

12. ROUTINE ITEMS

A. **Consideration and Approval of Preliminary Plat:** Request from EPS Group, Inc, on behalf of CDR Devcorp LTD, for Preliminary Plat approval of "Canyon del Rio- The Highlands" located at 3805 E Whetstone Dr, a 141-lot single-family subdivision on 27.07 acres in the Medium-Density Residential (MR) Zone.

Senior Planner Ben Mejia provided a PowerPoint presentation that covered the following:

CANYON DEL RIO -- THE HIGHLANDS (PARCEL R1)
REQUEST OVERVIEW
VICINITY MAP
BACKGROUND
PRELIMINARY PLAT
NATURAL RESOURCE PROTECTION PLAN
FINDING #1: ZONING CODE (TITLE 10)
FINDING #2: ENGINEERING STANDARDS (TITLE 13)
FINDING #3: SUBDIVISIONS STANDARDS (TITLE 11)
FINDINGS AND RECOMMENDATION

Councilmember House referenced the staff summary, noting its connection to the 10-Year Housing Plan and the mention of varied lot sizes. She asked whether the development would follow a standard single-family model or include a variety of housing types. Mr. Mejia responded that the current evaluation is focused solely on lot sizes, not floor plans, and that those details would come later in the process.

Charity Lee from Capstone Homes added that the project includes a range of lot sizes, which will support a mix of housing types, including different styles of townhomes. Home sizes are expected to range from 1,200 to 1,800 square feet on smaller lots and from 1,600 to 2,400 square feet on larger lots, offering a range of options and price points for homebuyers.

Mayor Daggett asked whether the development would include a homeowners association (HOA), to which Ms. Lee confirmed it would, under established Covenants, Conditions, and Restrictions for the HOA.

Mayor Daggett also inquired about the regulation of short-term rentals (STRs). Ms. Lee said they are exploring restrictions but are not planning to prohibit STRs entirely.

Councilmember Garcia thanked the presenters and asked for clarification on how short-term rentals are being addressed. Mr. Mejia explained that staff does not review STRs as part of the overall development review process.

Councilmember Spence raised concerns about the potential traffic impact of the 141 new dwelling units, specifically regarding the two planned access points onto John Wesley Powell. Mr. Mejia confirmed that access would be provided via both John Wesley Powell and Whetstone

Councilmember Spence asked whether future traffic volumes from the development would warrant a traffic light or roundabout, or if only stop signs were planned. Senior Transportation Engineer Steph Santana explained that a Traffic Impact Analysis (TIA) was completed and approved in 2017. Based on that analysis, stop-controlled intersections were deemed sufficient, and current traffic volumes do not justify further mitigation.

Councilmember Spence confirmed that stop signs are the current standard, and Ms. Santana affirmed that this is correct based on the TIA findings.

Andy Fernandez addressed Council and stated his history with the city and different referendums and petitions that he has brought forward. He spoke of the roundabouts on Fourth Street and believes they have had a negative impact.

Moved by Councilmember Anthony Garcia, **seconded by** Vice Mayor Miranda Sweet to approve the preliminary plat in accordance with the findings presented in the report and the Planning and Zoning Commission recommendation (7-0).

Vote: 7 - 0 - Unanimously

B. **Consideration and Approval of Contract:** Approve Change Order No. 3 to the Professional Services Contract with Burgess & Niple, Inc. in the amount of $2,262,434.00 and add 730 calendar days for the Butler-Fourth Improvements Project.

Capital Improvements Engineer Trevor Henry provided a PowerPoint presentation that covered the following:

BUTLER-FOURTH IMPROVEMENTS CHANGE ORDER NO. 3 PHASE B
BUTLER-FOURTH IMPROVEMENTS
CONSIDERATION AND APPROVAL OF CONTRACT
CHANGE ORDER NO. INCLUDES
PROJECT IMPROVEMENTS
BUTLER-FOURTH IMPROVEMENTS
PROJECT SCHEDULE
QUESTIONS

Councilmember Matthews asked for clarification on the approval process, specifically whether the item in question is a change order. She noted that typically, a change order reflects adjustments due to unexpected developments after an initial budget is set. However, in this case, it appears Phase A has been completed, and the change reflects moving into Phase B, which may have different costs as part of a larger, pre-planned process. Mr. Henry confirmed that a $716,000 contract was executed for Phase A. Based on legal and procurement guidance, the most appropriate mechanism to proceed with Phase B is through a change order. Ideally, the initial request for services should have included two separate contracts for both phases. Since that was not done, the contract is now being revised to include Phase B.

Councilmember Spence asked to revisit the first slide showing the overview of the two planned roundabouts and expressed concern about future access to the Bluffs Center development. He asked how the facility will access Butler Avenue, given the current location of the roundabouts. Mr. Henry explained that the roundabouts are placed as currently shown. Canyon Del Rio will have multiple access points, and the Bluffs will have two. Final connections are still being evaluated, and a forthcoming traffic report will determine the exact number and type of access points needed. The report will ensure compliance with access requirements.

Councilmember Spence acknowledged the complexity of the analysis and asked whether a parallel or frontage road, like those seen in Phoenix, could be considered. This could provide an alternate, slower-moving connection to the roundabouts and allow traffic from the developments to merge onto Butler more safely. Mr. Henry responded that while the idea of a frontage or parallel road makes sense, implementing it would require acquiring additional right-of-way. The current design aims to remain within the existing corridor to avoid such acquisitions.

Councilmember Spence noted concern about future traffic patterns, especially with the roundabout near the interstate. He mentioned the existing bottleneck at Little America, where Butler narrows from four lanes to two and then back to four. He emphasized the importance of anticipating increased traffic from Canyon Del Rio and the Bluffs and how that might interact with stop-controlled intersections. Mr. Henry assured that all sections of Butler will eventually be four lanes and that traffic considerations have been accounted for. He noted that before Councilmember Spence joined the Council, several design options were reviewed and ultimately endorsed by City Council. The current plan reflects that direction.

Councilmember Spence clarified he was referring to the potential for a slip lane, a dedicated lane allowing traffic from Canyon Del Rio to merge onto Butler more smoothly. Mr. Henry confirmed there is a turn lane into Canyon Del Rio but no acceleration or slip lane. He said this could be further evaluated in the final traffic report.

Councilmember Spence emphasized the importance of thoroughly considering access from the Bluffs onto Butler.

Councilmember Garcia confirmed that the Council will have more opportunities to review access issues later. He expressed concern about access from Harold Ranch Road to the roundabout and urged staff to ensure that high-use roads are not unnecessarily restricted with stop points. Mr. Henry responded that traffic experts will be addressing these issues in the final analysis.

Mayor Daggett asked about improvements at Sinagua Heights, which is often mentioned in discussions about the area east of the roundabout. Mr. Henry explained that coming eastbound from the roundabout, there will be two lanes continuing into the road configuration at the western edge of the Sinagua Heights subdivision. No changes are planned within the subdivision itself, nor will additional right-of-way be requested. Traffic will continue westbound in two lanes. Near the roundabout, there will be a turn lane to access North Fourth Street, along with a single southbound lane. The design includes ADA-compliant pedestrian crossings, similar to those at Cedar, Lockett, and Fourth Street.

Mayor Daggett also asked whether the separated bike lanes end at the roundabout or continue east down Butler. Mr. Henry said the image lacks detail, but the configuration will be similar to the roundabout at Beulah but that cyclists will also still have the option to use the road itself.

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to approve Change Order No. 3 to the Professional Services Contract with Burgess & Niple, Inc. in the amount of $2,262,434.00 and add 730 calendar days for the Butler-Fourth Improvements Project.

Vote: 7 - 0 - Unanimously

13. PUBLIC HEARING ITEMS

A. **Consideration and Adoption of Ordinance No. 2025-17:** An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff Zoning Map to rezone approximately 13.82 acres of real property located at 2951 S Masonic Lane, from the Rural Residential (RR) zone within the Resource Protection Overlay Zone (RPO) and Suburban Commercial (SC) zone within the RPO to the Medium Density Residential (MR) zone within the RPO, providing for severability, authority for clerical corrections, and establishing an effective date.

Mayor Daggett opened the public hearing.

Senior Planner Ben Mejia provided a PowerPoint presentation that covered the following:

PINEHAVEN
AREA CONTEXT MAP
PROPOSED DENSITY
INCENTIVES
SITE DESIGN
BUILDING DESIGN
RESOURCE PROTECTION
PRELIMINARY LANDSCAPE PLAN
PUBLIC SYSTEMS IMPACT ANALYSIS
CITIZEN PARTICIPATION
DEVELOPMENT AGREEMENT
FINDINGS FOR ZONING MAP AMENDMENT
FINDINGS
FINDING #1 CONFORMANCE WITH THE GENERAL PLAN
FINDING #2 COMMUNITY BENEFITS AND PUBLIC GOOD
FINDING #3 SITE IS PHYSICALLY SUITABLE
RECOMMENDATION

CEO of Red Oak Development Tom Staub, Red Oak Development Architect Mark Lind, and Red

Oak Development Engineer Luke Caraway provided a PowerPoint presentation that covered the following:

PINEHAVEN
TOPICS
RED OAK DEVELOPMENT GROUP
MEET THE TEAM
PINEHAVEN: PROJECT OVERVIEW
PINEHAVEN
HOME TYPES AND EXTERIOR INSPIRATION
ARCHITECTURAL DESIGN INSPIRATION INTERIOR
ABOVE AND BEYOND
RESPONSIBLE DEVELOPMENT

Vice Mayor Sweet commended the developer for incorporating multimodal transportation elements and thoughtful local design. She appreciated the research that has gone into the project. She raised a concern about traffic at the Zuni and Lone Tree intersection, particularly during snow events, and urged for a proactive approach rather than waiting for a full traffic study. She also advocated for a consistent speed limit of 35 mph on John Wesley Powell. Ms. Santana explained that the project does not meet the threshold for a full TIA. However, a right-turn analysis was required, and a dedicated right-turn lane into Lone Tree is being added. There was no specific trigger to conduct a study at Zuni. Regarding John Wesley Powell, speed limits will be reassessed in the future, and it is likely they will be standardized to 35 mph.

Vice Mayor Sweet asked how traffic conditions will be monitored to know when a full study should occur. Ms. Santana responded that two upcoming projects will include traffic studies. Additionally, funding is allocated in the current budget to study Lone Tree in three sections.

Councilmember Matthews acknowledged the long development process, noting the team has worked on it for two to three years and was required to go through a full site plan without certainty of a rezone. She estimated the developer had already spent hundreds of thousands of dollars. Mr. Staub confirmed the costs exceeded that estimate and agreed there was no guarantee the rezone would be approved.

Councilmember Matthews also praised the use of fire-resistant materials and asked if this request is under the new Resource Protection Overlay pilot program. Mr. Mejia confirmed it was required under the pilot program.

Councilmember Matthews noted there is a large ditch near a bus stop across the street. Ms. Santana responded that the north-side bus stop on Zuni falls within the right-of-way, and the developer has agreed to install a sidewalk to improve access.

Councilmember Matthews recalled a previous Council discussion about the Lone Tree overpass, where a redesign was made after significant investment. She questioned whether traffic backups--particularly near I-40--had been considered, especially with new development increasing volume and possibly leading to 15-minute delays at intersections. Ms. Santana explained that the Lone Tree overpass study did consider the broader regional plan, which anticipated development in the southern part of the city. The overpass is expected to alleviate traffic on Milton Road, not just provide a railroad underpass.

Councilmember Matthews also brought up the idea of an observation deck, which she thought could have been a nice feature, and asked why it was not included. Mr. Staub responded that during initial community outreach, line-of-sight was a concern, and the feedback from residents prioritized parks and trails over an observation deck.

Councilmember Matthews concluded by expressing appreciation for the planning process and noted that developers are being more transparent. She acknowledged the trade-offs between costs and affordable housing and appreciated the inclusion of EV hookups and sustainable features.

Councilmember Spence shared his personal experience driving a school bus through the Zuni intersection, which he described as problematic. He supported the idea of adding a roundabout there to improve traffic flow, especially for the nearby Pinehaven area. Ms. Santana responded that MetroPlan completed a study that recommended a roundabout at that location, and it will be considered as funding and project timelines align.

Councilmember Garcia echoed the Vice Mayor's concerns and asked about crosswalks and access to the urban trail. Ms. Santana confirmed that a striped crosswalk had been added as part of a recent road repair and safety project. However, a full traffic signal is not currently warranted, though future studies may recommend it.

Councilmember Garcia asked specifically about trail connectivity. Ms. Santana stated that while a bus pull-out is being added on the north side of Zuni, no new urban trail connections are being included with this project.

Councilmember Garcia then raised a broader equity question, asking how the development integrates income diversity and whether decisions were made to prioritize luxury features over adding more affordable units. Mr. Staub explained that certain design features, such as the community center, have a base cost of around $180,000 excluding labor and materials, with the center itself valued around $3 million. These expenses limit the financial flexibility to add more affordable units without impacting the viability of the overall project. He emphasized the challenge of balancing community amenities with cost-effective housing.

Councilmember Garcia acknowledged the trade-offs and emphasized the importance of directing funding where it can have the most impact, like increasing the number of affordable beds. Mr. Staub agreed, noting that across the city, similar choices are made, whether investing in right-of-way, public spaces, or other features, each requiring prioritization.

Councilmember Garcia concluded by thanking Mr. Staub and staff, and commended the team for their work on the project.

Mary Norton, a member of the Planning and Zoning Commission, expressed appreciation for the development process, calling it refreshing and commending the development team for being receptive and responsive to both neighborhood concerns and the broader needs of Flagstaff. She emphasized the importance of reducing vehicle speeds in the area, noting that while the project did not trigger a TIA, real-world conditions sometimes warrant action regardless of technical thresholds. With continued growth in Juniper Point and Pine Canyon, she stressed the need to make intersections safer. She suggested considering a roundabout or, if more cost-effective, a four-way stop. As Zuni becomes more residential, she advocated lowering the speed limit to 25 mph, and standardizing John Wesley Powell to 35 mph. She also emphasized that improvements are urgently needed along Lone Tree.

Mayor Daggett thanked the team on the project, city staff, and the Planning and Zoning Commission for the recommendations.

Councilmember House expressed gratitude for the work that went into the project, emphasizing the value of collaboration. She noted that when the community comes together to support projects like this, it reflects the shared commitment to improving Flagstaff.

There being no further comment Mayor Daggett closed the public hearing.

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to read Ordinance No. 2025-17 by title only for the first time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF ZONING MAP TO REZONE APPROXIMATELY 13.82 ACRES OF REAL PROPERTY GENERALLY LOCATED AT 2951 S. MASONIC LANE, APN 103-26-002D, FROM THE RURAL RESIDENTIAL (RR) ZONE IN THE RESOURCE PROTECTION OVERLAY AND SUBURBAN

COMMERCIAL (SC) ZONE IN THE RESOURCE PROTECTION OVERLAY TO THE MEDIUM DENSITY RESIDENTIAL (MR) ZONE IN THE RESOURCE PROTECTION OVERLAY WITH CONDITIONS; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

B. **Consideration and Adoption of Ordinance No. 2025-18:** An Ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code Title 7, Health and Sanitation, Chapter 7-03 City Water System Regulations of the City of Flagstaff City Code by amending Section 7-03-001-0011 Water Main Capacity Charges.

Mayor Daggett opened the public hearing.

Water Services Section Director Erin Young and Management Services Director Rick Tadder were available for any questions.

There being no public comment Mayor Daggett closed the public hearing.

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to read Ordinance No. 2025-18: by title only for the first time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING TITLE 7, HEALTH AND SANITATION, CHAPTER 7-03 CITY WATER SYSTEM REGULATIONS, OF THE FLAGSTAFF CITY CODE BY AMENDING SECTION 7-03-001-0011 WATER MAIN CAPACITY CHARGES; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Council took a break at 6:10 p.m. through 6:28 p.m.

14. REGULAR AGENDA

A. **Consideration and Adoption of Ordinance No. 2025-15:** An ordinance of the City Council of the City of Flagstaff, authorizing the acquisition of real property interests for the Wildcat Interceptor Sewer Upsizing Project; providing for delegation of authority, providing for severability, authority for clerical corrections, and establishing an effective date

Real Estate Manager Bryce Doty provided a map of the area of impacted areas and was available for questions.

Moved by Councilmember David Spence, **seconded by** Vice Mayor Miranda Sweet to read Ordinance No. 2025-15: by title only for the first time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AUTHORIZING THE ACQUISITION OF REAL PROPERTY INTERESTS FOR THE WILDCAT INTERCEPTOR SEWER UPSIZING PROJECT; PROVIDING FOR DELEGATION OF AUTHORITY; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

B. **Consideration and Adoption of Ordinance No. 2025-14:** An ordinance of the City Council of the City of Flagstaff, ratifying the grants of easements and real property; and formally accepting grants of easements and real property; providing for severability, authority for clerical corrections, and establishing an effective date

Real Estate Manager Bryce Doty provided an explanation for the grouping of easements coming forward at one time with multiple easements and was available for questions.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Anthony Garcia to read Ordinance No. 2025-14 by title only for the first time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, RATIFYING THE GRANT OF EASEMENTS; AND FORMALLY ACCEPTING DEDICATIONS OF EASEMENTS AND REAL PROPERTY INTERESTS; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

15. DISCUSSION ITEMS

A. An Introduction to Virtual Power Purchase Agreements.

Sustainability Division Director Nicole Antonopulos, Northern Arizona University Chief Sustainability Officer Eric Neilson provided a PowerPoint presentation that covered the following:

AN INTRODUCTION TO VIRTUAL POWER PURCHASE AGREEMENTS
AGENDA
COMMITMENTS TO CLEAN ENERGY
SUPPORTING CLEAN ENERGY GOALS
AN INTRODUCTION TO VIRTUAL POWER PURCHASE AGREEMENTS
FIRST LET'S DISCUSS POWER PURCHASE AGREEMENTS
WHY A POWER PURCHASE AGREEMENT
AN INTRODUCTION TO VIRTUAL POWER PURCHASE AGREEMENTS
WHY A VIRTUAL POWER PURCHASE AGREEMENT
MECHANICS OF A VIRTUAL PURCHASE AGREEMENT
ROLE OF A VIRTUAL POWER PURCHASE AGREEMENT
RISK WITH A VIRTUAL POWER PURCHASE AGREEMENT
ROLE OF A VIRTUAL POWER PURCHASE AGREEMENT
THE CITY'S CURRENT CLEAN ENERGY PORTFOLIO
THE ARIZONA CONSORTIUM
WHY A CONSORTIUM
AN INTRODUCTION TO VIRTUAL POWER PURCHASE AGREEMENTS
LOOKING AHEAD
QUESTIONS

Councilmember Matthews sought clarification, comparing the proposed action to purchasing clean energy credits. She noted that it does not mean Flagstaff is directly using clean energy on-site and asked how this aligns with the City's carbon neutrality goals, which prioritize reducing emissions locally rather than elsewhere.
Ms. Antonopulos explained that this is a strategic first step toward transitioning to clean energy. While the city doesn't currently have the infrastructure to directly use renewable energy, purchasing energy credits is a cost-effective way to move forward. It also frees up approximately $20,000 in funding for future, more localized renewable energy projects.

Councilmember Matthews further clarified that this new approach would, in theory, replace the current Green Power Partners program, which costs an additional $100,000 annually for clean energy sourced from New Mexico. She asked whether the shift would result in a net financial gain. Ms. Antonopulos responded that while the immediate financial outcome is cost-neutral, the long-term potential for savings is significant, projected to exceed $1 million by 2030. The move also opens the door to new opportunities in renewable energy development.

Councilmember Garcia noted the project was intriguing and asked about the risk-to-reward ratio, especially in comparison to upcoming initiatives. Ms. Antonopulos replied that the structure of the new opportunity, facilitated through Northern Arizona University offers favorable pricing and terms. With the City's prior experience in negotiating similar contracts, she expressed confidence that the rewards will outweigh the risks. Dr. Neilson added that the City is working with attorneys experienced in these types of contracts, further minimizing risk.

Councilmember Garcia then asked how this shift might affect the City's existing relationship with APS. Ms. Antonopulos clarified that the City's current partnership with APS under the Green Power Program would not be violated. Credits from the new program would not begin until 2027, providing time to manage the transition and unwind the existing agreement appropriately.

Councilmember Garcia expressed interest in receiving more information and looks forward to voting on the item in the future.

Vice Mayor Sweet thanked staff for their thorough presentation.

B. Land Availability and Suitability Study + Code Analysis Project (LASS + CAP) Code Concepts Report: Final Direction on Key Decision Points.

Sustainability Analyst Genvieve Pearthree, Climate Section Director Jenny Niemann, Housing Planning Manager Jennifer Mikelson, Planning and Development Services Director Michelle McNulty, and Zoning Code Manager Tiffany Antol provided a PowerPoint presentation that covered the following:

CODE CONCEPTS FINAL RECOMMENDATIONS
PRESENTATION OVERVIEW + GOALS
CITY HOUSING AND CLIMATE GOALS
ZONING AND HOUSING COSTS: OPPORTUNITIES AND LIMITATIONS
OUTREACH AND ENGAGEMENT: CITY COMMISSIONS & PARTNERS
OUTREACH AND ENGAGEMENT: COMMUNITY CONVERSATIONS
DECISION POINT 1 DENSITY
COMMUNITY CONVERSATION THEMES
NEXT STEPS
DECISION POINT 2 FLOOR AREA RATIO (FAR) CAPS
HOW FAR AND DENSITY MAXIMUMS WORK TOGETHER
COMMUNITY CONVERSATION THEMES
NEXT STEPS

Councilmember Garcia asked whether Floor Area Ratio (FAR) requirements may have redundancies with other zoning elements such as setbacks and height limits. He questioned whether adjusting or removing some of these limitations could allow for increased dwelling capacity, for example, by giving more FAR allowance to duplexes compared to single-family homes. Ms. Antol clarified that while it might appear redundant, setbacks and height limits serve distinct purposes and are important in guiding building code requirements. They can also contribute to cost-effective development. She explained that FAR measures total building floor area across all levels, while lot coverage refers only to the ground-level footprint. As part of upcoming zoning code recalibrations, staff will identify and address any true redundancies. However, the state has placed some limitations related to middle housing, so the City must navigate those carefully.

Councilmember Garcia asked how this would apply in areas like the Southside, where increased density is a priority. Ms. Antol responded that FAR currently applies only to commercial zones, not residential. In order to apply FAR to residential areas like Southside, it would need to be carefully recalibrated alongside other zoning standards to ensure it supports the desired level of density without unintended consequences.

Councilmember Garcia also referenced prior discussions about replacing lot coverage with a FAR cap and asked what other changes are under consideration. Ms. Antol clarified that the intent is not to replace lot coverage standards with FAR, but rather to calibrate all zoning standards, FAR, lot coverage, setbacks, and height, in a coordinated and consistent way.

Councilmember Garcia noted that some commercial projects are currently exceeding FAR limits. Ms. Antol acknowledged this and explained that the current FAR standards in the code are not effectively regulating the types of development being discussed. Future recalibrations will better align FAR regulations with Flagstaff's goals.

DECISION POINT 3 MENU OF SUSTAINABILITY OPTIONS
COMMUNITY CONVERSATIONS THEMES
NEXT STEPS
DECISION POINT 4 PARKING
THE ZONING CODE AND HOUSING COSTS: OPPORTUNITIES AND LIMITATIONS
HOW PARKING REQUIREMENTS IMPACT LAND USE, BUILDING FORM, AND RENT
MORE PARKING CAN REQUIRE LARGER BUILDING AND A PARKING GARAGE >> HIGHER RENT AND HIGHER EMISSIONS
LESS PARKING CAN REDUCE THE BUILDING SIZE >> LOWER MONTHLY RENT AND LOWER EMISSIONS
EVEN LESS PARKING CAN REDUCE BUILDING SIZE EVEN FURTHER >> LOWER MONTHLY RENT AND EMISSIONS, MORE OPEN SPACE
COMMUNITY CONVERSATION THEMES PARKING
NEXT STEPS

Councilmember Matthews asked for clarification on the proposed "menu" approach, specifically how it functions in practice. She questioned what motivates a developer to choose certain items from the menu. Ms. Pearthree explained that developers would be required to select items from the menu to meet a minimum point threshold. This structure is designed to guide them toward meeting policy goals while allowing flexibility.

Councilmember Matthews followed up by asking whether this approach could be a workaround to navigate state restrictions, such as those that prevent the City from mandating certain requirements like all-electric buildings. Ms. Niemann responded that the menu concept is based on feedback from the development community, who want flexibility in meeting City goals. Some developers may prioritize energy, others water or traffic improvements. The aim is to offer multiple pathways to compliance. The focus is on simplifying the system and allowing developers to choose what works best for their project.

Councilmember Matthews emphasized the importance of aligning the menu approach with other development processes to avoid unintentionally creating barriers to affordable housing.

Councilmember Garcia shifted the conversation to parking, asking how current minimum parking requirements were created. Ms. Pearthree noted that the history of parking minimums is long-standing and not always based on detailed local data.
Ms. Antol added that some parking standards are influenced by transportation modeling, though the standards themselves have not evolved much over time. While some parking studies are done locally, many of the standards remain outdated.

Councilmember Garcia asked when the City would begin reassessing parking requirements to make them more realistic. Ms. Antol replied that the current code update project is the right time to do so. However, removing minimums--especially for residential versus commercial uses--may generate more public feedback, particularly around uses like movie theaters.

Councilmember Garcia suggested eliminating parking minimums temporarily while the City evaluates long-term policy. Ms. Antol responded that Council has the authority to do so. She added that while eliminating parking minimums is possible, adding maximums should also be considered. Letting the market dictate parking needs is a viable approach.

Councilmember Garcia then asked whether parking management could be a useful tool in the overall solution. Ms. Antol explained that the City code currently requires properties to provide on-site parking. Parking management, on the other hand, focuses on regulating public right-of-way and shared spaces. It is especially useful in neighborhoods with diverse land uses. While it is not a comprehensive fix, it is an important tool.

Councilmember Spence expressed agreement with Councilmember Garcia and said he would like to see staff direct the consultant to explore eliminating minimum parking requirements as part of the zoning code update.

DECISION POINT 5 REDUCED STREET WIDTH
COMMUNITY CONVERSATION THEMES
NEXT STEPS
DECISION POINT 6 WINTER PARKING ORDINANCE
COMMUNITY CONVERSATION THEMES
NEXT STEPS
SCENARIO 1: ANTICIPATED HOUSING AND CLIMATE OUTCOMES
SCENARIO 2: ANTICIPATED HOUSING AND CLIMATE OUTCOMES
SCENARIO 3: ANTICIPATED HOUSING AND CLIMATE OUTCOMES
FLOOR AREA RATIO

Councilmember Garcia thanked staff for effectively conveying community input but expressed concern that the proposed ideas, while conceptually strong, may not translate well into practice--particularly in denser developments. He noted that despite the vision presented, it is difficult to picture successful implementation without addressing real-world density impacts and ensuring the plan reflects the community's will. Ms. McNulty responded that these strategies would be implemented primarily in new developments and could also apply during major redevelopment or road projects. Those situations present opportunities to establish updated standards moving forward.

Councilmember Matthews shared a personal experience living in a newer development with narrow streets. She explained that during events like football games, when driveways are too short and cars are not staggered properly, streets can become impassable--even for emergency vehicles. While she supports narrower streets and reduced parking requirements in theory, she emphasized the importance of evaluating how all these changes interact. She urged that when the consultant assesses parking policy, they consider the cumulative effect of multiple changes and their potential to create real access issues. She asked for reassurance that such impacts are being carefully reviewed and addressed.

Councilmember House echoed appreciation for staff and emphasized the need to think holistically. She referenced the winter parking ordinance as an example, noting that similar policies from other cities--such as those in Pennsylvania, where she grew up--have both benefits and challenges. She stressed that any changes, including the reduction of parking minimums, must be introduced with intentional community engagement and education. Drawing from her experience in property management, she shared a concerning example where conflicts over parking led to a physical altercation, underscoring the potential consequences of poorly managed policy shifts. She emphasized the importance of preparing the community not just for logistical changes, but for the cultural and ideological shifts they represent.

Vice Mayor Sweet noted that the conversation was only possible because of the prior full-day community retreat and emphasized the need for scenario modeling in future presentations. She said it is difficult to grasp the implications of these changes without clear visuals to demonstrate them.

Councilmember Aslan praised staff and asked if the new parking approach could be applied universally to new developments but allow developers to apply for exceptions on a case-by-case basis, subject to Council review. Ms. Antol clarified that parking regulations are based on land use rather than zoning, and the City can explore what exemptions might look like across different types of development.
Ms. McNulty added that if a neighborhood already has known parking issues, staff would not recommend prohibiting parking in those areas. She compared the process to how new street design standards are applied over time--resulting in a phased, measured impact. The consultants will be analyzing these phased changes and what implementation might look like over time.

Councilmember Aslan also asked about Rural Residential (RR) zones. Ms. McNulty confirmed that RR zones had been flagged as having unique challenges and said those concerns would be included in future analysis and recommendations. She emphasized that while a lot of thoughtful work has already been done, there is still significant time and flexibility built into the process. Staff are actively working with consultants, updating the timeline, and preparing iterations of the plan that will return to Council for review. There will be more opportunities ahead for public input, Council direction, and

high-level discussions before final decisions are made.

Jill Stephenson addressed the Council, expressing appreciation that climate action is a city priority. She emphasized the importance of aligning all decisions with the carbon neutrality plan and found the ideas shared, including those related to the Red Oak development, encouraging.

Michele James Executive Director for Friends of Flagstaff's Future (F3) thanked Council and staff for the community town hall and emphasized the need for inclusive, people-centered neighborhoods over golf course communities. She advocated for maximizing affordable housing, building smaller homes, reducing parking requirements, and looks forward to upcoming development scenarios. Mayor Daggett asked what F3 liked about the FAR concept. Ms. James said it helps address development intensity positively, though she noted uncertainty around state limitations and is awaiting further analysis with consultants.

Tyler Denham, representing the group Flagstaff for Affordable Housing, addressed Council and expressed strong support for staff's recommendations, noting their long-term positive impact. He emphasized expanding middle housing beyond older neighborhoods and highlighted the need for active parking enforcement. While acknowledging challenges like snow removal and code compliance, he stated that open option parking is a gradual process worth pursuing and supported staff exploring these options.

Ace addressed Council and spoke in support of the code analysis project and urged Council to adopt zoning changes, including allowing single-family home conversions and removing parking mandates. He highlighted that such reforms have helped other cities address housing shortages, reduce rents, and support sustainability, aligning with Flagstaff's housing and climate goals.

Zak Skelton addressed Council and praised the evening's discussion and emphasized the need to eliminate parking minimums and reduce road widths. He argued that current car-centric policies increase housing costs, reduce walkability, and hurt community health. He stated there is a housing crisis not a parking crisis and called for more human-scale, community-focused development.

Samuel Noble addressed Council and expressed overall support for the Climate Action Plan and increasing density citywide. He highlighted the environmental and land-use downsides of overbuilt parking lots and urged the city to reduce parking minimums and repurpose excess parking for parks or housing.

Kyle Nitschke addressed Council and advocated for eliminating parking minimums, stressing the connection between housing affordability and climate goals. He shared personal experiences showing how unnecessary parking requirements increase costs and suggested winter parking rules be enforced only during major snow events.

Zak Skelton and Cameron Carlson submitted written comments in support and with suggestions for this project.

Mayor Daggett thanked everyone for their thoughtful work, noting the potential for these changes to significantly impact quality of life in the community. She emphasized the importance of proactive problem-solving, referencing the investment in road diets and the need to get those right early on. She highlighted the challenges posed by the winter parking ordinance and expressed interest in creative solutions like parkways. Regarding sustainability, she requested a clear "menu" of strategies that offer the greatest climate impact and are likely to be adopted by developers, while also remaining acceptable to residents and builders.

Ms. McNulty summarized Council's general support for the staff's proposed next steps on:

- Density as presented.
- FAR pending further consultant input.
- Sustainability options would be moving forward with a menu approach.
- Parking would be expanding the recommendation to not just reduce minimums, but eliminate them and add maximums, with more community engagement.

- Street widths would be considering how all elements work together in scenarios.
- Winter parking ordinance would have the consultants explore options and incorporating input from Public Works.

Mayor Daggett added that she supports eliminating parking minimums and introducing parking maximums.

Councilmember Aslan stated he does not support RR zoning changes affecting state land ownership and emphasized that progress depends on having an updated code.

Councilmember Garcia raised the question of whether it would be helpful for consultants to weigh in on "by-right" vs. incentive-based policies for density, noting that some existing policies are underutilized because they're not required. He also shared input from residents in Sunnyside, supporting increased density but expressing concerns about equity and potential displacement.

Ms. McNulty clarified if Councilmember Garcia's question was focused specifically on density or all the items and Councilmember Garcia confirmed it was density.

Ms. McNulty thanked Council for their ongoing support.

16. OPEN CALL TO THE PUBLIC

Andy Fernandez addressed Council, sharing that he was born and raised in Flagstaff. He expressed frustration with the state of affordable housing and criticized nonprofits, claiming they prioritize profit. He also raised concerns about U.S. foreign policy, specifically referencing the conflict in Gaza and accusing Democrats of supporting actions he described as genocidal, while criticizing U.S. funding to other countries.

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

Councilmember House shared that they recently participated in a neighborhood walk near Killip School and, based on observations, noted a lack of crosswalks in the area. She requested further discussion and exploration of options to improve safe crossing in that neighborhood.

Vice Mayor Sweet stated that she is not formally requesting a FAIR but would like additional review and consideration of the proposed bulk trash changes, expressing interest in seeing further development on the issue.

Councilmember Matthews submitted a FAIR request to revise the rezoning process so that it is not tied to concept plans. She noted the burden on applicants who spend millions on site plans for projects that may not ultimately be approved, even after years of planning.

18. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held August 26, 2025, adjourned at 8:56 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on August 26, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____

CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, SEPTEMBER 2, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
11:00 A.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 1:00 p.m.

2. Roll Call

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia (virtual)
Councilmember Khara House
Councilmember Lori Matthews (arrived 12:55 p.m.)
Councilmember David Spence

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Recess into Executive Session

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember David Spence to recess into Executive Session.

Vote: 6 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body and discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, pursuant to A.R.S. §38-431.03(A)(3) and (4), respectively.

i. Legal advice regarding revised terms and conditions in federal grant agreements and potential direction regarding compliance with the same.

ii. Legal advice regarding an amendment to the Cooperative Purchase Contract with Flock Safety in the amount of $112,000, in addition to other fees and taxes, for safety cameras for the Flagstaff Police Department, and the Citizen Petition titled: ‘Freeing Flagstaff from invasive surveillance.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held September 2, 2025, reconvened into Open Session at 2:45 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on September 2, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL WORK SESSION
TUESDAY, SEPTEMBER 9, 2025
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the Work Session of the Flagstaff City Council held September 9, 2025, to order at 3:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for 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

Present: Becky Daggett, Mayor
Miranda Sweet, Vice Mayor
Austin Aslan, Councilmember
Anthony Garcia, Councilmember
Khara House, Councilmember
Lori Matthews, Councilmember
David Spence, Councilmember

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

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

Executive Assistant for the Library Amelia Mason addressed Council and stated that September was Library Sign Up Month and that they currently had about 28,000 card cardholders. She highlighted other Library focused programs.

Sustainability Climate Section Director Jenny Niemann addressed Council and spoke of the Carbon Neutrality Plan community input opportunities.

Evan Anderson submitted written comments suggesting a "locals" pass that locals could purchase at a discounted rate for parking downtown.

5. PROCLAMATIONS

A. Proclamation: IT Professional's Day

Mayor Daggett read and presented the proclamation.

6. Review of Draft Agenda for the September 16, 2025 City Council Meeting

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

None

7. Presentation and Discussion of City-Owned Land for Housing

Housing Director Sarah Darr provided a PowerPoint presentation that covered the following:

PRESENTATION AND DISCUSSION OF CITY-OWNED LAND FOR HOUSING
PURPOSE AND OUTLINE
WHAT CAN THE CITY DO?
OPTIONS
USE CONSIDERATIONS FOR HOUSING
IS THIS A NEW MODEL?
MOUNTAIN SIDE VILLAGE/CEDAR CREST
RIO HOMES
HIGH COUNTRY TRAIL
HABITAT ALONG BUTLER
IZABEL HOMES PROJECT
BUTLER CORRIDOR TRADE
WOODSHIRE ON BUTLER
IZABEL STREET APARTMENTS
CITY OWNED LAND DESIGNATED FOR HOUSING
10-YEAR HOUSING PLAN
JOHN WESLEY POWELL "SHARKBITE"

Councilmember Matthews emphasized the need to begin work on sewer infrastructure and believes the issues can be resolved. Ms. Darr confirmed there are currently no nearby sewer lines, but as development expands, connecting the site will become more feasible.

Councilmember Garcia asked if a nearby utility structure is required before moving forward, to which Ms. Darr responded that potentially they would and noting that infrastructure will be key. She added that the city is exploring cost-sharing or alternative funding sources for the necessary infrastructure.

Councilmember Spence asked about the "Sharkbite" nickname, and Ms. Darr explained it refers to the shape of the property taken from the larger property. Councilmember Spence also raised concerns about the affordable housing site being isolated from the main Pine Canyon development, questioning how this aligns with inclusive housing goals.

Ms. Darr clarified that the development agreement was established in the 1990s and that the parcel was originally designated for affordable housing by Pine Canyon. It later came under city control through a legal settlement. She noted that not all of the land must be used for affordable units and that the city is exploring ways to better integrate this site with surrounding developments, favoring mixed-income approaches to create stronger, more inclusive neighborhoods.

THORPE AND AZTEC
WEST STREET AND LINDA VISTA

Councilmember Aslan asked for clarification on the downside of not receiving a proposal. Ms. Darr explained that it would require significant time, energy, and staff resources to go through the procurement process without a clear project. Councilmember Aslan asked for a more detailed example, and Ms. Darr described the effort involved in site visits and planning, referencing a previous project with Habitat for Humanity along Butler Avenue, which included construction and securing access easements. She noted it is common for housing partners to approach the city when they have one-time funding opportunities.

Councilmember Aslan expressed appreciation for the explanation and acknowledged the often-unseen staff work involved in these processes. Ms. Darr added that the city uses flexible language in agreements to allow for identifying future options.

Councilmember Matthews referred to the Habitat homes and asked about a north-end easement, which she thought was temporary during roadwork. She also asked if it is normal for nonprofits to approach the city with housing proposals, leading to potential negotiations. Ms. Darr clarified that the easement in question also serves as a viable site access point. She confirmed that, yes, nonprofits can and do approach the city with proposals, and such discussions can lead to negotiations.

Vice Mayor Sweet asked how community partners are made aware of land the city has available for development. Ms. Darr responded that the city meets regularly with partners to keep them informed. Often, organizations reach out directly when they have opportunities, and the city is able to respond, particularly to help smaller nonprofits that may not be equipped to manage large-scale projects.

O'LEARY AND LONETREE
180 AND SCHULTZ PASS

Councilmember Aslan asked about the feasibility and cost of relocating a regional pipeline. Ms. Darr responded that while she has not reviewed exact costs in recent years, moving the pipeline is not considered feasible. Councilmember Aslan acknowledged the response, suggesting others might have more details, but noted it was not essential to the current discussion. Ms. Darr added that when she inquired back in 2006, the utility company stated it was not possible.

SAWMILL -- 320 S. ELDEN ST.

Councilmember Spence shared his observation that while the area was previously described as ideal for commercial use, several multi-story commercial buildings along Butler and Milton currently sit vacant. He expressed a preference for prioritizing low-income housing on this site, especially given its location along a transit route.

Councilmember Matthews asked whether the term "housing" in the current context implies formal, designated affordable housing or if there is flexibility in the interpretation. Ms. Darr clarified that the

site is designated for housing, but there is flexibility in how that is defined. There is no formal obligation specifying the type of housing; that decision is up to the Council.

Councilmember Matthews then asked whether the Southside Neighborhood Plan includes this property and what its intended use might be under that plan.

Ms. Darr responded that she did not have the details of the Southside Plan readily available but would follow up. She believed the site was identified for housing use.

Comprehensive and Neighborhood Planning Manager Sara Dechter added that she would look up the relevant information and provide it to the Council.

A QUICK DETOUR
DECLARATION OF TRUST
RENTAL ASSISTANCE DEMONSTRATION
RAD/REDEVELOPMENT
SILER HOMES

Councilmember Garcia spoke about his campaign for the RAD program and asked whether the program would apply to the entire site, including areas without existing housing, and what the future vision for the site looks like under RAD. Ms. Darr explained that RAD is a paper transaction that shifts funding from Section 8 and other programs. She emphasized the opportunity for redevelopment, noting that simple rehabilitation would not increase housing units. She also described a central area of the site currently used as a retention basin and playground, which some see as quaint campgrounds, but stressed the need to create more housing units for the community.

BRANNEN HOMES
3190 E MILLER DR/ LOCKETT

Councilmember Matthews asked for an update on the RAD process, recalling discussions and a city-owned property tour around three years ago following the 2022 housing bond.
Ms. Darr responded that staff had tried to advance the project but lacked the necessary capacity to continue earlier. However, a contract is expected within the next few months, and the project schedule is now moving forward. She assured the Council that more information will be shared soon.

RECOMMENDATIONS -- HOLD
RECOMMENDATIONS -- MOVE FORWARD
QUESTIONS

Councilmember Spence thanked the Housing Division and staff for their comprehensive review of nine city-owned parcels that can be developed without state oversight, highlighting the greater flexibility with these parcels compared to others. He noted this effort will support the Housing Emergency Plan.

Vice Mayor Sweet asked about the timeline if recommendations, including the RAD process, are approved tonight. Ms. Darr recommended moving forward with 180 first, Butler second, then continuing the RAD process. If directed tonight, the process could be completed before next summer break, allowing time for respondents and analysis. Vice Mayor Sweet also inquired about public communication, and Ms. Darr said updates would be included in newsletters and annual progress reports.

Councilmember Garcia expressed strong support for all recommendations except one, emphasizing the importance of the "Sharkbite" parcel as a major opportunity. He asked about current funds available to purchase additional properties like the 2.9 acres at Lockett and Fanning. Ms. Darr confirmed recent budgets allocated funding for future property acquisitions.

Councilmember Matthews voiced support for the recommendations and hope for a speedy process on the "Sharkbite," thanking staff for expanding efforts and bringing in consultants to manage workload. She noted the housing emergency urgency.

Councilmember Aslan agreed with staff recommendations, emphasizing the importance of purchasing city land for housing.

Councilmember House appreciated the presentation and supported staff recommendations. She raised concerns about federal program cuts impacting partnerships and noted the importance of staying aware of changing opportunities.

Mayor Daggett asked about vulnerabilities of the RAD program. Ms. Darr acknowledged all programs have risks but noted RAD consolidates funding and offers better local budget control. She said Flagstaff is in a good position as many units are unoccupied and not forced into RAD. Future funding looks stable.

Mator Daggett noted that many residents in these housing developments are low/moderate income, reinforcing the housing emergency's significance. She emphasized limited city land for housing and praised staff efforts to address the problem, acknowledging the scale is much larger than the 226 units planned.

Deputy City Manager Joanne Keene echoed thanks to the housing team. She noted that housing is now its own division, allowing more nimble operations. She also mentioned design procurement is underway for the "Sharkbite" site, including plans around the fire station.

Mary Williams addressed Council and spoke regarding the Highway 180 / Schultz Pass parcel. She clarified that although the parcel is listed as 3.08 acres, a 70-foot-wide gas line easement runs through it, restricting buildable space. Utilities are located at the back of the property, along the fence line. After measuring and accounting for setbacks and easements, she estimates the actual developable area is closer to 0.56 acres, not the full 3 acres. She also noted that during early development discussions in 2017, there were questions about the funding source used to acquire the land. Ms. Darr responded that the site plan presented in the slides already accounts for easements and setbacks. Extensive research has been done into the funding source, and while the former City Manager may not have had full information at the time, the land purchase was made using funds from a specific account, which has since been broken out for transparency.

Jodi Clements addressed Council and reflected on a previous petition involving the Sunflower parcel, which she chose not to sign. She voiced support for the housing plan, emphasizing the reality of residents living in cars and RVs due to unaffordability. She urged the Council to recognize that many people are leaving Flagstaff because of the high cost of living and that housing opposition contributes to the loss of community members.

Charity Lee from Capstone Homes addressed Council and pointed out that the Sunflower parcel and related housing proposals have come before Council repeatedly over the years. She encouraged the Council to stand firm in moving forward with all developable parcels, noting that barriers like sewer access can be overcome. She emphasized the need for unity and long-term planning, including looking into submitting plans for state land near John Wesley Powell to expand housing capacity and address the growing need.

Tyler Denham, Executive Director of Flagstaff for Affordable Housing, addressed Council and thanked staff for advancing city-owned land housing proposals, highlighting their importance for creating permanent affordable housing. He acknowledged the effort required but expressed strong support and appreciation for the Council's engagement.

Councilmember Matthews thanked Ms. Lee for her comments and updates and encouraged staff to have more conversations.

Mayor Daggett confirmed unanimous support for direction on staff recommendations.

Ms. Darr stated that housing staff are actively moving forward with the plans, engineering is involved, and other divisions may join soon--work is already underway and ongoing.

8. Updates to the Flagstaff Water Services Enforcement Response Plan (ERP)

Water Services Section Director Jolene Montoya provided a PowerPoint presentation that covered the following:

ENFORCEMENT RESPONSE PLAN
BACKGROUND
REGULATIONS
PRESENT DAY
CHANGES
HOW THE ERP HAS BEEN USED
QUESTIONS

Councilmember Spence asked about stormwater management, specifically whether it is legal in Flagstaff to divert stormwater for landscaping or other uses. He noted that some jurisdictions prohibit diverting stormwater to protect aquifers and wanted to confirm the local stance. Ms. Montoya responded that Flagstaff does not have any code prohibiting stormwater diversion; in fact, the city promotes the use of storm barrels. Mr. Solomon added that there are no state or local laws prohibiting rainwater collection, and from a legal perspective, no restrictions are being recommended.

Vice Mayor Sweet asked whether floodplain language is included in the proposed changes. Ms. Montoya explained that floodplain provisions are being removed from the code and incorporated into the enforcement plan instead.

9. County Comprehensive Plan 60 day review

Planning and Development Servies Director Michelle McNulty introduced Coconino County Long Range Planner Melissa Shaw provided a PowerPoint presentation that covered the following:

COCONINO COUNTY COMPREHENSIVE PLAN ENVISION 2045
COCONINO COUNTY COMPREHENSIVE PLAN ADOPTED IN 2015
ENVISION 2045
COMPREHENSIVE PLAN, AMENDMENTS, ORDINANCES, AND COLLABORATIONS
WHAT IS NEW IN THE COMPREHENSIVE PLAN
CORE PLANNING PRIORITIES
RURAL LIFESTYLE
STEWARDS OF THE NATURAL ENVIRONMENT
DIVERSE COMMUNITIES AND SERVICES
COMPREHENSIVE PLAN 60-DAY REVIEW
60 DAY REVIEW COMMENTS
PUBLIC HEARING DRAFT, SCHEDULE, AND INTERACTIVE MAP SITE
QUESTIONS AND COMMENTS

Vice Mayor Sweet acknowledged the heavy lift involved for both the City and County and expressed appreciation for the teamwork. She asked about mechanisms in place to ensure ongoing partnerships after plans are adopted. Ms. Shaw highlighted the importance of an implementation plan to track ongoing efforts and noted that multiple partners, including the City and County, are involved. She cited a county needs assessment as one example.

Councilmember Garcia reflected on the regional planning process and asked whether the City and County plans are well-connected, with mechanisms to ensure seamless coordination despite differences in geography, climate, and politics. Ms. Shaw explained that City and County planning staff and commissions work together on projects that span jurisdictions. Although the plans have different geographies, they are complementary. Specific area plans exist for places like Bellemont, Mountainaire, and the 180 corridor to help align efforts. Councilmember Garcia emphasized the importance of fluid communication to avoid the County feeling excluded from City processes and to foster collaboration despite differences.

Councilmember Aslan asked about the data and survey results underlying the county plan. Ms. Shaw

described extensive outreach efforts including 23-29 focus groups across the county, engagement with many individual groups, and contracting a local research firm to validate findings and ensure broad representation.

Councilmember Aslan asked specifically about outreach to Havasupai and other Indigenous communities, Ms. Shaw noted meetings were held with tribal representatives at Tuba City and through Indigenous focus circles, though travel to Havasupai was not possible. Councilmember Aslan pointed out this might be a blind spot in the plan given the importance of those perspectives.

Councilmember Spence asked about the ultimate adoption process and whether there is a final step. Ms. Shaw clarified that unlike the City, the County is not required to put the plan on a ballot; final approval will come from the Board of Supervisors.

Mayor Daggett inquired whether the County has considered utilizing county-owned land for housing. Ms. Shaw responded that the County is conducting a county-wide housing needs study.

Mayor Daggett emphasized that housing challenges extend beyond City limits and affect the broader region, including other cities and the county.

10. Open Call to the Public

None

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

Councilmember Matthews shared an update on efforts to establish a detox center, noting ongoing collaboration with the County Attorney, Police Chief, and state and federal partners. A recent in-person meeting with Senator Rogers was significant, as she has access to discretionary funds and showed openness to supporting such projects. Budget discussions at the state level begin in November, offering a timely opportunity. Councilmember Matthews also mentioned progress on temporary street lighting, potentially within the next few months.

Councilmember Garcia reminded the community of an event the coming weekend that the Mexican Consulate is hosting at the Flagstaff Mall. He added that the Mexican Consultant will be performing a historic ceremony.

Councilmember Aslan requested a future agenda item to consider adopting film regulations similar to the federal EXPLORE Act and Phoenix's model. He emphasized Flagstaff's appeal to the film industry and the economic benefits from film crews, including BBB revenues and local spending. He would like to discuss a clear policy to coordinate departments and streamline film production. He also suggested waiving fees for small productions and cited a recent Nike shoot as an example of the potential, and the challenges, without a formal process.

Vice Mayor Sweet reminded the community about Pickin' in Pines event the coming weekend.

Councilmember Spence invited everyone to a lecture later that evening at Prochnow Auditorium featuring renowned Native American author Robin Kimmerer. He recommended her latest publication and expressed appreciation that the Council meeting ended in time for people to attend.

Mayor Daggett shared that the bioscience roadmap was unveiled at NAU earlier that day, and expressed excitement about the increased collaboration among different regions across Arizona. She also announced a few upcoming community events: the Coconino Center for the Arts will host "Flagstaff Takes the Stage" on Saturday to preview next year's season, and the Flagstaff Festival of Science is coming up soon -- both events she encouraged the community to check out.

Deputy City Manager Joanne Keene spoke more on the meeting with Councilmember Matthews and Senator Rogers. She stated that the agreement will be coming to Council soon for consideration. She also stated that Senator Rogers committed to funds for Route 66 as well.

Senior Deputy City Manager Shannon Anderson reminded Council that the Employee BBQ is the following week and invited Council to attend.

12. Adjournment

The meeting of the Flagstaff City Council held September 9, 2025, adjourned at 5:53 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, SEPTEMBER 16, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
1:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 1:00 p.m.

2. Roll Call

Present:	Mayor Becky Daggett (virtual) Vice Mayor Miranda Sweet Councilmember Austin Aslan (virtual) Councilmember Anthony Garcia (virtual) Councilmember Khara House (virtual) Councilmember David Spence
Absent:	Councilmember Lori Matthews
Staff Present:	City Manager Greg Clifton; City Attorney Sterling Solomon

3. Recess into Executive Session

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember Anthony Garcia (virtual) to recess into Executive Session.

Vote: 6 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body and discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, pursuant to A.R.S. §38-431.03(A)(3) and (4), respectively.

i. Legal advice on Desert Mountain Energy/water litigation

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held September 19, 2025, reconvened into Open Session at 2:00 p.m. at which time the meeting adjourned.

_____

MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on September 16, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, SEPTEMBER 23, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
11:00 A.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 11:01 a.m.

2. Roll Call

Present: Mayor Becky Daggett (virtual)
Vice Mayor Miranda Sweet
Councilmember Austin Aslan (virtual)
Councilmember Anthony Garcia (virtual)
Councilmember Khara House (virtual)
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Anthony Garcia (virtual) to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body and discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, pursuant to A.R.S. §38-431.03(A)(3) and (4), respectively.

i. Legal advice and discussion regarding LCR, NAIWRSA, Red Gap Ranch and an upcoming presentation from 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.

ii. ~~Legal advice and discussion regarding police contracts between Septemebr 12 - 15.~~
Legal advice and consultation regarding pending and potential litigation.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held September 23, 2025, reconvened into Open Session at 2:26 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on September 23, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL WORK SESSION
TUESDAY, SEPTEMBER 23, 2025
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the Work Session of the Flagstaff City Council held September 23, 2025, to order at 3:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for 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.

Present: Becky Daggett, Mayor
Miranda Sweet, Vice Mayor
Austin Aslan, Councilmember
Anthony Garcia, Councilmember
Khara House, Councilmember
Lori Matthews, Councilmember
David Spence, Councilmember

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

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

Gary Wright addressed Council regarding public safety at Sechrist School. He stated that due to high levels of traffic, residential streets including his own, are being used for arrivals/departures for the school. He is hoping to reduce the liability by asking for more police presence or alternative solutions.

5. PROCLAMATIONS

A. Proclamation: Suicide Prevention Awareness Month

Councilmember House read the proclamation.

B. Proclamation: Recovery Month

Councilmember House read the proclamation.

6. September Work Anniversaries

Senior Deputy City Manager Shannon Anderson highlighted those employees who have work anniversaries in September.

7. City Manager Report

City Manager Greg Clifton briefly reviewed his report including the recent Police Department pinning ceremony, the United Way Campaign Kickoff, and the recent employee BBQ, highlighting those who were in the dunk tank.

Parks and Recreation Supervisor Haley Reynolds reviewed the latest Parks, Recreation, Open Space, and Events Newsletter.

8. 2024-2025 Annual Report for the 10-Year Housing Plan

Housing Program Manager Adriana Fisher and Assistant Housing Director Justyna Costa provided a PowerPoint presentation that covered the following:

2024-2025 ANNUAL REPORT FOR THE 10-YEAR HOUSING PLAN
AGENDA
10-YEAR HOUSING PLAN OVERVIEW
REPORT OVERVIEW
2025 HOUSING MARKET CONDITIONS -- OWNERSHIP
2025 HOME PRICES
2025 HOUSING MARKET CONDITIONS-RENTAL
2024-2025 ASSISTANCE OVERVIEW
PROGRESS MONITORING AND IMPACT
MAPPING THE HOUSING CONTINUUM IN FLAGSTAFF
STRATEGY PROCESS

STRATEGIES COMPLETED IN 2024-2025
STRATEGIES IN PROGRESS: REGIONAL PLAN UPDATE
STRATEGIES IN PROGRESS: NOT PROJECT-SPECIFIC
HOUSING RESOURCES AND COMMUNITY EFFORT HIGHLIGHTS
COMMUNITY AND PLANNING PARTNERS
LEGISLATIVE BARRIERS AND EFFORTS
THANK YOU

Councilmember Garcia raised questions about the role of the Housing Navigator and how it impacts renters, expressing interest in how residents can access assistance. Ms. Fisher explained that the Housing Navigator helps current and prospective low-income housing residents navigate available programs, with support provided through front desk staff and online platforms.

Councilmember Garcia also questioned why the City of Flagstaff does not develop housing directly, to which Ms. Fisher responded that becoming a developer requires significant financial resources. Ms. Costa added that development is not currently within the city's direction, but this could be revisited if Council chooses to change course. Councilmember Garcia acknowledged public concern and emphasized the need to continue this conversation while recognizing current limitations.

Councilmember Matthews expressed appreciation for the Housing Division's work, noting increased momentum over the past year and a focus on vulnerable populations. She highlighted progress toward affordable housing goals and stressed the importance of workforce and market-rate housing to create a diverse range of options.

Vice Mayor Sweet thanked staff for tracking housing stability and asked how it is factored into the plan. Ms. Fisher responded that all strategies from the housing plan are continuously reviewed and measured. Ms. Costa added that all funding and beneficiaries are tracked and reported, which will be published on the city website.

Councilmember House inquired about a proposed amendment to eliminate the "Community Character" chapter from the regional plan. Ms. Fisher clarified that it is part of the regional plan update, with goals from that chapter being integrated into others. Councilmember House emphasized the importance of maintaining a sense of place in housing discussions and expressed gratitude to the housing team.

Mayor Daggett asked about the process for community members to file discrimination complaints. Ms. Fisher explained that residents can access resources and fillable forms on the city's website, and complaints are referred to the Southwest Fair Housing Council.

Mayor Daggett asked for clarification on the city's limitations regarding protections not listed in ordinances, such as source of income. Senior Assistant City Attorney Anja Wendel explained that the City cannot create its own fair housing ordinance due to state law, which only permits cities with populations over 350,000 to do so. While discrimination based on source of income is not prohibited under state or federal law, residents can still file complaints with the Arizona Attorney General's office.

Mayor Daggett asked whether the Housing Navigator builds relationships with landlords; Ms. Costa confirmed this is part of their role and that referrals are made to HUD and Southwest Fair Housing Council as needed.

Charity Lee of Capstone Homes addressed Council and voiced concern about the city's development timelines, suggesting that without improvements to the permitting and review processes, the goal of achieving 10% affordable housing will not be met. She also encouraged the city to incentivize net-zero housing options.

9. John Wesley Powell Project Update

Capital Improvements Project Engineer Manager David Pederson and Planning and Development

Services Director Michelle McNulty provided a PowerPoint presentation that covered the following:

J.W. POWELL EXTENSION PROJECT UPDATE
J.W. POWELL EXTENSION
ENGINEERING UPDATE

Councilmember Spence expressed appreciation for the John Wesley Powell project and noted it was the first time he realized different segments are managed by different entities. He asked if all participants are required to follow the same design standards, including walkways, bikeways, and medians. Mr. Pederson confirmed that all segments will follow a coordinated and consistent cross-section design over the nearly three-mile stretch.

Councilmember Matthews inquired about potential connections near Lake Mary and the airport. Mr. Pederson clarified that this is a separate project listed in the five-year Capital Improvement Plan, with no current timeline as it is still awaiting grants, though initial design may begin within the next 12 to 18 months.

Councilmember Matthews also asked whether road construction on the various parcels will occur simultaneously or be developer-driven. Mr. Pederson responded that while timelines may vary slightly, they are aiming for overall coordination to ensure uniform development.

PLANNING UPDATE

Vice Mayor Sweet asked how residents can continue to provide feedback on the John Wesley Powell project. Ms. McNulty responded that comments can be submitted through the project's website, and a QR code is available for access to updated feedback collected at public meetings.

Councilmember House brought up community interest in wildlife corridors. Mr. Pederson said they are working closely with Arizona Game and Fish and wildlife consultants, noting that each species requires different considerations. While no final plan is in place, designs are being developed with attention to factors like floodplains.

Mayor Daggett emphasized the importance of maintaining the promised 35 mph speed limit. Mr. Pederson confirmed that the project will keep the speed limit at 35 mph.

J.W. POWELL EXTENSION
STL405 ENTITLEMENT UPDATE
GOALS AND OBJECTIVES
VALUES AND CULTURE
PRIORITIES
QUESTIONS

Councilmember Garcia raised concerns about building homes in areas far from existing amenities, noting the importance of sustainability and community connectivity. He emphasized that while parks and trails are helpful, the proliferation of short-term rentals (STRs) poses a challenge, especially if many of the proposed 800 homes become STRs. He asked whether anything is being done to prevent this. Gammage and Burnham attorney for Symmetry Lindsay Schube acknowledged that state laws limit local control over STRs but said the concern is heard and that potential options could be brought forward.

Councilmember Garcia also shared his hope that the development will promote a strong sense of community living in Flagstaff.

Councilmember Matthews echoed appreciation for the developers, especially highlighting a recent $400,000 donation to the Boys and Girls Club. She emphasized the potential for the John Wesley Powell extension to advance housing diversity and meet community goals, and noted that golf communities often support youth recreational programs. She urged continued momentum and investment to keep housing development on track.

Vice Mayor Sweet reflected on her initial criticism of the plan and expressed appreciation for how much the developers listened and modified the project. She asked about the vision for the community lodge. Mr. Severson described it as a family-centered space that connects to commercial areas and regional trails, and confirmed it will be open to the public.

Mr. Clifton commended the development team for their responsiveness to community and staff input, noting the evolution of the project and the alignment achieved through ongoing collaboration. He said the project is moving toward construction and expressed optimism about its positive impact.

Mayor Daggett closed by thanking the team and reiterating the importance of addressing STRs. She urged the development to follow the lead of others that have prohibited STRs, emphasizing that it would benefit the long-term community fabric.

Charity Lee from Capstone Homes addressed Council and provided an update on the Canyon del Rio project, noting that documentation, construction plans, and an appraisal for the right-of-way have been submitted, with approval expected soon. She highlighted the variety of housing types planned for the development and the inclusion of multiple trails to enhance community connectivity.

10. Discussion of Amended Agreement regarding reclaimed water for Pine Canyon

Water Services Division Director Lee Williams provided a PowerPoint presentation that covered the following:

PINE CANYON
CLERICAL CORRECTIONS
RENEW TIMELINE
ADDING TURF YET REDUCING ALLOTMENT
QUESTIONS?

Councilmember Matthews recalled the original agreements with Pine Canyon and pointed out there were past misconceptions about the purpose and use of reclaimed water. She asked for clarification on where the city currently sells reclaimed water.

In response, Mr. Williams explained that reclaimed water is primarily used by Snowbowl for snowmaking, by city parks for irrigation, and in construction projects for dust suppression. Councilmember Matthews emphasized the importance of reclaimed water for landscaping, turf, and public parks, and asked whether any users have ever returned or relinquished reclaimed water that had been previously allocated or guaranteed to them.

Vice Mayor Sweet followed up by asking how the city is monitoring future reclaimed water needs. Mr. Williams referenced a 2015 memo from Utilities Director Brad Hill and City Attorney Sterling Solomon, which discussed strategies to reduce reclaimed water commitments. He noted that the city is actively looking at opportunities to amend existing contracts as they come up for renewal, with the goal of reclaiming some of the allocated water for broader system needs.

Nicole Ellman addressed Council and expressed appreciation and support for the project.

Michele James on behalf of Friends of Flagstaff's Future addressed Council and stated she does not support the project moving forward and raised concerns.

Mr. Williams. He explained that concerns had been raised about whether the amended Pine Canyon agreement would impact the ability to irrigate turf at the new Kinsey Elementary School. He clarified that there is no basis for concern. Once the existing Kinsey Elementary is decommissioned, the water allotment currently in use under the Flagstaff Unified School District agreement will be transferred to the new school site. As such, there should be no disruption to turf irrigation at the new Kinsey Elementary School.

Councilmember Garcia thanked Mr. Williams for his service to the community and asked whether using reclaimed water in this way has any benefits, such as helping to recharge the system. Mr.

Williams responded that irrigating turf with reclaimed water does provide benefits. He noted that the landscape of reclaimed water use is changing rapidly, especially with the passage of new legislation aimed at water purification. There is also the potential for aquifer recharge in the future.

Councilmember Matthews inquired about what percentage of water is allocated from the reclaimed water supply and what the implications would be if the city did not follow through with those allocations. Mr. Williams acknowledged that the city might be over-allocated during summer months but is actively working to improve system efficiency. While there is currently no formal waiting list for reclaimed water, staff are developing one. He also highlighted that reclaimed water supports maintenance of riparian areas and wetlands, including Picture Canyon and Francis Short Pond.

Water Services Manager Erin Young added that the city is evaluating how different water types are used, for example, using reclaimed water for golf courses, and emphasized the importance of considering the community's overall water use when making such decisions.

Mr. Clifton concluded the discussion by noting that this topic has generated substantial internal discussion among staff. He stated that staff believe the agreement could be amended administratively without formal Council direction, but felt it was important to bring the matter forward for awareness and transparency.

Michele James on behalf of Friends of Flagstaff's Future and CJ Lucke submitted written comments opposing the use of reclaimed water for Pine Canyon.

Mayor called a break at 5:26 p.m. through 5:34 p.m.

11. Discussion regarding the continued release of reclaimed water into the Rio de Flag for the enhancement of wildlife habitat, consistent with the Bow and Arrow Park Agreement, subject to general availability and advanced water purification technologies.

City Attorney Sterling Solomon reviewed the proposed agreement and Resolution.

Mr. Solomon expressed special thanks to Parks, Recreation, Open Space, and Events Director Rebecca Sayers and Water Services Director Lee Williams, noting that it was a great day to finalize the matter at hand.

Councilmember Spence asked for clarification on how a flow rate of 200 gallons per minute translates into acre-feet. He also inquired whether Francis Short Pond's water use is deducted from the total reclaimed water allocation. Mr. Solomon confirmed that it is included as part of the total.

Councilmember Spence also asked about the termination date of the agreement and whether there is an escape clause should new advancements arise. Mr. Solomon explained that another Council could rescind the resolution if necessary. Mr. Williams added that the reclaimed water allotment amounts to approximately 322 acre-feet per year, addressing the earlier question.

Councilmember Aslan raised a point about the I-40 wetlands downstream from Sinclair Wash, emphasizing that the plan does not involve building into the wetlands but rather the wash leading into them. He praised the initiative for using water resources efficiently and confirmed the project remains on track to meet its goals.

Mr. Solomon noted that section one of the agreement expresses a willingness to provide reclaimed water to other areas as well, keeping future opportunities open.

Dr. Paul Beier, representing Friends of the Rio de Flag, addressed Council and voiced strong support for maintaining water flows to riparian areas, emphasizing their importance for wildlife and the community. He suggested some flexibility in water releases during dry months like May and June, provided scientific studies confirm that reduced flows will not harm the ecosystems. Dr. Beier praised local developers for responsibly dropping plans for a large golf course and noted concerns over restricted public access to lands near the Arizona Trail.

Councilmember Aslan asked about Dr. Beier's research idea, including potential funding and partnerships. Dr. Beier recommended consulting hydrologists to study the impacts of adjusting water flows, highlighting the area's complex hydrology and the need for informed decisions.

Barbara Phillips addressed Council and expressed support for the water management efforts. She highlighted her work on invasive species and restoration in Picture Canyon, including recent grant-funded projects and research with university students on flood impacts and invasive plants. Ms. Phillips also praised the maintenance of Francis Short Pond, noting osprey successfully raised young there. She referenced a detailed 2014--15 Museum of Northern Arizona report on Picture Canyon's restoration.

Vice Mayor Sweet offered support, acknowledging the efforts as a great community asset.

Hannah Griscon on behalf of Arizona Game and Fish submitted written comments in support of the Resolution.

12. Open Call to the Public

None

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

Councilmember Spence reported representing the Council at a recent two-day blood drive targeting the Hispanic community, which is underrepresented among blood donors. He also noted an upcoming event the following week about alternatives to utilities on Tucson Street.

Councilmember House shared that she attended the National Indian Health Board conference in Phoenix. She highlighted that the issues discussed reflect challenges in their own community and encouraged learning more at NIHB.org. She also reminded everyone to save the date for the upcoming Voices Unheard Breaking the Silence community gathering that's coming up in October.

Vice Mayor Sweet mentioned participating in the employee BBQ, attending an NAU football game, and sitting on a Flagstaff Leadership Program panel (FLP), noting these as great opportunities for community engagement. She announced the upcoming "Get to Know Your Neighbor" event at the Market of Dreams the following weekend.

Councilmember Aslan attended a recent presentation on the Northern Arizona Healthcare (NAH) 30-year healthcare plan. He raised concerns about NAH's communication regarding the need for a new facility and encouraged leadership to better explain the rationale and explore alternatives. He noted a shared urgency to address growing and aging populations' healthcare needs.

Councilmember Garcia, in recognition of Hispanic Heritage Month, discussed early Flagstaff families' experiences with racial discrimination and highlighted the contributions of local government members to human rights and environmental stewardship. He also promoted the upcoming Unity Ride, a motorcycle gathering welcoming all, and his role as a storyteller at the Human Library event.

Councilmember Matthews expressed enthusiasm for the upcoming Voices Unheard session and the Get to Know Your Neighbor event. She also noted Indigenous Peoples' Day celebrations that were upcoming. Additionally, she mentioned a waiting list of over 100 people for hangers at the airport, emphasizing the need for more flights and quicker leaseholder processes, suggesting the airport could become an enterprise fund to increase revenue.

Mayor Daggett congratulated the 2024 and 2025 Shoemaker Award winners, Mountain Mojo and Catalyst Space Technologies, and encouraged visiting Moonshot at moonshotarizona.com to learn more. She noted the recent "Welcome to Flagstaff" event for international NAU students and highlighted the ongoing Flagstaff Festival of Science through September. She announced the 12th Annual Flagstaff Star Party at Buffalo Park that week, with telescope viewings and talks, and a performance by the Dark Sky Quartet on Saturday night. Mountain Line will offer free bus service

Friday evening. The Symphony's new season kicks off Friday, and Tynkertopia, a makerspace for teens, opens the following weekend.

14. Adjournment

The meeting of the Flagstaff City Council held September 23, 2025, adjourned at 6:15 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
THURSDAY, SEPTEMBER 25, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
3:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 3:04 p.m.

2. Roll Call

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: Human Resources/Risk Management Director Ryan Saxby; Human Resources Manager Kim Bottorff

3. Recess into Executive Session

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember Anthony Garcia to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting and discussion or consultation for legal advice with the attorney or attorneys of the public body in accordance with A.R.S. §38-431.03(A)(3) and (1) respectively.

i. Discussion, Consideration, and Legal Advice Regarding the Employment of a City Manager which may include Review of Applicants for the Position, Consideration of Candidates for Interview, and Discussion regarding the Hiring/Interview Process.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held September 25, 2025, reconvened into Open Session at 5:13 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on September 25, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, SEPTEMBER 30, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
1:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 1:04 p.m.

2. Roll Call

Present:	Mayor Becky Daggett Vice Mayor Miranda Sweet Councilmember Austin Aslan Councilmember Anthony Garcia Councilmember Khara House Councilmember Lori Matthews
Absent:	Councilmember David Spence
Staff Present:	Human Resources/Risk Management Director Ryan Saxby; Human Resources Manager Kim Bottorff

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 6 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

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5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting and discussion or consultation for legal advice with the attorney or attorneys of the public body in accordance with A.R.S. §38-431.03(A)(3) and (1) respectively.

i. Discussion, consideration, and legal advice regarding the employment of a City Manager which may include review of applicants for the position, consideration of candidates for interview, and discussion regarding the hiring/interview process.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held September 30, 2025, reconvened into Open Session at 1:57 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

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CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on September 30, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
THURSDAY, OCTOBER 2, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
9:00 A.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 9:07 a.m.

2. Roll Call

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House (arrived 12:50 p.m.)
Councilmember Lori Matthews (arrived 10:50 a.m.)
Councilmember David Spence

Staff Present: Human Resources/Risk Management Director Ryan Saxby; Human Resources Manager Kim Bottorff

3. Recess into Executive Session

Moved by Councilmember David Spence, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 5 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

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5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting and discussion or consultation for legal advice with the attorney or attorneys of the public body in accordance with A.R.S. §38-431.03(A)(3) and (1) respectively.

i. Discussion, consideration, and legal advice regarding the employment of a City Manager which may include review of applicants for the position, consideration of candidates for interview, and discussion regarding the hiring/interview process.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held October 2, 2025, reconvened into Open Session at 4:13 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 2, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
FRIDAY, OCTOBER 3, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
1:30 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 1:38 p.m.

2. Roll Call

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: Human Resources/Risk Management Director Ryan Saxby; Human Resources Manager Kim Bottorff

3. Recess into Executive Session

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting and discussion or consultation for legal advice with the attorney or attorneys of the public body in accordance with A.R.S. §38-431.03(A)(3) and (1) respectively.

i. Discussion, consideration, and legal advice regarding the employment of a City Manager which may include review of applicants for the position, consideration of candidates for interview, and discussion regarding the hiring/interview process.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held October 2, 2025, reconvened into Open Session at 4:09 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 3, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, OCTOBER 7, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
1:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 1:00 p.m.

2. Roll Call

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: Human Resources/Risk Management Director Ryan Saxby; Human Resources Manager Kim Bottorff

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting and discussion or consultation for legal advice with the attorney or attorneys of the public body in accordance with A.R.S. §38-431.03(A)(3) and (1) respectively.

i. Discussion, consideration, and legal advice regarding the employment of a City Manager which may include review of applicants for the position, consideration of candidates for interview, and discussion regarding the hiring/interview process.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held October 7, 2025, reconvened into Open Session at 1:50 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 7, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, OCTOBER 14, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
1:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 1:00 p.m.

2. Roll Call

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan (arrived 1:13 p.m.)
Councilmember Anthony Garcia (arrived 1:08 p.m.)
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House
Vote: 5 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

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

i. Legal advice regarding potential amendments to the City's Drug and Alcohol Directive.

ii. Legal advice regarding proposed wildfire resilient homes initiative program.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held October 14, 2025, reconvened into Open Session at 1:56 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 14, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____

CITY CLERK

CITY COUNCIL WORK SESSION
TUESDAY, OCTOBER 14, 2025
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Vice Mayor Sweet called the Work Session of the Flagstaff City Council held October 14, 2025, to order at 3:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for 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.

Present: Becky Daggett, Mayor
Miranda Sweet, Vice Mayor
Austin Aslan, Councilmember
Anthony Garcia, Councilmember
Khara House, Councilmember
Lori Matthews, Councilmember
David Spence, Councilmember

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

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

Tom Pearson addressed Council regarding the recently adopted Regional Plan 2045. He emphasized the importance of integrating a Climate Action Plan alongside the Regional Plan. Mr. Pearson urged Council to ensure that a Climate Action Plan is drafted and made available to the public prior to the May election, when voters will decide on the Regional Plan. He stressed that climate considerations should be a key component of the region's long-term planning.

5. Review of Draft Agenda for the October 21, 2025 City Council Meeting

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

None.

6. City Manager Report

City Manager Greg Clifton briefly reviewed his report and introduced the subsequent agenda items for additional updates.

A. State Legislative Priorities

Public Affairs Director Sarah Langley provided some history and context for the discussion. She shared one PowerPoint presentation slide that covered the following:

POLICY ISSUES
FUNDING REQUESTS
COMMUNITY PARTNER REQUESTS

Mayor Daggett inquired with Ms. Langley about the short-term rental resolution that was passed by the League at its recent annual conference. The Mayor expressed uncertainty regarding the League's plans for engaging with legislative stakeholders on the issue. Ms. Langley confirmed that the League is actively pursuing those conversations. State Lobbyist Brian Murray noted that discussions are ongoing, though he was not certain about the specific iteration of the resolution. He offered to look into it further.

Deputy City Manager Joanne Keene stated she was with the City of Sedona representatives during that time, noting that Sedona was opposed to the resolution at the time it was adopted.

Mayor Daggett requested that Ms. Langley send the League's passed resolution to Mr. Murray. Ms. Langley agreed to do so.

B. Human Resources/ Risk Management Division Update

Human Resources and Risk Management Division Director Ryan Saxby and Risk Manager Aaron Kaminski provided a PowerPoint presentation that covered the following:

HUMAN RESOURCES AND RISK MANAGEMENT OCTOBER 2025
HR AND RISK MANAGEMENT UPDATES

HRRM TEAM AND REMODEL
RECRUITMENT DATA AS OF OCTOBER 2025
COMPENSATION: MARKET REVIEWS
EMPLOYEE LEARNING AND DEVELOPMENT
RISK MANAGEMENT UPDATES
HR AND RISK MANAGEMENT UPDATES

Councilmember Matthews inquired about workers' compensation claims, particularly in relation to safety training, and asked if Council could be provided with information on those claims. Mr. Kaminski responded that the most frequent claims involved vehicle-related incidents and injuries during police altercations when apprehending suspects. He noted that defensive driving training has been implemented, and efforts are ongoing to reduce these types of injuries.

Councilmember Matthews thanked staff and stated that the proactive measures being taken will help mitigate these issues. She also expressed support for management and leadership training for new employees, noting it will help elevate the city's performance.

Councilmember Spence also expressed appreciation, giving a shout-out to Risk Management and Facilities. He highlighted the installation of protective railings at the dais as an example of the city's proactive approach to safety and accident prevention. He thanked the Public Work's team for their work to install them.

C. Sustainability Division Update

Sustainability Division Director Nicole Antonopoulos, Sustainability Supervisor Sanoma Boynton, and Climate Action Section Director Jenny Niemann provided a PowerPoint presentation that covered the following:

SUSTAINABILITY DIVISION SEMI-ANNUAL UPDATE
AGENDA
SUSTAINABILITY DIVISION OVERVIEW
OUR VISION
ENGAGEMENT
OUTREACH
ADMINISTRATIVE
PERSONNEL UPDATE
PRIORITY BASED BUDGETING
NEIGHBORHOOD AND ENGAGEMENT VOLUNTEER SECTION
COMMUNITY STEWARDS
FOOD SYSTEMS
WASTE PREVENTION
VOLUNTEERISM
CLIMATE ACTION SECTION
ENERGY PROGRAM
ENERGY UPGRADES FOR HEALTHY HOMES
ELECTRIC MOBILITY PROGRAMS
RESILIENCE PROGRAMS
COMMUNITY EQUITY PROGRAMS
UPDATE TO THE CARBON NEUTRALITY PLAN
WHAT IS CHANGING IN THE CARBON NEUTRALITY PLAN
CNP UPDATE ENGAGEMENT
SUSTAINABILITY COMMISSION
LOOKING AHEAD
THANK YOU

Councilmember Garcia asked Ms. Boynton where residents can sign up for the Stewardship Program. Ms. Boynton responded that residents can visit https://volunteer.flagstaffaz.gov to participate in one-time cleanups. For longer-term adopt-a-spot programs, the sustainability-specific portal is https://volunteer.flagstaffaz.gov/d/FSO.

Councilmember Garcia then asked Ms. Niemann to explain how the Flood Barrier Program works, specifically whether barriers are distributed proactively or only upon request. Ms. Niemann explained that the program is community-based and includes monthly distributions where staff are stationed in the Sunnyside area, educating residents and distributing flood barriers. The team has adjusted messaging and materials based on community interest and needs, with a focus on high-risk areas.

Ms. Antonopoulos added that in addition to in-person outreach, the team has partnered with the Stormwater Section to conduct mapping and targeted outreach to specific homes in flood-prone zones.

Councilmember Garcia affirmed the importance of providing these resources proactively to the community.

Councilmember Matthews expressed appreciation for the various sustainability programs, noting she has personally volunteered and witnessed the immediate benefits. She shared that her nonprofit had once received a sustainability grant, which had a significant positive impact. Referring to the Carbon Neutrality Plan progress update, she said she would like to see more concrete data next year, specifically how implemented programs are reducing emissions, given the aggressive goals of the plan. Ms. Niemann noted that the team is currently working on a progress report document to reflect these outcomes.

Vice Mayor Sweet thanked the team for their work and expressed interest in learning more about the heat pump program. She also shared her involvement with the Mobile Haven cleanup, noting the deep appreciation from participants. She praised the volunteer analytics tools and mentioned her intent to sign up for a program herself.

7. Wildfire Resilient Homes Initiative: Program Introduction

Community Health Specialist Noah Baker took a moment to acknowledge the recent loss of Fire Chief Jerry Bills and the impact he has had on the community.

Resilience Specialist Sam Wiley and Mr. Baker provided a PowerPoint presentation that covered the following:

WILDFIRE RESILIENT HOMES INITIATIVE
OVERVIEW
WILDFIRE RESILIENT HOMES INITIATIVE
1.HOME ASSESSMENTS
2.HOME HARDENING KITS
3.COMMUNITY EVENTS
4.GRANTS FOR CONTRACTOR SERVICES
OUTREACH PLAN
FIRE PATHWAYS
TIMELINE
MANAGING EXPECTATIONS
PROTECTING HOMES, STRENGTHENING COMMUNITY
COMMUNITY-IDENTIFIED PRIORITIES
QUESTIONS

Councilmember Spence requested to return to the slide showing a burning building, asking for clarification on the scene and the purpose of the demonstration. Mr. Baker explained that the demonstration was conducted by IDHS to illustrate the impact of fire mitigation practices. On one side, the property shows no flammable vegetation and a metal fence, while the other side demonstrates a home with vegetation and no mitigation efforts, highlighting the stark difference in vulnerability to fire.

Councilmember Spence then asked about the number of lightning strikes in Flagstaff annually. Mr. Baker responded that he did not have the exact number but offered to look into it.

Councilmember Spence followed up by asking whether lightning strike protection systems are considered in program planning. Mr. Baker stated that lightning protection systems are not currently included in the program but could be explored further.

Councilmember Aslan expressed enthusiasm for the fire mitigation project, hoping to see it scaled up across the city. He asked to revisit the cartoon-style graphic, suggesting it would be valuable to create a Flagstaff-specific version that shows fire pathways and identifies neighborhoods that are more resilient versus more susceptible. He expressed strong support for the program.

Councilmember Aslan also noted his frustration with the limits imposed by state and federal regulations but emphasized that this is a program Council can strongly support to make a real impact. He appreciated the team's "can-do" attitude.

Vice Mayor Sweet echoed appreciation for the program, highlighting the value of the home fire risk assessments. She also took a moment to offer condolences for the recent loss in the fire department, specifically Chief Jerry Bills.

8. Shaping Public Art through Public Input at Downtown Connection Center and Cleo Murdoch Park

Beautification, Arts, and Sciences Manager Jana Weldon and Beautification, Arts, and Sciences Project Administrator Cristen Cruido provided a PowerPoint presentation that covered the following:

SHAPING PUBLIC ART THROUGH PUBLIC INPUT AT THE DOWNTOWN CONNECTION CENTER AND CLEO MURDOCH PARK
COMMUNITY AND PUBLIC ART PROCESS
MANY TOLLS
AGENDA
ARTIST SELECTION
ARTIST SELECTION
COMMUNITY INPUT PRIOR TO DESIGN
COMMUNITY INPUT ON EARLY DESIGN
DESIGN AT CITY COUNCIL WORK SESSION
TIMETABLE
INPUT AND RESOURCES
SAMPLING: TEXT AT THE CENTER
SAMPLING: TEXT AT THE OUTER EDGE
PROJECT TWO
ARTIST SELECTION
COMMUNITY INPUT PRIOR TO PROPOSALS
PROPOSAL SELECTION: REVIEWED WITH SCA AND APPROVED BY BPAC
COMMUNITY INPUT FOR SCULPTURE TEXT
COMMUNITY INPUT PRIOR TO DESIGN -- COMMUNITY MEMORIES
FINAL DESIGN
THANK YOU!
QUESTIONS?

Councilmember Garcia, speaking as a former member of the Beautification and Public Art Commission (BPAC), shared reflections on the importance of community input in the public art process. He described it as an eye-opening experience to witness how input is sought at every stage to ensure that art projects reflect not just aesthetic value but also the soul and story of the community. He noted that at times, the process would even pause to allow for deeper community engagement, underscoring BPAC's dedication to authenticity. Councilmember Garcia praised the evolution of the process and how effectively BPAC selects artists who can represent the diverse voices of the community. He emphasized how meaningful this approach is to him personally and how it reflects the history and spirit of Flagstaff.

Vice Mayor Sweet commended City staff for their efforts to ensure that the heart of the community is captured through public art. She encouraged everyone to visit the Grove structure, praising its

impact, and expressed appreciation for the continued work on the Rustle structure, thanking the team for their dedication.

9. Discussion of Resuming Paid Advertising Program at Flagstaff Pulliam Airport and Draft Advertising Policy

Deputy City Attorney Kevin Fincel provided a PowerPoint presentation that covered the following:

CITY OF FLAGSTAFF ADVERTISING POLICY
AGENDA FOR TONIGHT'S DISCUSSION
RECAP OF 2023 DISCUSSION
HAPPENINGS SINCE FALL 2023
CHANGES TO THE DRAFT POLICY SINCE FALL 2023
COUNCIL QUESTIONS
THANK YOU

Mr. Clifton provided context on the financial considerations related to airport advertising. He noted that the Flagstaff Airport operates as an enterprise fund, functioning like a government-run business that strives to be financially self-sustaining. After losing a key airline carrier a few years ago, efforts have been underway to attract new carriers. The Airport team has been actively engaged in finding new revenue sources, including restarting airport advertising, which was previously paused due to concerns over policy and risk. Mr. Clifton stated that resuming advertising could be a positive financial move.

Councilmember Matthews recalled that a key reason for previously halting advertising was the limited financial return compared to the risk exposure. Economic Vitality Director Heidi Hansen added that when the City initially took over the advertising program from the third party vendor, revenue increased from $25,000 to $41,000 annually, but they eventually lost Northern Arizona University as an advertiser, due to cutbacks which impacted revenue.

Councilmember Matthews noted that American Airlines has reduced flights, resulting in lower foot traffic through the airport, making advertising less effective than in past years. Ms. Hansen confirmed the decline in traffic and noted that past advertising efforts had included major airlines like American and United, but foot traffic is currently lower.

Councilmember Matthews asked about the City's exposure or risk if someone outside the City's advertising parameters were to request space. Mr. Fincel explained that there is always potential liability with public advertising spaces. He referenced legal challenges in other cities involving public transit and airports, and cautioned that the City could face vocal concerns or legal challenges, depending on who wants to advertise.

Councilmember Matthews asked about the staff time and resource burden of managing the program. Ms. Hansen replied that relaunching the program would require significant staff time and responsibility, and that forecasting potential revenue would be difficult. She expressed willingness to try but acknowledged the resource demands.

Councilmember Spence asked whether the City could create one unified advertising policy that covers both the Flagstaff Airport and the Jay Lively Recreation Center. Mr. Fincel responded that advertising at each facility carries different content restrictions--for example, alcohol advertising may be acceptable at the airport, but not appropriate at a recreation center. He also mentioned that Parks, Recreation, Open Space, and Events Division Director Rebcca Sayers had chosen not to pursue advertising at Jay Lively due to low value. Ms. Hansen estimated past Jay Lively advertising revenue at around $8,000, but said she would look for the exact figure.

Mr. Fincel clarified that airport advertising is more like TV or digital in nature, while Jay Lively relied on posters, which required manual maintenance by staff and was more labor-intensive.

Councilmember Garcia expressed caution about restarting the program, saying it sounds like a lot of work for relatively little revenue, but was open to considering a model that makes sense moving

forward. Mr. Fincel acknowledged the concern but said that Ms. Hansen recommends reopening the program, and that doing so could be beneficial.

Councilmember Aslan supported moving forward, appreciating that the policy was revisited in light of changing context. He noted that the situation a few years ago was complicated by First Amendment concerns, and while such issues are legally complex, it is important to explore revenue opportunities for the enterprise-funded airport.

Vice Mayor Sweet asked if there would be a review process for denied advertisers. Mr. Fincel responded that the team is working on an internal process. If an advertisement does not align with city policy, it would be reviewed internally, and if needed, brought to Council for discussion. Vice Mayor Sweet asked that the review process be formally included in the final advertising policy.

Councilmember House voiced support for moving the proposal forward and said she looks forward to seeing a formal proposal.

10. Open Call to the Public

None.

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

Councilmember Matthews shared that the Indigenous Peoples' Day event, held the day prior, was an amazing and well-attended celebration. She extended thanks to Indigenous Affairs Administrator Rose Toehe and the Commissioners of the Indigenous Commission for organizing the event. Councilmember Matthews also highlighted the upcoming "Unheard Voices" experience, noting it will be a very informative event next week.

Councilmember Garcia invited the community to attend a FLOCK discussion at the "Market of Dreams" later in the week. He mentioned that representatives from FLOCK may be present and encouraged the community to come, speak their minds, and have their voices heard. He also promoted the Community Market coming on the following Saturday, urging support for the local community market, and shared a highlight from a recent coat drive noting it was a fun and successful event to support individuals experiencing homelessness.

Vice Mayor Sweet also attended the Indigenous Peoples' Day event and shared her plans to attend two upcoming events: the First Responder Luncheon and the Green Living Magazine event. She expressed interest in learning more about the Cul-de-sac community, which is claiming to be the first walkable city, and looks forward to engaging in that conversation.

12. Adjournment

The meeting of the Flagstaff City Council held October 14, 2025, adjourned at 5:21 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
FRIDAY, OCTOBER 17, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
10:30 A.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 10:30 a.m.

2. Roll Call

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: ;

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting and discussion or consultation for legal advice with the attorney or attorneys of the public body in accordance with A.R.S. §38-431.03(A)(3) and (1) respectively.

i. Discussion, consideration, and legal advice regarding the employment of a City Manager which may include review of applicants for the position, consideration of candidates for interview, and discussion regarding the hiring/interview process.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held October 17, 2025, reconvened into Open Session at 11:16 a.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

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CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 17, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, OCTOBER 21, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
12:10 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 1:00 p.m.

2. Roll Call

Present:	Mayor Becky Daggett Vice Mayor Miranda Sweet Councilmember Austin Aslan Councilmember Anthony Garcia Councilmember Khara House Councilmember Lori Matthews Councilmember David Spence Water Commission Chair Ron Doba Water Commissioner Matthew Garcia Water Commissioner John Nauman Water Commissioner Haley Paul Water Commissioner Robert Vane Water Commissioner Karin Wadsack
Absent:	Water Commission Vice Chair Donald Bills Water Commissioner Ian Sharp
Staff Present:	City Manager Greg Clifton; City Attorney Sterling Solomon

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body and discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, pursuant to A.R.S. §38-431.03(A)(3) and (4), respectively.

i. Legal advice and discussion regarding LCR, NAIWRSA, Red Gap Ranch and an upcoming presentation from 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.

6. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held October 21, 2025, reconvened into Open Session at 1:51 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 21, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
WEDNESDAY, OCTOBER 22, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
12:30 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 12:41 p.m.

2. Roll Call

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence (arrived 12:57 p.m.)

Staff Present: Human Resources/Risk Management Director Ryan Saxby

3. Recess into Executive Session

Council recessed to Executive Session at 12:42 p.m.

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 6 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting and discussion or consultation for legal advice with the attorney or attorneys of the public body in accordance with A.R.S. §38-431.03(A)(1) and (3) respectively.

i. Discussion and consideration of employment of new City Manager: Final Candidate Interviews

6. Reconvene Special Meeting

The Council reconvened into Open Session at 2:20 p.m.

7. **Mayor and Council direction regarding Executive Session:** Discussion and consideration of employment of new City Manager

   No action taken.

8. **Adjournment**

   The Special Meeting of the Flagstaff City Council held October 22, 2025, adjourned at 3:21 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 22, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
FRIDAY, OCTOBER 24, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
10:30 A.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 10:12 a.m.

2. Roll Call

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting and discussion or consultation for legal advice with the attorney or attorneys of the public body in accordance with A.R.S. §38-431.03(A)(1) and (3) respectively.

i. Discussion and consideration of employment of new City Manager

6. Reconvene Special Meeting

The Council reconvened into Open Session at 12:10 p.m.

7. **Mayor and Council direction regarding Executive Session:** Discussion and consideration of employment of new City Manager

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House to direct staff to proceed as discussed in Executive Session.

Vote: 7 - 0 - Unanimously

8. **Adjournment**

The Special Meeting of the Flagstaff City Council held October 24, 2025, adjourned at 12:11 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 24, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, OCTOBER 28, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
1:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 1:02 p.m.

2. Roll Call

Present: Mayor Becky Daggett (virtual)
Vice Mayor Miranda Sweet
Councilmember Austin Aslan (virtual)
Councilmember Anthony Garcia (virtual)
Councilmember Khara House (virtual)
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

Council recessed to Executive Session at 1:03 p.m.

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body, discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation pursuant to A.R.S. §38-431.03(A)(3), (4), respectively

i. Discussion and consultation with City Attorney for legal advice on Desert Mountain Energy litigation and possible instruction regarding pending claims

B. Discussion or consultation for legal advice with the attorney or attorneys of the public body, discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, and discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property, pursuant to A.R.S. §38-431.03(A)(3), (4), and (7), respectively

i. Condemnation Litigation Update

C. Discussion or consultation for legal advice with the attorney or attorneys of the public body, discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation pursuant to A.R.S. §38-431.03(A)(3), (4), respectively

i. Legal advice, discussion, and consultation regarding pending and potential litigation.

ii. Legal advice, discussion, and consultation regarding Timber Sky Annexation and Development Agreement, as amended, City's obligations under the Development Agreement, and the negotiation of certain legal contracts related to City's involvement in the Habitat for Humanity affordable housing project at Timber Sky.

6. Reconvene Special Meeting

The Council reconvened into Open Session at 2:52 p.m.

7. Mayor and Council possible direction regarding Executive Session

Direction to be given during the Combined Work Session/Special Meeting of October 28, 2025.

8. Adjournment

The Special Meeting of the Flagstaff City Council held October 28, 2025, adjourned at 2:53 p.m.

_____
MAYOR

ATTEST:

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CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 28, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL SPECIAL MEETING/WORK SESSION
TUESDAY, OCTOBER 28, 2025
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the Work Session of the Flagstaff City Council held October 28, 2025, to order at 3:06 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for 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.

Present: Becky Daggett, Mayor
Miranda Sweet, Vice Mayor
Austin Aslan, Councilmember
Anthony Garcia, Councilmember
Khara House, Councilmember
Lori Matthews, Councilmember
David Spence, Councilmember

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

The Council and audience recited the pledge of allegiance, Councilmember House read the Mission Statement of the City of Flagstaff, and Vice Mayor Sweet read the 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.

Climate Action Section Director Jenny Niemann addressed Council and provided an update on the Carbon Neutrality Plan. She reported that the City has hosted three open houses over the past few months to gather community feedback on the plan's update. An online survey is also available on Connect Flagstaff for additional public input. She emphasized that the goal of this update is to strengthen the plan based on community perspectives and encouraged everyone to complete the survey before it closes in the coming weeks.

5. Review of Draft Agenda for the November 4, 2025 City Council Meeting

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

None.

6. October Work Anniversary Presentation

Senior Deputy City Manager Shannon Anderson highlighted those employees who have work anniversaries in October.

7. City Manager Report

City Manager Greg Clifton provided a brief overview of his report, highlighting recent public safety recognitions at the First Responder Luncheon. He noted that Engineer Paramedic Justin Staskey received the Firefighter of the Year award, and Police Officer Conner Simmons was honored as First Responder of the Year. Mr. Clifton also mentioned the ribbon-cutting ceremony for the new Grab and Go Visitor Center at the Flagstaff Airport and acknowledged the positive community impact of the Engagement and Outreach Team within the Communication and Civic Engagement team.

He concluded by reviewing the Future Agenda Item Requests (FAIR) schedule, noting that staff are actively working to return items for Council consideration as soon as possible.

Vice Mayor Sweet added that she had contacted the Clerk's Office prior to the meeting to withdraw her FAIR item following further discussions with staff.

8. Community Discussion on Citizen Petition Regarding Automated License Plate Readers (ALPR) and Flock Safety

Mayor Daggett introduced the item and outlined the process for discussion, reminding attendees that public comments must remain respectful and free of outward expressions of disagreement to ensure everyone feels safe to share their perspectives.

Mr. Clifton provided clarification on the rules and procedures related to the item, explaining that while the matter originated as a policy issue, it is being handled administratively. He noted that the topic began over a year ago when the City entered a contract with Flock for camera technology, followed by a renewal that exceeded the $100,000 threshold, requiring Council consideration under the City Charter. Mr. Clifton explained that consent agenda items may be discussed publicly when pulled and that items of high community interest, even if administrative, may be brought to Council for transparency. He emphasized that the contract was not initially viewed as controversial but has since drawn significant public interest, reflecting broader community and national discussions around similar issues.

Police Chief Sean Connolly then introduced the presentation, providing background on the item and describing how the Police Department is engaging with and responding to the ongoing community dialogue.

Deputy Police Chief Collin Seay and Chief Information Officer CJ Perry provided a PowerPoint presentation that covered the following:

AUTOMATED LICENSE PLATE READER (ALPR) DISCUSSION WITH THE FLAGSTAFF CITY COUNCIL FOR THE FLAGSTAFF POLICE DEPARTMENT
THE FLAGSTAFF POLICE DEPARTMENT'S COMMITMENT
COMMUNITY MEETINGS
CREATION OF FLOCK TRANSPARENCY PORTAL
HIT AND RUN CASE EXAMPLE
CITY OF FLAGSTAFF PRIVACY POLICY AND DATA SECURITY FOR TECHNOLOGY

Councilmember Garcia asked for clarification regarding the use of artificial intelligence (AI) in the system.

Mr. Perry explained that the term "AI" is often used broadly, but in this context, the technology functions through machine learning. He compared it to applications that identify plants by analyzing thousands of images to improve accuracy over time. Similarly, Flock technology converts license plate images into text, refining its accuracy by repeatedly processing plate data from various states and formats. He emphasized that the system is limited to license plate recognition and does not access or learn from broader internet sources like generative AI platforms.

Councilmember Garcia thanked him for the clarification, noting it was helpful to understand that the AI is only used for reading license plates and does not influence police decision-making.

AGENCY DATA SHARING
RETENTION TIMELINE
QUESTIONS AND COMMENTS

Councilmember Garcia raised concerns about data sharing with other agencies in Arizona and participation in national registries, noting community worries that partner agencies might have unrestricted access to Flagstaff's system.

Deputy Chief Seay clarified that while other law enforcement agencies can access camera data from Flagstaff during investigations, all access is logged and traceable. Misuse by outside agencies would be identifiable through audit trails, and appropriate action would be taken if necessary. He emphasized that shared data must come through certified Flock scans to be valid in investigations and that screenshots or informal sharing would not hold up in court.

Councilmember Garcia thanked staff for the clarification, expressing continued concern about ensuring data cannot be accessed or used for unauthorized searches, particularly at the national level.

Councilmember House followed up, asking how partner agencies request and access data, and whether city policy prevents use for immigration enforcement. Deputy Chief Seay explained that partner agencies can view shared data but typically collaborate through formal communication. He

confirmed that if an agency were found to misuse or share data inappropriately, Flagstaff Police would terminate that partnership. Chief Connolly added that any misuse discovered through audits would result in immediate revocation of access.

Councilmember House also inquired about forming a citizen advisory council to review and monitor the program. Deputy Chief Seay confirmed a commitment to establishing such a group and stated that if it is not in place by the six-month check-in, the program should be canceled.

City Attorney Solomon concluded that the discussion was for direction only and that no vote would be taken at this meeting.

Public Commenters in support of Flock Cameras:

- Gail Jackson
- Casey Gonzales
- Michael Oliver
- Bonnie Bouschet
- Scott McDonald
- Bret Axlund
- Fr. Peter Dubrowski
- Ammon Barker
- Michelle Ruckner

Comments included:

- Supportive of Flock for public safety; helps track missing persons and solve crimes faster.
- Can reduce time to bring justice to victims.
- Cameras help prevent crime in high-traffic areas like malls and intersections.
- Technology supports law enforcement without replacing officers.
- Data from cameras is limited to vehicle license plates, not personal identification.
- Partnership with private businesses enhances community safety.
- Previous use in the community has shown no misuse, hacking, or federal overreach.
- Can be effective when paired with thoughtful policies, oversight, and clear laws.
- Helps law enforcement allocate resources efficiently.
- Used in collaboration with other agencies to protect vulnerable populations.
- Provides quick reaction to emergencies, e.g., locating missing children.
- Allows officers to act swiftly when every minutes counts.

Public Commenters in opposition of continuing to use Flock Cameras:

- Tyler Stein
- Joseph Smith
- Caiden Dwyer
- Aubrey Harris
- Phoenix Schaefer
- Ira Allen
- Isaac Mueske
- Sage Pineda
- Marsalis Chillds
- Brendan Trachsel
- Caitlyn Hughes
- Alyssa Hastings
- Taylor Lundstrom
- Sydney R.
- Richard Clark
- Maureen Judith
- Aiden Ashkar
- Izaya Emmanuel
- Catherine Bennett
- Katelynn Contreras

- Billie Gilmore
- Wren Carr
- Sean Parson
- Lydia Nelson
- Kevin White
- Debra Block
- Braden Macias
- Evert Bonarrent
- Leandro F.
- Molly Joyce
- Chelsea Green
- Joshua Booth
- Sarah Lee
- Kevin McCoy
- Griffin Franklin
- Emma

Comments included:

- Violates personal privacy and community trust; surveillance without consent.
- Potential for misuse by law enforcement, private entities, or federal agencies (e.g., ICE).
- No legally binding guarantee that data will remain secure in the future.
- Risk of false positives leading to wrongful stops or accusations.
- Cameras can disproportionately target marginalized communities.
- AI technology could expand surveillance capabilities in the future.
- Lack of community input in deployment; installed without democratic process.
- Data is stored long-term, potentially shared with multiple agencies and private entities.
- Flock has a history of misleading or false claims about effectiveness.
- Creates fear of being constantly watched; contributes to a surveillance state.
- Financial cost of contract could be better used for other community resources.
- Ethical concerns regarding collection and use of sensitive information.
- Broken trust between police and community due to opaque systems.
- Removal is seen as a preventative measure against future misuse.
- Surveillance may not actually reduce crime; collaborative investigations are preferred.
- People have spoken loud and clear and overwhelming majority have stated they do not want flock in Flagstaff.

Public commenters that would like to consider different providers other than Flock:

- Taylor Cerchie
- Jennifer Runge

Comments included:

- Supported canceling the current Flock contract but was open to a new or revised agreement with stricter safeguards. Suggested including legally binding guarantees and penalties for data misuse, emphasizing the need for checks and balances and legal protections rather than taking an all-or-nothing approach.
- Stressed that safety, justice, and trust must coexist. Supported law enforcement's intent but warned that protective tools can be misused. Called for strong oversight, data safeguards, and thoughtful policy development, urging Flagstaff to lead with balance and expressing interest in joining an advisory committee.

McKenna Marino, Brandon Wang, Luis Fernandez, Dawn Dyer, Benjamin Norris, Maritza Ruiz -- Soto, Dustin Kuluris, Jordan McJordan, Bernard Michels, Laura Rethmann, Emma Nesteruck, Griffin Franklin, Gregg Horton, Jim Schweikert, Molly Joyce, Justin Gelvin, Holly Webber -- Graff, Adam Neisen, Lynne Westerfield, Olivia Delborne, Hannah Hackett, Josh MacNaughton, Ada Cohen, Richard Kozak, Louis Structure, and Lily Banks submitted written comments in opposition of the Flock Cameras.

Rachel Laura, George Holberg, Adam Williams, Nicholas Alemdarez, Kaylen Batey, Stephen Sullivan, and Angelic Lomeli submitted written comments in support of Flock Cameras.

Councilmember Matthews noted that she toured the system the day prior to better understand it and was surprised to learn that Northern Arizona University had been using Flock Cameras for years. She asked Chief Connolly to confirm that after 30 days, data is deleted, which he affirmed.

Councilmember Matthews raised a scenario regarding a vehicle rolling through a stop sign, questioning whether it could be tracked, and Chief Connolly clarified that the system cannot track that.

Councilmember Matthews emphasized that law enforcement's focus has historically been on solving crimes rather than prevention, and Chief Connolly responded that the tool is intended for solving crimes, not reducing overall crime rates.

Councilmember Matthews asked how many crimes had been solved using Flock Cameras in the past 12 months, Chief Connolly cited 271 incidents where victims received services utilizing the system.

Councilmember Matthews acknowledged the risks of new technology and appreciated the controls in place, while reiterating the importance of considering victims and their families. She also clarified that cameras capture only the rear of vehicles and do not record individuals in the car, and she addressed concerns regarding Immigration and Custom Enforcements (ICE) usage, confirming that citizenship is not tracked, only criminal involvement.

Councilmember House thanked the community for attending and speaking on the item, emphasizing that the conversation is not about questioning the integrity of the police but about ensuring technology aligns with community values. She expressed concern about fast-moving technology and the potential for creating a surveillance state, citing examples from other cities where technology both accused and exonerated individuals.

Councilmember House suggested pressing pause to ensure local voices are involved and safeguards are in place.

Vice Mayor Sweet expressed appreciation for the public's participation and asked clarifying questions about what the cameras capture, which Chief Connolly explained again as rear license plates only, with no personal identification of occupants.

Vice Mayor Sweet inquired about partnerships with other municipalities, and Chief Connolly explained that information is shared only in the context of criminal investigations and that access can be immediately shut off if requested.

Vice Mayor Sweet proposed a six-month review period to assess program success, privacy policies, and the potential establishment of a citizen advisory team, which Connolly supported as a way to build in safeguards while still supporting cold case investigations and assisting other agencies.

Councilmember Spence asked about prior inadvertent sharing of data with ICE and border control, and Chief Connolly clarified that while the system could be immediately shut down, the existing contract allows a 30-day termination period.

Councilmember Matthews reiterated that all cameras are set to capture only the back of vehicles. She highlighted that many members of the public in support of them may not feel comfortable speaking out, noting a climate of fear regarding retaliation. Chief Connolly agreed and emphasized that the technology is only used to support crime investigations and is not tracking individuals indiscriminately.

Councilmember Garcia thanked the public and acknowledged the diversity of perspectives. He invited petitioner Brenden Trachsel to share recommendations, which included minimizing data retention, removing data from national databases, and restricting partnerships to prevent long-term storage of non-criminal information.

Councilmember Garcia asked Chief Connolly and Deputy Chief Seay to clarify how hotlists work, how

vehicles are flagged, and what safeguards exist against false positives. Chief Connolly and Deputy Chief Seay explained that only vehicles involved in crimes are flagged with supervisor approval, and there have been no false positives in Flagstaff to date.

Councilmember Garcia raised concerns about potential abuse by private companies, noting that Flock tracks license plates but not people, and stressed the importance of retaining a system to support law enforcement while addressing privacy concerns. He also discussed oversight and the potential for expanding or adjusting the system to better serve the community.

Councilmember Aslan noted that his primary concern is not with the current system but with the potential for a breakdown that could force sharing of information without warning. He stated his preference to cancel the contract while remaining engaged in ongoing discussions.

Mayor Daggett highlighted the difficulty of balancing the value of Flock for prosecuting dangerous criminals with privacy concerns. She supported moving the contract to a future agenda, implementing a 14-day data retention period, and establishing a task force for oversight. She stressed that Flock does not have veto power over contract terms and that the city retains ultimate control over data.

Deputy Chief Seay, Mr. Perry, and a representative from Flock Hector clarified that the system can be immediately shut down, that Flock cannot access data without city approval, and that audit logs monitor compliance. They confirmed that cameras capture only rear license plates, and supervisor approval is required to use the system for criminal investigations.

Councilmember Matthews reiterated support for additional guardrails and protocols, acknowledging the corridor of crime in the area and emphasizing the importance of using technology to assist investigations while remaining aware of public concerns.

Vice Mayor Sweet stressed the importance of moving forward with clear privacy policies, noting that technology will continue to advance.

Councilmembers Garcia and Aslan did not support moving the item forward and would prefer the contract be canceled. Councilmember Aslan acknowledged the constructive dialogue and potential improvements to the program.

Mayor Daggett, Vice Mayor Sweet, and Councilmembers Spence, Matthews, and House provided varying degrees of support for moving the contract forward for continued use while emphasizing oversight, privacy protections, and community input. The Council clarified that the system continues to operate under the terms of the expired contract until a formal decision is made.

Chief Connolly noted that NAU was the first local department to use Flock and emphasized that data sharing is limited to local partners. He confirmed that the national search feature is turned off and stated he would review the additional features requested by Mayor Daggett, including implementing a 14-day data retention period and formalizing the advisory group before the next update. He also clarified that all extended partner sharing will been disabled, but requested exceptions of continued sharing with local city, county, and tribal partners, while the team investigates the requested features further.

9. Open Call to the Public

None.

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

Councilmember Spence reported that the Open Spaces Commission has selected the official name for the natural preserve: Observatory Mesa Natural Preserve.

Councilmember Garcia invited the community to attend the Market of Dreams event the following day to participate in discussions about the Community Development Block Grant process and how funds support local needs. He also announced a Trunk or Treat at Kutz Barbershop the following Thursday

evening, featuring activities and pizza provided by a local nonprofit called Rev Up Unity.

Mayor Daggett stated that Northern Arizona Healthcare will host two open houses and a Community Health Fair offering vaccinations, health screenings, and youth dental screenings. She also announced a Fix-It Clinic scheduled for the following Saturday from 10 a.m. to 2 p.m., noting that appointments are required.

11. Adjournment

The meeting of the Flagstaff City Council held October 28, 2025, adjourned at 8:12 p.m.

SPECIAL MEETING

1. Call to Order

Mayor Daggett called the Special Meeting of the Flagstaff City Council held October 28, 2025, to order at 8:12 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for 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. Council Confirmation of Direction: Council met in executive session on October 28, 2025 to consult with and give instructions and direction to its legal counsel and designated city representatives regarding pending and potential litigation, condemnation litigation, and Timber Sky Annexation and Development Agreement, as amended, City's obligations under the Development Agreement, and the negotiation of certain legal contracts related to City's involvement in the Habitat for Humanity affordable housing project at Timber Sky.

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to direct and authorize the City Attorney and/or designated city representatives to proceed as discussed in Executive Session regarding the following: Condemnation Litigation Update, Legal advice, discussion, and consultation regarding pending and potential litigation, Legal advice, discussion, and consultation regarding Timber Sky Annexation and Development Agreement, as amended, City's obligations under the Development Agreement, and the negotiation of certain legal contracts related to City's involvement in the Habitat for Humanity affordable housing project at Timber Sky.

Vote: 7 - 0 - Unanimously

3. Council Confirmation of Direction: Council met in executive session on October 28, 2025 to consult with and give instructions and direction to its legal counsel regarding legal advice on Desert Mountain Energy, to evaluate all options to protect the city's resources, up to and including potentially refiling litigation against Desert Mountain Energy and defend any related new counter-claims.

Moved by Councilmember David Spence, **seconded by** Vice Mayor Miranda Sweet to direct and authorize the City Attorney to proceed as discussed in Executive Session regarding Desert Mountain Energy litigation, up to and including potentially refiling or amending claims against Desert Mountain Energy and defend any related new counter-claims.

Vote: 7 - 0 - Unanimously

4. Adjournment

The meeting of the Flagstaff City Council held October 28, 2025, adjourned at 8:15 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 28, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

C A N C E L L E D

NOTICE AND AGENDA

SPECIAL COUNCIL MEETING
(EXECUTIVE SESSION)
THURSDAY
OCTOBER 30, 2025

CITY MANAGER CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVENUE
2:00 P.M.

1. Call to Order

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. Recess into Executive Session

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting and discussion or consultation for legal advice with the attorney or attorneys of the public body in accordance with A.R.S. §38-431.03(A)(1) and (3) respectively.

i. Discussion and consideration of employment of new City Manager

6. Reconvene Special Meeting

7. Mayor and Council direction regarding Executive Session: Discussion and consideration of employment of new City Manager

8. Adjournment

SPECIAL MEETING (EXECUTIVE SESSION)
FRIDAY, OCTOBER 31, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
1:30 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 1:33 p.m.

2. Roll Call

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews (arrived 1:35 p.m.)
Councilmember David Spence

Staff Present: Human Resources and Risk Management Director Ryan Saxby; City Attorney Sterling Solomon

3. Recess into Executive Session

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember Khara House to recess into Executive Session.

Vote: 6 - 0 - Unanimously

Council recessed into Executive Session at 1:34 p.m.

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting and discussion or consultation for legal advice with the attorney or attorneys of the public body in accordance with A.R.S. §38-431.03(A)(1) and (3) respectively.

i. Discussion and consideration of employment of new City Manager

6. Reconvene Special Meeting

The Council reconvened into Open Session at 2:58 p.m.

7. Mayor and Council possible direction regarding Executive Session

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember Khara House to direct and authorize the City Attorney and/or designated city representative to proceed as discussed in executive session items listed in Item 5Ai.

Vote: 7 - 0 - Unanimously

8. Adjournment

The Special Meeting of the Flagstaff City Council held October 31, 2025, adjourned at 3:00 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 31, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, NOVEMBER 4, 2025
STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVE
1:00 P.M.

1. Call to Order

Mayor Daggett called the Special Meeting to order at 1:01 p.m.

2. Roll Call

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 7 - 0 - Unanimously

Council recessed into Executive Session at 1:02 p.m.

4. Executive Session Confidentiality Statement

Mayor Daggett read the confidentiality statement.

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body, discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation pursuant to A.R.S. §38-431.03(A)(3), (4), respectively

i. Legal advice, discussion, and consultation regarding Timber Sky Annexation and Development Agreement, as amended, City's obligations under the Development Agreement, and the negotiation of certain legal contracts related to City's involvement in the Habitat for Humanity affordable housing project at Timber Sky.

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

i. Legal Advice on Citizen Petition re Shadow Pine Development.

6. Reconvene Special Meeting

The Council reconvened into Open Session at 2:45 p.m.

7. Mayor and Council possible direction regarding Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet Direct and authorize the City Attorney and/or designated city representative to proceed as discussed in executive session items listed in Item(s) 5Ai.

Vote: 7 - 0 - Unanimously

8. Adjournment

The Special Meeting of the Flagstaff City Council held November 4, 2025, adjourned at 2:46 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on November 4, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, DECEMBER 2, 2025
COUNCIL CONFERENCE ROOM
FIRST FLOOR - CITY HALL
211 WEST ASPEN AVE
1:00 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the Special Meeting to order at 1:02 p.m.

2. Roll Call

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

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: City Manager Joanne Keene; City Attorney Sterling Solomon

Councilmember Spence joined the meeting at 1:11 p.m.

3. Recess into Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to recess into Executive Session.

Vote: 6 - 0 - Unanimously

4. Executive Session Confidentiality Statement

Discussions made during Executive Session are confidential by law. All persons present in Executive Session or who receive Executive Session information or materials shall keep the discussion, information and materials confidential and shall not disclose them, except as allowed by law.

5. Executive Session:

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body, discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, and discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property, pursuant to A.R.S. §38-431.03(A)(3), (4), and (7), respectively

i. Discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding the potential acquisition and or preservation of the Orpheum Theater and legal advice regarding same.

ii. Discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding the potential acquisition of property located at 320 N. Humphreys Street and legal advice regarding same.

6. Reconvene Special Meeting

The Council reconvened into Open Session at 1:55 p.m.

7. Mayor and Council possible direction regarding Executive Session

Moved by Councilmember Lori Matthews, **seconded by** Councilmember David Spence Direct and authorize the City Attorney and/or designated city representative to proceed as discussed in executive session items listed in Item(s) 5Ai and 5Aii.

Vote: 7 - 0 - Unanimously

8. Adjournment

The Special Meeting of the Flagstaff City Council held December 2, 2025, adjourned at 1:57 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on December 2, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

JOINT CITY/COUNTY WORK SESSION
MONDAY, NOVEMBER 17, 2025
COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
3:30 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the joint meeting of the Flagstaff City Council and Coconino County Board of Supervisors held November 17, 2025, to order at 3:33 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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.

Present: Chairwoman Patrice Horstman
Vice-Chairman Jeronimo Vasquez
Supervisor Judy Begay
Supervisor Tammy Ontiveros
Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House left at 4:20 p.m.
Councilmember Lori Matthews
Councilmember David Spence

Absent: Supervisor Lena Fowler

Staff Present: City Manager Joanne Keene; City Attorney Sterling Solomon; County Manager Andy Bertelsen; County Attorney Ammon Barker

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

The Council, Board of Supervisors, and audience recited the pledge of allegiance, Vice Mayor Sweet read the Mission Statement of the City of Flagstaff, and Councilmember Garcia read the 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.

None.

5. DISCUSSION ITEMS

A. Wildfire Insurance and Risk Reduction Efforts

Coconino County Flood Control District Administrator Lucinda Andreani, Wildland Fire Captain Neil Chapman, and Sustainability Specialist Noah Baker provided PowerPoint presentations that covered the following:

Coconino County presentation:
WILDFIRE INSURANCE CRISIS
HEADWATERS ECONOMICS PRESENTATION
AMERICAN PROPERTY CASUALTY INSURANCE ASSOCIATION (APCIA) PRESENTATION
INSURANCE INSTITUTE FOR BUSINESS AND HOME SAFETY (IBHS) PRESENTATION
UPPER RIO DE FLAGSTAFF WATERSHED
MORMON MOUNTAIN REPI
WILDFIRE INSURANCE CRISIS FLYER

Flagstaff Fire Department presentation:
WILDFIRE RISK AND ARIZONA COMMUNITIES
WHERE IS THE WILDFIRE RISK
EXPERT SPOTLIGHT: JACK D. COHEN, RESEARCH PHYSICAL SCIENTIST, U.S. FOREST SERVICE
FIRE SPREAD HEAT, FUEL, OXYGEN
QUESTIONS THAT DRIVE OUR POLICY AND COMMUNITY ACTION
WHY IS WILDFIRE RISK HARD TO MEASURE
WHY IS WILDFIRE RISK REDUCTION EVEN HARDER TO MEASURE
WHAT WILL IT TAKE TO CLOSE THE INFORMATION GAP BETWEEN HOMEOWNER ACTION AND RISK PRICING ORGANIZATIONS
WHAT DOES ALIGNMENT LOOK LIKE IN ARIZONA
NEXT STEPS FOR FFD: LEAD THE ALIGNMENT PROCESS

Councilmember Garcia asked about the economics behind the City and County's $10 million forest-restoration investment and whether timber sales were helping to recoup costs. Ms. Andreani explained that restoration efforts prioritize high-risk wildfire and post-flooding areas, and that economic modeling shows flood impacts far outweigh fire suppression costs. While new mills in Bellemont and Williams have increased processing capacity, much of the region's timber is too small to generate strong

economic returns, requiring the Forest Service to use a variety of funding structures to meet restoration goals.

Councilmember Garcia asked how the City is reaching residents who do not follow public meetings. Mr. Baker said outreach remains challenging, but staff uses social media, radio, mailers, HOA meetings, and an online scheduling tool for assessments.

Councilmember Garcia also asked about funding for the tool-lending program; Fire Captain Chapman noted the initiative currently receives $100,000 from the General Fund, about a tenth of what is needed, but that seed funding can encourage broader community and private-sector investment. Councilmember Garcia thanked staff for their proactive efforts.

Councilmember Matthews highlighted her recent home-hardening assessment and raised concerns about heavy pine-needle accumulation and dense tree coverage in older neighborhoods. Fire Captain Chapman reported that new development could create buffers for existing neighborhoods and that state grants may support hazardous-tree removal, though they are competitive and must align with specific parcel criteria. Staff is working parcel-by-parcel in older areas to reduce risk. Councilmember Matthews acknowledged the challenges but said the City is moving in the right direction.

Ms. Andreani added that some counties fund wildfire mitigation through dedicated taxes and that additional financial support is becoming available through tribal partnerships, federal programs, and potential involvement from mortgage companies that also have a stake in property risk.

Vice Mayor Sweet asked about a public-facing dashboard to track mitigation efforts; Captain Chapman confirmed IT is developing one, with release expected in the next few months.

Chair Horstman requested the presentation for use with HOAs and emphasized the importance of showing insurers the measurable benefits of mitigation. Captain Chapman noted that counties nationwide are implementing similar tools and that staff continues to provide training.

Vice-Chair Vasquez expressed support for ongoing progress and the need to coordinate resources.

Mayor Daggett concluded by thanking staff and stating that the discussion will help inform communication with residents.

6. REGULAR AGENDA

A. Consideration and Possible Approval: Criminal Justice Coordinating Council (CJCC) Bylaws

Senior Deputy City Manager Shannon Anderson introduced the CJCC Director Dianna Kalandros who asked for approval of the bylaws and was available to answer any questions.

Moved by Councilmember Matthews, **seconded by** Councilmember Garcia to approve the Bylaws of the Criminal Justice Coordinating Council Vote 7 - 0 - Unamnimously.

Moved by Supervisor Begay, **seconded by** Supervisor Ontiveros to approve the Bylaws of the Criminal Justice Coordinating Council Vote 4 - 0 - Unamnimously.

7. RECOGNITIONS

A. Presentation of Criminal Justice Coordinating Council (CJCC) Awards

CJCC Director Dianna Kalandros provided some history on why the awards were established and introduced Coconino County Presiding Judge Reed.

Judge Reed presented the annual CJCC Awards, recognizing outstanding contributions to justice and community wellbeing. He first announced the Collaboration and Partnership Award, honoring the North

Star Task Force, led by Detective Bethany Hyde of the Flagstaff Police Department and Michelle Rucker of the Northland Family Help Center. Judge Reed highlighted the task force's survivor-informed, multi-agency approach to combating human trafficking, noting their significant investigative successes and their leadership in unifying law enforcement, prosecution, and victim-service partners. He emphasized that their commitment to centering survivor voices and breaking down agency silos exemplifies the power of collective action.

Judge Reed then presented the Innovation in Criminal Justice Award to Stuck Community Acupuncture's Mobile AcuDetox Team. He praised the team for delivering trauma-informed, low-barrier holistic care directly to justice-involved and unsheltered individuals across Northern Arizona. With more than 2,300 treatments provided in the past year, the program has offered an accessible tool for stress relief and healing while empowering individuals with lived experience to become certified providers. Judge Reed noted that this grassroots, community-driven model is reshaping how rural and justice-impacted populations access support.

Finally, Judge Reed awarded the Courage in Justice Award to Amanda Gallegos, the Family Treatment Court's first Peer Recovery Support Specialist. He commended her extraordinary courage in using her lived experience with substance use and incarceration to guide and support families navigating the child welfare and court systems. Judge Reed emphasized that her empathy, honesty, and leadership have built trust, reduced stigma, and fostered a more humane and hopeful approach within the system. He noted that her contributions have been transformational for both court participants and the professionals who work with them.

Councilmember Matthews, serving as the CJCC liaison, reflected on how the award recipients exemplify the Council's mission. She noted that recent discussions have pushed members outside their comfort zones, emphasizing that justice is not about arresting and incarcerating people, but about helping individuals address the challenges they face and keeping them out of jail whenever possible. She stated that the recipients' work demonstrates the difficult but transformational efforts underway and expressed pride and gratitude for everyone involved.

Chair Horstman thanked Ms. Kalandros and the CJCC Board for developing the awards and helping the community better understand the work taking place. She highlighted the extensive collaboration among members to advance equity and justice and stated that the CJCC represents the justice system at its best. She expressed admiration for the award recipients and gratitude for their courage and commitment to serving the community.

8. INFORMATIONAL ITEMS TO/FROM CITY COUNCIL AND BOARD OF SUPERVISORS

The Board of Supervisors and City Councilmembers expressed gratitude for the staff and collaboration efforts.

Chair Horstman reported that the County remains actively involved in rebuilding the North Rim of the Grand Canyon, an important economic asset, and is working to expedite the reopening of the Arizona Lodge. She also noted that during the recent federal shutdown, the Board of Supervisors stood ready to support WIC and SNAP services for vulnerable residents, though federal funding ultimately continued without requiring County intervention.

Vice-Chair Vasquez offered congratulations to the award recipients and gave a special acknowledgment to Ms. Gallegos, noting that he had taught her children at Killip and had watched her progress through the program. He commended Ms. Gallegos for being an inspiration to others.

9. ADJOURNMENT

The Joint City/County Work Session held November 17, 2025, adjourned at 4:57 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Joint City/County Work Session held on November 17, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

JOINT CITY COUNCIL/BOARD OF
SUPERVISORS WORK SESSION
MONDAY, SEPTEMBER 23, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the Joint Meeting of the Flagstaff City Council and Coconino County Board of Supervisors held September 23, 2024, to order at 3:00 p.m.

2. Roll Call

NOTE: One or more Councilmembers or Board Members may be in attendance through other technological means.

Present: Board of Supervisors Chairwoman Judy Begay
Board of Supervisors Vice-Chairwoman Patrice Horstman
Supervisor Lena Fowler
Supervisor Adam Hess
Supervisor Geronimo Vasquez
Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan (arrived at 3:21 p.m.)
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

The Council and audience recited the pledge of allegiance, Councilmember House read the Mission Statement of the City of Flagstaff, and Councilmember Sweet read the 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

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Economic Vitality Director Heidi Hansen addressed the Council and Board of Supervisors and provided an overview of Proposition 487, which concerns the continuation of the Bed, Board, and Beverage (BBB) tax. She shared background information on the tax's history and invited the public to attend an upcoming informational session at the Flagstaff Aquaplex.

CEO and General Manager of Mountain Line Heather Dalmolin addressed Council and presented information on Proposition 488. She discussed the history and development of the transit program and highlighted its significance to the community.

5. Preview of the Flagstaff Regional Land Use Plan 2045 60-day Public Review and County Comprehensive Plan Update

Comprehensive Planning Manager Sara Dechter and Coconino County Long-Range Planner Melissa Shaw provided a PowerPoint presentation that covered the following:

PROCESS FOR UPDATING THE PLAN
LEVELS OF PUBLIC PARTICIPATION
CRITICAL SUCCESS FACTORS FOR THE NEW PLAN
REGIONAL PLAN COMMITTEE
REGIONAL PLAN WRITING AND REVIEWING TIMELINE
HOW CAN PEOPLE PARTICIPATE?
PLAN COMMENTS HOSTED ON KONVEIO
FOCUS OF THE PLAN -- 5 PRIORITIES
REGIONAL PLAN CHAPTERS
POLICY SECTION
IMPLEMENTATION SECTION
MAPS
THEMES
PLAN AMENDMENTS

Mayor Daggett noted the city has its own strategies for addressing affordable housing and asked how differing city and county approaches are being reconciled. Ms. Dechter explained that when the committee encountered areas where the city and county had either shared or slightly nuanced goals, they worked to reflect those distinctions appropriately within the plan. Ms. Shaw added that the decision to identify dual goals, where the city and county may have aligned but distinct priorities, was made early in the process and approved by the committee. This approach has guided policy development throughout. Mayor Daggett confirmed that the committee is developing policies intended for both the city and county, which Ms. Shaw affirmed.

Vice-Chairwoman Horstman referenced a recent Friends of Flagstaff's Future meeting and inquired about the process for aligning Planning and Zoning ordinances with the regional plan once approved. Ms. Dechter responded that city and county staff will begin reviewing related policies, codes, and ordinances to determine what updates may be needed, which typically occurs after voter approval. Ms. Shaw added that this has been an ongoing part of the process, with the committee regularly identifying where city and county codes may be misaligned and calling out areas that will require updates moving forward.

ENVISION 2045: UPDATING THE 2015 COMPREHENSIVE PLAN
COCONINO COUNTY COMPREHENSIVE PLAN DETAILS
ENVISION 2045 COMPREHENSIVE PLAN UPDATE SCHEDULE WITH ADOPTION TIMELINE AMENDMENT
REACHING COUNTY COMMUNITIES

6. Discussion with City of Flagstaff and Coconino County Staff Regarding Wildfire Risk and Insurance Challenges

Jay Smith, Coconino County Forest Restoration Director and Coconino County Government Affairs Director Gregory Nelson provided a PowerPoint presentation that covered the following:

HOMEOWNERS INSURANCE CRISIS
NATIONWIDE WILDFIRE STRUCTURE LOSS STATISTICS
INTEGRATING WILDFIRE RISK WITH BUILDING SPECIFIC PROPERTY CHARACTERISTICS
AVERAGE ANNUAL STRUCTURES DESTROYED (AASD)
AVERAGE ANNUAL LOSS
CUMULATIVE PERCENTAGE CHANGE IN AVERAGE HO-3 PREMIUMS FROM 2018-2021
COST INDICATORS: HOME INSURANCE
COCONINO COUNTY ENGAGEMENT
DIFI CONVERSATION RECAP
HOMEOWNERS INSURANCE CRISIS
DEVELOPING POLICY SOLUTIONS
COMMUNITY WILDFIRE PROTECTION PLAN
FEDERAL ADVOCACY ON WILDFIRE COMMISSION RECOMMENDATIONS
STRATEGY TO STOP THE BLEEDING
MOVING FORWARD

Councilmember Matthews raised a question regarding the city's resource protection overlay policy, which requires the preservation of a certain percentage of trees on development sites. She inquired whether recent efforts to revisit that policy through code review could support better outcomes in wildfire mitigation and development planning.

Wildland Fire Captain Neil Chapman responded that the city hopes to achieve more alignment with science-based tree retention practices rather than relying solely on cultural perceptions. He noted that emerging technology may help support those efforts.

Vice Mayor Aslan expressed concern about overcorrecting or being prematurely prescriptive when revisiting the resource protection overlays. He emphasized that such changes could become a major issue for both housing affordability and environmental sustainability. He cautioned against creating a short-term fix that does not address the larger systemic issues. He stressed the importance of continuing current firewise practices and thoughtful mitigation efforts but warned against allowing external forces, such as insurance companies, to dictate the appearance and ecological health of the community. He asked whether any insurance providers had confirmed that reducing trees on private lots would lower homeowners' premiums.

Vice-Chairwoman Horstman explained that there are two primary approaches being discussed: reducing catastrophic wildfire risk and addressing insurance challenges. However, she noted that insurance companies may not yet recognize or reward forest restoration and Community Wildfire Protection Plan, which complicates efforts.

Captain Chapman added that aligning wildfire mitigation practices with insurance industry expectations could reduce costs for both developers and homeowners. However, he acknowledged the lack of clarity around what insurance providers are looking for in terms of data. He stressed the need to build parcel-level data systems to support long-term resilience and homeowner incentives.

Mr. Smith noted that insurance markets are influenced by factors well beyond local control, such as hurricanes in the Southeast, and that it was not currently possible to promise property owners that taking certain actions will guarantee insurability, especially in the absence of clear data from insurers. Mr.

Nelson expanded on that point, saying the federal government has initiated efforts to better understand how insurance data is being collected and evaluated. He emphasized the need for collaborative, cross-sector environments to develop shared datasets and strategies for risk mitigation.

Captain Chapman reiterated that current resource protection regulations are not fully aligned with the best available science, nor are insurance practices. He clarified that the goal is not widespread tree removal, but rather retaining the right trees in the right places based on scientific assessment.

Supervisor Fowler stated that wildfire insurance and risk management is a national issue. As chair of the National Association of Counties Rural Caucus, she identified this as one of their top federal advocacy priorities. She noted that similar concerns are being raised across the country and will be presented to the congressional delegation.

Councilmember House reflected on the surprising lack of federal regulation over the insurance industry, especially given its outsized influence on housing affordability and risk. She emphasized the need to shift federal and legislative focus toward the insurance sector's impact on land use and wildfire policy.

Supervisor Vasquez requested more detail on the claim that current practices are not grounded in best science. Captain Chapman responded that without a standardized framework outlining specific homeowner actions, insurance providers are unable to score or reward those efforts. This limits incentives for homeowners to implement firewise strategies that could reduce risk.

Mayor Daggett expressed frustration that many homeowners have paid into insurance policies for decades without filing claims, only to now find themselves denied coverage or priced out due to increasing wildfire risks. She asked whether insurance companies are actively lobbying for climate action, given the financial risks they face from large-scale climate disasters.

Mr. Nelson confirmed that many insurance companies--and increasingly, banks--are lobbying on behalf of climate-related policy efforts because their financial assets are at stake. He added that while mortgage lenders have not yet entered this conversation in a major way, they are being closely monitored for future engagement.

Wildland Fire Captain Neil Chapman provided a PowerPoint presentation that covered the following:

WILDFIRE RISK AND ARIZONA COMMUNITIES
THE NECESSITY OF STRATEGIC ALIGNMENT
TASK, PURPOSE, END STATE
FIRE RETURN INTERVALS ARE WELL KNOWN IN THE SOUTHWEST
CHANGE IN HOUSING UNITS IN THE WILDLAND-URBAN INTERFACE, 1990-2020
WHERE IS THE WILDFIRE RISK?
BEST AVAILABLE SCIENCE
NATIONAL FIRE PROTECTION ASSOCIATION
FIREWISE USA
IBHS WILDFIRE PREPARED HOME DESIGNATIONS
VEGETATION TO VEGETATION: SPEED BASED FIRE PATHWAYS
VULNERABILITY -- RELATIVE VULNERABILITY
DAMAGE ASSESSMENT -- 2018 CAMP FIRE
THE KEY QUESTIONS
ON FIRE: THE REPORT OF THE WILDLAND FIRE MITIGATION AND MANAGEMENT COMMISSION
WORKING GROUP TASK
RECOMMENDED WORKING GROUP REPRESENTATIVES
NEXT STEPS
TURNING A BILLION-DOLLAR CHALLENGE INTO SAFE COMMUNITIES

Vice Mayor Aslan expressed full support for the wildfire risk mitigation strategies presented, particularly the use of modeling to guide decision-making. He endorsed moving forward with that process and emphasized the importance of developing a systematic, long-term strategy to lobby the insurance industry at the federal level to recognize and support local mitigation efforts.

Councilmember House asked whether, in addition to the action guide focused on denser neighborhoods and affordable housing, there are plans to create similar tools specifically for multi-family housing. She noted that these types of developments have different needs, and their residents also need guidance on how to contribute to wildfire preparedness and risk reduction.

Captain Chapman responded that mapping tools and data analysis are helping inform which areas in dense communities are appropriate for tree retention. He referenced the "Neighborwoods" approach, which helps identify and preserve trees in specific areas while allowing for customized wildfire mitigation strategies. He also mentioned the "Wildfire Prepared Home" program in California, where homeowners can earn a formal designation for fire preparedness, overseen by the Insurance Institute for Business and Home Safety (IBHS). Similar standards could apply at the HOA or neighborhood level, but these efforts require reliable parcel and neighborhood-level data.

Supervisor Hess asked whether there would be a certification or training program available for homeowners who want to protect their homes individually.

Captain Chapman confirmed that such opportunities are open to the public and encouraged participation. He noted that some tree service companies already carry certifications and that efforts are being made to increase participation. He also referenced the Firewise USA program, which recognizes neighborhoods that organize and invest in fire mitigation, although the designation itself does not guarantee fire safety--it demonstrates a commitment to risk reduction aligned with science-based practices.

Vice-Chairwoman Horstman commended the working group's progress but raised concerns about the cost of certifications and the need for financial incentives and compatible building codes. Without those elements in place at scale, she expressed uncertainty about the long-term effectiveness of the certification programs. She stressed the importance of city--county collaboration and the need to find solutions that keep the region affordable for residents. She also expressed enthusiasm for the use of LIDAR technology in development planning and tree resource mapping.

Captain Chapman added that the use of LIDAR and comprehensive planning can result in cost savings for developers by allowing for coordinated efforts around vegetation thinning and removal, rather than piecemeal approaches.

7. Informational Items To/From Chairman, Supervisors and County Manager, Mayor, Council and City Manager

Supervisor Vasquez spoke about Proposition 482 and encouraged community support for raising the county's expenditure limitation in order to maintain essential services.

Chairwoman Begay also addressed the expenditure limitation and expressed appreciation for the ongoing collaboration between the city and county. She emphasized the importance of working collectively and sharing information on regional issues. She also thanked Mayor Daggett for participating in the blessing of a hogan at Flagstaff High School, noting the value of traditional foods and cultural diversity.

Vice-Chairwoman Horstman thanked the City for their hospitality and expressed her appreciation for the opportunity to come together and discuss shared priorities.

Supervisor Hess echoed appreciation for the meeting, expressing how impressed she was by the strong working relationship between the County and City.

Councilmember Matthews also thanked the Board of Supervisors for the joint session, emphasizing that it is always a pleasure to work together on important regional issues.

Supervisor Fowler agreed and shared gratitude for the meeting, noting that these are valuable conversations and a good opportunity to understand the City's approach to key initiatives.

Councilmember Harris thanked City and County staff for the significant amount of work that went into preparing for the meeting.

Vice Mayor Aslan also expressed appreciation to everyone involved and shared how moving it was to attend the hogan blessing ceremony. He expressed excitement for the development of the Indigenous Cultural Center. He then raised the topic of election and ballot security, stating that the City has an obligation to be well-prepared heading into the upcoming election cycle. He requested an update or report from the Police Chief on preparations in this area.

Deputy County Manager Andy Bertelsen shared that several community events are planned leading up to the election, including a Public Works Open House, an All Ballot Measures Open House at the Aquaplex, and a Health and Human Services Open House in October.

Coconino County Elections Director Eslir Musta spoke about the operational planning for the election. He explained that the Elections Office is working closely with the County Attorney's Office and the Sheriff's Office, which coordinates with local law enforcement to ensure a safe and seamless Election Day.

8. Open Call to the Public

None

9. Adjournment

The Joint City/County Work Session held September 23, 2024, adjourned at 5:09 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL COMBINED SPECIAL MEETING / WORK SESSION
TUESDAY, DECEMBER 10, 2024
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the Special Meeting of the Flagstaff City Council held December 10, 2024, to order at 3:02 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this special 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.

Present: Mayor Becky Daggett
Councilmember Miranda Sweet
Vice Mayor Austin Aslan
Councilmember Jim McCarthy
Councilmember Khara House
Councilmember Lori Matthews
Councilmember Deborah Harris

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

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

Matthew Dyer addressed Council with concerns about the liquor license for Baddies Food Joint. He stated that despite having an expired liquor license the establishment was still planning to serve alcohol. He would be contacting the Arizona Department of Liquor and encouraged others to reach out and express their concerns.

Blake Whitten addressed Council with concerns about noise and expressed disappointment about the failure to establish a noise ordinance. He explained that the noise coming from the Tavern bar is disruptive during late night hours. The city had a responsibility to protect the health and property values for all their citizens.

Convention and Visitor Bureau Director Trace Ward addressed Council to share that Discover Flagstaff had successfully renewed their accreditation as a certified destination marketing organization.

MaryAnn Deminsky, a new employee with the Arizona Attorney General's Office, introduced herself as part of the community engagement team based in Northern Arizona. She lived in Prescott and was assigned to Coconino, Yavapai, and Mojave counties. She expressed interest in participating in or helping plan any city outreach events or activities. She also offered to assist the City Council in elevating any concerns to the Attorney General's Office.

5. Review of Draft Agenda for the December 17, 2024 City Council Meeting

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

None

6. **Farewell Presentation for Outgoing Councilmembers**

Mr. Clifton honored Councilmember Jim McCarthy for his eight years of service to the city. Councilmember McCarthy consistently fought for funding for daily Amtrak service through Flagstaff and contributed to the city's involvement with All Aboard Arizona. He supported the Rio de Flag flood control project which was expected to break ground in 2026. Councilmember McCarthy served as liaison to the Transportation Commission and Chair of the MetroPlan organization, which reflected his strong commitment to transportation. He played an active role in shaping noise regulation policy and championed discussions around advanced water treatment solutions. His dedication and long-term advocacy in these areas were deeply appreciated by his colleagues and the community.

Deputy City Manager Joanne Keene added that Councilmember McCarthy was also known for his love of The Beatles and guitar playing, he even recreated the iconic Abbey Road crosswalk photo during a recent trip to Washington, D.C. He had spent significant time advocating for the Grand Canyon National Park and had been a dedicated supporter of various causes throughout his career.

Councilmember McCarthy was appreciated for bringing humor and levity to City Council meetings, often catching even the smallest details, especially missing commas or punctuation. As an engineer, he was comfortable with technical discussions and was known for his thoughtful, kind interactions with city staff. His many years of leadership and service to the Flagstaff community have left a lasting impact.

Councilmember Sweet thanked Councilmember McCarthy for all his years of service. She thanked him for his support and the time he took to help her get up to speed when she was first elected. She appreciated his willingness to take field trips and go on site to get perspective on matters that were coming before them for decisions. She wished him well as he moved on to his next adventure.

Councilmember House shared that she remembered when she was first appointed to Council that Councilmember McCarthy was so welcoming and kind. She appreciated his willingness to support her and all the learning that had to go into the appointment process. He encouraged her to use her voice and step into the fray regardless of the outcome. She thanked him for his kindness, his words, his wisdom and his guidance over the past couple of years.

Vice Mayor Aslan spoke about Councilmember McCarthy's significant contributions and institutional memory that predated his eight years on the Council. He expressed gratitude for Councilmember McCarthy's even-keeled, clear communication style, and his ability to provide historical context in discussions. He also acknowledges Councilmember McCarthy's sense of humor, musical contributions, and passion for trains and Amtrak. Vice Mayor Aslan also extended gratitude to Councilmember McCarthy's wife Kathy for her support during his public service, especially amid personal and family challenges. He expressed appreciation for the resilience, positive spirit, and exemplary character Councilmember McCarthy brought to the Council.

Councilmember Matthews expressed appreciation for Councilmember McCarthy's knowledge, insight, and respectful approach to the work of Council. She noted how, despite differing views at times, Councilmember McCarthy helped maintain a culture of mutual respect and professionalism, never letting disagreements become personal. Councilmember Matthews acknowledged how Councilmember McCarthy's experience and historical perspective had guided her as a new member of the Council. She hoped that he would remain engaged with the city and continue to offer his insights.

Mayor Daggett shared that she appreciated sitting next to Councilmember McCarthy each Tuesday; she enjoyed his quiet humor. She offered that Councilmember McCarthy was consistent, prepared, and reliable, particularly on complex or technical issues, and how he had been a helpful and knowledgeable resource. She was grateful for his respectful and dignified demeanor, even during contentious discussions, and noted his ability to separate debate from personal relationships. She hoped that he would stay involved in the community and thanked him sincerely for his service.

Councilmember McCarthy reflected proudly on his time in public service, especially highlighting his role in hiring City Manager Greg Clifton, a decision he was particularly proud of. He acknowledged that his time on Council earned him both supporters and critics, but he remained proud of making informed, rational decisions after listening to all sides, regardless of popularity. He expressed gratitude for the many thank-you notes, emails, and familiar faces showing support, and shared pride in his service on various commissions including Planning and Zoning, Water, and the Mountain Line Board. He commended the city staff; he called them exceptional and a major reason for Council's ability to make sound decisions. He noted that he was looking forward to more free time but that he would continue to support the Council.

Coordinator for Indigenous Initiatives Rose Toehe presented Councilmember McCarthy with cultural gifts and thanked Councilmember McCarthy for his service to the entire community. She honored his inclusive leadership and commitment. She offered him a blessing for continued health, presence, and the ability to share his wisdom with others for many years to come.

Senior Deputy City Manager Shannon Anderson and City Manager Clifton recognized Councilmember Harris. They praised her for an impactful two-year tenure, marked by deep community involvement and heartfelt leadership. Some of her key accomplishments included her championing of the Murdoch Center and the Cleo Murdoch Park, her active participation in the Southside Neighborhood Plan, and

strong advocacy for the civic plaza at the Downtown Connection Center. She consistently pushed for inclusive outreach to underserved community members and was a steadfast advocate for equity and inclusion. Councilmember Harris' professional background in academia enriched Council discussions, and she was known for being a thoughtful listener, often speaking last to ensure all voices were heard. Councilmember Harris was described as the voice of those not present, always speaking with candor, compassion, and a smile. She fostered connections between people and resources, strengthened relationships with Northern Arizona University, and served as liaison to the Parks and Recreation Commission. Though her term was relatively short, her contributions were substantial and long-lasting, and her leadership was recognized as part of a continuous cycle of positive civic engagement.

Vice Mayor Aslan expressed deep gratitude for Councilmember Harris' lifelong civic service, both in Flagstaff and beyond. He recognized her simultaneous role in raising a family and a community. He highlighted her courageous decision to step into public service during a difficult time for the city and noted the significant impact she made in a relatively short term. He stated that her voice was particularly valued for consistently advocating for those not present or unable to speak for themselves. She brought strength, clarity, and compassion to the Council, and her presence would be missed. He emphasized the importance of carrying forward her spirit of inclusivity and advocacy, and expressed confidence that she would continue to stay engaged with the community.

Councilmember Sweet expressed appreciation for Councilmember Harris and how much she had learned from her over the past two years. She emphasized that her voice stood out and continued to influence her thinking on major issues which were testament to her lasting impact. Councilmember Sweet promised to carry her wisdom and deep care for the community into her future decisions. She acknowledged Councilmember Harris' contributions not just as a Councilmember, but as a dedicated community member who had poured her heart and soul into serving Flagstaff.

Councilmember Matthews expressed a deep personal connection with Councilmember Harris and described a special bond that was formed over their shared lived experience and time on the Council. She appreciated how Councilmember Harris broadened the conversation and reminded her colleagues to consider those often overlooked, especially individuals without access to common communication tools or from underrepresented groups. She was grateful for the valuable lessons learned from Councilmember Harris and promised to carry forward her perspective. She noted that she would miss being a partner with Councilmember Harris and hoped that their connection would continue well beyond their time in office.

Councilmember House shared a personal poem that she wrote in honor of Councilmember Harris.

Councilmember McCarthy offered his appreciation to Councilmember Harris. He mentioned a song he recently wrote about kindness, caring for others, and doing the right thing, which were qualities that he strongly associated with her. While the song was not originally about her, he felt compelled to dedicate it to her. He recognized Councilmember Harris as a true leader and thanked her for being an essential and impactful member of the Council.

Mayor Daggett offered praise for Councilmember Harris' powerful example of principled leadership. She highlighted her ability to maintain strong personal values while gracefully embracing new perspectives and information in a collaborative setting. She described Councilmember Harris as a model for how to balance personal beliefs with the diverse views of fellow Councilmembers and the broader community, all while navigating complex issues like financial constraints. Her consistent effort to represent those not physically present in the room was especially appreciated, and she noted how much she had grown and improved as a result of Councilmember Harris' thoughtful and inclusive leadership.

Councilmember Harris expressed deep gratitude for her time on Council. She appreciated receiving kind words while still alive to hear them and referenced a song about giving people their "flowers" now rather than after they are gone. She thanked city staff, praising their excellence, patience, and the support they had given her as she learned and grew in her role. She offered appreciation for Mr. Clifton's calm leadership and openness, and for Mr. Solomon's subtle guidance and honesty. She expressed deep trust in both staff and colleagues, noting that while they did not always agree, they remained respectful and unified. Even though she was stepping away from the dais, she would still be

involved and continuing her commitment to the community.

Ms. Toehe presented Councilmember Harris with cultural gifts and thanked her for her service. She thanked her for her unwavering commitment to the voices not present and for teaching the other members of Council to do the same. Ms. Toehe offered her a blessing of a rich life.

Anthony Garcia addressed Council and offered words of gratitude and appreciation to Councilmembers Harris and McCarthy for their public service.

7. **Recess for Reception**

The Special Meeting recessed at 4:10 p.m.

8. **Reconvene Meeting**

The Special Meeting reconvened at 4:30 p.m.

9. **Consideration and Approval of Contract:** Approve the Arizona Mutual Aid Compact with the State of Arizona, through the Emergency Management Division of the Arizona Department of Emergency and Military Affairs (DEMA/EM)

Grants, Contracts, and Emergency Management Director Stacey Brechler-Knaggs stated that the city previously had a long-standing agreement with the State of Arizona for emergency resource sharing, which expired in December 2023. Staff recently learned a new agreement was required. Many cities across the state participated, and approval of the contract would allow continued inclusion in the program.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to authorize the Arizona Mutual Aid Compact (Compact) between the City of Flagstaff and the Arizona Department of Military Affairs.

Vote: 7 - 0 - Unanimously

10. **Consideration of Appointments:** Indigenous Commission

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House to appoint Cherylee Francis to a term expiring in December 2026.

Vote: 7 - 0 - Unanimously

11. **Consideration of Appointments:** Planning and Zoning Commission

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to appoint Josh Maher to a term expiring in December 2027.

Vote: 7 - 0 - Unanimously

Moved by Vice Mayor Austin Aslan, **seconded by** Councilmember Jim McCarthy to appoint Mary Norton to a term expiring in December 2026.

Vote: 7 - 0 - Unanimously

12. **Consideration of Appointments:** Water Commission

Moved by Vice Mayor Austin Aslan, **seconded by** Councilmember Jim McCarthy to appoint Karin Wadsack to a term expiring in December 2025.

Vote: 7 - 0 - Unanimously

13. Adjournment

The Special Meeting of December 10, 2024 adjourned at 4:35 p.m.

WORK SESSION

1. Call to Order

Mayor Daggett called the Work Session of the Flagstaff City Council held December 10, 2024, to order at 4:35 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for 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. City Manager Report

Mr. Clifton briefly reviewed his report.

3. Multicultural County Park Sculpture Exhibition Project Overview

Beautification, Arts & Sciences Project Administrator Cristen Crujido provided a PowerPoint presentation that covered the following:

MULTICULTURAL COUNTY PARK SCULPTURE EXHIBITION
PRESENTATION OVERVIEW
PROJECT VIDEO
OUTREACH
SELECTION PANELISTS
PROJECT VISION
2025/26 ARTWORKS
EXHIBITION PREVIEW
ATI-TIACHINOLLI BY OLIVERIO BALCELLS
WINGS OF ANCESTORS BY ISAAC CARUSO
CELESTIAL JUGGLER BY JOE RAY
THUNDERSTORM BY ADRIAN WALL
ASDZAA NADLEEH (CHANGING WOMAN) BY LANCE YAZZIE

Councilmember Sweet offered appreciation to everyone involved in the project and emphasized her pride in serving as the Beautification and Public Art Commission liaison and witnessing the project from start to finish. She noted the project's importance to Flagstaff and acknowledged its celebration of cultural diversity, its value to the community, and its potential to put Flagstaff on the map.

Councilmember House expressed appreciation for the presentation and work that had gone into the project. She offered support for continuing the project beyond the initial three years. She encouraged expanded outreach, especially to neighborhood associations, local schools, and underrepresented communities. The project offered a powerful platform for youth to share their stories and cultural perspectives.

Councilmember Harris suggested finding ways to support young or inexperienced artists who may struggle with proposal paperwork. She noted that many talented individuals did not submit their work because they did not know how to navigate the application process. Offering that kind of assistance may increase participation and diversity in the project. Ms. Crujido appreciated the suggestion and noted that over the past two years, she had been informally supporting artists, particularly those in

Flagstaff by guiding them through the transition from 2D to 3D public art. She had connected artists with fabricators to develop their ideas and provided practical resources along with outreach in communities with limited access to technology, such as the reservations, to ensure broader participation in future project cycles.

Councilmember Matthews further emphasized the importance of outreach to local tribal communities She noted that many talented artists may not be connected to public art opportunities or know how to transition their work into outdoor public formats. She expressed support for the ongoing efforts to engage those communities and provide resources to help artists participate. There was untapped potential among artists who may not see themselves as professionals and encouraged the continuation and expansion of the project as a valuable enhancement to the city.

Vice Mayor Aslan expressed his support for continuing the public art project indefinitely. He felt that it was a valuable and essential program for the community. He emphasized that public art in Flagstaff is underrepresented and underutilized and urged efforts to expand and scale up the initiative.

4. **Council Update on Banking Services Procurement**

Management Services Director Rick Tadder provided a PowerPoint presentation that covered the following:

BANKING SERVICES PROCUREMENT UPDATE
CITY OF FLAGSTAFF BANKING
BANKING SERVICES PROCUREMENT OVERVIEW
UTILIZING A REQUEST FOR PROPOSAL (RFP)
MINIMUM QUALIFICATIONS
BANKING SERVICES
SUSTAINABLE PROCUREMENT

Councilmember Matthews asked how scoring would be applied. She researched major banks who were likely to respond to an RFP and she found all had strong sustainability and climate action goals. However, many still maintained ties to fossil fuel industries, which remained essential to many products and sectors. It was a challenge of balancing the two factors.

Mr. Tadder explained that the scoring would total ten points, with proposers required to address both their relationships with fossil fuel industries and their commitments to climate action as separate questions in the RFP. A review panel of city staff would evaluate responses holistically, considering overall procurement needs, services, and those criteria. Reviewers will not be directed to split the points evenly but will use their judgment to determine the balance between the two factors when scoring.

Councilmember Matthews noted the importance of selecting reviewers who understand the complexity of municipal banking needs. While some had suggested using local banks or credit unions, she did not believe that was feasible, as such institutions likely lacked the capacity to meet requirements. It was critical that reviewers recognized the specialized demands involved in municipal banking.

Mr. Tadder agreed and shared that the review team would have the financial background and would likely include staff from Finance and Customer Service who do a lot of transactional work with the banks.

TOTAL EVALUATION RATING
NEXT STEPS

Vice Mayor Aslan recommended sharing the timeline with interested members in the community. He asked the likelihood that the current banking institution would be the successful bidder. Mr. Tadder stated that the process was open, fair, and equitable. He would not be able to speculate who would submit bids or who would be the successful vendor.

Councilmember Harris expressed concern that once news spread about the update, many community

members may speak out. She was worried that a few vocal individuals whose views do not represent the broader community would dominate the discussion and pressure Council to halt progress. Mr. Tadder responded that it was Council's decision on awarding the contract. If Council determined that they did not want to go forward with a contract, a new RFP would be developed, and the process would start over.

Mayor Daggett thanked staff for their work since the petition discussion. She clarified that Council did not reject changing banks outright but instead required a policy framework before seeking new banking services. While some in the public were frustrated by the delay, Council listened and responded by establishing a policy. She acknowledged that many in the community ultimately want the city to avoid banks tied to fossil fuels and would likely remain vocal if that outcome was not achieved.

5. Open Call to the Public

None

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

Councilmember Matthews shared that she attended a productive meeting with the Mayor, staff, and the Navajo Nation Human Rights Commission. They discussed challenges faced by the Navajo community in town, identified potential solutions, and committed to ongoing collaboration through quarterly meetings.

Councilmember Harris thanked staff and all those who supported her over the last two years. She would be working at the Murdoch Center and would be available for people to drop by and grab some tea or coffee. She also thanked staff for all the work that had been done on the Murdoch Center and how nice it looked.

Vice Mayor Aslan requested information on a wildlife expert that he could meet with regarding bats.

Councilmember McCarthy reported that he had attended a MetroPlan meeting, a Transportation Commission meeting, and a Bicycle Advisory Committee meeting. He also was invited to speak to a senior high school class about government.

Councilmember Sweet highlighted recent and upcoming community events: the Stone Soup gathering at the Market of Dreams, the Aspen Niche ribbon cutting with the Mayor to celebrate downtown improvements, and encouraged attendance at the upcoming Parade of Lights on Saturday.

Councilmember House shared that she attended the Stone Soup dinner, participated in the Christmas tree lighting with other Councilmembers, and noted a memorable moment with a young child excited to see Santa. She highlighted the upcoming gun violence victims remembrance event at the Murdoch Center and invited Council to join a Christmas caroling walk organized by Canyon Chapel. She again thanked Councilmembers McCarthy and Harris for their service and looked forward to seeing them in the community.

Mayor Daggett also attended the Stone Soup dinner. She also praised the new, larger Market of Dreams, which would open soon for local entrepreneurs, and reminded residents that it was the last week to donate to Toys for Tots in the City Hall lobby or other city locations. She also mentioned upcoming weekend events downtown, including the holiday Parade of Lights, a Master Chorale concert at Flagstaff High School, and Culture Connection's winter market.

7. Adjournment

The meeting of the Flagstaff City Council held December 10, 2024, adjourned at 7:04 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on December 10, 2024. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL SPECIAL MEETING
THURSDAY, OCTOBER 9, 2025
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held October 9, 2025, to order at 3:02 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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.

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

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

The Council and audience recited the pledge of allegiance, Councilmember Garcia read the Mission Statement of the City of Flagstaff, and Councilmember Matthews read the 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. PUBLIC HEARING ITEMS

A. **Public Hearing:** Flagstaff Regional Land Use Plan 2045 Adoption

Mayor Daggett opened the public hearing.

Comprehensive and Neighborhood Planning Manager Sara Dechter provided a PowerPoint presentation that covered the following:

FLAGSTAFF REGIONAL PLAN UPDATE FOR 2045
WHAT IS THE REGIONAL PLAN?
THE FLAGSTAFF REGION
QUICK DOCUMENT DEMO
WHAT CAN THE PLAN DO AND NOT DO?
THE PLANNING PYRAMID
COMPREHENSIVE UPDATE OF THE GENERAL PLAN
PROCEDURAL REQUIREMENTS
REGIONAL PLAN COMMENTS
HOW DID THE COMMISSION TRACK EDITS?
STATEMENT OF COMMUNITY GOALS AND DEVELOPMENT POLICIES (9-461.05.C)
CHAPTER 2, PAGE 2-4
PLANNING AND ZONING COMMISSION
ALTERNATIVE STAFF RECOMMENDATIONS
ADDITIONAL STAFF RECOMMENDATION
ALTERNATIVE P&Z RECOMMENDATIONS

Councilmember Garcia asked for clarification about the structure of priorities, specifically whether it would be possible to keep the two established core priorities and add two additional development priorities. He noted staff had indicated no preference between having two core plus one additional or three total priorities and asked whether maintaining the two core priorities and adding two more would be prohibitive.

Ms. Dechter explained that staff recommended the "one-and-one" approach (one core and one additional priority) to keep projects focused and manageable. She noted that requiring too many priorities could lead to lengthy, burdensome analyses, often up to 40 pages, while the one-and-one structure allowed for concise, meaningful reviews of about 10--12 pages. The intent was to ensure strong, focused narratives without creating unnecessary workload or cost for applicants or reviewers. She emphasized that the approach was a practical balance rather than a perfect solution, tailored to what works best for Flagstaff.

MAJOR PLAN AMENDMENT CATEGORIES
ADMINISTRATIVE CHANGES
P&Z PROCESS RECOMMENDATIONS
COMMENT TABLED FOR COUNCIL DISCUSSION
LAND USE ELEMENT (9-461.05.C.1)
P&Z LAND USE RECOMMENDATIONS
CIRCULATION, TRANSIT, BICYCLING & GROWTH
P&Z TRANSPORTATION RECOMMENDATIONS
URBAN TRAILS MAP RECOMMENDATION
OPEN SPACE AND CONSERVATION
P&Z OPEN SPACE RECOMMENDATIONS

Councilmember Garcia asked for clarification on why the "10-minute walk" concept appeared in two different sections of the document and asked about staff's perspective and the committee's intent behind that decision.

Ms. Dechter explained that they generally avoided including strict metrics in goals and policies to allow flexibility, acknowledging that something like an 11-minute walk could still meet the intent. She

emphasized viewing the "10-minute walk" as an aspirational goal rather than a rigid standard. Open Space Supervisor Robert Wallace explained that the Open Space Commission, discussed the issue extensively and chose to highlight the "10-minute access" concept within their specific goal for open space and parks to emphasize its importance to the community and future planning efforts.

ENERGY ELEMENT
P&Z ENERGY RECOMMENDATIONS
OTHER REQUIRED ELEMENTS
OTHER P&Z RECOMMENDATIONS
RECOMMENDED MOTION
ALTERNATIVE MOTION

Council thanked staff for all their involvement in the process. The time spent was significant and the commitment of staff and the committee was astounding.

The following individuals addressed Council about the Regional Plan:

- Tom Pearson
- Laura Kessler
- Patrick Wickstrom
- Michele James, Friends of Flagstaff's Future
- Sat Best
- Russell Randall
- Stefan Sommer
- Bruce Fox
- Haley Creighton
- Robert Breunig
- Jim Schweikert
- Marcus Ford
- Phil Goldblatt
- Jacqueline Thomas
- Susie Garretson
- Doug Gee
- Walter Dempsey
- Irish Noble
- Charity Lee
- Yiqun Lin
- Hillary Turby
- Noel Griemsmann

The following comments were received:

- Supported Planning and Zoning Commission conditions #47 and #64, which maintain both electric and natural gas as energy sources for resiliency, redundancy, affordability, and safety in Flagstaff's climate.
- Warned that eliminating natural gas could endanger residents during cold winters and power outages, particularly affecting elderly, disabled, and low-income households.
- Condition #64 gives equal weighting to all six regional plan priorities to ensure the economy is not treated as secondary and aligns with public preference.
- Opposed making carbon neutrality the top core priority, citing limitations in renewable energy reliability, declining national/international support, and the financial impact on residents.
- Highlighted that reliance on gas or electricity alone can be costly; diversified energy sources mitigate financial and reliability risks.
- Emphasized that retaining climate action and housing attainability as core priorities is essential for guiding land use, preserving community character, and meeting the city's carbon neutrality goals.
- Warned that adopting conditions #47 and #64 as written could weaken climate commitments, reduce effectiveness of the Carbon Neutrality Plan, and undermine public support.
- Advocated for maintaining non-negotiable core priorities (climate action and housing affordability) while allowing complementary priorities to support them.
- Recommended adopting additional planning comments to:

    - Require major amendments for water provisions outside urban growth boundaries to discourage sprawl.
    - Modify open space goals to reflect Open Space Commission recommendations.
    - Emphasize use of native plants to reduce wildfire risk and improve invasive species management.
    - Include responsible tourism policies to educate visitors about ecology, history, and indigenous heritage.
    - Strengthen ecosystem management by integrating native plant planning.
- Supported improving accessibility and inclusion by:
    - Including mental health facilities in the public health section.
    - Highlighting the lack of ADA-compliant accessible housing.
    - Clarifying paratransit services for people unable to use standard bus service.
    - Ensuring maps and charts are accessible for visually impaired residents.
- Emphasized that climate and housing priorities are widely supported in community surveys and are critical for long-term environmental, social, and economic well-being.
- Urged careful consideration of alternative energy options, including virtual power purchase agreements, and highlighted the risks of over-reliance on APS.
- Proposed minor plan amendment pathways for parcels under 5 acres to reduce burdens on small landowners and infill developers, aligning Flagstaff with other Arizona jurisdictions and speeding rezoning processes.
- Recommended updates to policy maps to reflect actual road classifications, development densities, proposed trails, and included disclaimers for conceptual maps.
- Advocated for prioritizing safety, economic resilience, and long-term planning while balancing climate action, housing affordability, and community preferences.

Sam Meier submitted written comments in opposition to Condition #64.

Aneeka Bippus submitted written comments in opposition of Condition #47 and Condition #64.

Councilmember Matthews stated that several presenters had highlighted priorities from the regional plan survey, with housing attainability consistently at the top, followed by a healthy economy, natural and cultural resources, walkability, resilient public services, and climate action. While past discussions, such as the North Star presentation, discounted those priorities, a resurvey could help confirm the community's current perspective.

Councilmember Matthews offered that as the city planned for 2045, it was important to consider energy realities. APS and SRP relied heavily on natural gas and planned for 100% clean energy by 2050 but would maintain gas plants to ensure reliability during peak demand. While there was strong interest in faster climate action, practical limitations must be recognized.

She also emphasized that housing remained critical. Proposed sustainability-related building code changes could raise costs by nearly $28,000, underscoring the importance of keeping housing affordability the top priority. While all priorities mattered, it was important to ensure that economic and technological realities were addressed before implementing significant mandatory changes.

Councilmember Garcia noted his long-term involvement in the regional plan process, including committee work and attending public meetings over nearly three years. Throughout that time, carbon neutrality and affordable housing consistently emerged as top priorities for both the community and the committee majority, even though a minority of participants raised other issues. Those priorities reflected the input of thousands of community members, not just individual opinions. He asked about the plan's treatment of Flagstaff's financial feasibility, asking when and how the city's economic prosperity would be addressed within the land use plan.

Ms. Dechter stated that the plan could suggest programs and actions for the city, but adoption did not obligate the Council to act on them if timing, conditions, or funding made them infeasible. Financial health would continue to be addressed through the city's annual budgeting process, with the plan providing guidance rather than dictating yearly priorities. Strategic plans, like the carbon neutrality and 10-year housing plans, also influenced decisions. Financial stability had consistently underpinned all conversations about the regional plan, alongside priorities like carbon neutrality and affordable

housing, because it was essential for the city's long-term success.

There were questions related to the interactive 2045 plan map, specifically the realignment of John Wesley Powell Blvd. Ms. Dechter noted that minor arterials flanked by commercial and mixed-use development were the most economically functional. Working with a property owner, the plan places neighborhood-oriented development to the west and commercial/mixed-use along the corridor, minimizing impacts on nearby county residents. The property owner remained open to ongoing dialogue with the Open Space Commission regarding preservation of open space across the parcel. The proposed layout was conceptual, and final development plans may require minor amendments in the coming years.

Councilmember Matthews asked for clarification on how the 2045 regional plan map affected a property owner's development. Specifically, what happened if the plan reflected road types that differed from the developer's vision plan and whether or not adjusting the plan to match the developer's preferred road types would impact their ability to develop the property.

Planning and Development Services Director Michelle McNulty clarified that the 2045 regional plan map did not restrict the developer's ability to move forward with their project. The design of roads would be determined by the traffic impact analysis for the specific development. While the map may indicate a collector or arterial, there was flexibility in how the road was ultimately designed, so changing the map did not impact the developer's plans.

Traffic Engineer Jeff Bauman added that roads in the plan were laid out based on applications seen and their functional classifications. Minor collectors were intended to channel neighborhood traffic onto roads designed for higher volumes, without houses directly fronting them, to avoid past issues like mazes of local streets and excessive traffic calming requests. While the plan set general spacing and alignment, there was flexibility, and road designs or alignments were adjusted as development projects were approved and traffic impact analyses were completed.

Ms. McNulty also noted that if the parcel developed according to its land use designation, a rezone would be required, triggering a public process that ensured open space considerations were addressed and codified. The property owner had been open to these discussions, though it was still early in their design process. It was possible to both protect open space along the corridor and develop a commercially viable activity center on the site.

Mayor Daggett asked about the comments regarding native plants. Ms. Dechter stated that there were suggestions for inclusion of native plants in three areas of the plan, particularly in the natural resources chapter. Staff had some concerns that the suggested policies were overly broad. While the Planning and Zoning Commission ultimately voted against including it as a condition of approval, she noted that it could still be considered for inclusion, though she did not recall the specific reasons the Commission voted it down.

Mayor Daggett asked Sat Best to return to the podium to explain the concerns about the native plants. Mr. Best emphasized the importance of coordinating native and invasive plant programs across city and county jurisdictions, since plants did not respect property lines. He highlighted that the county already included native plants in its implementation actions and suggested aligning city language to match. Drawing on precedents like the San Francisco Peaks Weed Management Plan, he stressed the need for a coordinated effort to protect native plants, prevent invasive species spread, and leverage expertise from institutions like NAU, the Arboretum, and the museum. Including native plants in the plan was seen as a practical first step toward broader collaboration and landscape-scale conservation, ensuring ecological health and preventing widespread degradation.

Council agreed to include the comment given the neutral position of staff.

Council and staff discussed the trails plan. The discussion focused on the urban trails map for the 2045 plan, which distinguished between existing trails, planned trails (with partial or full property rights), private trails, and areas on large parcels with flexible alignments. The distinctions were designed to address concerns about trespassing, safety, and misuse of trail data, particularly on large private properties like Little America. Proposed "soft" or "faint thick" lines aimed to reduce the risk of the trails

being misused if displayed publicly or downloaded to apps like AllTrails or Strava. Ms. Dechter noted that it was difficult to trace how third parties acquired trail data, and displaying the lines differently (e.g., shapes versus lines) was primarily a technical preference rather than a policy issue. Decisions about whether to include the data on the city's open data portal could further manage public access. Council discussion leaned toward following the original approach developed during the May 2, 2025 retreat, rather than reversing it based on Planning and Zoning Commission feedback, as the original plan addressed most concerns while balancing transparency, safety, and usability.

Councilmember Garcia asked if responsible tourism was a definition within the plan. Ms. Dechter explained that because the regional plan was primarily focused on land use, it did not specifically address tourism. Many community uses served both residents and visitors, and topics like responsible tourism were considered better suited for more targeted plans, such as those developed by the Convention and Visitors Bureau. Tourism-related issues were often programmatic, and other section-specific or county plans could address them more directly.

Councilmember Garcia then asked about incorporating language related to disability in Chapters 4 and 5 of the plan. He was also curious about whether adding a definition for paratransit would be important or relevant for the land use plan, noting that it may not need to be addressed immediately.

Ms. Dechter indicated that the addition of paratransit as a definition was one of the conditions of approval from the Planning and Zoning Commission.

Councilmember Aslan asked for more clarification on the issues related to comment #29.

Ms. Dechter stated that it was suggested to revise Policy OS2 to emphasize integrating open space into development to support compact housing, climate action, and 10-minute walking access, rather than treating open space as an afterthought. The Open Space Commission supported that change, while Planning and Zoning preferred the current language, partly because including a walking access "standard" could be redundant or confusing with other policies. Open space in the plan was defined as undeveloped or minimally developed land designated for preservation, buffering, and recreation without facilities. She noted that the term "open space" could be problematic, as it might be interpreted as formally dedicated land, and the policy was most effectively implemented through strategies and zoning code updates rather than individual development projects. The overall intent was to ensure open space was integrated thoughtfully into future development, while avoiding conflicts with other policies or development requirements.

Council agreed to keep the language as it was presented.

Council then discussed comment #5 and the suggestion to change the urban growth boundary. The suggestion proposed striking language about expanding the urban growth boundary to limit city water and sewer services. Staff explained that due to water scarcity, development pressures, and potential well failures, the city may need flexibility to provide services outside the boundary to protect water quality and address failing private systems. Allowing increased intensity or density with city utilities could help manage those issues responsibly, but any change would require revising city water policy and thresholds in the next Utilities Master Plan. No automatic changes would occur; Council approval would be required before any water policy adjustments took effect, ensuring careful oversight while maintaining flexibility to address practical development and infrastructure challenges.

Council then discussed the comments related to accessibility and housing. Chapter 4 lacked mention of specific mental health facilities, which the disability community felt should be included. Chapter 5 had minimal reference to accessible or ADA-compliant housing. Staff noted that adding language to Chapter 5 would require a separate source, as the existing citation did not address accessibility. Planning and Zoning was not eager to pursue new research, but staff from housing confirmed it was possible to add a sentence highlighting the importance of accessible housing, even if full compliance was aspirational, to acknowledge the needs of people with disabilities.

Council agreed to add those elements to Chapters 4 and 5.

Council discussed condition 64 and 47. Condition 64 proposed flattening priorities from two tiers to one

and increasing the minimum findings from two to three. Council preferred to keep the original structure, which maintained a core priority plus one complementary priority for plan amendments, reflecting public input and consistency with prior decisions.

Condition 47 concerned fuel switching from natural gas to electric. Council clarified that the plan encouraged electrification but did not require abandoning natural gas. Language was largely background narrative and incentive-based, not mandatory. Keeping it as-is allowed developers flexibility while supporting energy efficiency and carbon reduction goals. Council emphasized the importance of maintaining a reliable energy mix, noting APS's ongoing commitment to carbon neutrality and diverse energy sources.

Council supported retaining the original language to balance guidance on sustainability with practical flexibility for development.

There being no further public comment, Mayor Daggett closed the public hearing.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember David Spence to read Resolution No. 2025-56 by title only with the following conditions:

Update the plan per the attached and amended Errata and make changes to the Plan as shown in the Conditions of Approval document prepared and reviewed during the Planning and Zoning hearing, with the following modifications:

1. Add Condition #99, an edit to the first high priority action item on page 7-2.
2. Remove Condition #11 on Policy Map 4-5 on page 4-37. Maintain Condition #34 on planned forest access points and trailheads.
3. Add Condition #80, which adds a statement on page 5-3 in the section "Housing Insecurity" with a new and appropriate reference.
4. Remove Condition #64.
5. Remove Condition #47.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, ADOPTING THE FLAGSTAFF REGIONAL LAND USE PLAN 2045 (REGIONAL PLAN) AS THE GENERAL PLAN FOR THE CITY OF FLAGSTAFF

Moved by Councilmember Anthony Garcia, **seconded by** Vice Mayor Miranda Sweet to adopt Resolution No. 2025-56 with the modifications.

Vote: 7 - 0 - Unanimously

Council expressed sincere gratitude to staff and the community for all the time, attention, and input that was put into developing the Regional Land Use Plan 2045. It was an incredible effort that spanned a number of years with a focus on ensuring that all voices were heard and considered.

5. ADJOURNMENT

The Special Meeting of the Flagstaff City Council held October 9, 2025, adjourned at 6:38 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 9, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, NOVEMBER 4, 2025
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held November 4, 2025, to order at 3:03 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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.

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

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

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

Tom Pearson addressed Council and shared that Bill Gates recently shifted his climate strategy and urged a move from focusing solely on carbon neutrality to emphasizing climate adaptation and human welfare. While climate change posed serious risks, especially to the poorest populations, it would not threaten humanity's survival, and resources should target interventions that most effectively protect vulnerable people. He called for Flagstaff to develop a comprehensive, forward-looking plan to address its dual existential threats of wildfire and flooding, using resources strategically to safeguard lives and communities in the face of growing climate risks.

Dennis Givens addressed Council about community safety issues, including human trafficking, missing persons, drug crimes, and the fentanyl crisis, highlighting the need for effective tools to address them. Flock cameras were seen as helpful for solving major crimes, such as murders and cases of missing Indigenous women, and supporting tribal police across large reservations. He stressed the importance of accountability and oversight and called for a nonpartisan, people-centered approach, including stopping data sharing with federal or state agencies if misuse occurred. Technology could coexist safely with society if regulated, with new laws to safeguard data and punish misuse.

Nadine Hart addressed Council and expressed disappointment in Councilmembers' hesitation regarding Flock cameras and argued that the technology was essential for protecting children and first responders. She also shared personal experiences with dangerous intersections and advocated for prioritizing human life and property over privacy concerns and urged Council to listen to working citizens who supported the cameras.

Colleen Maring, Chief People Officer for Northern Arizona Healthcare, addressed Council and announced that Northern Arizona Healthcare's nurse residency program had earned accreditation from the American Nurses Credentialing Center. She detailed the program's benefits for recruitment, retention, and professional development of nurses in Flagstaff.

Dapper Dre addressed Council and shared that community events like Halloween Harvest and First Friday benefitted from street closures that enhanced safety, foot traffic, and local engagement. Current methods using cones or temporary signs were ineffective, and bollards provided a safer, permanent solution. Investing in proper bollards would improve safety and streamline closures, reducing the need for staff to act as human barriers. Overall, better infrastructure supported both safety and community-building during events.

Dustin Kulris submitted written comments in opposition of the use of Flock cameras.

5. PROCLAMATIONS AND RECOGNITIONS

A. Proclamation: Native American Heritage Month

Mayor Daggett read and presented the proclamation.

6. COUNCIL LIAISON REPORTS

Vice Mayor Sweet reported that MetroPlan, in partnership with Mountain Line, the Downtown Business Alliance, and Friends of Flagstaff's Future, were hosting a Strong Towns community discussion the following week. The discussion would focus on development and transportation strategies to meet community goals. The event was open to the public. She also provided an update on local Head Start facilities who, despite the national shutdown, local programs had not been impacted and continued to operate without disruption.

Councilmember Spence reported on ongoing liaison work with historic preservation and beautification groups. He highlighted the restored antique log wheel at the Visitor Center, a piece of Flagstaff's logging history. He made note of the accompanying plaque which contained a wording error which obscured how the wheel worked. The word "axel" should be "tongue." The agencies involved were working to correct the mistake.

Councilmember Aslan shared that the Tourism Commission received their regular updates and received a presentation on the minimum wage. The Sustainability Commission received a Regional Plan update and were introduced to the Virtual Power Purchase Agreement program. Lastly, he attended a Coconino Plateau Water Advisory Committee meeting where the Mayor of Page was elected to the board. They also received a presentation from the Arizona Department of Water Resources about in state water transfers.

Mayor Daggett reported that the ECoNA advisory board was reviewing possible changes to their bylaws.

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.

Councilmember House requested to pull Item 7C for discussion.

Moved by Councilmember David Spence, **seconded by** Councilmember Lori Matthews to approve the Consent Agenda as presented with the exception of Item 7C.

Vote: 7 - 0 - Unanimously

A. Consideration and Approval of Contract: Approve Addendum A to the existing (2) two-year Client Value Agreement (CVA) with Empire Southwest, LLC, adding additional City-owned Caterpillar equipment to the Lube Services provided in the CVA.

1. Approve Addendum A to the existing (2) two-year Client Value Agreement (CVA) with Empire Southwest, LLC, adding additional City-owned Caterpillar equipment to the Lube Services provided in the CVA, for a total amount not to exceed $350,000, annually, for the remaining term; and
2. Authorize the City Manager to execute all necessary documents.

B. Consideration and Approval: Approve the Cooperative Purchase Contract with Empire SW, LLC dba Empire Power Systems to provide Maintenance Services on City-Owned Emergency Generators.

1. Approve the Cooperative Purchase Contract with Empire SW, LLC dba Empire Power Systems in an amount not to exceed $150,000 to provide Maintenance Services on City-Owned Emergency Generators; and
2. Authorize the City Manager to execute all necessary documents.

C. Consideration and Approval of Contract: Loan Documents for Elkwood Apartments by Wexford Developments

Councilmember House explained that she pulled the item because she felt that it was important to draw attention to the work being done to advance the 10-Year Housing plan.

Housing Planning Manager Jennifer Mikelson explained that Elkwood Apartments, located at Butler and 4th Street, were under construction with two buildings expected online in December, another in February 2026, and the final building with retail space in April 2026. She shared that the developer agreed to extend the affordability period from 30 to 50 years, incentivized by the city's bond program, which forgave the loan on a pro rata basis if compliance was maintained for 50 years or more. The 22 affordable units would be distributed across all buildings, with 10% of each building's units designated as affordable as they come online.

Councilmember Matthews inquired about the criteria for ranking applicants, and Ms. Michaelson clarified that the number of affordable units per dollar requested was heavily weighted, with lower cost per unit resulting in higher scores.

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to approve the loan documents totaling $528,000 for Elkwood Apartments by Wexford Developments, utilizing Rental Incentive Bond Program funds.

Vote: 7 - 0 - Unanimously

D. Consideration and Approval of Contract: Grant Agreement between the City of Flagstaff and the Arizona Department of Transportation (ADOT) for the construction of a Snow Removal Equipment Building (SREB), Phase 2 Building Foundation and Utilities.

Approve the Grant Agreement with the Arizona Department of Transportation for the Airport Snow Removal Equipment Building, Phase 2 Building Foundation and Utilities, in the amount not to exceed $151,896.00 as a matching grant.

8. ROUTINE ITEMS

A. Consideration and Approval of Contract: Cooperative Purchase Contract with Kaizen Laboratories Inc for a Point-of-Sale and Reservation Management System in an amount not to exceed $90,000 annually.

Parks, Recreation, Open Space, and Events Director Rebecca Sayers, and Will Harrison and KJ Shah with Kaizen Laboratories, provided a PowerPoint presentation that covered the following:

PROSE POINT-OF-SALE AND RESERVATION MANAGEMENT SYSTEM
WHAT IS THIS?
WHO ELSE USES THIS SYSTEM?
OTHER NOTEWORTHY LOCATIONS
WHEN?
WHY?
KAIZEN LABORATORIES INC -- DEMO
YOUR COMMUNITY HAS IT ALL, SO WE'RE MAKING IT EASY TO SHARE IT

WE BUILD STUNNING RESIDENT-CENTRIC DIGITAL APPLICATIONS
ENGINEERING WITH A PURPOSE
MODERN, USER-FRIENDLY RECREATION SOFTWARE
FEATURED PROJECTS IN ARIZONA AND BEYOND
PIMA COUNTY, AZ -- RECREATION SOFTWARE

Councilmember Aslan asked about cyber security and concerns about the evolution of AI. IT Manager Shawn Armour explained that IT reviewed the contract and were comfortable with it. They would also be using single sign on and multi-factor authentication. Mr. Shah added that the city faced constant threats of infiltration, and they actively monitored three critical areas while maintaining an on-call engineering protocol to immediately address any security breaches. That ensures that if a control is compromised, engineers were promptly notified and follow a predefined remediation process. Mr. Shah clarified that AI was not currently natively integrated into any city systems, but there were AI tools on the product roadmap for potential future use, primarily for administrative tasks such as automatically generating program descriptions for Parks and Recreation events. Any adoption of AI would be carefully evaluated in collaboration with city staff to ensure it fit operational needs and remained secure. Ms. Armour added that the city's IT strategy emphasized closed-system AI, meaning any data entered remained within the system and was owned solely by the city and the vendor, with no external access.

Councilmember Aslan expressed confidence in the professional assessment of the cybersecurity team, while also highlighting the importance of cautious AI adoption and recommended additional measures like multi-factor authentication to strengthen security.

Council expressed excitement and support for the new system. There were questions regarding implementation and data transfer from the old system. Mr. Shah explained that they take a phased approach to introduce the system and transition people over slowly to build community confidence for the tool. In terms of data transfer, the best option was to start fresh, but they understood the importance or retaining the critical data. They utilize reports within the existing system to identify and coordinate transfer.

Councilmember Spence asked how $90,000 per year compares to the annual cost of the current system. Ms. Sayers explained that it was a little more. Initially, the city would pay the Kaizen fee, though Kaizen's typical model had the end user covering the cost, and staff planned to evaluate incorporating it into rates during the next rate analysis in 12--18 months. Comparisons with the current software system highlight that Kaizen could save the city money by consolidating costs that were currently spread across vendor fees, credit card fees, and unpredictable charges for training and support. The first-year cost was estimated at $90,000 based on $1.8 million in projected revenue, with potential adjustments if Kaizen delivers as promised. Overall, the contract promised more predictable costs than the existing vendor, whose fees were often incremental and hard to forecast, making Kaizen a more financially manageable option for the city in the long term.

Moved by Councilmember Anthony Garcia, **seconded by** Vice Mayor Miranda Sweet to approve the cooperative purchase contract with Kaizen Laboratories Inc. and execute a contract in an amount not to exceed $90,000 annually and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

B. 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.

Moved by Councilmember David Spence, **seconded by** Councilmember Khara House to read Ordinance No. 2025-22 by title only for the final time.

Vote: 7 - 0 - Unanimously

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

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to adopt Ordinance No. 2025-22.

Vote: 7 - 0 - Unanimously

9. REGULAR AGENDA

A. ~~**Consideration and Adoption of Ordinance No. 2025-23:** An ordinance of the City Council of the City of Flagstaff, authorizing the acquisition of real property from the Flagstaff Unified School District in order to facilitate affordable housing development, providing for delegation of authority, providing for severability, authority for clerical corrections, and establishing an effective date~~

ITEM REMOVED FROM THE AGENDA

B. **Consideration and Adoption of Ordinance No. 2025-27:** Amending the Flagstaff City Code, Chapter 1-14, Personnel System amending the Employee Handbook of Regulations, Section 1-60-030, providing for repeal of conflicting ordinances, severability, authority for clerical correction, and establishing an effective date.

Human Resources and Risk Management Director Ryan Saxby addressed Council and explained that the ordinance would update the City of Flagstaff employee handbook, Section 1-60-30(D) to remove a reference to the city manager's role in appointing officers to clarify that positions such as city manager, city attorney, and magistrates were the Council's responsibility, not the city manager. Another update would provide flexibility for the Mayor and Council when appointing a city manager who had a family member already employed by the city and would allow Council to outline appropriate conditions in the city manager's employment agreement. The changes did not conflict with Arizona law which prohibited elected or appointed officials from hiring or appointing relatives. The amendments clarified responsibilities and ensured compliance while offering flexibility in appointments.

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Anthony Garcia to read Ordinance No. 2025-27 by title only for the first time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, CHAPTER 1-14, PERSONNEL SYSTEM BY AMENDING THE EMPLOYEE HANDBOOK OF REGULATIONS, SECTION 1-60-030, NEPOTISM; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

C. **Consideration of Appointment and Approval of Employment Agreement:** City Manager

Mr. Saxby explained that after a comprehensive nationwide search to replace outgoing City Manager Greg Clifton, the Council selected Joanne Keene as the new city manager. The recruitment process, conducted with an outside firm, narrowed dozens of applicants to a small group of finalists. On October 22, 2025, the two finalists, including Ms. Keene, participated in an extensive day of interviews and panels, which included staff and public meet-and-greets, leadership team interviews, presentations, and meetings with community leaders and the Council. The city manager employment agreement was included in the agenda and had been reviewed and approved by outside legal counsel.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House to appoint Joanne Keene as City Manager and approve the employment agreement effective November 4, 2025 for the City of Flagstaff.

Vote: 7 - 0 - Unanimously

Ms. Keene thanked the Council stating that it was an honor to be selected to serve. She was excited to work with the Council and for the organization, community, and great city staff.

D. Consideration and Adoption of Ordinance No. 2025-24: An ordinance of the City Council of the City of Flagstaff, authorizing the acquisition of a joint law enforcement firearms training facility for public safety, providing for delegation of authority, providing for severability, authority for clerical corrections, and establishing an effective date

Consideration and Approval of Purchase Agreement: Shoot West Properties, LLC

Real Estate Manager Bryce Doty provided a PowerPoint presentation that covered the following:

JOINT LAW ENFORCEMENT FIREARMS TRAINING FACILITY
VICINITY MAP
OPPORTUNITY
PARTNERSHIP
WHY AUTHORIZE NOW

Councilmember Matthews raised questions about funding, specifically why the $1,000,000 purchase was being split between development impact fees and the police department budget. She noted that there would be enough development impact fees to cover the full cost. Management Service Director Rick Tadder explained that the split was intentional to ensure the use of development fees was legally defensible and proportionate to community growth, while also leaving funds available for other police department needs. He clarified that a formal budget amendment might be required at year-end depending on how the police budget closed out, but it is not guaranteed.

Councilmember Spence asked about the current outdoor shooting facility located six miles down an unpaved road and how that would be affected. Deputy Chief Collin Seay shared that the current range was limited in use, only operational part of the year due to winter road closures, lacked modern amenities, and only allowed officers to train at the basic level with limited frequency. In contrast, the new facility would be closer to town, enable quarterly advanced training for officers, and fill gaps in proficiency training for law enforcement agencies in the area. He added that while the new facility was initially intended for law enforcement use, there may be potential down the road to open it for public use as an enterprise opportunity.

Councilmember Garcia raised questions about potential trade-offs from the police budget to fund the acquisition. Mr. Tadder responded that some items, such as dispatch equipment, software, or other operational needs, could be deferred to accommodate the purchase, but further detail will be provided with the final agreement.

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to read Ordinance No. 2025-24 by title only for the first time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AUTHORIZING THE ACQUISITION OF A JOINT LAW ENFORCEMENT FIREARMS TRAINING FACILITY FOR PUBLIC SAFETY; PROVIDING FOR DELEGATION OF AUTHORITY; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

E. Consideration and Approval: Use of the Council Initiative Fund

Communication and Civic Engagement Director Stacy Saltzburg addressed Council and stated that there had been a request to use the Council Initiative Fund to sponsor the furnishing of a room at the Lantern.

Councilmember House shared that she had recently toured the Lantern facility and highlighted the progress made in preparing the property for community members to move in. The shelter had created an Amazon wish list of basic furnishings, like kitchen equipment and trash cans, for each room, with some items shared across multiple rooms. After the tour, she personally purchased supplies for a room, which totaled around $300, and suggested that Council consider funding the stocking of a room as well. She emphasized that it was a low-cost opportunity to support transitional housing, helping people move from homelessness to permanent housing. It was a way to invest in the value and well-being of community members living at Lantern. She proposed starting with funding one room and exploring further support in the future.

Councilmembers expressed support for funding the furnishing of rooms at the Lantern's 104 new units. They emphasized the value of discussing it publicly to allow the community to participate in helping supply rooms.

Councilmember Garcia noted the affordability and also committed to personally donate toward furnishing a room. It was a meaningful way to support community members in need.

Moved by Councilmember Khara House, **seconded by** Councilmember Anthony Garcia to authorize the use of the Council Initiative Fund in the amount of $300 to sponsor the furnishing of a room at the Lantern.

Vote: 7 - 0 - Unanimously

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 Citizen Petition: Stopping development of Shadow Pines 107-07-001F

Vance Marshall addressed Council and expressed concern about the new development, citing limited information provided by staff. Key points included that the project proposed much smaller lots than surrounding properties, homes up to 35 feet tall, and unclear plans regarding design, sale, or rental status. He questioned whether Flagstaff had a design review process and requested consideration for single-story homes to preserve view corridors. Concerns were also raised about potential connections to the adjacent Western Hills Motel, possible short-term rentals, traffic impacts from nearby schools and existing high-density housing, and whether the developer would contribute to needed infrastructure like a roundabout or stoplight. He emphasized that the project required much more careful review before approval.

Mary Oatman addressed Council and raised concerns about the proposed Shadow Pines development. She highlighted the Ponderosa Parkway and Pine Cliff Drive intersection as already busy and dangerous, noting that all local traffic, including from the new development, would funnel through it, worsening congestion and posing risks in emergencies like wildfires. She shared a personal experience of extreme traffic delays after a local event, emphasizing the limited escape routes on the mesa. Another concern was the impact on local wildlife, as the area was adjacent to McMillan Mesa, a protected open space and critical habitat for elk, deer, and other animals. She urged reconsideration of the subdivision, questioning whether the development was in the best interest of Flagstaff.

James Gross addressed Council and spoke in opposition to the Shadow Pines subdivision, arguing it conflicted with the city's mission to "protect and enhance the quality of life for all." He cited traffic concerns, including congestion at the Gemini and Pine Cliff roundabout near BASIS school and backups on Switzer Canyon Road, warning that additional development would exacerbate those problems and hinder emergency vehicle access. He raised concerns about infrastructure, noting that a lot previously required to have a paved road was now proposed as gravel, suggesting due diligence may be lacking. He also questioned the sewer system, which would rely on a pump through a steep grade, expressing concern about potential failures. He challenged how the development would enhance the community and urged the Council to reconsider.

Trevor Kortsenn, an attorney representing the Shadow Pines development addressed concerns raised by neighbors, emphasizing that the project was a 47-lot single-family subdivision on an 18.6-acre R-1 zoned site, which allowed single-family development by right. The development used a Planned Residential Development approach, permitting slightly smaller lots of about 5,000 sq. ft. while complying with all city zoning codes. He noted that city staff was reviewing the preliminary plat, addressing concerns, and ensuring due diligence was followed. A traffic impact analysis was conducted, and no traffic or road improvements were required; the sewer system was gravity-fed, not a lift station, and Lot 7 would provide emergency access. It was a by-right development intended to meet housing needs while following all Flagstaff regulations, providing predictability and fairness for current and future residents.

Nathan Whitcomb and Susan Shomler submitted written comments in support of the petition.

There was not requisite support to advance the matter to a future agenda for discussion.

Councilmember Garcia thanked citizens for submitting the petition and their participation regarding the Shadow Pines development. He shared a personal story about a popular neighborhood dirt bike area that was eventually developed despite community opposition, illustrating how property rights ultimately allowed owners to determine land use. It highlighted that while community attachment and activism were understandable, the legal rights of property owners took precedence. He emphasized that because the developer legally own the land, their right to develop it according to zoning laws was clear.

Councilmember Matthews noted the development was legally permitted under existing zoning, and no rezoning was requested. She expressed concerns about traffic, referencing difficulties during the drone show, but trusted staff to address those issues through the standard review process. She emphasized that the Council did not have authority to stop a by-right development.

Mayor Daggett encouraged the public to review the report materials in the agenda for more details about the development. She encouraged the developer to engage with neighbors to address questions.

11. OPEN CALL TO THE PUBLIC

None

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

Vice Mayor Sweet shared her experience touring a vehicle-free, multimodal development in Phoenix. She was particularly impressed by a business-incubator model where ground-floor retail spaces allowed entrepreneurs to run businesses while living in apartments behind their shops. She connected the idea to Flagstaff, noting many empty ground-floor storefronts in student housing and other developments. She suggested exploring a similar model locally to support entrepreneurs who struggle to start businesses. She emphasized the potential of this approach and expressed enthusiasm about revisiting the Phoenix development to learn more.

Councilmember Matthews shared that Stuff the Bus would be at the Cedar Safeway to collect donations that weekend. The Capitol Christmas Tree would also make its only Arizona stop at the mall on Friday afternoon. She highlighted concerns about food insecurity and shared her personal commitment to make November a month of gratitude and Thanksgiving. She would be helping provide a Thanksgiving meal for 150+ shelter clients on November 19th, including turkey, mashed potatoes, stuffing, and gravy. She invited the community to contribute additional food if they wished.

Mayor Daggett shared that she, Vice Mayor Sweet, and Councilmember House, met with the Associated Students of Northern Arizona University leadership to discuss collaboration between city government and student government. They explored ideas like a joint community service day and city or staff participation in student Senate meetings. Their discussion emphasized strengthening the

relationship between NAU and the city and was a positive step in fostering ongoing cooperation between the city, county, and university.

Ms. Keene reported that given the increased community need due to the federal shutdown and SNAP benefit issues, the city would be offering double volunteering hours at upcoming events. Events included the Stuff the Bus event, the Flagstaff Family Food Center distribution event on November 25th, and other events at the food center. Additionally, it was NAU homecoming weekend, bringing many people to town. It would be a busy weekend with multiple community activities and increased volunteer efforts.

13. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held November 4, 2025, adjourned at 5:05 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on November 4, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

JOINT CITY COUNCIL / WATER COMMISSION
SPECIAL MEETING
TUESDAY, OCTOBER 23, 2025
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:30 P.M.

MINUTES

1. Call to Order

Mayor Daggett called the Joint Special Meeting of the Flagstaff City Council and Water Commission held October 23, 2025, to order at 3:31 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this special 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.

Present:	Mayor Becky Daggett Vice Mayor Miranda Sweet Councilmember Austin Aslan (arrived 3:35 p.m.) Councilmember Anthony Garcia Councilmember Khara House Councilmember Lori Matthews Councilmember David Spence Water Commission Chair Ron Doba Water Commission Vice Chair Donald Bills Water Commissioner Matthew Garcia Water Commissioner John Nauman Water Commissioner Robert Vane Water Commissioner Karin Wadsack
Absent:	Water Commissioner Haley Paul Water Commissioner Ian Sharp

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

The Council, Commission, and audience recited the pledge of allegiance, Mayor Daggett read the Mission Statement of the City of Flagstaff, and Councilmember Matthews read the 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.

Mayor Daggett acknowledged and thanked all the partners who were in attendance at the meeting. She then invited Dorothy Denetsosie Gishie to provide a Navajo blessing for the meeting.

4. Exploring a Regional Water Supply for Flagstaff and Partners: Presentation by the U.S. Bureau of Reclamation (BOR)

Water Resources Manager Erin Young, Sustainability Director Nicole Antonopoulos, and Del Smith with the Bureau of Reclamation provided a PowerPoint presentation that covered the following:

REGIONAL WATER SUPPLY PLANNING & WORK WITH BUREAU OF RECLAMATION
PURCHASE OF RED GAP RANCH
CITY INVESTMENT & DUE DILIGENCE
WATER PLANNING EVALUATIONS
TIMELINE AND TODAY'S PRESENTATION

Councilmember Matthews asked the percentage of water lost from the Pipeline Fire. Ms. Young stated that the Inner Basin water supply was typically used from April or May through September each year. During the summer months, it provided up to 20% of the city's total water supply. Following the Pipeline Fire, the city lost access to that supply for about two years, resulting in a loss of roughly 20% of summer water capacity each year during that period.

POWER GENERATION POTENTIAL
FUTURE REGIONAL WATER SUPPLY FOR NAVAJO NATION, FLAGSTAFF AND OTHER USERS
WATER SUPPLY SOURCES FOR THIS STUDY
PRESENTATION AGENDA
TEAM MEMBERS FOR THIS STUDY
BACKGROUND
PURPOSE OF ANALYSIS "GOAL"
NAVAJO NATION CONCERNS AND OPPORTUNITIES
FLAGSTAFF CONCERNS
FLAGSTAFF OPPORTUNITIES
REGIONAL OPPORTUNITIES AT RED GAP RANCH
RECLAMATION INVOLVEMENT
RECLAMATION'S VALUE PROGRAM -- PURPOSE
VALUE ANALYSIS (VA)
MAJOR BENEFITS
PHASE II: VALUE STUDY WORK SHOP JOB PLAN
WATER RESOURCES PLANNING
APPRAISAL STUDY
RECLAMATION'S VALUE PROGRAM -- OBJECTIVES
VALUE PLANNING PROCESS
PHASE I: SITE VISIT LOCATIONS
1-PREPARATION PHASE
2-INFORMATION PHASE
3-FUNCTION ANALYSIS -- RED GAP RANCH FAST DIAGRAM
4-CREATIVITY: 146 IDEAS GENERATED
5-EVALUATION: WEIGHTED CRITERIA MATRIX
6-DEVELOPMENT OF ALTERNATIVES: CONSIDERATIONS
ALTERNATIVES
ALTERNATIVE 1: BASELINE
ALTERNATIVE 1 -- ADVANTAGES AND DISADVANTAGES

ALTERNATIVE 1A -- PUMPING MUNICIPAL WELLS AT RGR WITH TREATMENT AT RGR
ALTERNATIVE 1B -- PUMPING MUNICIPAL WELLS AT RGR WITH TREATMENT AT TWIN ARROWS
ALTERNATIVE 1C -- PUMPING MUNICIPAL WELLS AT RGR WITH TREATMENT AT FLAGSTAFF
ALTERNATIVE 2 -- ALTERNATIVE 1 (A, B, OR C) WITH AQUIFER STORAGE AND RECOVERY (ASR)

Councilmember Matthews asked if piping brine 40 miles was an issue. Doug Smith with Jacobs Engineering stated that the piping would likely be a steel pipe with a cement mortar lining. They evaluated the water chemistry and it was not going to be that aggressive to the cement mortar lining.

ALTERNATIVE 2 -- ADVANTAGES AND DISADVANTAGES
ALTERNATIVE 2A -- ALTERNATIVE 1 WITH ASR AT RGR
ALTERNATIVE 2B -- ALTERNATIVE 1 WITH ASR AT FLAGSTAFF
ALTERNATIVE 3 -- EXPAND CITY OF FLAGSTAFF WELLS NEAR FLAGSTAFF
ALTERNATIVE 3 -- ADVANTAGES AND DISADVANTAGES
ALTERNATIVE 4 -- COLORADO RIVER WATER
ALTERNATIVE 4 -- ADVANTAGES AND DISADVANTAGES
ALTERNATIVE 4A -- COLORADO RIVER WATER -- LAKE POWELL (UPPER BASIN WATER)
ALTERNATIVE 4B -- COLORADO RIVER WATER -- BULLHEAD CITY/LAKE MOHAVE (LOWER BASIN WATER)
ALTERNATIVES SCORING MATRIX
ALTERNATIVES RANKED IN ORDER
7. PRESENTATIONS
8. IMPLEMENTATION (NEXT STEPS): POTENTIAL APPRAISAL STUDY
ALTERNATIVE ELEMENTS RECOMMENDED FOR APPRAISAL LEVEL INVESTIGATIONS
DISCUSSION

Ms. Antonopoulos clarified that when she referenced Red Gap Ranch coming online, it would more than double the municipal organization's energy use.

Water Conservation Program Manager Tamara Lawless asked if there was a reason why reclaimed water treatment was not included. Mr. Smith stated that advanced water treatment, likely through reverse osmosis, would be required to bring Red Gap Ranch water up to quality standards. That process was very energy intensive and would be one of the largest energy demands of the project. Ms. Young added that advanced water purification was also being considered as part of the city's broader water portfolio, though it would not meet the total water demand at full buildout. The city had pledged the volume of water it could dedicate to advanced water purification but still needed to decide which treatment methods to use and whether the purified water would be used for drinking or groundwater recharge. The source would only serve Flagstaff, not regional partners, but would still be included in the appraisal study of future water sources.

Councilmember Matthews asked for more information on why expanding city wells was ranked so low within the group. Mr. Smith stated that the team had concluded that expanding city wells would not provide a resilient or sustainable water source. Existing wells already struggled to meet yield requirements, and the local aquifer showed significant annual drawdown, around 10 feet per year since the 1970s and 1980s which indicated that it was not a long-term or reliable option. The wells would need to be drilled very deep, resulting in high energy demands, though water quality from these sources was generally good. Expanding beyond the forest into state land could increase costs, as the city would have to pay for water rights and pumping fees, and the water availability in those areas remained unproven. Developing new wellfields on various landownerships would also require extensive new infrastructure, such as additional pipelines. By contrast, Red Gap Ranch had already undergone extensive hydrogeologic studies confirming higher-yielding wells, especially farther east. Because of its proven reliability and established data, Red Gap Ranch was viewed as a more resilient and economically justifiable option compared to further local well expansion.

Commissioner Nauman offered that if the pipeline from Red Gap Ranch was built, the city would not use its full capacity right away. He asked how costs were incorporated without building something without using full capacity. Ms. Young stated that water delivery would gradually increase over a decade or two as demand grew. During that time, the system could operate in phases, each pump station would

include multiple pumps, and only some would initially be active. The same approach applied to water treatment facilities, which could expand modularly by adding units as needed.

Water Services Director Lee Williams added that they would be faced with building a full-size project now and not utilize it for decades or building two smaller pipelines to phase in. Mr. Smith explained that building two smaller pipelines in stages would ultimately cost more than constructing one full-sized pipeline at the start, since reopening trenches and duplicating work was inefficient. Therefore, the pipeline itself would likely be built at full capacity from the beginning, even if it was not fully utilized for several years. Operationally, the city would integrate the new supply while phasing out older, less efficient wells and maintaining some for safety and sampling requirements. Advanced water treatment was also noted as a complementary, drought-resilient supply that could be scaled up within the city, but it would still require a reliable base water source to function effectively. These considerations would all be part of the upcoming appraisal study.

Chair Doba asked if it was anticipated that Red Gap Ranch would be utilized on a year-round basis or partially. Mr. Williams stated that whether Red Gap Ranch operated year-round or seasonally would depend on the final project scope. If developed as a regional pipeline in partnership with the Bureau of Reclamation, serving multiple communities, it would likely operate continuously year-round. However, if it were developed solely for Flagstaff, the system could potentially run only during high-demand months, such as summer, to offset costs associated with its energy use, staffing, and operations. Currently, the regional, year-round approach was the direction being pursued.

Further discussion acknowledged that developing Red Gap Ranch was likely at least 15 to 20 years away, raising questions about how to protect existing water infrastructure from wildfire risks in the meantime. Mr. Williams noted that some mitigation was already underway, including forest thinning around wellfields like Woody Mountain and Mormon Mountain, and a project to bury city-owned power lines at Woody Mountain to reduce vulnerability. However, fires could still damage other components such as well houses and underground piping. Additional wells were also being sited within city limits to enhance local resiliency.

The discussion shifted to the upcoming appraisal study, which would analyze costs, feasibility, and funding options for Red Gap Ranch and alternative water sources. John Rasmussen with the Bureau of Reclamation explained that the study would provide appraisal-level cost estimates, not highly precise figures but enough to make "apples-to-apples" comparisons between alternatives. It would likely include an estimated delivered cost of water and explore potential funding mechanisms, such as federal, state, or regional cost-sharing opportunities.

The importance of conducting parallel studies on non-regional alternatives (such as city-only or advanced treatment options) was important so that the Council had meaningful comparisons when making future decisions. The appraisal study would also include a "no action" alternative to evaluate the consequences of not pursuing Red Gap Ranch.

Darrell Marks addressed Council and asked about the potential health and environmental impacts of using an evaporative brine pond at the Red Gap Ranch site. There were concerns on how brine concentration could affect nearby residents, especially if it released elements such as uranium or arsenic, which had been issues in other regional water sources connected to past fracking activity. He noted the importance of considering coordination with the Navajo Nation's pipeline from Lake Powell, since its route could present opportunities for shared infrastructure. However, water access and delivery elevations under the Navajo Nation's agreement could limit how much water was available or how it could be distributed in relation to Flagstaff.

Mr. Smith explained that the project had not yet reached the stage of determining how to manage brine disposal or whether evaporation ponds would be used. He noted that such ponds could pose risks to wildlife and may need to be covered or netted for protection. While no known public health impacts had been identified so far, he agreed it would be important to conduct a literature review to assess potential risks based on experiences elsewhere. He also acknowledged that brine disposal impacts must be considered wherever treatment occurred, whether at Red Gap Ranch or within Flagstaff, emphasizing the need for careful design and mitigation measures to protect both residents and wildlife.

Bryan Bates, an environmental scientist and member of the Flagstaff Water Group, addressed Council and emphasized the importance of diversifying water sources for system resilience, noting that relying on multiple sources provides energy and information critical for functioning systems. He highlighted that reclaimed water treated to potentially potable levels could serve as an immediate supplemental source while larger projects, like the Red Gap Ranch pipeline, were being developed. He raised concerns about repumping reclaimed water, including potential health risks from synthetic organic chemicals and uncertainties about water quality during transport and reuse. He also questioned the long-term impacts of Red Gap Ranch withdrawals on the aquifer, suggesting that pumping from lower levels could alter water movement throughout the system. He stressed the need for long-term aquifer evaluation, ideally over a century-scale timeframe, to understand the ecological and hydrological consequences of large-scale water extraction.

Mr. Smith offered that water quality was a major focus during the weeklong study, particularly regarding how reclaimed treated effluent could be used, whether for landscape irrigation or to recharge the aquifer. The chemistry of the water, including concerns about PFAS, required in-depth evaluation, and those issues were still being explored. Additionally, the ecological impacts of brine disposal, especially on wildlife, would need careful assessment as part of any future planning. Ms. Young added that extensive groundwater modeling had been conducted, indicating it could take up to a thousand years of pumping before local impacts were observed. Those long-term effects would be further evaluated and addressed in the appraisal study.

Michael McCauley raised concerns for fee simple landowners, those who owned their property outright, and how large-volume pumping from the aquifer might impact them. Specifically, as the aquifer's water levels dropped due to extraction, there was a potential effect on private wells used by those landowners, depending on the aquifer's recharge rate.

Mr. Smith noted that the concern was shared by the Navajo Nation. He noted that the planned two-mile buffer was expected to prevent significant drawdown outside that area. Ms. Young confirmed that the appraisal study would include modeling of all local wells, including those on fee simple land and within the buffer, to assess potential impacts. Even though not legally required outside Active Management Areas, the city intended to act as a steward and carefully evaluate effects on wells owned by the Navajo or Hopi under NAIWRSA protections.

Lee Storey, the city's outside legal counsel, explained that the NAIWRSA agreement restricted new well drilling in Buffer Zone 1, two miles south of the reservation, and set legal limits on pumping in Buffer Zone 2 for existing municipal wells, including those acquired with Red Gap Ranch. The agreement also provided groundwater and water quality waivers benefiting the city and other parties, establishing important legal and operational boundaries. The value planning study and groundwater modeling would adhere to those limits. Protecting the aquifer and ensuring partner acceptability were key criteria in the study, accounting for nearly 40% of the weighting, highlighting the city's commitment to follow those protections.

Commissioner Nauman asked about the high salinity water from reverse osmosis. Staff noted that any evaporation ponds would likely be lined to prevent groundwater contamination. Using reverse osmosis treatment would also reduce total dissolved solids in the water supplied to the city, benefiting areas with naturally high-salinity water.

Commissioner Vane asked about renewable energy development at Red Gap Ranch. Ms. Antonopoulos clarified that such projects were being explored independently of water development. She noted that opportunities existed to advance renewables, potentially as a funding mechanism, while navigating regulatory complexities in Arizona.

Council and the Commission gave direction to move forward with the appraisal study.

Council thanked staff, the Water Commission, and all those involved.

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

None

6. Adjournment

The Special Meeting of the Flagstaff City Council and Water Commission held October 23, 2025, adjourned at 5:28 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, SEPTEMBER 16, 2025
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held September 16, 2025, to order at 3:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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.

Present:	Mayor Becky Daggett Vice Mayor Miranda Sweet Councilmember Austin Aslan Councilmember Anthony Garcia Councilmember Khara House Councilmember David Spence
Absent:	Councilmember Lori Matthews
Staff Present:	City Manager Greg Clifton; City Attorney Sterling Solomon

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

The Council and audience recited the pledge of allegiance, Councilmember Spence read the Mission Statement of the City of Flagstaff, and Vice Mayor Sweet read the 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.

Senior Deputy City Manager Shannon Anderson addressed Council to highlight the recognition of City Clerk Stacy Saltzburg as the 2025 Clerk of the Year at the Arizona Municipal Clerks Association conference. She emphasized Ms. Saltzburg's contributions to public transparency and civic engagement.

Mr. Clifton addressed Council to introduce the new Human Resources and Risk Management Division Director Ryan Saxby. Mr. Saxby introduced himself and shared his excitement for joining Team Flagstaff.

Chief People Officer for Northern Arizona Healthcare Colleen Maring addressed Council and announced the opening of new urgent care clinics to alleviate emergency department congestion. She highlighted the positive impact on patient care and wait times.

5. PROCLAMATIONS AND RECOGNITIONS

A. Proclamation: Arbor Day

Councilmember Spence read and presented the proclamation.

B. Proclamation: Constitution Week

Mayor Daggett read and presented the proclamation.

C. Proclamation: Hispanic Heritage Month

Councilmember Aslan read and presented the proclamation.

6. COUNCIL LIAISON REPORTS

Councilmember Spence reported on recent Transportation Commission and Open Spaces Commission meetings that had focused on the 2045 regional plan, with each commission providing formal feedback and input to the final drafting of the plan.

Councilmember House extended thanks to the Commission on Diversity Awareness for preparing the Hispanic Heritage Month proclamation and noted the Housing Commission's recent presentation on available housing opportunities in Flagstaff.

Vice Mayor Sweet mentioned the Beautification and Public Art Commission's beautification grantee and utility cabinet artist celebration at Coconino Center for the Arts and the new utility wraps in downtown Flagstaff.

Councilmember Aslan reported on the Tourism Commission's discussion on the Northern Arizona Good Jobs Network's accelerated training program in food service and food entrepreneurship, and the support services to grow a vibrant food ecosystem in Northern Arizona.

Councilmember Garcia announced an upcoming joint Parks and Recreation and Open Spaces Commission meeting on September 22, 2025.

7. APPOINTMENTS

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

A. Consideration of Appointments: Commission on Diversity Awareness

Moved by Mayor Becky Daggett, **seconded by** Vice Mayor Miranda Sweet to appoint Carmenlita Chief to the Commission on Diversity Awareness.

Vote: 6 - 0 - Unanimously

Moved by Councilmember Khara House, **seconded by** Councilmember Anthony Garcia to appoint Dr. Justin Mallet to the Commission on Diversity Awareness.

Vote: 6 - 0 - Unanimously

8. LIQUOR LICENSE PUBLIC HEARINGS

Applications under Liquor License Public Hearings may be considered under one public hearing and may be acted upon by one motion unless otherwise requested by Council.

Mayor Daggett opened the public hearing on both applications.

Deputy City Clerk Georganna Staskey introduced the applications and indicated that the Police Department and Community Development had provided their respective findings.

There being no public comment, Mayor Daggett closed the public hearing.

A. Consideration and Action on Liquor License Application: Lauren Kay Merrett "Megh Indian Cuisine", 1435 S Milton Rd. Series 12 (Restaurant), New License

Moved by Councilmember David Spence, **seconded by** Vice Mayor Miranda Sweet to forward the applications to the State with a recommendation of approval.

Vote: 6 - 0 - Unanimously

B. Consideration and Action on Liquor License Application: Nicole Alexandra Edwards "Flagstaff KOA", 5803 N. US HWY 89 Series 010 (Beer and Wine Store), New License

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember David Spence to forward the applications to the State with a recommendation of approval.

Vote: 6 - 0 - Unanimously

9. 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.

Mayor Daggett pulled Item 9F from the Consent Agenda for discussion.

Moved by Councilmember David Spence, **seconded by** Vice Mayor Miranda Sweet to approve the Consent Agenda as presented with the exception of Item 9F.

Vote: 6 - 0 - Unanimously

A. Consideration and Approve a Purchase: Approve a cooperative purchase with Ron Turley Associates, Inc. dba RTA, in the amount of $93,363.57, plus the current local tax rate, annually, for Fleet Management Annual Software and Implementation for the Public Works Fleet Section for an initial term of three (3) years.

1. Approve a cooperative purchase with Ron Turley Associates, Inc. dba RTA, in the amount of $93,363.57, plus the current local tax rate, annually, for Fleet Management Annual Software and Implementation for the Public Works Fleet Section for an initial term of three (3) years; and
2. Authorize the City Manager to execute all necessary documents.

B. Consideration and Approval of Contract: Flaglights LLC, dba Holiday Cheer for the City's Holiday Lights and Decoration Program in the amount of $88,125.00

1. Approve the annual service agreement via amendment four (4) with Flaglights LLC, dba Holiday Cheer and execute an $88,125.00 contract
2. Authorize the City Manager to execute the necessary documents

C. Approval of a Cooperative Purchase: Approve a cooperative purchase contract with Vertosoft, LLC in the amount of $534,810.20, plus the current local tax rate, for the OpenGov Procurement/Contracts Software for a period of five (5) years.

1. Approve a cooperative purchase contract with Vertosoft, LLC in the current fiscal year for OpenGov Procurement/Contracts Implementation and Annual Software Fees of $122,223.50, plus the current local tax rate; and
2. Approve four (4) subsequent years of a cooperative purchase with Vertosoft, LLC for OpenGov Procurement/Contracts Software Fees for Annual Maintenance of $412,586.70, plus the current local tax rate; and
3. Authorize the City Manager to execute all necessary documents.

D. Consideration and Approval of Grant Award Ratification: Approve the ratification of the U.S. Department of Justice, through the Arizona Criminal Justice Commission, for the Edward Byrne Justice Assistance Grant Agreement in the amount of $226,471.64 for the Northern Arizona Street Crimes Task Force (METRO Unit).

Approve the ratification of the grant agreement from the U.S. Department of Justice, through the Arizona Criminal Justice Commission, Edward Byrne Justice Assistance Grant funds in the amount of $226,471.64 for FY2025-26.

E. Council Confirmation of Direction: Council met in executive session on September 2, 2025 to consult with and give instructions and direction to its legal counsel regarding revised terms and conditions in federal grant agreements and potential direction regarding compliance with the same to continue review of federal grant requirements and ensure compliance.

Direct staff to follow City Council instruction and direction given in executive session to continue review of federal grant requirements and ensure compliance.

F. Council Confirmation of Direction: Council met in executive session on September 16, 2025 to consult with and give instructions and direction to its legal counsel regarding legal advice on Desert Mountain Energy, to evaluate all options to protect the city's resources, up to and including potentially refiling litigation against Desert Mountain Energy and defend any related new counter-claims.

Mayor Daggett asked if DME was currently drilling near Red Gap Ranch and whether a Supreme Court decision prevented the city from filing an injunction if drilling resumed. City Attorney Sterling Solomon clarified that DME was not currently drilling and that the Supreme Court's refusal to review the case did not prevent the city from taking legal action, including refiling for a preliminary injunction, if DME started drilling again.

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember David Spence to direct staff to follow City Council instruction and direction given in executive session to evaluate all options to protect the city's resources, up to and including potentially refiling litigation against Desert Mountain Energy and defend any related counter-claims.

Vote: 6 - 0 - Unanimously

10. ROUTINE ITEMS

A. ~~Consideration and Adoption of Ordinance No. 2025-14:~~ ~~An ordinance of the City Council of the City of Flagstaff, ratifying the grants of easements and real property; and formally accepting grants of easements and real property; providing for severability, authority for clerical corrections, and establishing an effective date~~

ITEM REMOVED FROM THE AGENDA.

B. Consideration and Adoption of Resolution No. 2025-42 and Ordinance No. 2025-16: 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 entitled "PZ-25-00041 - Single Use Residential in the Commercial and Public Facility Zones and Adaptive Reuse Incentives" and an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code.

Michael Penca, Superintendent of Flagstaff Unified School District, expressed strong support for the zoning code amendment to allow affordable multifamily housing on land zoned for public facilities. He highlighted the housing crisis in Flagstaff, noting that nearly half of FUSD employees were cost-burdened by housing and many were considering leaving, which threatened school stability and student learning. FUSD had underutilized land and was ready to partner with the city and developers but lacked the policy framework to move forward. He shared that a committee, supported by a grant and housing consultants, had identified pathways for leveraging school land for affordable housing and had studied similar projects at other Arizona school districts. He emphasized that the zoning change would enable tangible progress in providing housing for school employees and urged Council to adopt the ordinance.

Councilmember House asked Mr. Penca to elaborate on how the ordinance would support the framework for the district to move forward. Mr. Penca stated that the zoning change would streamline the process for FUSD to partner with municipalities and developers to use school land for affordable housing. It would save valuable time and allow developers to meet state funding requirements, which now required land possession by mid-January to apply for April funding.

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to adopt Resolution No. 2025-42.

Vote: 6 - 0 - Unanimously

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to read Ordinance No. 2025-16 by title only for the final time.

Vote: 6 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "PZ-25-00041 -- SINGLE USE RESIDENTIAL IN THE COMMERCIAL AND PUBLIC FACILITY ZONES AND ADAPTIVE REUSE INCENTIVES"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to adopt Ordinance No. 2025-16.

Vote: 6 - 0 - Unanimously

Councilmember House exited the meeting at 3:47 p.m.

C. Consideration and Approval of Municipal Services Accounts, Miscellaneous Account Receivable, and Insufficient Funds Write-offs: Delinquent and Uncollectible Accounts for Fiscal Year 2024-25.

Customer Service Director Jessica Kittleson shared that staff was seeking approval to write off $22,456.46 in uncollectible accounts for fiscal year 2024--25, including municipal service accounts, miscellaneous accounts receivable, and NSF checks. Staff had exhausted all reasonable collection efforts and determined that the debts were no longer collectible. The write-offs fell within the city's annual allowance of $77,000, so there was no unexpected financial impact. She explained that the city's collection process included reminders, phone and email notifications, physical notices, payment plans, service disconnection, credit reporting, and participation in the state debt set-off program, which had successfully recovered over $94,000 since 2023. Fiscal year 2024--25 write-offs represented the lowest amount in five years, with mostly small balances under $500. Certain accounts, like transaction privilege tax and library accounts, were not being written off this year due to active payment plans and improved collection measures.

Moved by Councilmember Austin Aslan, **seconded by** Vice Mayor Miranda Sweet to approve the write-off of delinquent and uncollectible Municipal Services accounts, Miscellaneous Account Receivables, Transaction Privilege Tax accounts and Insufficient Funds in the combined amount of $22,456.46.

Vote: 5 - 0 - Unanimously

11. PUBLIC HEARING ITEMS

A. Consideration and Adoption of Resolution No. 2025-46 and Ordinance No. 2025-19: 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 entitled "PZ-25-00028 - High Occupancy Housing Update" and an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code.

Mayor Daggett opened the public hearing.

Zoning Code Manager Tiffany Antol provided a PowerPoint presentation that covered the following:

PZ-25-00028: HIGH OCCUPANCY HOUSING UPDATE
HISTORY
WHY IS THIS AMENDMENT HAPPENING?
CHANGES TO DENSITY TABLE FOR ALL DEVELOPMENTS
PROVISIONS THAT ARE BASED ON REGIONAL PLAN CLASSIFICATION
UPDATES THE DENSITY ALLOWED PER ACRE FOR EACH ZONING DISTRICT
UPDATES THE BEDROOMS ALLOWED PER ACRE FOR EACH ZONING DISTRICT
MODIFIES THE DEFINITION OF FOUR UNITS AND GREATER HIGH OCCUPANCY HOUSING AND MIXED-USE HIGH OCCUPANCY HOUSING
MODIFIES THE GENERAL REQUIREMENTS FOR FOUR UNITS OF GREATER AND MIXED-USE HIGH OCCUPANCY HOUSING DEVELOPMENTS

MODIFIES THE GENERAL REQUIREMENTS FOR FOUR UNITS OR GREATER AND MIXED-USE HIGH OCCUPANCY HOUSING DEVELOPMENTS
STAFF RECOMMENDATION
FLAGSTAFF REGIONAL PLAN 2030
HIGH OCCUPANCY HOUSING SPECIFIC PLAN
10-YEAR HOUSING PLAN
CARBON NEUTRALITY PLAN
THE PROPOSED AMENDMENT WILL NOT BE DETRIMENTAL TO THE PUBLIC INTEREST, HEALTH, SAFETY, CONVENIENCE OR WELFARE OF THE CITY
THE PROPOSED AMENDMENT IS INTERNALLY CONSISTENT WITH OTHER APPLICABLE PROVISIONS OF THE ZONING CODE
RECOMMENDATION

Vice Mayor Sweet expressed appreciation for the efforts to streamline the process. She noted that Goal 5 strongly supported historic preservation and asked for more detail on how.

Ms. Antol explained that high-occupancy housing zoning standards limited building footprints in areas designated as historic overlays, including most of downtown, the town site, and select parcels. New historic districts, like the upcoming Brannen Historic Overlay in Southside, would also follow the standards. Core historic neighborhoods often had specific plans, such as Southside and La Plaza Vieja, which guided development and ensured alignment with neighborhood character. Overall, the standards and plans aimed to preserve historic character while providing clear guidance for developers of high-occupancy housing.

Councilmember Spence asked if there was anything within the amendments that could be negatively affected should voters not ratify the regional plan.

Ms. Antol stated that that no changes had been made to the regional plan, which remained in effect until a new plan was ratified by voters. Existing goals and policies would continue to guide development, and amendments could be made if needed.

There being no further comment, Mayor Daggett closed the public hearing.

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember David Spence to read Resolution No. 2025-46 by title only.

Vote: 5 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "PZ-25-00028 -- HIGH OCCUPANCY HOUSING UPDATE"

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember Austin Aslan to read Ordinance No. 2025-19 by title only for the first time.

Vote: 5 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "PZ-25-00028 -- HIGH OCCUPANCY HOUSING UPDATE"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

B. Consideration and Adoption of Ordinance No. 2025-17: An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff Zoning Map to rezone approximately 13.82 acres of real property located at 2951 S Masonic Lane, from the Rural Residential (RR) zone within the Resource Protection Overlay Zone (RPO) and Suburban Commercial (SC) zone within the RPO to the Medium

Density Residential (MR) zone within the RPO, providing for severability, authority for clerical corrections, and establishing an effective date.

Mayor Daggett opened the public hearing.

There being no public comment, Mayor Daggett closed the public hearing.

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember David Spence to read Ordinance No. 2025-17 by title only for the final time.

Vote: 5 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF ZONING MAP TO REZONE APPROXIMATELY 13.82 ACRES OF REAL PROPERTY GENERALLY LOCATED AT 2951 S. MASONIC LANE, APN 103-26-002D, FROM THE RURAL RESIDENTIAL (RR) ZONE IN THE RESOURCE PROTECTION OVERLAY AND SUBURBAN COMMERCIAL (SC) ZONE IN THE RESOURCE PROTECTION OVERLAY TO THE MEDIUM DENSITY RESIDENTIAL (MR) ZONE IN THE RESOURCE PROTECTION OVERLAY WITH CONDITIONS; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember David Spence to adopt Ordinance No. 2025-17.

Vote: 5 - 0 - Unanimously

12. REGULAR AGENDA

A. Consideration and Adoption of Resolution No. 2025-45: A resolution of the Flagstaff City Council, authorizing the execution of the Pinehaven Development Agreement between the City of Flagstaff and RODG DT PINE HAVEN HORIZONTAL LLC related to the development of approximately 13.82 acres of real property generally located at 2951 S Masonic Lane and establishing an effective date.

Senior Planner Ben Mejia provided a PowerPoint presentation that covered the following:

PINEHAVEN RESOLUTION FOR A DEVELOPMENT AGREEMENT
DEVELOPMENT AGREEMENT
PURPOSE OF THE AGREEMENT
PUBLIC IMPROVEMENTS
DEVELOPMENT PLANNING
COMMITMENTS TO SUSTAINABILITY INCENTIVES
HOUSING
COUNCIL OPTIONS

Councilmember Spence asked if the prohibition on leases shorter than 30 days put the city in the crosshairs of the state where they had restricted the city's ability to regulate in that area.

Mr. Solomon explained that because the developer was bringing forward the limitation themselves, it was within their authority to do so and enforce within their development. It was not a requirement by the city.

Councilmember Spence expressed concern with the city approving and signing off on the development agreement where the limitation on short-term rentals was included when the state prohibits cities and towns from regulating short-term rentals.

Senior Assistant City Attorney Christina Rubalcava explained that state law prevented cities from regulating short-term rental units differently from traditional residential units. However, this did not apply in this case because the restriction was part of a voluntary contractual agreement within a developer's rezoning application. The developer chose to limit short-term rentals to provide rental

units for the community, addressing the local housing shortage and offering a community benefit. Mayor Daggett added that similar arrangements had been included in a number of other development agreements the Council had approved.

Mayor Daggett asked if the EV charging stations would be accessible to the public. Luke Caraway on behalf of Pinehaven offered that the intent was to make them publicly accessible. The site was a subdivided lot but it would be an open lot accessible by everyone.

Moved by Councilmember David Spence, **seconded by** Vice Mayor Miranda Sweet to read Resolution No. 2025-45 by title only.

Vote: 5 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, AUTHORIZING THE EXECUTION OF THE PINEHAVEN DEVELOPMENT AGREEMENT BETWEEN THE CITY OF FLAGSTAFF AND RODG DT PINE HAVEN HORIZONTAL LLC. RELATED TO THE DEVELOPMENT OF APPROXIMATELY 13.82 ACRES OF REAL PROPERTY GENERALLY LOCATED AT 2951 SOUTH MASONIC LANE AND ESTABLISHING AN EFFECTIVE DATE

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember David Spence to adopt Resolution No. 2025-45.

Vote: 5 - 0 - Unanimously

B. Consideration and Adoption of Resolution No. 2025-21: A resolution adopting the amended Flagstaff Water Services Enforcement Response Plan (ERP) to include updates to language and various job titles.

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember David Spence to read Resolution No. 2025-21 by title only.

Vote: 5 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, ADOPTING AN AMENDMENT TO THE FLAGSTAFF WATER SERVICES ENFORCEMENT RESPONSE FOR THE CITY OF FLAGSTAFF

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember David Spence to adopt Resolution No. 2025-21.

Vote: 5 - 0 - Unanimously

13. DISCUSSION ITEMS

A. Discussion of financial planning for future considerations including a potential public safety ballot measure

Senior Deputy City Manager Shannon Anderson, Deputy City Manager Joanne Keene, Management Services Director Rick Tadder, Water Services Director Lee Williams, and Fire Chief Mark Gaillard provided a PowerPoint presentation that covered the following:

FINANCIAL PLANNING & CONSIDERATIONS
AGENDA
RESOURCE TOOLBOX
DEVELOPMENT IMPACT FEES
TRANSACTION PRIVILEGE TAX
SECONDARY PROPERTY TAX AND GENERAL OBLIGATION (GO) BONDS
PRIMARY PROPERTY TAX
ARTS AND CULTURE FACILITIES

Vice Mayor Sweet expressed appreciation for the swift progress on the safety discussion but raised

concerns about returning to the topic in November 2025, noting potential upcoming issues like arts and culture facilities. She asked for clarification on the timeline and what steps are needed to solidify decisions.

Ms. Keene explained that the issue was different because established community groups were already involved, and some preliminary work had been done on the Indigenous Cultural Community Center. She suggested that the earliest they could return for discussion was the end of November, but indicated the timing likely would not affect the timeline for a measure to move forward to the November 2026 election.

WASTEWATER TREATMENT PLANT
HISTORY
FUNDING

Vice Mayor Sweet asked for more detail on when funding would begin. Mr. Williams explained that while only an estimate, it was likely that design would start in approximately ten years with construction beginning in approximately 12 years.

PUBLIC SAFETY
A SAFE AND HEALTHY COMMUNITY: EXPLORING A PUBLIC SAFETY BALLOT MEASURE
OUR COMMITMENT TO A SAFE AND HEALTHY COMMUNITY
FURTHER DEFINING PUBLIC SAFETY NEEDS
PUBLIC SAFETY AND THE GENERAL FUND
POSSIBLE FUNDING STRATEGIES
WHY A DEDICATED SALES TAX FOR PUBLIC SAFETY?
CITIZEN REVIEW COMMITTEE
PROPOSED CITIZEN REVIEW COMMITTEE COMPOSITION
BALLOT MEASURE PROJECT SCHEDULE
CITY COUNCIL DISCUSSION & DIRECTION

Councilmember Aslan expressed his support to move forward with the effort, including a citizen committee.

Vice Mayor Sweet also expressed support. She encouraged staff to look at other cities that had brought similar tax questions to their votes with some passing and others not.

Councilmember Spence made note of the recently renewed BBB tax and the Mountain Line tax increase. He expressed support for the citizen group to assist with how to approach a November election.

Mayor Daggett also shared her support of the review committee stating that it would be good to hear and consider their input.

Council provided direction to move forward with the creation of a citizen review committee.

14. FUTURE AGENDA ITEM REQUESTS

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

A. Future Agenda Item Request (F.A.I.R.): A Citizen Petition: Endorse the Plant Based Treaty to address the role of food in our climate crisis

The following individuals addressed Council in support of advancing the petition to a future agenda for discussion:

- Jolene Bowers
- Susan Hansen
- Jill Stephenson

- Amy Ellen

The following comments were received:

- Place the Plant-Based Treaty on a future agenda to address climate change and achieve carbon neutrality.
- Animal agriculture is identified as a major contributor to greenhouse gas emissions, land and water use, and environmental harm, often overlooked in climate policy.
- Endorsing the treaty would be non-binding but demonstrate the city's commitment to incorporating plant-based food strategies into climate action plans.
- The treaty provides practical guidance and local action "playbooks," including food justice measures.
- Flagstaff already engages in climate actions including transportation, forest management, water conservation, food programs, but a gap remains in addressing food system emissions.
- The city could leverage a recent USDA grant to integrate treaty principles into local food system planning.
- Other cities worldwide, including Los Angeles and Edinburgh, have endorsed the treaty and are implementing related initiatives.
- Endorsement would open formal dialogue with the agricultural community, foster partnerships, and signal leadership in sustainable, science-based climate policy.
- There was sensitivity to local farming and ranching heritage while advocating for a gradual, community-driven approach.

Mayor Daggett shared that the city was working on a lot of food related issues, she asked where the element of food systems appeared within the Carbon Neutrality Plan and within the work of the Sustainability Division.

Climate Section Director Jenny Niemann explained that the city's Carbon Neutrality Plan addressed food systems within its sustainable consumption target area, focusing on waste, materials management, and initiatives like community gardens and urban farms. Current and upcoming open houses would allow the community to provide input on how the city implemented those climate goals, and offered an opportunity to share concerns, priorities, and ideas for how the city should engage in neighborhoods, all while maintaining the existing strategies of the plan.

Sustainability Manager Steven Thompson added that within the Food Action Plan they were in the drafting phase for specific actions and strategies. There was an opportunity to add more information and provide resources to encourage saving water and other food system practices. While the plan would not promote specific dietary choices, it could include data comparing water use for different foods and educational materials for community workshops. Several open houses were planned in October along with an online portal to allow community members to provide feedback, which could influence both the plan itself and its implementation. Public participation was crucial for shaping the plan's content and resources.

Councilmember Spence expressed support for moving the petition forward because he believed that it was important for achieving the city's carbon neutrality goals. He emphasized the need for a full Council discussion that included the farming community.

Councilmember Aslan shared his support for the idea behind the petition but found its wording flawed, too prescriptive, and not sufficiently locally relevant. He noted concerns about overburdening city staff and questioned whether the issue represented broad public interest. Because Flagstaff already had platforms for discussion, like the Carbon Neutrality Plan open houses and Food Action Plan conversations, he felt the community engagement need was already being met and would not to support advancing the petition.

Vice Mayor Sweet explained that she supports the conversation, but Flagstaff already had many ongoing initiatives related to food systems, including the Carbon Neutrality Plan, regional plan policies, the Food Action Plan, community gardens, educational events, and urban farm incubators. She viewed the current discussion as a valuable addition to those efforts and expressed confidence that the city's sustainability staff would incorporate the feedback into future Council and community discussions.

Councilmember Garcia stated that he supported moving the discussion forward because it allowed for broader community engagement on a topic that was not discussed enough. He acknowledged the difficulty of turning it into a formal policy, especially regionally, but emphasized the value of public input and agreed that upcoming events provided an opportunity to explore the issue further.

There was not requisite Council support to advance the item to a future agenda. However, Council requested that staff include the topic as part of ongoing discussions with the community and with Council.

15. OPEN CALL TO THE PUBLIC

None

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

Councilmember Garcia highlighted the importance of Hispanic and Latino heritage in Arizona and Flagstaff, noting that Spanish and Mexican traditions have deeply shaped the state's culture, including its architecture, cuisine, language, and arts. He emphasized the contributions of Hispanic families, many of whom worked as railroad laborers, entrepreneurs, and lumber workers, who settled in historic neighborhoods and built a tight-knit community despite discrimination. The organization, Flagstaff Nuestras Raices, worked to preserve and share that heritage, and they aimmed to highlight local Hispanic stories and achievements during Hispanic Heritage Month to honor the community's role in shaping Flagstaff.

Vice Mayor Sweet shared that she would be attending the upcoming employee barbeque and picnic, participating on a panel for the Flagstaff Leadership Program, and attending the Shoemaker awards at Lowell Observatory.

Councilmember Spence referenced a recent presentation on virtual power purchase agreements and greening the electric grid. He recommended a recent article in the Arizona Daily Sun article by Sam McLaughlin as a clear, accessible explanation and suggested it would help the public and Council be better informed before Eric Nielsen returns with a memorandum of agreement.

Mayor Daggett commended the fire and police departments for the meaningful 9/11 memorial. She highlighted upcoming community events, including the Flagstaff Festival of Science, Science in the Park, Flagstaff Takes the Stage, and Fiesta de Independencia. She emphasized the importance of local journalism, referencing the Arizona Daily Sun and KNAU radio. She also shared personal engagement with NAU students, and noted participation in the Alliance for the Second Century meetings and Sister Cities activities, including cultural and economic exchanges with Navojoa Sonora, highlighting collaboration with the fire department on recruitment and other initiatives.

17. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held September 16, 2025, adjourned at 5:58 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on September 16, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____

CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, OCTOBER 21, 2025
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held October 21, 2025, to order at 3:03 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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.

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

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

The Council and audience recited the pledge of allegiance, Vice Mayor Sweet read the Mission Statement of the City of Flagstaff, and Councilmember Garcia read the 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.

Steven Puhr addressed Council to share his concerns regarding the use of an inappropriate benchmark in evaluating the performance of US Bancorp Asset Management. He urged the city to change the benchmark.

Devonnah McLaughlin, CEO of Housing Solutions of Northern Arizona, presented the fiscal year 2025 impact report to the City Council, highlighting new property developments, down payment assistance programs, and transitional housing services, with significant support from the city and other partners.

Gracie Martinez, on behalf of the Associated Students of Northern Arizona University (ASNAU), addressed Council and shared the purpose of ASNAU and highlighted some of their initiatives, including a Puppies at the Polls event for the upcoming November 4, 2025 election.

Colleen Maring, Chief People Officer at Northern Arizona Healthcare, addressed Council about Breast Cancer Awareness month and shared information about the resources that NAH offered. She reminded the public that regular screenings were key to early detection and intervention.

A written comment in opposition to the use of Flock technology was submitted by Andrew Sikorski.

5. PROCLAMATIONS AND RECOGNITIONS

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

Mayor Daggett read and presented the proclamation.

B. Recognition of Municipal Energy Efficiency Efforts

Climate Program Manager Denae Presler and representatives from APS, including Tony Majors, Janet Dean, and Ryan Weisner, recognized the City of Flagstaff for its comprehensive energy and water conservation project, which included LED retrofits, smart irrigation, and electric vehicle infrastructure, resulting in significant utility savings and environmental benefits.

C. Recognition of City Manager Greg Clifton

The Council recognized City Manager Greg Clifton for his dedication and work for the City of Flagstaff. They expressed words of appreciation and well wishes to him as he neared his retirement from the city.

Councilmember Matthews thanked Greg for his patience, guidance, and support during her time on Council. A lot had been accomplished through his tenure, and she was appreciative of all his work. She wished him well in his next adventure.

Councilmember House highlighted Greg's passion for building things and how that passion spoke highly for the work he had done for Flagstaff. She reflected on his work on flood control, the Carbon Neutrality Plan, the Lived Black Experience project, and housing development. She believed that his greatest achievements had been building a strong team within the City of Flagstaff through succession planning, leadership development, and support for all of Team Flagstaff. The city was in a great

position with strong leadership, dedicated staff, and solid partnerships. She thanked him for being a builder, bridge builder, and connector for the community.

Vice Mayor Sweet wished Greg well in his retirement and expressed appreciation for his efforts to give voice to the downtown and his dedication to Flagstaff.

Councilmember Garcia stated that it had been a pleasure getting to know Greg and watching his steady leadership through many transitions. He led with strength and grace, leaving big shoes to fill. His calm yet powerful leadership guided major projects and challenging times, especially during the pandemic, helping Flagstaff thrive when others struggled. He would always be part of the Flagstaff family, a respected leader, teacher, and example of what true leadership looked like. He thanked Greg for all that he had done to make Flagstaff the best it could be.

Councilmember Aslan recognized Greg's steady, no-drama leadership. His unflappability had been key to building a high-functioning organization. He had truly elevated and transformed the City of Flagstaff, and his mentorship and example had taught him a great deal about leadership and character. He was proud to have been part of the decision to hire him and felt that it was one of the best decisions he had been involved in. Greg had led the city through incredible challenges; the Museum and Pipeline fires, post-fire flooding, the pandemic, and the economic downturn. He always led with foresight and composure. His proactive planning and steady guidance left a lasting impact on the organization and everyone in it. He wished him the very best in his semi-retirement and hoped he enjoyed the extra time to pursue photography. Greg would be missed but his legacy would remain strong in Flagstaff.

Mayor Daggett shared that the Chambers was filled with people who had deep respect and affection for Greg. She stated that he had been the perfect City Manager for her to learn from, first as a new councilmember and then as mayor. His professionalism, quiet humor, and genuine care for both staff and the community have left a lasting mark. Greg has built a culture of excellent customer service and a workplace where people truly enjoy their jobs. He had led by example, from supporting major projects to standing shoulder to shoulder with the community during floods, shoveling mud and filling sandbags. He showed what it meant to listen, include, and value every voice in the community. She thanked Greg for his leadership, compassion, and commitment to Flagstaff, and when the Rio de Flag project broke ground, they would make sure he was there to celebrate.

Greg thanked the Council for their thoughtful and kind words. It was a heartwarming recognition.

Council presented Greg with a gift and Mayor called a short recess at 3:52 p.m. through 4:13 p.m.

6. COUNCIL LIAISON REPORTS

Vice Mayor Sweet reported that Mountain Line broke ground on their maintenance facility which would support ongoing maintenance and repair needs of their fleet. She also reported that the NACOG meeting was coming up along with the Beautification and Public Arts Commission.

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.

Mayor Daggett pulled Item 7D for discussion and Councilmember Spence pulled Item 7G for discussion.

Moved by Councilmember Anthony Garcia, **seconded by** Councilmember David Spence to approve the Consent Agenda as presented with the exception of Items 7D and 7G.

Vote: 7 - 0 - Unanimously

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.

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).

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).

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.

Mayor Daggett expressed enthusiasm for the partnership between city staff and Housing Solutions of Northern Arizona, especially in the upcoming discussion about the permanently affordable housing program. She asked for clarification on why the current contract amount increased from $80,000 to $500,000.

Housing Program Manager Adriana Fisher explained that the smaller contract was a temporary measure put in place earlier in the year after general funds for down payment assistance had run out in February. The $80,000 agreement was intended to bridge the gap while staff finalized the permanent affordability program and negotiated a longer-term arrangement with Housing Solutions.

The proposed $500,000 contract represented an expanded, long-term agreement covering administrative fees for a full five-year term, with the option for two additional one-year extensions, for a potential total of seven years. The increase reflected both the broader scope of services and the longer duration of the partnership moving forward.

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to approve First Amendment to Contract 2025-205 with Housing Solutions of Northern Arizona for the administration of CHAP and EAH programs and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

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.

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 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.

Councilmember Spece raised concern that approving additional gasoline-powered cars conflicted with the Carbon Neutrality Plan. He noted that electrifying high-mileage fleet vehicles such as police cruisers would make the greatest impact on reducing emissions and questioned whether the city should delay the purchase until electric models become available. He also asked whether a fast-charging station existed at the police department and suggested that installing one could help overcome the challenge of round-the-clock patrol vehicle use.

Public Works Section Director Jennifer Brown explained that the three vehicles were urgently needed because the police department currently had no reliable backup units. The vehicles under consideration were "turnkey" models that were 90% upfitted for law enforcement use which would allow officers to get them on the road quickly. She emphasized that most of the department's existing patrol cars were already hybrid interceptors and that future purchases, including the next five patrol vehicles, were planned to be hybrid models. However, she noted that the department had only four charging stations at present and none that qualified as fast chargers. Installing a high-speed charging station would cost roughly $400,000 to $500,000.

Ms. Brown described the operational constraints on police vehicles. The vehicles ran nearly 24 hours a day and were heavily used, leaving little room for downtime. Ordering and outfitting new vehicles typically took eight months to a year, while losing a car to repairs could happen at any time. Given those factors, the department urgently needed replacements to maintain safe and consistent patrol coverage.

Council acknowledged the tension between the city's carbon goals and the immediate need to ensure public safety. They expressed appreciation for the explanation and encouraged staff to continue finding ways to accelerate the transition to hybrid and electric vehicles, including creative procurement options and future infrastructure upgrades.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Anthony Garcia to 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 authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

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.

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.

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.

Water Services Project Manager Justin Emerick provided a PowerPoint presentation that covered the following:

LAKE MARY SEDIMENTATION BASINS REHABILITATION
PROJECT LOCATION
LAKE MARY WATER TREATMENT PLANT SEDIMENTATION BASINS
SEDIMENTATION REMOVAL RAKES
PCL CONSTRUCTION
AGING DEGRADED CONCRETE

Councilmember Spence asked whether the $13 million allocation was for construction or just planning. Mr. Emerick clarified that the design phase was already finished, and the funding represented the guaranteed maximum price for actual construction.

Councilmember Spence asked about the condition of the sedimentation basins. Mr. Emerick explained that the existing basins were a one-million-gallon concrete structure originally built in 1963 with a four-inch concrete coating to prevent leaks. Over time, that coating had deteriorated and fractured, allowing some water to escape. Repairs have been attempted using caulking and latex, but the new project would address those issues using modern concrete and polymer materials that were stronger and longer lasting than those available in the 1960s. They anticipated the improvements would extend the basins' lifespan well beyond the original 60 years.

Councilmember Matthews asked about the project's contingency fund. Mr. Emerick confirmed that the owner's contingency was $400,000 which was less than 2% of the total project cost and lower than typical construction standard of 5--10%. He explained that both an owner's contingency and a contractor's allowance have been included to cover unexpected costs during construction.

Moved by Councilmember David Spence, **seconded by** Councilmember Lori Matthews to 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, 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 authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

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

Management Services Director Rick Tadder provided a PowerPoint presentation that covered the following:

PARKFLAG DOWNTOWN PARKING RATE INCREASE UPDATE
ENHANCED DOWNTOWN SERVICES
FISCAL UPDATE FROM 1ST READ OF ORDINANCE
1ST READ OF ORDINANCE -- USES OF FUNDS
UPDATED -- USES OF FUNDS
REVISED FUNDING FROM PARKFLAG REVENUES
PARKFLAG RATES AND FEE ADOPTION

Mr. Clifton commended staff for their extensive work and collaboration on the project, he noted the significant effort that went into refining the details and calculations. He also shared that the numbers were reviewed with the Downtown Business Alliance (DBA) and received a favorable response

Councilmember Garcia asked about the possibility to keep the ADA parking at $1. Community Investment Director Dave McIntire explained that several related issues still needed further discussion, including possible local fee reductions, adjustments to the first-hour parking rates, and the treatment of ADA spaces. He noted that the team's primary focus had been finalizing the financial details just presented, so those potential fee changes had not yet been incorporated. Because fee reductions did not require the same level of public notice, staff could return to Council with recommendations relatively soon once they had the time to analyze the options.

Council also discussed the upcoming downtown enhancements, asking whether they would be carried out by the DBA and whether they would extend south of the BNSF railroad tracks. Staff explained that while the specific contractor was still under procurement, the enhancements would focus on commercial zones within the ParkFlag district, including areas both north and south of the tracks up to Butler, but not residential areas. The approach was intended to promote greater equity between North and South downtown.

The enhancements, funded at $700,000, would include improved graffiti removal, faster waste and pet/human waste collection, gum removal, snow and cinder clearing, alleyway maintenance, restroom upkeep, and enhanced support for downtown events. Additional improvements would standardize features such as benches, trash cans, and flowerpots. The increase from previous estimates reflected higher labor and material costs discovered during scope development.

Staff confirmed that a detailed contract would be brought back to Council, including clear scope of work and reporting requirements, so Council could track deliverables and ensure the enhancements were implemented as planned. Council emphasized the importance of regular updates on progress and results.

Vice Mayor Sweet stated that the hourly parking rate had not changed since 2017, and rising costs made an increase necessary to maintain, not just enhance, core downtown services. Feedback from businesses and the DBA indicated a desire for a cleaner, safer, and more welcoming public space, and the proposed funding would help address those needs. The process had included public meetings, community input, and revisions to permit types and fees based on that feedback. She stressed the importance of keeping the public and businesses informed about rate changes, available

free parking, new lots, and other updates. Outreach via social media had been appreciated, and ongoing communication with downtown businesses would remain a priority. Regular updates and an annual downtown report would be appreciated.

Councilmember House asked about the future software enhancements that were being removed from the downtown parking proposal, particularly regarding kiosk accessibility and payment options. She noted issues with certain bank cards not being accepted by the current system.

Parking Manager Gail Brockman explained that the kiosks currently experienced about a 3% failure rate with some cards due to bank changes. To address that, they were adding another mobile app option from a current vendor at no additional cost. The credit card machines themselves would also be updated to include tap-to-pay functionality, which would make payments easier and more reliable. She indicated that other planned enhancements were being explored, including technology to help drivers locate available parking spaces via an app, she emphasized that the original software enhancement budget was intended to allow flexibility to adopt new technology in the future, such as improvements to apps and payment options, but no other specific upgrades were currently planned.

Councilmember House also noted the importance of transparency and tracking regarding downtown enhancements and parking revenue. She suggested tools like a dashboard or roadmap so the community could clearly see where funds were going and how projects were being implemented. She noted that community members wanted clarity on expanded or new parking opportunities and how anticipated changes were being met. She also asked about enhancements beyond vehicle parking, such as cinder and snow clearing, and expressed interest in efforts to improve walkability and pedestrian accessibility downtown.

Mr. McIntire explained that removing cinders and snow, along with aesthetic improvements, were intended to enhance the pedestrian experience downtown. However, more substantial infrastructure changes to further improve walkability, such as streamlining road closures to reduce costs, improve safety, and make event management more efficient, were not included in the current scope of services. He noted that internal discussions and research on the costs of such infrastructure were ongoing, and funding for those improvements may be proposed in the future. For now, pedestrian experience would primarily be improved through cleaning, snow and cinder removal, and other aesthetic enhancements.

Councilmember Garcia encouraged the public to consider riding the bus to experience the community in a different way. He also suggested motorcycle parking as staff planned for the future.

Councilmember Matthews stated that she had heard both support and concerns regarding downtown parking. She noted that private lots charged $4.50 per hour, and monitoring time in public spaces helped encourage turnover. She expressed excitement for the vision and enhancements for downtown, particularly improvements that made navigation safer for people with mobility challenges by addressing ice, cinders, and snow. She looked forward to the new agreement being implemented.

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember Lori Matthews to adopt Resolution No. 2025-54.

Vote: 7 - 0 - Unanimously

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember Anthony Garcia to adopt Resolution No. 2025-55.

Vote: 7 - 0 - Unanimously

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember Khara House to read Ordinance No. 2025-21 by title only for the final time.

Vote: 7 - 0 - Unanimously

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

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember Lori Matthews to adopt Ordinance No. 2025-21.

Vote: 7 - 0 - Unanimously

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

Capital Improvements Engineer Trevor Henry provided a PowerPoint presentation that covered the following:

BUTLER AVENUE COMPLETE STREETS PROFESSIONAL ENGINEERING SERVICES CONTRACT
BUTLER AVENUE COMPLETE STREETS
CONSIDERATION AND APPROVAL OF CONTRACT
PROJECT BACKGROUND
PROPOSED CROSS SECTION
PROJECT CONSIDERATIONS
PROJECT CHARTERING AND SCOPING
PROJECT SCHEDULE

Mayor Daggett asked whether a new requirement from the Federal Highway Administration (FHWA) was routine or recently introduced. Mr. Henry explained that including a price component in construction selection had always been part of FHWA grant conditions. He also noted that FHWA guidelines allowed for changes in the procurement process, and the city was currently working through that process.

Councilmember Spence asked about the coordination between the Butler street project and the Lone Tree Overpass. Mr. Henry explained that the Lone Tree project was currently under construction, with paving completed on the north side of Butler. Construction was pausing for the winter, with crews available for maintenance, and will resume next spring on the south side, flipping traffic patterns similar to this past summer. He noted that the Lone Tree work, including the overpass, railroad crossings, and the Route 66 intersection, was expected to continue over the next two to three years. The Butler Complete Streets project, if construction began in 2027, was planned to align with the timeline so that the two projects could progress sequentially without major conflicts, ensuring coordinated completion.

Moved by Councilmember Anthony Garcia, **seconded by** Councilmember Khara House to 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 authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

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.

Mayor Daggett asked about micro-trenching in areas subject to freeze-thaw cycles. Development Engineer David Millis explained that the city consulted other municipalities, including in Utah, and found no negative effects from the construction method. Micro-trenching was intentionally shallow to avoid conflicts with existing utilities, since increasing depth to below frost level would create problems at every service crossing. The main considerations were the timing of construction, proper handling of the flowable fill to avoid freezing, and applying sealant at the correct temperature. With those precautions, micro-trenching was not significantly different from current standards that allowed some utilities to be placed shallower than frost depth.

Councilmember Garcia had questions about the sealant used in micro-trenches, particularly within bike lanes. Mr. Millis clarified that sealant was applied perpendicular to traffic and within an eighth of an inch of the road surface. The primary location was at the joint between asphalt and curb. In bike lanes, the sealant was placed just outside the bike lane stripe to ensure paint adhesion and safety, avoiding cuts that would interfere with cyclists or motorcyclists.

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to adopt Resolution No. 2025-52.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to read Ordinance No. 2025-20 by title only for the final time.

Vote: 7 - 0 - Unanimously

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

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House to adopt Ordinance No. 2025-20.

Vote: 7 - 0 - Unanimously

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.

Water Conservation Manager Tamara Lawless explained that staff was seeking a renewal of a five-year Intergovernmental Agreement with the University of Arizona for participation in Project WET, a nationwide water education program. The partnership included events like an annual 4th-grade water festival, school visits, and general water education. The renewal also included a minor amendment to streamline billing procedures.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House to read Resolution No. 2025-59 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN UNIVERSITY OF ARIZONA AND THE CITY OF FLAGSTAFF FOR WATER EDUCATION THROUGH ARIZONA PROJECT WET

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House to adopt Resolution No. 2025-59.

Vote: 7 - 0 - Unanimously

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

Water Conservation Manager Tamara Lawless stated that the city had been conducting routine water audits at NAU for both commercial and residential customers, and about a year and a half ago, they formalized a weekly program with NAU's sustainability team. City staff checked campus buildings, performed minor retrofits like faucet and showerhead replacements at no cost, and reported any major issues, such as leaky toilets, for NAU to address themselves. Last year, roughly $8,000 was spent on the retrofits, and the goal was to complete audits and upgrades across all buildings by the end of 2026. There was currently no formal student education component, though NAU previously had a program that encouraged water-saving behaviors in dorms. Council suggested following up to see if similar educational efforts existed today and if an annual report could be provided to track completion of the bigger issues.

Moved by Councilmember David Spence, **seconded by** Councilmember Anthony Garcia to read Resolution No. 2025-60 by title only.

Vote: 6 - 1

NAY: Councilmember Lori Matthews

Councilmember Matthews acknowledged the value of the water audits but did not support spending $8,000--$10,000 to assist NAU and felt that it was not an appropriate use of funds.

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 RETROFIT

Moved by Councilmember David Spence, **seconded by** Vice Mayor Miranda Sweet to adopt Resolution No. 2025-60.

Vote: 6 - 1

NAY: Councilmember Lori Matthews

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

Housing Program Manager Adrianna Fisher provided a PowerPoint presentation that covered the following:

COMMUNITY HOMEBUYER ASSISTANCE PROGRAM -- BOND-FUNDED EXPANSION
AGENDA
BACKGROUND -- BOND
BACKGROUND -- CHAP
CHAP EXPANSION TIMELINE
2025 HOUSING MARKET OVERVIEW
2025 HOME PRICES
CHAP OPTIONS
OPTION 1: HOME PURCHASE ASSISTANCE
BUYER ELIGIBILITY
UNIT ELIGIBILITY
ASSISTANCE

REPAYMENT
OPTION 2: PERMANENT AFFORDABILITY PILOT
ELIGIBILITY THE SAME AS CHAP -- DPA, EXCEPT
ASSISTANCE TERMS
COUNCIL'S OPTIONS TODAY

Councilmember Garcia stated that stable housing was a fundamental need for everyone, regardless of race, ethnicity, or socioeconomic status, and was essential for health, family stability, and overall quality of life. He expressed excitement about the proposed housing programs and noted that they helped build equity for working-class individuals who lacked generational wealth and faced economic barriers. The programs created shared responsibility between homebuyers, community assistance programs, and essential workforce members, supporting pathways to homeownership and generational wealth. He asked for clarification on increasing the required buyer contribution from $1,000 to $2,500, suggesting the intent was to reflect the reality that $10,000 was insufficient for a down payment in the current market.

Ms. Fisher explained that the proposed change to increase the homebuyer contribution to $2,500 was intended to give buyers more personal stake in their purchase. However, that contribution could include gifts, so if someone, like a family member, contributed the $2,500, it still counted toward the total, allowing buyers to access the full loan amount of $50,000.

Councilmember Matthews asked for clarification on points of the homebuyer assistance program. Devonna McLaughlin, CEO of Housing Solutions of Northern Arizona explained that the program used a housing ratio of about 33--35% of income toward housing costs, which was slightly more conservative than lenders' limits of 40--42% but provided attainable, sustainable affordability for families. For permanent affordability homes under the community land trust, buyers could not secure a loan against the land itself, only the improvements, since the land remained city owned. Down payment assistance effectively covered a portion of the land's value, allowing buyers to access about a third of the purchase price. To ensure compliance, staff sent certified letters to everyone every two years to confirm that the homes remained owner-occupied.

Councilmember Spence expressed excitement for the pilot project. He asked how fast the $7 million would be expended and how many people could it serve. He also asked about any legal pitfalls within the pilot program if it was determined to not continue the program after the pilot.

Staff explained that, based on historical resale rates from the existing permanent affordability program, they anticipated approximately one participant per year for the pilot, though they acknowledged it was only a projection, and the actual number could vary. To maintain transparency and allow the community to monitor the program's progress, a fund tracker would be added to the city's housing website, showing how much money had been spent and how much remained in each category.

Senior Assistant City Attorney Anja Wendel clarified that the city faced minimal legal risk if the program was discontinued, as a contract was only established once an applicant submitted and was approved for funding. The pilot program was intended as a test of the approach, with the potential to expand or seek additional bond funding in the future if it proved successful. Overall, the program aimed to support permanent affordability while maintaining accountability and clear communication with the public.

Mayor Daggett expressed excitement about the program and was eager to see what the public thought of it and whether it would be utilized. There was discussion about the success and impact of Flagstaff's homeownership programs, particularly the new bond-funded pilot. Ms. McLaughlin expressed excitement about the tool, noting its potential for public engagement and its ability to help more people access homeownership. She emphasized the long-standing commitment of the city to support first-time buyers, and shared that since 1999, over 300 Flagstaff residents had benefited from down payment assistance through the city's CHAP program, totaling over $4 million in investments. Additional employer-assisted loans had helped nearly 40 employees secure homes, reflecting a broader effort to support the local workforce. She further reported that since the administration of the CHAP bond funds began in August, three buyers, working at NAU, Coconino County, Mission Linen, and FUSD, had already accessed $150,000 in assistance, leveraging $65,000 of their own

contributions, $32,000 in WISH funds, and nearly $1 million in mortgage financing. Five more buyers were under contract, representing households averaging over 12 years in Flagstaff and serving a mix of income levels. Those efforts directly benefitted the local workforce, including additional NAU and FUSD employees, and were aligned with the program's goal of promoting permanent homeownership. She emphasized that they planned to provide annual updates to demonstrate the ongoing impact, reinforcing the program's value as an investment in equity, community stability, and workforce support.

Councilmember House expressed appreciation for the presentation, particularly the acknowledgment that single-family homes were the most expensive in Flagstaff. She noted that the program supported the expansion of diverse housing options, allowing people to invest in neighborhood-scale housing that met their needs while also creating opportunities for others. She emphasized the program's role in fostering community-wide collaboration to address local housing needs and expressed gratitude for the initiative's impact.

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to read Resolution No. 2025-57 by title only.

Vote: 7 - 0 - Unanimously

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

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to adopt Resolution No. 2025-57.

Vote: 7 - 0 - Unanimously

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.

Communication and Civic Engagement Director Stacy Saltzburg addressed Council and explained that the ordinance would create a new Housing Division as well as a rename the Community Development Division to the Planning and Development Services Division. Deputy City Manager Joanne Keene added that the formal creation of a housing division had been a long-term goal. Following prior discussions and the transition of Community Development into Planning and Development Services (PDS), Housing would officially become its own division in December.

Ms. Keene took the opportunity to introduce Michelle McNulty as the new Planning and Development Services Director. Ms. McNulty joined the Flagstaff team in 2022 and previously served as Anchorage's Planning Director. She brought 20 years of public and private sector experience in land use, transportation planning, and community development.

Ms. McNulty shared her vision for the PDS division and emphasized the use of the reorganization to restructure positions, improve billing, permit, and application intake processes, and build staff capacity. The goal was to streamline review and approval processes, make them easier to navigate, provide comprehensive training and user guides for both staff and the public, and maintain high-quality real estate, planning, and building services. She stressed PDS' commitment to ongoing collaboration with the Housing Division to support projects, code changes, and other initiatives efficiently.

Councilmember House expressed excitement and appreciation for the long-awaited establishment of the Housing Division. She highlighted that it represented growth and opportunity for the community and for city staff. There was particular enthusiasm for Ms. McNulty's leadership and vision, with anticipation for the positive outcomes her division would achieve through the reorganization and reframing of responsibilities.

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to read Resolution No. 2025-22 by title only for the first time.
Vote: 7 - 0 - Unanimously

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

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

Communication and Civic Engagement Director Stacy Saltzburg addressed Council and explained that the resolution called a special election for May 19, 2026, for the ratification of the Regional Land Use Plan 2045. The election would be conducted as a vote-by-mail election. If adopted, staff would proceed with public notifications, postings, and solicitation of pro/con statements. Council discussed the next step in the regional plan process, which required voter ratification following the council's approval. Council also requested that staff later provide details on outreach and public education plans for the election.

Moved by Councilmember David Spence, **seconded by** Vice Mayor Miranda Sweet to read Resolution No. 2025-58 by title only.
Vote: 7 - 0 - Unanimously

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

Moved by Councilmember Anthony Garcia, **seconded by** Councilmember Lori Matthews to adopt Resolution No. 2025-58.
Vote: 7 - 0 - Unanimously

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.

Councilmember Aslan shared that the city was working to become more film-friendly. A part-time film commissioner position had been created, but there were gaps in regulations and policies across city departments that could hinder productions. For example, filming at Buffalo Park was restricted to trails for permit holders, while residents did not face the same limitations. The FAIR request was an effort to develop a cohesive policy, potentially inspired by Phoenix's approach and the Federal Explore Act, aimed at cutting red tape. The goal was to make Flagstaff attractive to smaller productions, student films, and commercials, which could boost local businesses, arts, parks, hotels, and restaurants through increased activity and spending.

There was requisite support to advance the matter to a future agenda for discussion.

11. OPEN CALL TO THE PUBLIC

None

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

Councilmember Garcia shared that the public was invited to the 22nd annual Day of the Dead celebration at the Museum of Northern Arizona on Saturday, October 25 and Sunday, October 26. Officials including County Supervisor Geronimo Vasquez, and County Treasurer Sarah Benatar will participate in reading Day of the Dead cards. The event celebrated Hispanic heritage, and the community was encouraged to attend.

Councilmember House requested a conversation about potentially contributing to the furnishing of a room at the Lantern. They are about to open a community resource with over 100 rooms for community members who have been experiencing homelessness. It costs about $315.00 to fund the furnishings for a room and she would like the Council to consider using the Council Initiative Fund for that sponsorship.

Councilmember House also requested a FAIR to consider exploring a resolution to become a recovery ready community, aimed at supporting individuals and families affected by substance use and mental health challenges. Arizona was very low ranking in behavioral health access, particularly for children and youth, as well as recent reports of rising school absenteeism. She emphasized that the initiative aligned with Flagstaff's existing trauma-informed workplace efforts and broader community values of health, inclusion, and opportunity, and could serve as a foundation for future collaborations with local and state recovery programs.

Mayor Daggett shared information on the upcoming "Voices Unheard: Breaking the Silence" event that would be focusing on missing and murdered Indigenous women, human trafficking, and policy reform. She also shared that there would be a Harvest Festival at the future Indigenous Community Cultural Center on Mogollon Street. The event would feature cultural dances, presentations, and demonstrations, offering the community a chance to connect with the Indigenous Circle of Flagstaff and support excitement around the new center. Lastly, the Sustainability Division would host a Drop-Off Day at the Coconino County Health and Human Services building on King Street. More information was available online and on social media.

13. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held October 21, 2025, adjourned at 6:55 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 21, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____

CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, SEPTEMBER 2, 2025
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held September 2, 2025, to order at 3:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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.

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

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

The Council and audience recited the pledge of allegiance, Councilmember House read the Mission Statement of the City of Flagstaff, and Vice Mayor Sweet read the 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.

Colleen Maring, Chief People Officer at Northern Arizona Healthcare addressed Council about plans for a new hospital in Flagstaff, emphasizing the need for a modern facility to meet community needs without disrupting current services. NAH was considering several Flagstaff sites for a new hospital, though rebuilding on the current FMC site would be highly disruptive. The new facility was intended to reduce wait times, improve access to care, and ensure 24/7 emergency services.

Housing Intern Aidan Rutledge addressed Council to share details about an upcoming homebuyer resource and education event in partnership with Housing Solutions of Northern Arizona and the Northern Arizona Association of Realtors. The expanded Community Home Buyer Assistance Program now offers up to $50,000 in support for first-time buyers, funded by the 2022 housing bond. Eligibility had been raised to households earning up to 150% of the area median income. The event would guide residents on accessing the program, preparing for homeownership, and connecting with housing professionals.

Sustainability Outreach and Communications VISTA Kenzie Marino addressed Council and announced the opening of the Flagstaff sustainability grant, which offered up to $7,500 for local projects that promote sustainability and resilience. Eligible projects could focus on energy, food, transportation, waste, or community health and resilience. Applications would be accepted through September 30, 2025 with grant materials, support hours, past project examples, and contact information available on the city's website.

Alan Winninger addressed Council with concerns about school safety and advocated for a permanent on-duty school resource officer at Flagstaff High School. He referenced recent safety incidents at Flagstaff High School, including a weapon-related lockdown. He praised the Flagstaff police, but emphasized the need for more resources and suggested three officers instead of one to better protect students and staff.

Mayor reordered the agenda to move Item 11B to the Public Hearing agenda after Item 10A.

5. PROCLAMATIONS AND RECOGNITIONS

A. Proclamation: Ovarian Cancer Awareness Month

Mayor Daggett read and presented the proclamation.

Celia Barotz addressed Council and highlighted the importance of genetic screening for detection of ovarian cancer and breast cancer. She urged people to talk to their healthcare providers out genetic testing.

B. Proclamation: Hunger Action Month

Mayor Daggett read and presented the proclamation.

6. COUNCIL LIAISON REPORTS

Councilmembers House reported that she attended the Housing Commission meeting, where they reviewed the 2024 -- 2025 10-year housing plan annual report and discussed city-owned land for housing. The Commission on Diversity Awareness meeting covered the Hispanic Heritage Month proclamation and heard from the Townsite Community Land Trust. She also participated in the third quarter Coconino County Crisis System meeting, which brought together healthcare, justice, and crisis intervention partners to strengthen the countywide crisis system, including Flagstaff.

Vice Mayor Sweet noted that the MetroPlan meeting was coming up.

Councilmember Matthews reported that she attended a Mountain Line meeting and will provide a report at the next week's meeting.

7. APPOINTMENTS

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

A. Consideration of Appointments: Housing Commission

Moved by Mayor Becky Daggett, **seconded by** Councilmember Khara House to appoint Jennifer Vargas to a Low Income Housing Expert position on the Housing Commission.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Khara House, **seconded by** Councilmember David Spence to appoint Sarah Miles to a Low Income Housing Expert position on the Housing Commission.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Anthony Garcia, **seconded by** Vice Mayor Miranda Sweet to appoint Jacqueline Kellogg to a Builders and Real Estate Professional - Realtor position on the Housing Commission.

Vote: 7 - 0 - Unanimously

8. 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.

Vice Mayor Sweet requested to pull Item 8B for discussion.

Moved by Councilmember David Spence, **seconded by** Councilmember Khara House to approve the Consent Agenda as presented with the exception of Item 8B.

Vote: 7 - 0 - Unanimously

A. Ratification of FY26 Insurance Renewal Premiums

Ratify the insurance renewal premiums for FY26 submitted by: 1) Arizona Municipal Risk Retentional Pool (AMRRP) for General Liability, Errors and Omission (E&O), Sexual Abuse and Molestation (SAM), Property, Auto, Marine, Crime, Cyber, Excess, and Workers' Compensation coverage; 2) Aon Risk Insurance Services West (Aon) for Airport Liability; 3) Aon for International Travel; and 4) Industrial Commission of Arizona (ICA) to fund the Firefighters Presumptive Cancer Claims.

B. Consideration and Approval of Contract: First Amendment to the Construction Manager at Risk (CMAR) Construction Phase Services Agreement with Eagle Mountain Construction, Inc. in an amount of $4,555,128.00 to add Phase 1 - GMP 2 for the Wildcat Interceptor Sewer Upsizing Project.

Vice Mayor Sweet thanked staff and Eagle Mountain Construction for advancing the project. The Wildcat interceptor upsizing was one of the most important infrastructure investments to ensure Flagstaff was prepared for future growth. She expressed her support for the contract.

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember Khara House to approve the First Amendment to the CMAR Construction Phase Services Agreement with Eagle Mountain Construction, Inc. (EMC) in an amount of $4,555,128 to add Phase 1 - GMP 2 for the Wildcat Interceptor Sewer Upsizing Project (Project), approve an Owner's Contingency of $100,000, which is approximately 3% of Phase 1 - GMP 2, and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

9. ROUTINE ITEMS

A. Consideration and Adoption of Ordinance No. 2025-18: An Ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code Title 7, Health and Sanitation, Chapter 7-03 City Water System Regulations of the City of Flagstaff City Code by amending Section 87-03-001-0011 Water Main Capacity Charges.

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to read Ordinance No. 2025-15 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AUTHORIZING THE ACQUISITION OF REAL PROPERTY INTERESTS FOR THE WILDCAT INTERCEPTOR SEWER UPSIZING PROJECT; PROVIDING FOR DELEGATION OF AUTHORITY; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to adopt Ordinance No. 2025-15.

Vote: 7 - 0 - Unanimously

B. Consideration and Adoption of Ordinance No. 2025-15: An ordinance of the City Council of the City of Flagstaff, authorizing the acquisition of real property interests for the Wildcat Interceptor Sewer Upsizing Project; providing for delegation of authority, providing for severability, authority for clerical corrections, and establishing an effective date

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to read Ordinance No. 2025-15 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AUTHORIZING THE ACQUISITION OF REAL PROPERTY INTERESTS FOR THE WILDCAT INTERCEPTOR SEWER UPSIZING PROJECT; PROVIDING FOR DELEGATION OF AUTHORITY; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to adopt Ordinance No. 2025-15.

Vote: 7 - 0 - Unanimously

C. Consideration and Adoption of Ordinance No. 2025-14: An ordinance of the City Council of the City of Flagstaff, ratifying the grants of easements and real property; and formally accepting grants of easements and real property; providing for severability, authority for clerical corrections, and establishing an effective date

Moved by Councilmember David Spence, **seconded by** Councilmember Khara House to read Ordinance No. 2025-14 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, RATIFYING THE GRANT OF EASEMENTS; AND FORMALLY ACCEPTING DEDICATIONS OF EASEMENTS AND REAL PROPERTY INTERESTS; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember David Spence to adopt Ordinance No. 2025-14.

Vote: 7 - 0 - Unanimously

D. Consideration and Approval of Contract: Change Order No. 1 with Eagle Mountain Construction, Inc. in the amount of $1,990,330, to the Cedar Crossing, GMP 4, Amendment No. Four, as part of the Spruce Wash Flood Mitigation Suite of Projects.

Capital Improvements Engineer Trevor Henry provided a PowerPoint presentation that covered the following:

SPRUCE WASH CEDAR CROSSING GMP 4 CO NO. 1
SPRUCE WASH -- CEDAR CROSSING
CHANGE ORDER NO. 1
CHANE ORDER NO. 1 INCLUDES
PUBLIC OUTREACH AND COORDINATION EFFORTS
FOURTH-CEDAR ROUNDABOUT

City Manager Clifton and City Council offered gratitude to staff for their time and effort to move the project forward and minimize the impacts to residents and businesses. To see the project from start to finish in a three-year time frame was remarkable.

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Anthony Garcia to approve Change Order No. 1 for Cedar Crossing in an amount of $1,990,330 and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

E. Consideration and Approval: A request for Preliminary Block Plat approval for Canyon del Rio Phase 2 located at 3200 E Butler Avenue within the Single-family Residential (R1) zone and the Medium Density Residential (MR) zone.

Current Planning Manager Alax Pucciarelli provided a PowerPoint presentation that covered the following:

CANYON DEL RIO PHASE 2 PRELIMINARY BLOCK PLAT
CANYON DEL RIO
CANYON DEL RIO AREA MAP
PRELIMINARY BLOCK PLAT
PRELIMINARY PLAT RENDERING
FINDING #1: ZONING CODE
EXISTING ZONING REGULATIONS
NATURAL RESOURCES
PARKS, OPEN SPACE, PEDESTRIAN AND BICYCLE FACILITIES
FINDING #2: SUBDIVISION STANDARDS
MEETS SUBDIVISION AND LAND SPLIT REGULATIONS (CHAPTER 11-20)
FINDING #3: ENGINEERING STANDARDS
MEETS ENGINEERING STANDARDS
ACCESS AND TRAFFIC
WATER AND WASTEWATER
STAFF RECOMMENDATION

Councilmember House asked if Finding #1 with the conditions included the proposed FUTS trail alignments. Ms. Pucciarelli indicated that it was substantially in conformance meaning that they were primarily focused on where people were coming from, where they were going, and develop the best route. Councilmember Aslan asked if there was any impact to the Arizona Trail. Ms. Pucciarelli clarified that the Arizona Trail was not aligned to go through the area, it was just city FUTS.

to approve the Preliminary Plat, in accordance with the findings presented in this report and the Planning and Zoning Commission recommendation of approval (7-0 on August 13, 2025) with the following conditions:

1. The final plats for each phase shall be in substantial conformance with the preliminary plat including the phasing plan and map (sheets PH01 and PH02) of the preliminary Block Plat of Canyon del Rio Phase 2. Each phase and parcel of the Canyon del Rio plat must meet all requirements independently.
2. The Final Plat for Canyon del Rio Phase 2 must meet the conditions of approval in the IDS approval comment letter dated June 5, 2025, as well as the conditions in the Traffic Impact Analysis Approval Memo dated July 10, 2025 (staff and the applicant are continuing to discuss the proportional share contribution for improvements at the Whetstone and Fourth Street Intersection, as well as responsibility for payment of that proportional share; the conditions related to improvements at the Whetstone and Fourth Street Intersection may be revised or removed depending on the outcome of those discussions).

Vote: 7 - 0 - Unanimously

10. PUBLIC HEARING ITEMS

A. Consideration and Adoption of Ordinance No. 2025-17: An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff Zoning Map to rezone approximately 13.82 acres of real property located at 2951 S Masonic Lane, from the Rural Residential (RR) zone within the Resource Protection Overlay Zone (RPO) and Suburban Commercial (SC) zone within the RPO to the Medium Density Residential (MR) zone within the RPO, providing for severability, authority for clerical corrections, and establishing an effective date.

Mayor Daggett opened the public hearing.

Senior Planner Ben Mejia explained that the public hearing needed to be postponed to September 16, 2025.

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to postpone the public hearing to a date certain of September 16, 2025.

Vote: 7 - 0 - Unanimously

11. REGULAR AGENDA

A. Consideration and Adoption of Resolution No. 2025-44: A resolution adopting the Adaptive Reuse Bond Program, which provides framework for the expenditure of approximately $3,000,000 in general obligation bond funds for the creation of affordable rental units.

Housing Planning Manager Jennifer Mikelson provided a PowerPoint presentation that covered the following:

PROP 442- APPROVED NOV. 2022
PURPOSE OF FUNDING
PROGRAM DEVELOPMENT
PRIORITIES FOR THIS PROGRAM
PASS/FAIL EVALUATIVE CRITERIA
PROJECT DETAILS
APPLICATION PROCESS
LOAN TERMS
NEXT STEPS

Councilmember Matthew voiced concern that the money might be directed toward transitional housing rather than solely permanent units. Transitional housing was important in the overall continuum, but the purpose of the bond was to address the permanent housing shortage.

Assistant Housing Director Justyna Costa clarified that the bond pamphlet language was broad and allowed for either transitional or permanent rental units, depending on developer proposals, though transitional projects usually relied on additional outside funding. The policy could be amended if council wished to restrict eligibility. A majority of Council supported to keep transitional housing eligible because it played a vital role in moving people out of homelessness and reflected the Housing Commission's unanimous approval of the draft policy.

There were questions about how the 30-year affordability requirement would be enforced. Ms. Mikelson explained that compliance would be tracked through biannual reporting, loan agreements, and new software tools.

Nadine Hart addressed Council in opposition to allowing bond funds to be used for transitional housing. The city already had a large transient hotel and multiple shelters, what was missing was permanent homes for residents.

Moved by Councilmember Khara House, **seconded by** Councilmember Austin Aslan to read Resolution No. 2025-44 by title only.

Councilmember House stated that many of the people who were in need of transitional housing were not simply transient, they were members of the community. Many people could be considered one life event away from experiencing that sort of need. It was part of moving people from experiencing homelessness into that continuum of permanent housing.

Vote: 6 - 1

NAY: Councilmember Lori Matthews

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, ADOPTING THE ADAPTIVE REUSE BOND

PROGRAM

Moved by Councilmember Khara House, **seconded by** Councilmember David Spence to adopt Resolution No. 2025-44.

Vote: 6 - 1

NAY: Councilmember Lori Matthews

B. Consideration and Adoption of Resolution No. 2025-42 and Ordinance No. 2025-16: 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 entitled "PZ-25-00041 - Single Use Residential in the Commercial and Public Facility Zones and Adaptive Reuse Incentives" and an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code.

Mayor Daggett opened the public hearing.

Zoning Code Manager Tiffany Antol provided a PowerPoint presentation that covered the following:

PZ-25-00041: SINGLE USE RESIDENTIAL & ADAPTIVE REUSE INCENTIVES
SINGLE USE RESIDENTIAL & ADAPTIVE REUSE
WHY IS THIS AMENDMENT HAPPENING?
BACKGROUND
WHAT DOES THE AMENDMENT INCLUDE?
NEW DEFINITIONS
NEW AFFORDABLE HOUSING INCENTIVE
ADAPTIVE REUSE APPLICABILITIY
ADAPTIVE REUSE INCENTIVES
NON-RESIDENTIAL ADAPTIVE REUSE PARKING REDUCTIONS
STAFF RECOMMENDATION
FLAGSTAFF REGIONAL PLAN 2030
10-YEAR HOUSING PLAN
CARBON NEUTRALITY PLAN
THE PROPOSED AMENDMENT WILL NOT BE DETRIMENTAL TO THE PUBLIC HEALTH, SAFETY, CONVENIENCE, OR WELFARE OF THE CITY
THE PROPOSED AMENDMENT IS INTERNALLY CONSISTENT WITH OTHER APPLICABLE PROVISIONS OF THIS ZONING CODE
RECOMMENDATION

Councilmember House asked how Finding 1 considered the upcoming new regional plan. Ms. Antol stated that they look to the future plan along with the existing plan.

There being no public comment Mayor Daggett closed the public hearing.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Austin Aslan to read Resolution No. 2025-42 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "PZ-25-00041 -- SINGLE USE RESIDENTIAL IN THE COMMERCIAL AND PUBLIC FACILITY ZONES AND ADAPTIVE RESUE INCENTIVES"

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House to read Ordinance No. 2025-16 by title only for the first time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "PZ-25-00041 -- SINGLE USE RESIDENTIAL IN THE COMMERCIAL AND PUBLIC FACILITY ZONES AND ADAPTIVE REUSE INCENTIVES"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

C. Consideration and Approval of Contract: First Amendment to the Cooperative Purchase Contract with Flock Safety in the amount of $112,000, in addition to other fees and taxes, for safety cameras for the Flagstaff Police Department

Consideration and Direction on Citizen Petition: Freeing Flagstaff from invasive surveillance

Police Chief Sean Connelly and Deputy Chief Collin Seay provided a PowerPoint presentation that covered the following:

AUTOMATED LICENSE PLATE READER (ALPR) DISCUSSION WITH THE FLAGSTAFF CITY COUNCIL FOR THE FLAGSTAFF POLICE DEPARTMENT

Chief Connolly introduced Trevor Chandler with Flock Safety to talk about the Flock system.

Mr. Chandler stated that Flagstaff retained complete ownership of its own data from the license plate reader system. Flock cannot sell or share information, and only the city or its police department could decide whether to share data with other agencies. Private businesses that use Flock's technology did not have any access to government data, and all data that was not downloaded for evidentiary purposes was automatically deleted after 30 days. The system captured only images of vehicles and license plates and did not collect any personally identifiable information.

To protect the information that was gathered, Flock encrypted all images and treated them with the same level of security as the most sensitive government data. They were certified under federal and industry standards such as FBI CJIS, SOC 2, HIPAA, FERPA, and ISO 27001. New safeguards had also been added, including filters to block searches that would violate sanctuary city laws, clearer labeling of federal agencies requesting access, and restrictions on the scope of federal use. Every search conducted in the system required a user ID, a reason, and in some cases a case number. All searches were permanently logged to allow for full audits. If Flagstaff determined its data was being misused, it could revoke access immediately.

Mr. Chandler highlighted the public safety benefits of the technology. He noted endorsements from the National Center for Missing and Exploited Children, which oversaw the Amber Alert program, and Mothers Against Drunk Driving. The system had been used to recover abducted children, identify hit-and-run drivers, and build unbiased evidence for prosecutions. By focusing only on vehicles already flagged as suspicious, the system avoided the subjectivity of officer judgment and supported precision policing rather than mass surveillance.

Courts at both state and federal levels had consistently found the use of license plate readers constitutional under the Fourth Amendment, with one ongoing case in Norfolk, Virginia standing as an exception. Mr. Chandler stressed that the cameras did not track people's movements or private activities. Instead, they provided snapshots at fixed points in time, giving law enforcement objective evidence to help solve crimes while maintaining a balance between public safety and community values.

Councilmember Garcia noted that the system looked at the exterior of a vehicle, he asked at what point there could be concerns with the Fourth Amendment.

Mr. Chandler explained that The Supreme Court had ruled that the exterior of a vehicle, when visible on a public road, was not protected under the Fourth Amendment. It had been established that vehicle exteriors were considered public information. Under constitutional case law, continuous tracking of a vehicle, such as attaching a GPS device without a warrant, would violate the Fourth

Amendment. However, fixed cameras that captured license plates at specific locations did not constitute ongoing surveillance. Because license plates are government-issued documents meant for public display, courts had consistently found that capturing images of them at a set point in time did not violate the Fourth Amendment.

Vice Mayor Sweet asked the difference between a typical license plate reader and the Flock system.

Mr. Chandler stated that Flock had expanded the traditional use of license plate readers by allowing agencies to share information with one another if they chose. In the past, license plate readers were limited to a single agency, either through squad car computers or dash-mounted cameras, meaning only that agency would be notified if a flagged vehicle appeared. With Flock's system, agencies such as Flagstaff and Phoenix could voluntarily enter into sharing agreements so that if a vehicle linked to a case was detected in another jurisdiction, both agencies received the alert. The ability to collaborate across jurisdictions was one reason the National Center for Missing and Exploited Children had strongly endorsed the technology. He emphasized that sharing was entirely optional and under the sole control of each agency; the company did not monetize or automatically share data. All information was stored securely and encrypted until an agency decided how and with whom to share it. Additionally, the cameras were limited to capturing vehicles and license plates only, they did not have facial recognition technology and databases could not be searched based on human characteristics.

Councilmember House shared that a regular question that Council received was about the potential for sharing information with federal agencies particularly in relation to immigration. She asked what the current status of sharing information for that purpose was and where it stood with communities if they chose not to share the information. She asked if Flock still had the ability to share the city's data.

Mr. Chandler explained that Flock had previously ran short pilot projects with Homeland Security Investigations and Customs and Border Protection to test the system's effectiveness in combating human trafficking and fentanyl trafficking. Those pilots have since ended, and neither agency currently had access to the system. If federal agencies were to seek access in the future, they would not be able to use state or national lookups but only connect with agencies that had chosen to share directly with them. Any request from a federal agency would be clearly labeled as such so that local communities could decide whether to allow sharing based on their own values. The data always belonged to the local agency, and it would never be shared without explicit consent.

Police Detective Jared Wotasik continued the presentation.

CITY OF FLAGSTAFF ALPR DISCUSSION
THE FLAGSTAFF POLICE DEPARTMENT'S COMMITMENT
HISTORY OF FLAGSTAFF POLICE DEPARTMENT ALPR PROGRAM
INFORMATION ABOUT ALPR TECHNOLOGY
CASE EXAMPLES THAT HIGHLIGHTED THE NEED FOR ALPRS
WHAT IS AN ALPR
COMPETITORS ON THE MARKET
OUR POLICY
QUALITY CONTROL AND AUDITING
OUR FLOCK CAMERA DEPLOYMENT
AGENCY DATA SHARING
VICTIM SUCCESS STORIES
CONTRACT AMENDMENT

Mayor Daggett opened the discussion on the citizen petition.

The following individuals spoke in opposition of the use of ALPR cameras and in support of advancing the petition to a future agenda:

- Brenden Trachsel
- Kai Kelly
- McCallister Banks

- Tristian Ugalde
- Jill Stephensen
- Elizabeth Deere
- Debra Block
- Richard Kozac
- Marcus Ford
- Robert Breunig
- Gary Pearlmutter
- Michael Caulkins
- Desiree Perez
- Kevin McCoy
- Travis Smith
- Celia Barotz
- Oksana Dresler
- Charlie Silver

The following comments were received:

- End the contract immediately.
- They store vehicle information including stickers, damage, etc.
- Data is shared statewide.
- Mass surveillance gives government more power.
- Information is available without probable cause.
- Has been used inappropriately in the past.
- False positives.
- Breach of privacy.
- Cities are abandoning their policies and equipment.
- Typically, you need a warrant for a police tail.
- No one is saying we do not want justice for victims but what is the cost of that?
- I do not want to live in a surveillance state.
- We are putting all our trust in artificial intelligence.
- There is a lack of trust, and this was pushed through without discussion a year ago.
- We are now being tracked as we travel around the state and country.
- Crimes are being committed with no plates or fake plates.
- The capabilities of these cameras are more advance than anyone can imagine.
- There was no notice to the community about installations around the country.
- Data is constantly stored and analyzed by Flock's AI tools.
- There is no where I can travel where I can avoid these.
- Flock existence is suffocating our rights.
- They have the ability to take photos of drivers, passengers, and the inside of our vehicles.
- A Kansas police officer arrested for stalking and unauthorized acts for using Flock cameras to track his ex-wife.
- A woman was hunted down by Texas law enforcement for seeking reproductive care.
- How does this keep our community safer?
- This erodes our privacy, rights, and democracy.
- Consider the environmental impacts from AI technology.
- Flock cameras are incompatible with the values of Flagstaff and Americans.
- Council should protect their constituents from the all-seeing eye.
- Terminate all current and future contracts with Flock.
- Appreciate the help to police that these cameras provide but constitutional freedoms are being undermined.
- Concerned about the hacking of these systems.
- What if the federal government demands that we share information with them, specifically with ICE?
- All citizens will report crimes that they see, and we all become active members of our community.
- Citizens have no desire to be tracked by their government since the Revolutionary War.
- Flock cameras go against community policing policies by removing the human element of policing.

- A better use of funds is to train police.
- Constitutional rights are under attack at all levels.
- You are asking the community to accept a tool of mass surveillance.
- Data collection and analysis occurs without consent.
- I am more concerned with mass surveillance than being a victim of crime.
- Some Arizona law enforcement agencies have assisted ICE and provided access to Flock.
- This is the wrong direction for Flagstaff.
- The concern is how easily this technology can grow beyond its intentions.
- How many times will we fall for the lies and bait and switch for a better world.
- Identifying a car is the same as following a person, it is identifying the person driving the vehicle.
- Crime has been dropping for 33 years, well before Flock came along.
- Police say that these cameras will make their job easier and our lives safer but this comes at a cost to our freedom.
- Our safety is important but so is our liberty.
- The disadvantages far outweigh the advantages.
- Your job is to protect our political freedoms.
- Installation of devices such as Flock cameras without adequate public conversation puts us on a slippery slope and on a path to a surveillance state.
- This is an invasion of my privacy rights.
- Council approved the original contract on the Consent Agenda, there was no discussion on the guardrails, you have an opportunity to do that now.
- An individual travelling in an automobile does not necessarily mean that you give up all rights to privacy.
- There needs to be more discussion about civil liberties and rights within the context of these contracts.
- Search criteria having to be approved by supervisors gives no sense of comfort.
- Flock spent $460,000 in lobbying efforts.
- Austin and Sedona have cancelled their contracts because of the jeopardies that it poses to our human rights.
- The city might be opening itself up to multiple lawsuits.
- Where does big data end?
- All companies get hacked, how is this different?
- This data should not be so freely available.
- The federal government will have access to this data whenever they want.
- Make available to the public all policies and MOUs of all agencies we partner with.

The following individuals submitted written comments in opposition of the use of ALPR cameras and in support of advancing the petition to a future agenda:

- Desiree Perez
- Debra Block
- Luis Fernandez
- Casey Rucker
- Ira Allen
- Stephanie Kohnen
- Kevin White
- Jonas Noomah

The following individuals spoke in support of the use of ALPR cameras:

- Nadine Hart

The following comments were received:

- It is hypocritical when everyone here is using a cell phone and computer and don't mind being surveilled when they are shopping online.
- Follow the rules, if you are not doing anything wrong you have nothing to worry about.
- This is about keeping our public safe.
- Surveillance is everywhere.
- We need to align ourselves with the federal government and share resources.

- We care about terrorists, threats to our schools, missing children.
- If left to their own devices people will commit crimes and try to get away with it.
- Please consider adding more cameras to keep our community safer.
- This is protecting us all.
- The following individuals submitted written comments in support of the use of ALPR cameras:
- Brad Mihalik
- Bernice and Ray Carver

Councilmember Garcia asked whether the contract had auto renewed. Purchasing Director Patrick Brown clarified that while the underlying cooperative contract ran through 2027, renewals only occurred if both the city and Flock agreed each year. The current amendment under consideration was what would authorize the next year of service, it had not automatically renewed.

Councilmember Garcia also asked about the concerns around the federal government extracting local data. Chief Connolly emphasized that the data belonged to Flagstaff, not Flock or any federal agency. He emphasized that he had no intention of sharing data with the federal government. He noted this as both an ethical and professional commitment.

Councilmember Garcia offered that the use of Flock cameras could actually enhance community policing by reducing the need for officers to sit and wait for vehicles. It could free up more time to engage with residents. He felt that further discussion between the community, Council, and the Police Department was needed before taking action on the citizen petition.

Councilmember House stated that during the presentation Chief Connolly had stated that he would be willing to have a tech advisory board, she asked him to expand on that willingness. Chief Connolly stated that he strongly supported the idea, and felt that it was important to foster trust, transparency, and community involvement in shaping policy. He had prioritized creating processes that ensured policies were developed with community input, and he saw a tech advisory board as a natural extension of that approach. He explained that as technology became more integrated into law enforcement, it was essential to have thoughtful, community-based conversations about how it should be used. He shared the evolution of community policing, and noted past failures when police departments imposed broad, heavy-handed tactics that strained trust. He stressed that with tools like license plate readers, the goal was precision policing, where investigations were targeted and evidence-based rather than casting wide nets that unfairly impacted entire communities. In his view, involving the community through an advisory board would help ensure safety strategies reflected both public values and effective policing practices.

Councilmember Matthews noted that there were misconceptions in the community about what Flock cameras did and what risks they posed. She referred to comments that expressed concerns about potential Fourth Amendment violations, targeting individuals rather than scanning license plates, the presence of cameras at Home Depot, and questions about what the city's contract allowed to be shared. Much of the community concern was rooted in fear and a lack of clear information. She asked staff to address those specific concerns to provide transparency, clarify misunderstandings, and help the community distinguish between legitimate concerns and speculation.

Chief Connolly clarified that the city did not have cameras at Home Depot. There were corporations that were seeking video security measures due to crime on their properties, but the city was not involved in those efforts. The was no planned expansion of the city's 32 cameras, it was just sustaining what currently existed.

Senior Assistant City Attorney Marianne Sullivan acknowledged that several comments raised Fourth Amendment concerns and explained that, while she could not provide specific legal advice, existing case law addressed privacy rights related to tracking people's movements and the use of automatic license plate reader technology. She noted that no court case had determined that license plate reader systems violated privacy rights or required a warrant, which reflected the current legal position on the issue.

Councilmember Matthews also referenced concerns about future governments mandating that information be shared. She asked what options the city had in that sort of situation. Ms. Sullivan

stated that the data collected currently belonged to the city and it was the city's choice who to share it with. The city did not share the information with federal agencies and city policies specifically stated that the technology was not to be used for immigration investigations or enforcement. She further explained that if there were to be a change in the federal government demanding access to the city's data, there was a provision within the contract that would allow the city to cancel with proper notice at any time and end the program if needed.

Vice Mayor Sweet asked about false positives or misidentifications within the system. Deputy Chief Seay stated that errors could occur; for example if another agency failed to remove a vehicle from the stolen list after it had been recovered or when a plate was not clearly read such as a two being interpreted as a seven. When a Flock or ALPR alert was received, officers must verify the information before taking enforcement action, since camera misreads were possible. If a mistake occurred, such as stopping the wrong vehicle, it must be documented in a police report and stored in department records.

Vice Mayor Sweet also asked about issues with the system being hacked. Mr. Chandler stated that the system had not been hacked and that the contract required immediate notification to customers if a breach ever occurred. He explained that the system used encryption and cloud security equal to or stronger than what most municipal governments employed. Although the data collected contained no personally identifiable information, the company continued to enhance its security measures and encryption standards to maintain strong protection and prevent potential breaches.

Councilmember Aslan thanked the police chief, department staff, and community members for their engagement. He emphasized the city's duty to protect vulnerable residents while following state and federal law. Although expressing strong trust in the Flagstaff Police Department's integrity and intentions, he voiced concern about expanding surveillance technology like Flock cameras amid growing national misuse of such tools. He questioned conflicting claims about whether the city must comply with outside data requests, and argued it was safer to assume compliance would be required. While noting that community fear stems from higher levels of government rather than local policing, he warned that surveillance technology could easily be abused and that it was not the right time to expand it. Despite the department's good intentions, the risks to privacy outweighed the benefits and he planned to vote against the contract amendment while encouraging continued transparent discussion.

Councilmember House emphasized that trust and transparency were core community values and that many residents' questions about Flock and license plate readers stemmed from those principles. She trusted the Police Department's intentions and recognized the program's usefulness but noted that concerns about surveillance were part of a broader state and national conversation driven by actions beyond local control. She argued that, before amending the contract, the city must fully examine the implications to avoid becoming a "mass surveillance state." While not necessarily calling for cancellation of the contract, she supported continuing the discussion and moving the issue forward for further consideration.

Councilmember Matthews reiterated the widespread confusion and misinformation about Flock and license-plate readers. It was important for the city to be transparent and educate the public with factual answers. She noted that Sedona had paused their contract for similar reasons, and acknowledged documented misuse of surveillance could occur but could be limited with proper procedures and guardrails. She questioned how plate-scanning meaningfully differed from other data collection like facial recognition on cell phones, social media, or phone tracking. She also stressed the need to avoid decisions that would hamper solving serious crimes and called the citizen petition flawed. Although she had seen no major violations since Flagstaff's contract began last June, she urged a more robust conversation and recommended pausing to address community concerns before moving forward.

Mayor Daggett and Councilmembers Spence and Garcia indicated their support for advancing the petition to a future agenda for discussion.

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to postpone the contract amendment until after the citizen petition discussion.

Councilmember Spence shared that he would vote against the motion because he favored extending the contract with the firm understanding that the city could cancel the contract at any future time if needed.

Vote: 6 - 1

NAY: Councilmember David Spence

12. OPEN CALL TO THE PUBLIC

Nadine Hart addressed Council and described being hit by a truck while biking through the Forest and Beaver intersection despite having a green light. The driver ran the red light, did not stop. There were frequent accidents caused by short or inconsistent light cycles, and many people, including students and visitors, regularly used the intersection. She urged the Council to review and improve the traffic light timing and safety measures at Forest and Beaver to better protect cyclists, pedestrians, and drivers.

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

Councilmember Garcia expressed interest in learning more about Flagstaff's historic preservation efforts. He suggested a work session to review how historic preservation was managed, including the inventory of historic buildings, staff roles, strategies for adding to that inventory, and how the Historical Preservation Commission functioned independently from City Council.

Councilmember Aslan shared that he was excited about the virtual power purchase agreement that staff had presented at the prior Council meeting. He was looking forward to the partnerships that would come from the program. He also asked about the possibility of contributing to the Lenchito Vargas family Go Fund me for funeral expenses.

Vice Mayor Sweet thanked staff and the public for their participation in the difficult discussion that night. She shared personal experiences where cameras had helped solve incidents and reinforced her support for the technology while acknowledging the importance of continued conversation about transparency, trust, and community well-being. She expressed regret for not addressing the issue earlier but appreciated the opportunity to engage further and emphasized her trust in the police department and belief in the community's ability to have an honest, productive discussion.

14. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held September 2, 2025, adjourned at 7:57 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on September 2, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, OCTOBER 7, 2025
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN AVE
3:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held October 7, 2025, to order at 3:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for 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.

Present: Mayor Becky Daggett
Vice Mayor Miranda Sweet
Councilmember Austin Aslan
Councilmember Anthony Garcia
Councilmember Khara House
Councilmember Lori Matthews
Councilmember David Spence

Staff Present: City Manager Greg Clifton; City Attorney Sterling Solomon

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

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

Stephen Puhr addressed Council and raised concerns about the city's investment management and questioned the information presented during the recent presentation. He requested the City Council to monitor investments more closely.

Colleen Maring, Chief People Officer at Northern Arizona Healthcare, addressed Council to announce upcoming listening sessions to gather community input on the future of the current Flagstaff Medical Center site if the hospital relocates.

5. PROCLAMATIONS AND RECOGNITIONS

A. Proclamation: Housing America Month

Councilmember House read and presented the proclamation.

B. Proclamation: Domestic Violence Awareness Month

Mayor Daggett read and presented the proclamation.

C. Proclamation: Indigenous Peoples' Day

Councilmember Matthews read and presented the proclamation.

6. COUNCIL LIAISON REPORTS

Councilmember Matthews reported on the Mountain Line meeting. She highlighted ongoing work on tax increases, rehabilitation of benches and shelters, and improvements to paratransit agreements.

Vice Mayor Sweet mentioned an upcoming Metro Plan meeting that she would be attending.

7. APPOINTMENTS

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

A. Consideration of Appointments: Housing Commission

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Khara House to appoint Sarah Meyer to the Housing Commission - Builders and Real Estate Professional - Realtor position.

Vote: 7 - 0 - Unanimously

8. LIQUOR LICENSE PUBLIC HEARINGS

Applications under Liquor License Public Hearings may be considered under one public hearing and may be acted upon by one motion unless otherwise requested by Council.

Mayor Daggett opened the public hearing.

Deputy City Clerk Georganna Staskey introduced the applications and indicated that the Police Department and Community Development had provided their respective findings.

There being no public comment, Mayor Daggett closed the public hearing.

A. Consideration and Action on Liquor License Application: John Stephan Dolan "The Porch Flagstaff", 360 W. Forest Meadows Street, Series 12 (Restaurant), New License

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to forward the applications to the State with a recommendation of approval.

Vote: 7 - 0 - Unanimously

9. 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.

Mayor Daggett pulled Item 9F from the Consent Agenda for discussion.

Moved by Councilmember Anthony Garcia, **seconded by** Vice Mayor Miranda Sweet to approve the Consent Agenda as presented with the exception of Item 9F.

Vote: 7 - 0 - Unanimously

A. Consideration and Approval of Contract: Approval of cooperative purchase from RWC International DBA RWC Group for Public Works and Water Services Divisions under State of Arizona - Arizona Department of Transportation (ADOT) Contract No. CTR069476 in the amount of $626,043.42

- One (1) 10-wheel plow truck - Public Works - $430,647.12
- One (1) 6-wheel dump truck - Water Services - $195,396.30

1. Approve the cooperative purchase of one (1) plow truck for the Streets section and one (1) dump truck for Water Services from RWC International for the amount of $ 626,043.42; and
2. Authorize the City Manager to execute the necessary documents.

B. Consideration and Approval of Contract: Ratify Grant Agreement between the City of Flagstaff and the U.S. Department of Transportation, Federal Aviation Administration (FAA) for the construction of a Snow Removal Equipment Building (SREB) - Phase 2.

Ratify the Grant Agreement with the Federal Aviation Administration for the Airport Snow Removal Equipment Building - Phase 2 for grant funds in the amount of $5,772,047.

C. Consideration and Approval of Contract: Cooperative purchase through State of Arizona cooperative contract #CTR062609 with MSS Business Transformation Advisory, Inc. for CAD/RMS Migration Consulting.

1. Approve a cooperative purchase through State of Arizona cooperative contract #CTR062609 with MSS Business Transformation Advisory, Inc. in the amount of $150,000, plus the current local tax rate; and
2. Authorize the City Manager to execute all necessary documents.

D. Consideration and Approval of Contract: Approve the Software Agreement with Emphasys Computer Solutions, Inc. in the amount of $363,406.00, plus the current local tax rate for Elite Cloud Migration.

1. Approve the five-year Software Agreement with Emphasys Computer Solutions, Inc. (Emphasys) for implementation and software maintenance in the amount of $363,406.00, plus the current local tax rate; and
2. Authorize the City Manager to execute all necessary documents.

E. Consideration and Approval of Meeting Cancellations: Work Session of November 11, 2025 and Work Session of November 25, 2025

Cancel the Work Session of November 11, 2025 and Work Session of November 25, 2025

F. Consideration and Approval of Contract: Five-year contract through Cooperative Contract Sourcewell #101223-AXN for the AXON Officer Safety Plan Bundle.

Councilmember House raised concerns about the reliance on AI and the potential for bias. Chief Connolly assured that safeguards were in place and emphasized the importance of training officers to review AI-generated reports. Chief Information Officer CJ Perry shared that the system was more of a transcription service, and he had a high level of confidence that those types of biases would not occur.

Councilmember Garcia asked about the importance of body cameras. Chief Connolly offered that being able to capture the events that occur during a police interaction provides a system of accountability along with transparency to the public.

Moved by Councilmember Khara House, **seconded by** Councilmember Anthony Garcia to approve the five-year contract for the AXON Officer Safety Plan Bundle in the amount of $3,579,459.40 through Cooperative Contract Sourcewell #101223-AXN to AXON for the AXON AB4 Flex POV, the AXON Taser 10 equipment and related software licenses. In FY 2025-26 we will be required to pay $486,338.29 and $773,280.26 every year after for four (4) years and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

G. Consideration and Approval of Contract: This contract with SWCA, Incorporated DBA SWCA Environmental Consultants, will initiate an update to the Greater Flagstaff Region Community Wildfire Protection Plan.

1. Staff recommends City Council approve this contract with SWCA with payment not to exceed $259,390.00.
2. Authorize the City Manager to execute all necessary documents.

H. Consideration and Approval of Contract: This contract with SWCA will implement heritage surveys required for prescribed fire clearance across priority areas of the Flagstaff Ranger District, Coconino National Forest.

1. Staff recommends City Council approve this contract with SWCA with payment not to exceed $1,210,591.00.
2. Authorize the City Manager to execute all necessary documents.

10. ROUTINE ITEMS

A. Consideration and Adoption of Resolution No. 2025-46 and Ordinance No. 2025-19: 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 entitled "PZ-25-00028 - High Occupancy Housing Update" and an Ordinance of the City Council of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 10, Flagstaff Zoning Code.

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to read Ordinance No. 2025-19 by title only for the final time.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to adopt Resolution No. 2025-46.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "PZ-25-00028 -- HIGH OCCUPANCY HOUSING UPDATE"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to adopt Ordinance No. 2025-19.

Vote: 7 - 0 - Unanimously

B. Consideration and Approval of Planned Residential Development allowances and modifications to Engineering Standards: STL 405, LLC requests Planned Residential Development (PRD) allowances and Engineering modifications for "STL 405 -- Pine Canyon Expansion", a 54-lot subdivision on 77.7 acres in the Rural Residential (RR) Zone within the Resource Protection Overlay (RPO).

Planner Ben Mejia provided a PowerPoint presentation that covered the following:

STL 405 PINE CANYON EXPANSION
REQUEST OVERVIEW
VICINITY MAP
BACKGROUND
PRD -- DEVELOPMENT STANDARDS
PRD -- COMMUNITY SPACE
PRD -- DESIGN ELEMENTS
REQUESTS FOR MODIFICATION TO ENGINEERING STANDARDS
MODIFICATION #1: TYPICAL URBAN CUL-DE-SAC - MODIFIED BACK OF CURB RADII (DETAIL NO. 10-04-010)
MODIFICATION #2: RESIDENTIAL LOCAL "WIDE" STREET SECTION - MODIFY TO ELIMINATE SIDEWALKS (DETAIL NO. 10-09-037).

MODIFICATION #3: RESIDENTIAL LOCAL STREET SECTION - MODIFY TO ELIMINATE SIDEWALKS (DETAIL NO. 13-10-09-038).
MODIFICATION #4: ENTRY ROAD - MODIFICATION TO STREET SECTION (DETAIL NO. 10-09-038).
MODIFICATION #5: ENTRY ROAD - MODIFICATION TO STREET SECTION (DETAIL NO. 10-09-038) FOR VEHICULAR GATES.
STAFF RECOMMENDATION

Lindsay Schube with Gammage and Burnam requested approval of the preliminary plat, including modification 5, which would allow a gate at the proposed expansion of Pine Canyon. She acknowledged ongoing ideological objections to gated communities in Flagstaff but emphasized that Pine Canyon had historically been a gated development and that this phase continued that pattern. She expressed appreciation for staff collaboration and committed to finalizing a Memorandum of Understanding to resolve traffic concerns well before the final plat returned for consideration.

Councilmember Garcia asked for clarification on the tree resources in the steep slope protection area. Mr. Mejia explained that residential projects must preserve at least 50% of tree and forest resources, typically documented in a Natural Resource Protection Plan. That plan was not included because the application, one of the first under the new subdivision code, focused only on the planned residential development standards and requested engineering modifications. Although the plan was not provided, staff confirmed that the project was compliant with all resource protection requirements, including the 50% preservation standard for both the overall site and the golf course tract. The steep-slope protections were also verified during the review.

Councilmember Garcia asked about sidewalks and if there was a reason they were not included in the project. Mr. Mejia explained that Pine Canyon developed without sidewalks, and they were continuing that through the development pattern.

Councilmember Garcia then asked for more information on the traffic and gate access concerns. City Engineer Paul Mood offered that the concern was that the existing Pine Canyon gate on John Wesley Powell (JWP) often caused morning construction traffic to back up significantly, which was currently manageable only because the road dead-ends. Once the road extension project was completed, such backups would be unacceptable. Staff reviewed the proposed Memorandum of Understanding (MOU) submitted and felt confident that it would address the issue and that projected residential traffic should be adequately accommodated. There was sufficient stacking distance at the gate for regular resident entry and exit; the primary concern was construction-related traffic, which the MOU was intended to mitigate.

Councilmember Spence asked whether traffic-calming features were required for the project and questioned how the applicant could count a proposed traffic circle on JWP toward those requirements rather than placing calming elements inside the subdivision. Mr. Meja explained that while most subdivision roads were typically dedicated to the public, the interior roads in the project would remain private. However, the subdivision would dedicate the full length of the John Wesley Powell extension, and the applicant was responsible for designing that roadway. Because of that, it was determined that the proposed traffic circle on JWP could qualify as the project's traffic-calming element.

Ms. Schube added that the roundabout was intentionally designed as a calming feature along JWP and at the subdivision entry. Other engineering modifications, such as reduced pavement and a meandering roadway, also contributed to calming vehicle speeds and reducing infrastructure footprint.

Vice Mayor Sweet expressed support for accessory dwelling units (ADUs) and was pleased that setback standards would not prevent them. She asked whether ADUs were anticipated within the development and how the applicant planned to encourage them. Ms. Schube stated that they did expect and intended to encourage ADUs. Because many homes would be custom-built, lot sizes and setbacks would allow owners to incorporate ADUs into their designs. They planned to educate prospective homeowners and promote ADU options as part of the development process.

Vice Mayor Sweet then asked about planned infrastructure to support multimodal transportation. Ms.

Schube explained that Pine Canyon was intended to function as a multimodal community, even without traditional interior sidewalks. She highlighted expected connections to the FUTS trail system, opportunities for bike and pedestrian access, and integration with nearby mixed-use areas on adjacent state trust land. The surrounding commercial and recreational amenities like cafes, dining, parks, and trails were intended to make it easier for residents to walk or bike rather than rely on cars.

Councilmember Matthews asked whether the project was being reviewed under the resource protection pilot program or the existing standards, and staff confirmed it was under the existing standards. She contrasted the project's tree-preservation requirements with recent Forest Service work near JWP, where more than half the trees were removed, and how dramatically it changed the character of the area.

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to approve the use of PRD standards subject to the following conditions:

1. If a conditional use permit for the golf course facility is not granted, all reference to the golf course use must be removed on all future submittals and an alternative PRD design element shall be elected by the applicant. The Planning Director shall determine compliance with the design element elected.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to approve the requests for modifications to Engineering Standards #1-4 subject to the following conditions:

1. Civil engineering plans and final plat for STL 405 Pine Canyon Expansion must meet the recommended conditions of approval as written in the City Engineer Response to Engineering Modification Requests dated May 22, 2025.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to approve the request for modification to Engineering Standards #5 with the following conditions of approval:

1. A Memorandum of Understanding shall be executed prior to approval of the final plat that includes:
2. A resolution to traffic impacts on John Wesley Powell Boulevard, to the satisfaction of the City Engineer.
3. Use of the gate will abide by the regulations for public access as allowed by the existing Pine Canyon DA.

Vote: 7 - 0 - Unanimously

11. PUBLIC HEARING ITEMS

A. 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

Mayor Daggett opened the public hearing.

ParkFlag Manager Gail Brockman and Management Services Director Rick Tadder provided a PowerPoint presentation that covered the following:

PARKFLAG DOWNTOWN PARKING RATE INCREASE
ORDINANCE FIRST READ
BACKGROUND
PROGRAM IMPLEMENTATION
PROGRAM DEVELOPMENT
CHANGING EXPENSES
PROGRAM HISTORY
IMPROVEMENTS
REVENUE, LOCKBOX AND OTHER CONSIDERATIONS
PROPOSAL
PERMIT EXPANSIONS
ENHANCED SERVICES
PARKFLAG RATES AND FEES ANALYSIS
FINANCIAL OVERVIEW
FINANCIAL OVERVIEW -- REVENUES
FINANCIAL OVERVIEW -- USES OF FUNDS
FINANCIAL OVERVIEW -- FUND BALANCE
FINANCIAL OVERVIEW -- LOCKBOX
FINANCIAL SUMMARY
PUBLIC COMMENTS
LOOKING AHEAD
TIMELINE FOR ADOPTION

Mr. Clifton offered that the discussion was the culmination of several years of work between city staff and the downtown business community. Throughout those discussions, two issues had consistently dominated conversations, parking and enhanced services downtown. The proposed parking rate increase was rooted in the business community's desire to fund and improve services in the downtown area. While additional revenue would help sustain internal operations, most of the new funds generated, particularly through the lockbox mechanism, would be reinvested directly back into downtown enhancements. He highlighted the fortunate timing of multiple efforts coming together including rising lockbox revenues, two pending parking-related projects, and growing momentum around enhanced downtown services. It created an opportunity to advance improved parking infrastructure and enhanced services in a way that aligned with long-standing priorities of the downtown business community.

Councilmember House asked for confirmation about the research conducted on comparable paid-parking rates in similar cities. Staff explained that the rate study included a review of municipalities, university towns, and private lots. Overall, most comparable cities fell within the $1.50-$3.00 per hour range.

Councilmember House also asked whether the city's discussions about EV charging rates or program expansion related to the parking rate proposal. Staff indicated that they did consider EV charging in the rate study but currently treated it as a separate operational discussion. Existing chargers in downtown were limited and concentrated at the Visitor Center, City Hall, county buildings, and at the airport. The placement and pricing strategy was tied to visitor convenience, sustainability collaboration, and anticipated future expansion, especially at the airport.

Councilmember House then asked about the implementation of the proposed "$1 for the first half hour, $2 for the full hour" structure. Staff clarified that the system could recognize session extensions and automatically charge the higher rate if the user extended within the active session or shortly after it expired. However, if someone returned late and started a new session manually, the system may treat it as another half-hour purchase. This could be addressed through software updates, which would take roughly a month plus kiosk updates, and staff believed the structure was operationally feasible.

Councilmember Matthews asked how the vendor permit worked. Ms. Brockman explained that vendors who were visiting multiple downtown businesses to take orders or handle invoices in a regular vehicle could purchase a $10 a month employee parking permit which would allow them to part in designated employee zones.

Councilmember Matthews mentioned the commitment made when the old courthouse was torn down to provide 200 downtown parking spaces. While there had been past discussions about that commitment, it remained a priority due to community trust concerns. Community Investment Director Dave McIntire stated that the city was actively working to create the 200 spaces, with a long-term goal of 450 spaces under the lockbox ordinance. Approximately 150 surface lot spots existed, but they were not counted as permanent since some were on parcels like the Foundation for Senior Living (FSL) site, which could change hands or uses. He highlighted potential parking solutions including spaces north of the courthouse, a partnership with a downtown hotel under design review, or a surface lot that could be integrated into a parking garage as part of the downtown connection center. He explained that purchasing lots downtown was challenging and not considered the best use of prime real estate. Instead, the city sought partnerships with developers to integrate parking with other uses, such as affordable housing.

Vice Mayor Sweet asked how the city would ensure that the enhanced downtown services funded by the recent increase were actually delivered and made visible to local businesses, residents, and tourists. Staff explained that if a third party was responsible for providing the services, they would be placed under a formal agreement approved by City Council. The agreement would include a clearly defined scope of services, which would serve as the basis for holding the vendor accountable. The city would oversee implementation to ensure the services were delivered as intended.

There were questions about the development or availability of a regular parking report. Staff shared that while a detailed parking report existed, it had not been issued annually in the past. Moving forward, they planned to produce an annual or semi-annual report on parking and related programs, including financials and progress updates, to clearly communicate how funds were being used

Councilmember Garcia asked how the lockbox worked. Staff explained that the "lockbox" was a restricted fund established by ordinance, which required setting aside 20% of every dollar collected from parking, whether at kiosks or through permits, exclusively for adding to the downtown parking inventory. Currently, the lockbox held approximately $2 million, which had not yet been spent. She explained that building structured parking was very costly, with garages averaging $50,000 to $65,000 per space, meaning the current funds covered only a small portion of the needed investment. Revenue growth was also slowed during COVID when the program was temporarily suspended. To address the funding gap, the city was exploring partnerships and other mechanisms, including debt financing, to expand parking without waiting for the lockbox to fully grow, while acknowledging that progress may appear slow due to the high costs of downtown parking development.

Councilmember Garcia asked about the availability and cost of workforce or employee parking downtown. He expressed concern that high parking costs could be burdensome for employees earning minimum wage. Staff explained that employee parking operated on a first-come, first-serve basis, with permits sold according to available spaces. Recently, 91 spaces were added at the FSL lot to accommodate both pay-to-park and employee permit holders. Currently, roughly 400 employee permits had been sold, with many allocated to shift workers or students, and there were still plenty of available spaces, particularly on the north side of downtown. On the south side, fewer spaces existed, but plans were underway to expand employee parking zones in anticipation of future downtown projects that could reduce available spots. Pay-to-park hours were clarified as 9:00 AM to 5:00 PM Sunday through Thursday, extending to 8:00 PM on Friday and Saturday.

Councilmember Aslan expressed support for the proposed $1 per half-hour parking rate, seeing it as a balanced approach. He emphasized that discussions about downtown services should not be limited to traditional items like trash pickup or litter control, but should also include infrastructure, aesthetics, and overall beautification, creating a unified theme for downtown Flagstaff over time. He also highlighted the importance of flexibility in parking garage design, suggesting that future shifts in transportation or parking needs could allow the structures to be repurposed for other uses. He noted

that while pursuing the 200 additional parking spaces was important, a dispersed approach to parking, rather than concentrating all spaces in a single large structure, would better serve the downtown area and reduce walking burdens for visitors.

John VanLandingham and Jean Christie addressed Council regarding downtown parking.

The following comments were received:

- Park Flag was created in 2016 to manage parking demand downtown and establish the lock box for future parking.
- There is a need for rate increase, inflation and growing downtown activity mean the original rates no longer go as far; the proposed increase supports both additional services and inflation adjustments.
- Strong support for annual reports from the ParkFlag program to show revenue, expenses, and build community trust.
- Suggest keeping or lowering fees at the surface lot north of the new courthouse if rates are raised elsewhere.
- The 200 structured parking spots promised in the 2016 courthouse bond are a separate commitment and should not be funded by the lock box.
- Questioned the necessity of spending money to update meters to industry standards immediately, suggesting waiting to save funds.
- Encouraged city employees and councilmembers to take buses or bike to work to set an example for sustainability, even if dress codes or convenience may be a factor.

There being no further public comment, Mayor Daggett closed the public hearing.

Councilmember Matthews reinforced the importance of producing an annual report for the enterprise fund, it was essential for transparency and addressing community questions. The upcoming parking fee increase would support enhanced services, including beautification efforts to improve benches, trash cans, and overall aesthetics, as well as better trash pickup and snow removal in the downtown area. The goal was to make downtown cleaner, more uniform, and more appealing for tourism. She acknowledged staff's hard work on the issues and looked forward to seeing improved results in the future.

Councilmember Garcia suggested exploring the feasibility of collecting data to understand how many locals versus tourists were using parking because it could inform future programming. There had been positive impacts from the paid parking program and how the program had made parking more efficient and convenient for customers. He expressed appreciation for the outreach from small businesses sharing their experiences.

Vice Mayor Sweet thanked everyone involved for their hard work and expressed support for the rate increase; it made sense and was timely given downtown's growth as a destination. She highlighted the anticipated benefits, including cleaner streets, safer walkways and alleyways, restroom maintenance, graffiti removal, and general upkeep. Enhanced services were long overdue, and she expressed enthusiasm for seeing their positive impact on downtown.

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to read Resolution No. 2025-54 by title only.

Vote: 7 - 0 - Unanimously

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

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember Lori Matthews to read Resolution No. 2025-55 by title only.

Vote: 7 - 0 - Unanimously

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"

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Khara House to read Ordinance No. 2025-21 by title only for the first time.

Vote: 7 - 0 - Unanimously

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

A break was held from 5:36 p.m. through 5:55 p.m.

12. REGULAR AGENDA

A. Consideration and Adoption of Resolution No. 2025-48: A resolution of the Flagstaff City Council, approving an amendment to the Intergovernmental Agreement between the Summit Fire and Medical District; the Highlands Fire District; and the City of Flagstaff for joint hiring and promotional processes.

Fire Administration Manager Jessica Vigorito provided a PowerPoint presentation that covered the following:

FIRE JOINT HIRING AGREEMENT
HISTORY
JOINT HIRING & PROMOTIONAL PROCESS IGA

Mayor Daggett expressed her appreciation for the partnership and ensuring that all firefighters in the region are trained in the same manner.

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to read Resolution No. 2025-48 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE SUMMIT FIRE AND MEDICAL DISTRICT, THE PINEWOOD FIRE DISTRICT, THE HIGHLANDS FIRE DISTRICT THE CITY OF FLAGSTAFF FOR JOINT HIRING AND PROMOTIONAL PROCESSES

Moved by Councilmember Khara House, **seconded by** Councilmember Lori Matthews to adopt Resolution No. 2025-48.

Vote: 7 - 0 - Unanimously

B. 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.

Development Engineer David Millis and Engineering Project Manager Robert Thompson provided a PowerPoint presentation that covered the following:

TITLE 13 AMENDMENTS AMENDING ENGINEERING STANDARDS TO ALLOW MICRO-TRENCHING
MICRO-TRENCHING
WHAT IS MICRO-TRENCHING
PILOT PROJECT
PILOT PROJECT CONSTRUCTION
PILOT PROJECT FINISHED CONDITIONS
PUBLIC OUTREACH AND FEEDBACK
MICRO-TRENCHING BENEFITS
MICRO-TRENCHING RISKS
COMMUNITY AND STAFFING IMPACTS

Council discussed public feedback concerning micro-trenching, particularly regarding frost depth and road integrity. Staff explained that the frost line was a primary concern for water utilities and was less critical for dry utilities like fiber. Existing city engineering standards required 24 inches of cover, which was sufficient given the local frost depth of 30 inches. Comparisons with other mountainous communities and feedback from municipalities using similar installations showed no evidence that deeper trenching was necessary, and going deeper would require larger equipment that may not be feasible.

The conversation also addressed staffing and costs. While micro-trenching offered cost savings primarily for providers, additional city staff may be needed to manage permits and community impacts. Although a new staff position was not requested, potential funding could come from IT project funds or ongoing revenue. Permit management practices, such as limiting the number of simultaneous permits per provider, helped ensure staff resources were not overwhelmed.

Regarding road longevity, there was no indication from colder climates or other municipalities that micro-trenching negatively impacted road integrity. In older areas, it could fill existing gaps and be beneficial, whereas in newer roads, the impact was neutral. The technology had been in use for at least five years in the U.S., with the City of Mesa leading local adoption. California and regional bodies like the Maricopa Association of Governments had begun establishing standards and best practices, which were referenced in developing local standards.

Staff considered multiple providers and conduit usage. Standards allowed for up to two providers with specific cut locations, and additional providers were handled on a case-by-case basis. Typically, multiple providers did not overlap in the same neighborhoods, reducing the likelihood of repeated cuts in the same areas. Overall, the approach balanced efficiency for providers with careful oversight of community and infrastructure impacts.

Moved by Councilmember Anthony Garcia, **seconded by** Vice Mayor Miranda Sweet to read Resolution No. 2025-52 by title only.

Vote: 7 - 0 - Unanimously

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"

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Anthony Garcia to read Ordinance No. 2025-20 by title only for the first time.

Vote: 7 - 0 - Unanimously

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

C. Consideration and Adoption of Resolution No. 2025-51: A resolution of the Flagstaff City Council establishing an amount of effluent/reclaimed water to be released into the Rio de Flag subject to advanced water purification technological options, regulations and availability.

City Attorney Sterling Solomon addressed Council and stated that in 2010, the city entered an agreement with Arizona Game and Fish to release 200 gallons per minute of reclaimed water weekly for 20 years. Recognizing the benefits of supporting riparian habitat, the city would like to extend the program on a long-term basis, while accommodating evolving water purification technology, regulations, and availability.

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to read Resolution No. 2025-51 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL ESTABLISHING AN AMOUNT OF EFFLUENT/RECLAIMED WATER TO BE RELEASED INTO THE RIO DE FLAG SUBJECT TO ADVANCED WATER PURIFICATION TECHNOLOGICAL OPTIONS, REGULATIONS, AND AVAILABILITY

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Anthony Garcia to adopt Resolution No. 2025-51.

Vote: 7 - 0 - Unanimously

D. Consideration and Adoption of Resolution No. 2025-50: A resolution of the Flagstaff City Council, approving an Intergovernmental Agreement (IGA) between the State of Arizona through the Arizona Department of Transportation and City of Flagstaff for the Arizona State Match Advantage for Rural Transportation (AZ SMART) Match Reimbursement for the Downtown Mile Safety and Connectivity Improvement Project.

Grants, Contracts, and Emergency Management Director Stacey Brechler-Knaggs addressed Council and stated that the agreement with ADOT was for the AZ SMART grant match reimbursement for the downtown mile safety and connectivity improvement project. The city sought approval for a $32.4 million grant, bringing the total construction award to $56.3 million. By applying for a federal grant, the city was also eligible for a $3 million matching grant through Arizona Smart, reducing the local match from $12.8 million to $9.8 million. Additionally, BNSF was contributing an $11 million match, creating strong leverage between federal, state, local, and private funding.

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember Khara House to read Resolution No. 2025-50 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE STATE OF ARIZONA AND THE CITY OF FLAGSTAFF FOR THE ARIZONA STATE MATCH ADVANTAGE FOR RURAL TRANSPORTATION (AZ SMART) FUND AWARD FOR THE DOWNTOWN MILE SAFETY AND CONNECTIVITY IMPROVEMENT PROJECT

Moved by Councilmember Khara House, **seconded by** Vice Mayor Miranda Sweet to adopt Resolution No. 2025-50.

Vote: 7 - 0 - Unanimously

E. Consideration and Adoption of Resolution No. 2025-49: A resolution of the Flagstaff City Council, approving an Intergovernmental Agreement for a Cooperative Purchasing Agreement between the Arizona Board of Regents for and on behalf of Northern Arizona University to pursue a range of clean energy projects to meet carbon neutrality goals.

Sustainability Director Nicole Antonopoulos provided a PowerPoint presentation that covered the following:

VIRTUAL POWER PURCHASE AGREEMENT
AGENDA
1. RECAP OF VIRTUAL POWER PURCHASE AGREEMENT
ROLE OF A VIRTUAL POWER PURCHASE AGREEMENT
THE CITY'S CURRENT CLEA ENERGY PORTFOLIO
2. THE INTERGOVERNMENTAL AGREEMENT
INTERGOVERNMENTAL AGREEMENT
SOLICITATION DRAFT SCORING
3. NEXT STEPS
VPPA DRAFT TIMELINE

Council and staff discussed how the city participated in the Green Power Partner program. The program allowed the city to buy renewable energy credits based on its monthly consumption of electricity. The city generated some of its own electricity, they purchased electricity from Hoover Dam, and everything else that did not qualify as clean or renewable energy, the city purchased credits.

The city purchased roughly 36,000 MWh of renewable energy credits annually to offset its entire municipal electricity use, including its own generation and Hoover Dam purchases. Those credits ensured the city met its carbon neutrality goals. Some concerns were raised about the portion of offsets coming from external sources rather than local emission reductions.

Staff further explained that energy consumption fluctuated annually, particularly in Water Services, and the city was pursuing energy efficiency measures to stabilize costs. Participation in a consortium allowed the city to leverage its buying power to negotiate better prices. While Phoenix was initially part of the intergovernmental agreement, recent staff turnover had delayed their formal participation. Even without Phoenix, the consortium could still achieve significant economies of scale and access large-scale renewable projects, though Phoenix's eventual involvement would enhance opportunities.

Councilmember Aslan stated that he anticipated partners coming into the program on an ongoing basis as time moved forward, he asked what other entities might be able to join in. Dr. Erik Neilsen shared that several other public entities and non-profits had shown interest in the consortium and were monitoring the model Flagstaff and NAU were putting together. Many organizations shared similar clean-energy and carbon-reduction goals but achieving them was difficult in a state without competitive wholesale or retail electricity markets. The structure of the IGA allowed additional partners to join later, provided current members approved their inclusion, creating the potential for a growing coalition over time.

Flagstaff's role as the first partner to formally step into the agreement highlighted a strong city--university partnership, with NAU having designed its climate action plan to complement and support the city's own goals. Together, they were positioning themselves as early leaders in the state and creating momentum that could draw in additional participants as the effort expands.

Councilmember Garcia asked whether the city was leading the way in the state by pursuing the initiative. If that was the case, he felt comfortable embracing the associated risk, noting that it did not appear to be a high-stakes gamble but rather a carefully measured one, supported by built-in safeguards that allowed the city to monitor progress and step back if needed. Staff reiterated that the agreement was non-binding. They reviewed the upcoming process: if the city and all other participating agencies approved their agreements, NAU would issue a solicitation on behalf of the consortium. The city would then evaluate the proposals using a process similar to its own

procurement system. Staff assured the Council that they would only return with a recommendation that was financially sound and avoided excessive expenditures.

Councilmember Matthews asked about the $10,000 contribution toward legal or consulting services. Staff clarified that the city was not being asked to commit any immediate funding. Costs would only arise if the city ultimately entered into an agreement with a virtual power purchase agreement developer, and even then, the expenses would be shared and capped. Up to that point, NAU had shouldered the financial responsibility for engaging consultants and moving the work forward. Council would still have ample time to review and discuss the broader risks, the fluctuation concerns, the guardrails that would be put in place, and the full list of participating partners before making any formal decision.

Moved by Vice Mayor Miranda Sweet, **seconded by** Councilmember Khara House to read Resolution No. 2025-49 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN ARIZONA BOARD OF REGENTS FOR AND ON BEHALF OF NORTHERN ARIZONA UNIVERSITY AND THE CITY OF FLAGSTAFF FOR COOPERATIVE PURCHASING INTERGOVERNMENTAL AGREEMENT

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Anthony Garcia to adopt Resolution No. 2025-49.

Vote: 7 - 0 - Unanimously

F. Consideration and Adoption of Resolution No. 2025-47: A resolution of the Flagstaff City Council, approving an Intergovernmental Agreement (IGA) between the City of Flagstaff and the State of Arizona, acting by and through the Arizona Department of Transportation (ADOT) for the design and construction of a traffic signal at the intersection of W. Route 66 and Woody Mountain Road.

Deputy City Manager Joanne Keene and City Engineer Paul Mood provided a PowerPoint presentation that covered the following:

ADOT IGA W. ROUTE 66 AND WOODY MOUNTAIN RD. TRAFFIC SIGNAL
ADOT TRAFFIC SIGNAL IGA
EXISTING CONDITIONS

Councilmember Aslan indicated that improvements in the area were clearly necessary, especially with significant new development expected to increase traffic. Staff mentioned the prospect of a future roundabout, which was the preferred permanent solution. He asked for clarification on how installing a temporary traffic signal might jeopardize the long-term plan. He was also interested in more details about how long the temporary signal would be in place and what form it would take, along with the expected duration and appearance of the temporary setup.

Mr. Mood explained that the temporary traffic signal would be constructed with wood poles, overhead span wire, and standard signal heads, similar to the setup at Butler and 4th Street. If the long-term plan ultimately included a roundabout, the temporary signal was considered the most practical interim solution because it could operate for a year or two while preserving flexibility for the future redesign. He also explained that although the city had about $11 million in Proposition 419 funding designated for West Route 66, the money was allocated over multiple years rather than available in a single lump sum which limited the ability to launch a full-scale permanent project immediately. A temporary signal could potentially be installed by the end of the year, whereas a permanent signal would take much longer due to equipment availability, and it would come at a much higher cost. He added that discussions with Senator Rogers suggested that any unspent money from the signal project could be redirected toward broader corridor improvements. There may also be opportunities next year for legislative or MetroPlan funding requests, though those typically result in partial awards rather than full project coverage. Overall, staff anticipated that meaningful improvements at the intersection could realistically occur within the next two to three years.

Councilmember Aslan asked about the overall plan for the area, the timeline, and how it worked with other projects around the city. Mr. Mood explained that the $11 million from Proposition 419 was already programmed in the city's CIP, specifically for improvements along the West Route 66 corridor. That funding was intended to support future partnerships with ADOT and to help leverage grants, but it was not enough to immediately launch major construction. The next step was to begin actively pursuing grant opportunities once the West Route 66 Operational Assessment received formal approval from the MetroPlan board. At that point, the city and its regional partners would start exploring every possible funding avenue, but the exact timing remained uncertain.

MetroPlan Executive Director Kate Morely added that the operational assessment would be presented to the board the following day. Over the past year and a half, a project advisory group made up of staff from the city, ADOT, MetroPlan, and Mountain Line had developed a comprehensive long-term vision for the corridor. The full build-out plan, including roundabouts at key intersections, carried a price tag of roughly $32 million. With the city's $11 million in Prop 419 funds and the additional $2 million appropriation from Senator Rogers, the region was still far short of the full amount needed. Because of the funding gap, the advisory group had acknowledged that the roundabouts may need to be removed from the initial implementation if full project funding was not secured, replacing them with traffic signals instead. While roundabouts remained the preferred long-term solution, the temporary signal project and incremental improvements helped move the corridor closer to that vision, even if the full buildout would require continued funding efforts and phased progress over time.

There were questions about how the $1.9 million allocated through the IGA could be used, given the long-term vision for the intersection. Staff clarified that the IGA was explicit that a traffic signal must be installed, and the city would comply by moving forward with a temporary signal to address immediate safety needs driven by new housing in the area. The cost of that temporary signal was expected to be only a few hundred thousand dollars, leaving roughly $1.5 million available for additional improvements, such as a future roundabout, once more funding was secured. Accepting the funds did not limit the city's ability to pursue its broader vision for the corridor. The remaining money could support long-term solutions, and nothing in the agreement prevented the city from choosing a different form of permanent traffic control. The funding was very beneficial, provided immediate safety relief, and still allowed the city to shape the long-term design of the area.

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to read Resolution No. 2025-47 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN ARIZONA DEPARTMENT OF TRANSPORTATION AND THE CITY OF FLAGSTAFF FOR THE DESIGN AND CONSTRUCTION OF A TRAFFIC SIGNAL AT THE INTERSECTION OF WOODY MOUNTAIN ROAD AND U.S. ROUTE 66

Moved by Councilmember Lori Matthews, **seconded by** Vice Mayor Miranda Sweet to adopt Resolution No. 2025-47.

Vote: 7 - 0 - Unanimously

G. Consideration and Adoption of Resolution No. 2025-53: A resolution of the Flagstaff City Council, authorizing the acquisition of real property interests necessary for the Rio De Flag Flood Control Project, a public use; providing for delegation of authority, condemnation authority, repeal of conflicting resolutions, and establishing an effective date

Real Estate Manager Bryce Doty displayed a map and aerial photos of the properties to be acquired for the Rio de Flag Flood Control Project. Mr. Clifton offered that the project had reached a critical point for timing and all efforts had been exhausted to acquire the needed properties.

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, AUTHORIZING THE ACQUISITION OF

REAL PROPERTY INTERESTS NECESSARY FOR THE RIO DE FLAG FLOOD CONTROL PROJECT, A PUBLIC USE; PROVIDING FOR DELEGATION OF AUTHORITY, CONDEMNATION AUTHORITY, REPEAL OF CONFLICTING RESOLUTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Anthony Garcia, **seconded by** Councilmember Austin Aslan to adopt Resolution No. 2025-53.

Vote: 7 - 0 - Unanimously

13. DISCUSSION ITEMS

A. Micromobility Share: Update and Scope Discussion

Climate Section Director Jenny Niemann, Engineering Transportation Planner Chris Phair, MetroPlan Transportation Demand Management Planner Kim Austin, and AmeriCorp Vista Jamie Larson provided a PowerPoint presentation that covered the following:

MICROMOBILITY SHARE IN FLAGSTAFF
AGENDA
WHAT IS SHARED MICROMOBILITY?
BACKGROUND
SEEKING COUNCIL DIRECTION
IMPLEMENTATION STEPS
RECAP OF FEBRUARY COUNCIL PRESENTATION
WHY MICROMOBILITY SHARE?
MICROMOBILITY IS SUPPORTED BY NUMEROUS CITY AND METROPLAN GUIDING PLANS
SHARED MICROMOBILITY IS WIDESPREAD
2018 BIKESHARE PILOT
FEASIBILITY REPORT
HIGH IMPACT RISKS
MEDIUM IMPACT RISKS
NAU PARTNERSHIP
A COLLABORATIVE EFFORT
ENGAGEMENT REVIEW
ENGAGEMENT
COMMON THEMES
COMMUNITY SURVEY RESULTS
PEER CITY INTERVIEWS
COLLABORATION
PURSUIT OF A MICROMOBILITY SHARE PROGRAM
STAFF RECOMMENDATION
SCOPE
TO ENSURE A COMPREHENSIVE PROGRAM
TO ADDRESS APPROPRIATE AND ADEQUATE PARKING
TO ENSURE ADEQUATE STAFFING, MAINTENANCE AND REBALANCING
TO ENSURE SAFETY AND COMPLIANCE
TO ADDRESS EQUITY CONCERNS
TO ADDRESS CUSTOMER SERVICE AND PUBLIC PERCEPTION CONCERNS
TO ADDRESS COMPANY VIABILITY AND REVENUE MODEL CONCERNS
STAFF RECOMMENDATION
IMPLEMENTATION STEPS
SEEKING COUNCIL DIRECTION

Councilmember Garcia expressed enthusiasm for moving the initiative. He emphasized that the actual rollout should be gradual and incremental, to allow the city to learn about its strengths and weaknesses without overextending or placing too much burden on service providers. Starting small would still yield meaningful data while creating a manageable and sustainable early partnership that can grow as the city, the provider, and the community adapt to micro-shared mobility.

Councilmember Aslan shared that he believed that shared mobility was inevitable, and that the city should guide it rather than resist it. He supported rolling it out slowly in small, manageable phases to help the community adjust. Winter conditions remained a major concern, as devices would be unusable for long stretches. He emphasized that the bigger challenge would be earning community buy-in, which would require listening, demonstrating success, and addressing skepticism through real-world outcomes. He was also interested in understanding late-night use, especially as an alternative to driving.

Councilmember House expressed her support for moving the program forward. She noted that improper bike drop-offs were a challenge during the pilot and appreciated that the new operator requirements included designated parking areas. She also appreciated the program's attention to equity.

Vice Mayor Sweet asked how the program would work with Mountain Line to help create seamless trips for its users. Ms. Neimann explained that they planned to ask potential vendors how they could integrate their system with Mountain Line's transit app. That would not be required upfront so as not to limit proposals, but staff wanted to understand what was technologically feasible. They also planned to explore coordinated parking near bus stops, recognizing that parking needs would vary across downtown, NAU, and residential areas.

Ms. Neimann also noted during the pilot, micro-mobility was heavily used during hours when transit was not running, which Mountain Line viewed as complementary. They hoped to build on that partnership, including the possibility of seamless or discounted joint payments between scooters and transit. The goal was to strengthen first-mile/last-mile connections, especially in areas where bus service was limited, so residents who could not easily walk long distances to stops could instead use scooters as a bridge to transit.

Vice Mayor Sweet asked what the plan was to keep up with new technology that comes out. Ms. Neimann offered that having several years since the last pilot had been beneficial, because both cities and micro-mobility operators had evolved significantly. Cities now better understand what requirements to set, and operators have become more effective at managing and incentivizing rider behavior. Drawing from peer communities, staff felt better prepared to shape a responsible program. The intent was to start with a short two-year contract to give the city time to evaluate how well the system worked, adjust fees or requirements based on actual staff workload, and decide whether to extend the contract by mutual agreement. The goal was to maintain an ongoing, collaborative relationship with the selected operator, one flexible enough to adapt to new technologies or service offerings as they emerge while ensuring the city continued to have strong oversight and clear expectations.

Councilmember Spence expressed his support for allowing one operator who would provide full support all day, every day.

Councilmember Matthews stated that it was important to make sure that the program was accessible to all regardless of ways to pay and access to technology. She supported moving forward.

Mayor Daggett was also supportive and preferred one operator. She felt that it was a great opportunity for transportation in Flagstaff. Her biggest concern was who made sure that sidewalks were not blocked by parked bikes and scooters. Mr. Phair offered that ensuring proper enforcement to keep scooters off sidewalks and other inappropriate areas would be the responsibility of the vendor rather than the city. Complaints about improperly parked scooters would go directly to the vendor, while the city would maintain oversight through a staff member dedicated to contract management, enforcement, data analysis, and reporting. The vendor would be expected to maintain a local presence in Flagstaff with on-call staff to quickly address hazards such as blocked sidewalks. Redistribution of scooters across the city would also be the vendor's responsibility. Through the RFP process, the city planned to require detailed staffing plans and references from prior contracts to verify their performance.

Council provided direction to staff to move forward with a micromobility program.

14. FUTURE AGENDA ITEM REQUESTS

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

A. Future Agenda Item Request (F.A.I.R.): A request by Councilmember Matthews to place on a future agenda a discussion about not tying the rezoning process with site or concept plans.

Councilmember Matthews stated that she would like to have a discussion about decoupling the requirement for a site or concept plan from the rezoning process. Requiring a plan before rezoning forced developers to invest significant time and money prematurely and removing it would not increase risk because site planning would still occur after rezoning approval. The goal was to streamline the process, reduce costs, and ultimately lower housing prices. She asked Planning and Development Services Director Michelle McNulty to share her support of the concept. Ms. McNulty confirmed her supported and noted that current efforts under the regional plan were already moving in that direction and that further steps could make the rezone process easier. She suggested preparing a City Council Report to provide clarity on the efforts and progress. She explained that fully decoupling site plans from rezones depended on adopting the regional plan, which guided land use and zoning, and that staff needed to understand the council's willingness to support the policy shift.

There was requisite support to advance the matter to a future agenda for discussion.

B. Future Agenda Item Request (F.A.I.R.): A Citizen Petition: Requesting Council pass a Resolution to support the Back from the Brink Campaign on Nuclear Weapons.

Dr. David Spence addressed Council and asked them to place the Back from the Brink campaign on a future agenda for discussion, He explained that the Back from the Brink campaign was a grassroots effort urging the U.S. to join the 2021 Treaty on the prohibition of nuclear weapons. Sponsored by the Union of Concerned Scientists and Physicians for Social Responsibility, the campaign sought multilateral, verifiable, and irreversible nuclear disarmament, with 78 cities nationwide already endorsing it. Flagstaff would be the second Arizona city to support the initiative, after Tucson.

David Fronske addressed Council in support of advancing the petition to a future agenda. He explained that the Back from the Brink campaign promoted five practical policy measures to reduce the risks of nuclear weapons: pursue verifiable nuclear disarmament, renounce first use, end sole presidential authority to launch nuclear weapons, remove weapons from launch-ready status, and cancel plans to modernize the arsenal. The campaign emphasized the urgent and unprecedented threat of nuclear war, criticized ongoing U.S. nuclear policies and planned $2 trillion modernization, and highlighted that abolition was feasible through diplomacy, verification, and international cooperation.

Councilmember Aslan acknowledged the existential importance of the issue and shared that he had previously supported similar petitions, but he expressed caution about moving the petition forward. He believed that petitions should have a clear local focus and align with the city's role and responsibilities. While personally supportive and willing to sign the resolution, he did not believe it was appropriate at that time for the city to formally engage in the broader discourse.

Councilmember House agreed and noted that similar petitions had come to the council before. She personally supported the Back from the Brink campaign and was willing to sign on, but did not believe it warranted a formal future Council discussion. She appreciated the effort in bringing the petition forward but did not support advancing it as a Council agenda item.

Councilmember Garcia thanked the petitioners for their advocacy for peace and acknowledged their contributions to the community. He supported having a public discussion on the topic but shared the concern about formal resolutions that had little practical impact.

Councilmember Matthews reiterated her long-standing approach of focusing Council efforts on issues where the city could have a direct impact, resolutions and proclamations should be limited to matters

the city can meaningfully influence. While personally supportive of the cause, she did not support advancing the petition.

Vice Mayor Sweet also did not support advancing the matter forward but indicated that she would personally sign on for the campaign.

There was not requisite support to advance the matter to a future agenda for discussion.

15. OPEN CALL TO THE PUBLIC

None

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

Councilmember House requested a FAIR item to discuss the possibility of Flagstaff becoming a "recovery ready" community. The initiative aimed to unify efforts across behavioral health, substance use, housing, and criminal justice to promote a healthier, thriving community.

17. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held October 20, 2025, adjourned at 8:31 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on October 7, 2025. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 16th day of December, 2025

_____
CITY CLERK

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Georganna Staskey, Deputy City Clerk

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE:
Consideration of Appointments: Planning and Zoning Commission

STAFF RECOMMENDED ACTION:

1. Councilmember Spence to make one appointment.
2. Councilmember Garcia to make one appointment.

Executive Summary:
The Planning and Zoning Commission consists of seven members, and serves as an advisory board to the Council on matters relating to the growth and physical development of the City. The Commission also conducts hearings on amendments to the Zoning Map, tentative subdivision plats, and Development Review Board appeals.

The City of Flagstaff is committed to increasing diversity in every board and commission, please consider how the applicant stated they may contribute to this commitment.

There are four (4) applications on file for consideration by the Council as follows:

- Ian Sharp (current Commissioner)
- Christine Sheehy, AICP (current Commissioner)
- Malcolm Alter (new applicant)
- Rebecca Coppa (new applicant)

In an effort to reduce exposure to personal information, the applicant roster and applications will be submitted to the City Council separately.

COUNCIL APPOINTMENT ASSIGNMENT: Councilmember Spence and Councilmember Garcia

Financial Impact:
These are voluntary positions and there is no budgetary impact to the City of Flagstaff.

Policy Impact:
None

Previous Council Decision or Community Discussion:
None

Options and Alternatives to Recommended Action:

1. Appoint two Commissioners: By appointing members at this time, the Planning and Zoning Commission will be at full membership, allowing the group to meet and provide recommendations to the City Council.
2. Postpone the action to allow for further discussion or expand the list of candidates.

Connection to PBB Priorities and Objectives:
Inclusive and Engaged Community - Foster community pride and civic engagement; advance social equity and social justice in Flagstaff; facilitate and foster diversity and inclusivity; and enhance community outreach and engagement opportunities.

Connection to Regional Plan:
None

Connection to Carbon Neutrality Plan:
None

Connection to 10-Year Housing Plan:
None

Attachments: Planning and Zoning Commission Authority

CHAPTER 2-01
PLANNING AND ZONING COMMISSION

SECTIONS:

2-01-001-0001 CREATION OF COMMISSION
2-01-001-0002 INTENT AND PURPOSE
2-01-001-0003 MEMBERSHIP
2-01-001-0004 MEETINGS
2-01-001-0005 DUTIES AND FUNCTIONS

Prior legislation: Ords. 339, 859, 1427, 1826 and 2007-09.

2-01-001-0001 CREATION OF COMMISSION

There is hereby established a Planning and Zoning Commission for the City of Flagstaff under the provisions of A.R.S. § 9-461.02. (Ord. 339, 10-8-45; Ord. 2010-35, Amended, 11/16/2010)

2-01-001-0002 INTENT AND PURPOSE

The purpose of the Planning and Zoning Commission is to direct the growth and physical development of the City in a sound and orderly fashion for the prosperity, health, safety, convenience, and general welfare of the citizens of Flagstaff. (Ord. 2010-35, 11/16/2010)

2-01-001-0003 MEMBERSHIP

The Planning and Zoning Commission shall consist of seven (7) members appointed by the Mayor and Council.

The term of each citizen member shall be three (3) years or until his successor takes office. Vacancies occurring otherwise than through the expiration of term shall be filled for the unexpired portion of the term.

A. A Chairperson and Vice-Chairperson shall be elected from and by the voting membership of the Commission to serve one (1) year terms. A Chairperson may serve no more than two (2) consecutive terms as Chairperson (exclusive of a term as Vice-Chairperson). Upon the conclusion of a second, consecutive term as Chairperson, such Commission member shall be ineligible to serve as either Chairperson or Vice-Chairperson until a calendar year has expired.

B. In addition to the causes for removal set out in the Board and Commission Members' Rules and Operations Manual, a member accumulating eight (8) absences from regularly scheduled meetings in any given calendar year will be automatically removed from the Commission and a replacement appointed by the City Council. An unexcused absence is defined as the failure of the member to notify the Planning and Development Services Section of his or her inability to attend a regularly scheduled meeting. (Ord. 2010-35, 11/16/2010; Ord. 2014-28, Amended, 11/18/2014)

2-01-001-0004 MEETINGS

Unless there are no matters to be considered, the Commission shall hold at least one meeting each month and may schedule additional special meetings as needed. A special meeting may serve as the minimum one meeting per month. (Ord. 2010-35, 11/16/2010)

2-01-001-0005 DUTIES AND FUNCTIONS

The Planning and Zoning Commission created in this chapter shall be and act as the Zoning Commission of the City, and all duties and powers granted to zoning commissions under State law shall be exercised by the Planning and Zoning Commission. In addition to any authority granted to the Planning and Zoning Commission by State law or other ordinances of the City, the Planning and Zoning Commission shall have the following duties and functions under the provisions of these regulations:

A. To review and recommend to the City Council adoption of a comprehensive general plan adopted in compliance with the authority provided in A.R.S. Section 9-461.05 for the orderly growth and development of the City and for any land outside the City which, in the opinion of the Planning and Zoning Commission, bears a relation to the planning of the City.

B. To hear, review, and make recommendations to the City Council regarding applications for amendments to the General Plan or any other plan in accordance with the provisions of Chapter 11-10 (General Plans).

C. To serve as an advisory body to the City Council and furnish the Council through the Planning Director the facts concerning the adoption of any report or recommendation.

D. To make its special knowledge and expertise available upon reasonable written request and authorization of the City Council to any official, department, board, commission or agency of the State or Federal governments.

E. To hear and review amendments to the Zoning Map and to the text of the Zoning Code in accordance with the provisions of Title 10, Zoning Code, Division 10-20.50 (Amendments to the Zoning Code Text and the Zoning Map).

F. To confer with and advise other similar City or County commissions.

G. To make investigations, maps, reports, and recommendations to the City Council in regard to the physical development of the City.

H. To hear, review and make recommendations to the City Council regarding preliminary subdivision plats after recommendation from the Planning Director and City Engineer in accordance with Chapter 11-20, Subdivision and Land Split Regulations.

I. To take such other action as authorized in Title 10 (Zoning Code) and Title 11 (General Plan and Subdivisions) as necessary to implement the provisions of those titles and the General Plan.

J. To consider, review and approve Conditional Use Permits, pursuant to the provisions of Section 10-

20.40.050 (Conditional Use Permits).

K. The Commission shall carry out other such duties as determined by the City Council and present other recommendations the City Council deems pertinent. (Ord. 859, 10-24-72; Ord. 2010-35, Amended, 11/16/2010; Ord. 2014-28, Amended, 11/18/2014)

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Georganna Staskey, Deputy City Clerk

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE:

Consideration of Appointments: Heritage Preservation Commission

STAFF RECOMMENDED ACTION:

1. Councilmember Aslan to make one appointment to a Historical Property Owner seat.

Executive Summary:

The Heritage Preservation Commission shall consist of seven (7) voting members. Additional members may be appointed in the future, if and when additional Historic Design Review Districts beyond the first district are created, to represent those additional districts and help develop and adopt design guidelines for those districts. Appointed members shall have an interest in the history of the community and heritage preservation and be committed to represent not only their specific areas of expertise, but also the community at large.

The City of Flagstaff is committed to increasing diversity in every board and commission, please consider how the applicant stated they may contribute to this commitment.

There is one (1) applications on file for the Historical Property Owner position who would be a voting member. The application is as follows:

- Duffie Westheimer (Current Commissioner)

In an effort to reduce exposure to personal information, the applicant roster and applications will be submitted to the City Council separately.

COUNCIL APPOINTMENT ASSIGNMENT: Councilmember Aslan

Financial Impact:

These are voluntary positions and there is no budgetary impact to the City of Flagstaff.

Policy Impact:

None.

Previous Council Decision or Community Discussion:

None.

Options and Alternatives to Recommended Action:

1. Appoint one Commissioner: By appointing members at this time, the commission will be at full capacity and allows the group to meet and provide recommendations to the City Council.

2. Postpone the action to allow for further discussion or expand the list of candidates.

Connection to PBB Priorities and Objectives:
Inclusive and Engaged Community - Foster community pride and civic engagement; advance social equity and social justice in Flagstaff; facilitate and foster diversity and inclusivity; and enhance community outreach and engagement opportunities.

Connection to Regional Plan:
None.

Connection to Carbon Neutrality Plan:
None.

Connection to 10-Year Housing Plan:
None.

Attachments: Heritage Preservation Commission Authority

CHAPTER 2-19
HERITAGE PRESERVATION COMMISSION

SECTIONS:

2-19-001-0001 ESTABLISHMENT OF THE COMMISSION
2-19-001-0002 MEMBERSHIP
2-19-001-0003 TERMS AND OFFICERS
2-19-001-0004 MEETINGS
2-19-001-0005 POWERS AND DUTIES

2-19-001-0001 ESTABLISHMENT OF THE COMMISSION:

There is hereby created a commission to be known as the Heritage Preservation Commission. (Ord. 2010-35, Amended, 11/16/2010)

2-19-001-0002 MEMBERSHIP:

A. The membership of the commission shall consist of seven (7) voting members. Additional members may be appointed in the future, if and when additional Historic Design Review Districts beyond the first district are created, to represent those additional districts and help develop and adopt design guidelines for those districts.

1. At least two (2) members must be professionals in the areas of architecture, history, architectural history, planning, or archaeology.

2. At least two (2) members shall be owners of locally designated historic properties or properties listed on the National Register of Historic Places.

3. At least three (3) members shall be from the general community.

4. Any member may satisfy more than one (1) of the above qualifications and any "professional" category may be filled by a person who is retired from that profession.

B. Appointed members shall have an interest in the history of the community and heritage preservation and be committed to represent not only their specific areas of expertise, but also the community at large. (Ord. 2005-08, Amended, 04/05/2005; Ord. 2007-07, Amended, 02/06/2007; Ord. 2010-35, Amended, 11/16/2010; Ord. 2014-28, Amended, 11/18/2014; Ord. 2015-22, Amended, 01/05/2016; Ord. 2016-33, Amended, 09/20/2016)

2-19-001-0003 TERMS AND OFFICERS:

A. Terms of appointment shall be three years, or until a successor is appointed.

B. A chairperson and vice-chairperson shall be elected from and by the voting membership of the Commission to serve one-year terms. A chairperson may serve no more than two consecutive terms as chairperson (exclusive of a term as vice-chairperson). Upon the conclusion of a second,

consecutive term as chairperson, such commission member shall be ineligible to serve as either Chairperson or Vice-Chairperson until a calendar year has expired. (Ord. 2010-35, 11/16/2010)

2-19-001-0004 MEETINGS:

The Commission shall at a minimum hold at least one (1) regular meeting quarterly, but shall normally hold monthly meetings.

A quorum shall consist of four (4) voting members of the Commission. (Ord. 2005-08, Amended 04/05/2005; Ord. 2010-35, Amended, 11/16/2010; Ord. 2016-30, Amended, 07/05/2016)

2-19-001-0005 POWERS AND DUTIES:

A. The Commission may recommend to the City Council that properties be designated landmarks or historic design review districts, subject to the procedures and requirements of the adopted land use regulations and/or development code of the City of Flagstaff. See Title 10, Chapter 30 of the City Code for Purpose, Applicability, Procedures and Requirements.

B. The Commission shall increase public awareness of the value of historic, cultural, and architectural preservation by developing and participating in public education programs.

C. The Commission shall advise and assist owners of landmarks or historic structures on physical and financial aspects of preservation, renovation, rehabilitation, and reuse.

D. The Commission shall make recommendations to the City Council concerning the utilization of federal, state, local or private funds to promote the preservation of landmarks and historic districts within the City.

E. The Commission may recommend acquisition of landmark structures by the City where:

1. Preservation is essential to the purposes of the Land Development Code;

2. Private preservation is not feasible, and where either imminent demolition is pending or, for a period in excess of one year, required maintenance of said structures according to City Building Codes has not been accomplished due to deficiencies of ownership affecting maintenance; and

3. Where preservation of said structures is related to some other existing plan or report.

F. The Commission shall review and make decisions on any development application for a Certificate of Appropriateness and require the same plans to be submitted to the Development Review Board, plus applicable elevation drawings.

G. The Commission shall develop and adopt design guidelines for historic and non-historic structures within designated design review districts, or individual historic structures or landmarks, to assist property owners and developers in preservation, renovation, rehabilitation, and reuse of historic structures and others within designated districts. If there is more than one designated

district, the Commission shall develop appropriate design guidelines for each district. The design guidelines, and major amendments thereto, shall be subject to a public hearing before the Commission, including notification of the property owners within the district to which they would apply, per procedures outlined in Section 10-30.30 of the City Code.

H. The Commission shall carry out other such duties as determined by the City Council; and present other recommendations the City Council deems pertinent. (Ord. 1857, Enacted, 02/07/1995; Ord. 1997, Amended, 06/15/1999; Ord. 2010-35, Amended, 11/16/2010)

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Jen Brown, Public Works Section Director - Facilities & Fleet

Co-Submitter: Nathan Naliborski

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE:

~~**Consideration and Approval of a Cooperative Contract:** One Multi-Hog CV350 compact sweeper for the Streets Section.~~

STAFF RECOMMENDED ACTION:

1. ~~Approve the Cooperative Purchase Contract for one Multi-Hog CV350 compact sweeper from Norwood Equipment, Inc. in the amount of $224,488.91, including sales tax; and~~
2. ~~Authorize the City Manager to execute the necessary documents.~~

Executive Summary:

The Public Works Streets Section is requesting approval of a Cooperative Purchase Contract from Norwood Equipment, Inc. utilizing Sourcewell Cooperative Contract #111522-MUL, in the amount of $224,488.91, including sales tax, to purchase one Multi-Hog CV350 compact sweeper. The Multi-Hog CV350 compact sweeper will be able to safely and effectively operate in tight rights-of-way, alleys, bicycle infrastructure, and the downtown area.

The Streets Section is the service provider for all City-owned and managed roadways, which includes adjacent street level parking and bicycle infrastructure. Although there is a street sweeping program with larger street sweepers, these sweepers have limited capabilities in parking stalls, medians, and bicycle infrastructure. The Streets Section has been working for the past few years to bring in a tool that could meet this growing demand for service in these key areas. The Multi-Hog CV350 compact sweeper offers improved performance, greater operator safety, and lower maintenance requirements. It also aligns with winter operations and supports year-round use.

Financial Impact:

Project Name: Purchase of one Multi-Hog CV350 compact sweeper
Cost: $224,488.91
Note: Due to the current volatility of price increases and the uncertainty of fluctuating tariffs affecting materials and production cost, all quoted prices are subject to change.
Account Number Budget Capacity: 040-06-161-0614-6-4357
Funding Source: Highway User Revenue Funds (HURF)

Policy Impact:

This purchase will allow the Public Works Streets Section to better maintain its current infrastructure at a high level in a more efficient manner.

Previous Council Decision or Community Discussion:

None.

Options and Alternatives to Recommended Action:
N/A

Background and History:
The Public Works Streets Section is requesting the purchase of a compact sweeper which can safely operate in the downtown area, in parking stalls, alleys, bicycle infrastructure, and in other tight areas where larger sweepers cannot fit. The City currently does not have a mini sweeper in the Streets Section fleet, which leaves a service gap in some of the most heavily used public spaces in the City. As part of this purchase request, staff explored electric sweeper options. The manufacturer confirmed the electric version of this model is still in prototype testing and will not be available for purchase until at least 2027. There are no commercially available electric compact sweepers today that meet our operational needs or the terrain and City of Flagstaff infrastructure. Staff is recommending the purchase of the diesel Multi-Hog CV350 compact sweeper as this unit is a compact, low-emission sweeper designed for dense urban environments.

The City Procurement Section reviewed Norwood Equipment, Inc. of Phoenix, Arizona Sourcewell Cooperative contract #111522-MUL to utilize the lower pricing in the agency contract.

Connection to PBB Priorities and Objectives:
High Performing Governance

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: Cooperative Purchase Contract and Exhibits
Multi-Hog Pictures and Specs

COOPERATIVE PURCHASE CONTRACT
Contract No. 2026-120

This Cooperative Purchase Contract is made and entered into this _____ day of _____, 20_____by and between the City of Flagstaff, Arizona, a political subdivision of the State of Arizona ("City") and Norwood Equipment Inc. a/k/a Norwood Equipment, LLC, a Delaware Limited Liability Company ("Contractor").

RECITALS:

A. Sourcewell, a State of Minnesota local government conducted a competitive and open procurement process through Request for Proposal **111522** that resulted in Contract No. **111522-MUL** with **Multihog Ltd.** to sell **Airport Runway Equipment with Related Supplies and Services** ("Agency Contract");

B. Contractor is a fully authorized vendor of **Multihog Airport Runway Equipment with Related Supplies and Services**; and

C. The City has authority to enter into a cooperative purchase contract with Contractor utilizing the Agency Contract.

AGREEMENT:

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

1. Materials and/or Services Purchased: Contractor shall provide to the City the materials and/or services, as specified in the Quote attached as *Exhibit A*, and in accordance with the Agency Contract. A general description of materials and/or services being purchased is:

Multihog CV 350 Sweeper

2. Terms and Conditions of Agency Contract Apply: All provisions of the Agency Contract documents attached as *Exhibit B*, including any amendments, are incorporated in and shall apply to this Contract as though fully set forth herein. Contractor is responsible for promptly notifying City in writing of any changes to the Agency Contract related to price for materials and/or services.

3. Payment:

   4.1 Payment to Contractor for the materials and/or services not to exceed **two hundred twenty-four thousand four hundred eighty-eight dollars and ninety-one cents ($224,488.91)**; made in accordance with the price list and terms set forth in the Agency Contract.

   4.2 Any adjustment to the Payment amount 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 amendment price increase is less than $100,000; otherwise, City Council approval is required.

4. Certificates of Insurance: All insurance provisions of the Agency Contract shall apply, including any requirement to name the City as an additional insured. If requested, Contractor shall furnish City with a copy of the current Certificate of Insurance required by the Agency Contract.

5. Term and Renewal: This Cooperative Purchase Contract shall commence upon execution by the Parties and shall continue until the work described in the Quote is completed and accepted by the City, unless the Contract is terminated sooner pursuant to the terms and conditions in the Agency Contract.

6. Notice: Any formal notice required under the Contract shall be in writing and sent by certified mail and email as follows:

To the City:
Jennifer Brown, MSL
City of Flagstaff
211 W Aspen Ave.
Flagstaff, AZ 86001
Jennifer.brown@flagstaffaz.gov
928-213-2108

To Contractor:
Oscar Pena
Norwood Equipment, Inc.
511 E Mohave Steet
Phoenix, AZ. 85004
Phone: 602-254-0644
Fax: 602-253-4100

With a copy to:
Liane Garcia
City of Flagstaff
211 W. Aspen Ave.
Flagstaff, AZ 86001
lgarcia@flagstaffaz.gov

7. 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.

City of Flagstaff

By:_____
City Manager

Dated:_____

Attest:

_____
City Clerk

Contractor

By:_____

Title:_____

Dated:_____

Approved as to form:

_____
City Attorney

Notice to Proceed issued:_____, 20___

Last Updated October 15, 2025

EXHIBIT A - QUOTE

NORWOOD EQUIPMENT INC.

QUOTATION

511 E Mohave Street
Phoenix, AZ 85004
Phone 602-254-0644 Fax 602-253-4100

FOR:	**City Of Flagstaff**		**DATE:** **12/2/2025**
	3200 W Route 66,		
	Flagstaff Arizona 86001		
ATTN:	**Lyle Kenefick**		
PHONE:			

QUANTITY				
1	MULTIHOG CV 350 SWEEPER STAGE V			215,829.94
	4 X 4 CENTRAL LOCK DIFFERENTIAL			
	CRUISE CONTROL			
	IN CAB, ELECTRONIC GROUND PRESSURE CONTROL FOR FRONT MOUNTED ATTACH			
	ADDITION OF REVERSING FANS TO HEAVY DUTY COOLING SYSTEM FOR ENGINE			
	CV350 HIGH PRESURE WASHER PUMP LANCE 10M REEL HOPPER			
	LED FRONT WORK LIGHTS			
	LED REAR HOPPER WORK LIGHTS			
	3 CAMERA KIT -REVERSING CAMERA WITH CAMERA ON REAR OF HOPPER			
	SECOND CAMERA TO THE FRONT OF THE SUCTION HOOD AND THIRD CAMERA			
	TO THE REAR OF THE SUCTION HOOD			
	LED FLASHERS FRONT			
	LED FLASHRS ON REAR OF HOPPER			
	VACUUM GAUGE MOUNTED IN CABIN			
	CLEAN WATER LOW LEVEL INDICATOR			
	HYDRANT FILLER (CONNECTION ONLY)			
	WANDER HOSE (15 FT)			
	WANDER HOSE ACCESS DOORS			
	STANDARD BRUSH ARM ASSEMBLY (PAIR)			
	FRONT ATTACHMENT HARNESSWITH DEUTSCH CONNECTOR			
	CV350 A FRAME FRONT ADAPTER			
	REAR POWER SUPPLY			
	BFG ALL TERRAIN LT245/75/16 TIRES REQUIRES INTERMEDIATE MUDGUARDS			
	MACHINE WIDTH 1300MM (51') MAXIMUM HEIGHT 2038MM (80.2")			
	MAXIMUM AXLE LOAD 2500 KG INTERMEDIATE MUDGUARDS AND SUPPORT PLATES			
	900 MM POLY/STEEL MIX BRUSH			
	CV350 3rd BRUSH			
	FRONT ATTACHMENT HARNESS WHIT DEUTSCH CONNERCTOR			
	WEED BRUSH PREP (ARMREST)			
	HEATED REAR VIEW MIRROS			
	HEATED WINDSCREEN			
	Due to the current volatility of price increases and the uncertainty of			
	fluctuating tariffs affecting materials and production cost, all quoted prices			
	are subject to change.			
	SOURCEWELL MULTIHOG #111522-MUL			(-10,065.59)

QUOTATION VALID FOR 30 DAYS UNLESS OTHERWISE LISTED

SUBTOTAL	$ 205,764.35
9.1% ST TAX	$18,724.56
FREIGHT	INCLUDED
TOTAL	$ 224,488.91

ACCEPTED BY:

DATE:

If you have any questions concerning this quotation contact Oscar Pena 702-985-2180

THANK YOU FOR YOUR BUSINESS!

EXHIBITS B.1-B.2
AGENCY CONTRACT
(attached)

1. Sourcewell Contract with Multihog Ltd. 111522-MUL – (39 pages)
2. Sourcewell Contract with Multihog Ltd. 111522-MUL Pricing – (1 page)

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Solicitation Number: RFP #111522

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Multihog Ltd., IDA Finnabair Business Park, Dundalk Co., Louth Ireland (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 Airport Runway Equipment with Related Supplies 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.

B. EXPIRATION DATE AND EXTENSION. This Contract expires February 3, 2027, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.

C. 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

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.

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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.

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

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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;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;

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- 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 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

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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

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:

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- 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 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

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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.

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.

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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.

   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,

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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.

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.

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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.

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:

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- 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 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

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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. *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.

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

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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.

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

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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 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

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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). 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

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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 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.

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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.

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

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Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell	Multihog Ltd.
DocuSigned by: Jeremy Schwartz C0FD2A139D06489...	DocuSigned by: Michael Ferris E42B246299DE43E...
By: _____	By: _____
Jeremy Schwartz	Michael Ferris
Title: Chief Procurement Officer	Title: Regional Sales Manager
Date: 2/2/2023 | 1:38 PM CST	Date: 2/3/2023 | 3:22 PM CST

Approved:

DocuSigned by: Chad Coauette 7E42B8F817A64CC...

By: _____

Chad Coauette

Title: Executive Director/CEO

Date: 2/3/2023 | 3:24 PM CST

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RFP 111522 - Airport Runway Equipment with Related Supplies and Services

Vendor Details

Company Name:	Multihog Ltd
Address:	IDA Finnabair Business Park Dundalk , Co. Louth A91CY92
Contact:	Michael Ferris
Email:	michael.ferris@multihog.com
Phone:	443-852-1842
Fax:	443-852-1842
HST#:	

Submission Details

Created On:	Sunday October 23, 2022 13:22:53
Submitted On:	Tuesday November 15, 2022 12:42:58
Submitted By:	Michael Ferris
Email:	michael.ferris@multihog.com
Transaction #:	7b9e1cb2-d82b-4f56-b688-8c527aeec8c6
Submitter's IP Address:	97.118.184.172

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")	Multihog Ltd	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	N/A No other subsidiaries related to this proposal.	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	N/A No other assumed names or DBA names.	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	Multihog Ltd DUNS: 896896623 Our dealer network primarily process the sale and have Unique Entity Identifier (SAM) to sell to government agencies.See supporting documented for more details	*
5	Proposer Physical Address:	Multihog Ltd IDA Finnabair Business Park Dundalk Co. Louth Ireland	*
6	Proposer website address (or addresses):	https://www.multihog.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):	Michael Ferris Regional Sales Manager IDA Finnabair Business Park Dundalk Co. Louth Ireland michael.ferris@multihog.com 443 852 1842	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Michael Ferris Regional Sales Manager IDA Finnabair Business Park Dundalk Co. Louth Ireland michael.ferris@multihog.com 443 852 1842	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	N/A	

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.	Multihog was first launched in 2008 as a multipurpose tractor manufacture. Since then, Multihog has grown rapidly and steadily into a major provider of airport equipment across the globe. Multihog offers a wide array of airport solutions from snow removal to rubber removal and everything in between. Our constant innovation and pursuit of quality has allowed us to service the world's busiest airports such as John F Kennedy Airport, Toronto Pearson, Heathrow London, Baltimore, Indianapolis and many more. Please see a full reference list of airport customers attached to this response. Multihog operates from its Global HQ in Dundalk, Ireland where we design and manufacture our wide product range. Multihog' s ethos is to produce quality and innovative solutions and because of this Multihog has units in operation all cross the world from the USA to Australia. Our drive and enthusiasm for innovation and quality comes from the very top with our two directors who have more than 60 years' combined experience in the machinery manufacturing industry. Today the Multihog range is utilized as essential airport runway maintenance equipment that is operated by the world's busiest airports, municipalities & contractors, and we trace our success back to one guiding principle: innovate, innovate, innovate. We've built a team of the best and brightest engineers, who strive for improvement every day, so that we can be sure our unique product offering is of the best quality across our different markets. We're very proud of our dedication to innovation, our outstanding R&D department and our drive to create an exceptional product. Our greatest asset to the airport industry is our focus on the challenges they face and creating turnkey solutions to match their needs. Airports run a unique operation that requires the right tool for the right job. Multihog is constantly researching and working with airports all over the world to find areas we can develop new technology that can be utilized for efficiently. We are extremely confident that we are moving forward with the times and will be able to offer products for all the new and upcoming challenges that airports will face.	*
11	What are your company's expectations in the event of an award?	Our goal is to supply the very best of equipment to the airport industry to help them face the challenges ahead in transportation industry. Airports are under increased pressure to meet demand and having the correct equipment, training and supplies support is crucial at this time. This contract will give airports access to the equipment they need to keep their operations running smoothly. In the event of an award Multihog will immediately implement the various plans and procedures that have been prepared and outlined in this document to ensure the supply of the Sourcewell specific pricing, sales efforts, servicing etc. We are confident that this in-depth plan will allow us to effectively target Sourcewell members and to cater for any need or expectation they have. We will make a concentrated effort to attain a high volume of Sourcewell contract-based sales with members and to supply our products and service in a manner that meets and surpasses requirements. We hope to continue build a mutually beneficial relationship with Sourcewell and maintain a high level of communication and reporting to allow both parties to grow together with the intent of increasing sales and performance over the course of the contract.	*
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.	Multihog is a world leader in airport equipment and has been growing steadily and confidently to match out projections. Like everyone the COVID 19 global pandemic had an adverse effect on revenue in recent years. The transportation sector has a whole was hit extremely hard as can be seen by our dip in 2020 (FY21, Multihog financial year is February to February). However, as an essential piece of equipment we were able continue operations and grow from FY20 (2019) to FY22(2021). Please see supportive documents for details. Multihog has seen steady growth since launch and in 2017 relocated to a new facility to increase production capability. Multihog opened its new global HQ and in doing so expanded its operation from a 30,000 sqft facility to a 90,000 sqft facility. In addition, at the end of 2017 Multihog also secured €7m in new investment for further expansion giving the company a better foothold for entering new markets product development. With the huge success of our CV 350 sweeper we are currently looking at expanding our facilities footprint even further as we have had to double our production capability for this model year on year to meet demand. To ensure production in these turbulent times we are also increasing or on hand supply of parts which also required additional space. See supporting documents.	*

13	What is your US market share for the solutions that you are proposing?	The Multihog range is incredibly tailored to airports making us a market leader in this area. Multihog' most popular turnkey solution in the airport runway sector is our Combination Snow Plow and Broom coupled with De-Icing Sprayer or Salt Spreader mounted on our MX or MH models. Currently we are the only provider in this market for this application at this scale. This solution includes Multihog patented technology giving us a further edge in controlling this market. Multihog has successfully penetrated key customers in this market space in both US and Canada for example, JFK, Newark, Dallas Fort Worth, Vancouver, Toronto, and Montreal, Baltimore, Indianapolis. This exposure and success places us in a prime position for growth going into 2023. Due to the niche nature of these products our market share range varies but it often higher than 35%.- 45%	*
14	What is your Canadian market share for the solutions that you are proposing?	Due to the niche nature of these products our market share range varies but it often higher than 35% - 45%	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	N/A No our business has never petitioned for bankruptcy.	*
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?	B): Multihog manufactures the range of equipment detailed in this proposal. As a manufacture with extensive experience at our top level we know the process of delivering the very best equipment starts at the factory but must be complimented by a smooth and efficient sales, delivery, and support network.The Multihog platform to supply our equipment comprises of Multihog employees who directly engage in the market along with our third-party distributors who we support on a daily basis to represent out range. Our distributors are comprised of top-rated entities with a huge amount of presence and experience in this market space. We are committed to providing as much support as possible to them and are heavily involved in all Multihog related activity. We maintain a constant dialogue and reporting system with our dealers at all times, our US based Dealer Sales Support and After Sales Support departments are on hand to work with our dealers on a 1:1 basis. Each of our dealers carry demo and stock equipment allowing them to respond rapidly to customer interest which is a huge advantage in this industry. In the current economic climate, we are dedicated to being able to supply equipment in a time frame to meet customer needs. This is of vital importance to keep critical transportation infrastructure maintained and functioning. Multihog puts a heavy focus on ensuring all our distributors are constantly engaging with their customers to introduce and demo our products to further drive sales. Our Dedicated Dealer Sales Support team are on the ground working with our dealers to ensure they have all necessary support they need to reach Multihog' s high quality standards. They play a leading role in sales, market analysis and development. They are Multihog employees who go through rigorous training and act as a clearly defined communication channel and network between Multihog and our dealers. Our dealer sales support team will work with our dealers on a large range of activities which gives our customers the best possible service. Our dealers sales and service members are also fully trained as highlighted further on.	*
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.	N/A	*
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	N/A No suspension of Debarment.	*

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	PM 10/PM2.5 Testing In 2019, our CV sweeper was awarded a 4 star rating (the highest available) on the sweeper industry PM10/PM2.5 test. This test measures particulate matter and its handling during sweeping and is the gold standard for the sweeper industry because it directly impacts the amount of particulate dust which is expelled from a sweeper into the surrounding environment (which is often urban and densely populated). In order to achieve the 4 start rating, the Multihog sweeper had to collect at least 60% of the dust during the test. It actually collected 96% of dust during the test. European Type Approval All of our machines have European Type Approval, which involves some of the strictest safety testing in the world. AGR (German award) Our CV sweeper has been awarded the AGR seal of approval, awarded by the German medical association campaigning for healthier backs. Awarded only to products whose back-friendly design has been verified by an independent medical testing committee.	*
20	What percentage of your sales are to the governmental sector in the past three years	85% - 90%	*
21	What percentage of your sales are to the education sector in the past three years	5% This is a growing market for Multihog and we believe it will be a big growth area for us over the coming years. Again, this area was hit hard with the COVID 19 pandemic but we are excited for the future in this market space.	*
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?	H-GAC GR01-18 Awarded: Feb 2018 Sales Volume: $520,000	*
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?	N/A	*

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 *	
West Lafayette Street and Sanitation	Ben Anderson	765-404-8441	*
Township of Montgomery	Art Villano	908-874-3144	*
Vancouver Airport	Arnie Jassman	604-276-6516	*

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 *	
Laval Municipality	Government	QC - Quebec	Snow Removal, salt spreading, high pressure washing.	18 units with associated attachments. 9 with associated attachments.	$4,000,000	*
Chicago City	Government	Illinois - IL	Snow removal, sanitation and high pressure washing.	3 units with associated attachments. 6 units with associated attachments.	$1,850,000	*
Montana State University	Education	Montana - MT	Snow removal, grass cutting, material spreading	5 units total in fleet. All individual. Most recent for unit and associated attachments.	$220,000	*
Indianapolis airport	Government	Indiana - IN	Sanitation and sweeping.	1 unit with associated attachments.	$180,000	*
Baltimore Airport	Government	Maryland - MD	Sanitation and snow removal.	1 unit with associated attachments.	$175,000	*

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.	Multihog combined sales force includes an extensive dealer sales network, direct outside sales and direct inside sales support. All the personal in this team are experienced and fully trained professionals who are focused on supplying quality solutions to Sourcewell customers. Multihog has a team on the ground in the US strategically placed to give direct access to customers and to support our dealer network. Our support structure is split into 3 main areas. Eastern US/Canada, central US/Canada, and western US/Canada each with their own respective territory manager. They work in their areas but also as a team to maximize efficiency. Our inside sales support is focused on developing leads for our dealer network and outside sales staff to promote the Multihog product range. They develop leads by direct reach out, email and social media platforms such as LinkedIn. Multihog has a proven track record in sales with an extensive history of success all over the world. Our dealer network is fully developed with a global team and network that reports to our Director of Sales. One of our most important sales metrics is the amount of repeat business we have with customers who continue to invest in Multihog after their initial purchase. This is a key part of our business model as airports continue to build out their fleet of Multihog machines.	*

27	Dealer network or other distribution methods.	Multihog has an extensive and developed dealer third party dealer network for sales distribution. Please see the large dealer map included (PDF/Print form in support documents. Multihog has coverage across all of North America. Hawaii and Alaska will be dealt with directly through Multihog. Our dealer network is comprised of third-party entities who are top-class equipment suppliers who specialize in selling to government and sate agencies such as airports, municipalities, and universities. Our dealer network has a combined sales force of over 120 experienced sales personal who are focused one government agencies and state agencies. Each person in this sales force is fully trained on the Multihog product offering so they can effectively sell to their customers. Our US dealer network is comprised of 14 dealers who sell and service in their respected areas. Our Canadian dealer network comprise of 6 dealers who sell and service in their respected areas. In the award of the contract we will conduct additional and regular Sourcewell training to ensure they are effectively using the contract and promoting it to its full extent. This is extremely important to develop our sales with Sourcewell.	*
28	Service force.	Service is completed by our dealer network who are extremely experienced in this area of support. Our dealer network receives regular training from Multihog to stay up to date to ensure the best service possible. We conduct in person training at dealer locations as well as training schools are our factory. This is a key part of Multihog core values as our equipment is essential for runway maintenance and must be supported fully. Our dealers have in house service and also on-site road service so they can offer top tier support. The service team among are dealer network comprises of approx. 100 dedicated service technicians. Multihog also has a dealer service support team comprised of on the ground service support and also factory direct service support. They work closely with all dealers to ensure they are fully trained, supported on day to day activities, and achieving targets for their markets. They are available to assist with training, troubleshooting and walk-through service when required.	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Each of our dealers will deal directly with their customer base in terms of purchasing and invoicing. Each dealer will process a Sourcewell members purchase order. Both Sourcewell Members and dealers will ensure that these purchase orders are marked to indicate this purchase order is made under the contract number for the awarded contract. Every dealer will be required to report monthly on their Sourcewell activity including submission of purchase orders. Multihog will then invoice each dealer for the Sourcewell admin fee based on their activity and compile a full quarterly report including the admin fee to be paid to Sourcewell. This allows a single entity, Multihog Ltd, to control the reporting and payment of the admin fee. Our dealer sales support team works directly with our dealer network in North America so will be directly involved with ensuring that purchase order processing and reporting is carried out in accordance to both Multihog and Sourcewell requirements.	*

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.	At Multihog we are fully committed to offering after sales service and support to the highest level of excellence. We are heavily focused on keeping our dealer network up to date on service support and emphasize that our end customers should have minimal downtime when it comes to service. Dealer Network – All of our dealer network is fully trained on service and will handle customer service and maintenance with both on the road support and in-house capability. All dealers are capable of 24 hours service and rapid response. All Multihog dealers stock spare parts and Multihog is also capable of shipping spare parts to the US within 24 hours. 24 hour factory call out -When required Multihog will have a factory service member dispatched within 24 hours to assist dealer support and can even offer onsite support on a case by case basis. Training – Training with our dealers happens on a quarterly or bi-annual basis. New personal will undergo a 3-5 day training course undergoing detailed training on all areas such as assembly, hydraulics, electrical, and software training. Factory Support – All dealer support personnel have direct access to Multihog's after sales support team for trouble shooting assistance when needed. At Multihog we pride ourselves on the level of support we offer and our turn around times when resolving customer issues. It is mandatory for dealers to be able to uphold these levels of support that we set here from the factory.	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Multihog has a well-established reputation for supplying equipment into the airports, municipalities, and educational institutions. across the United States. We built this reputation on our ability and willingness to supply the very best in equipment that is engineered for the task at hand. We are focused on continuing to build that relationship even farther as we develop even more products that can help these industries function effectively. We view all our customers as partners and work closely with them to continue to improve and develop our range. This along with our with level of experience gives us the ability to provide turkey solutions for the specific maintenance challenges they face. With significant financial, personnel and R&D investment in the United States we are confident that our ability to supply Sourcewell members will continue to increase.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Multihog is just as dedicated to selling into the Canadian market as it is to the US market. We are striving for success in the North American market as a whole.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	Multihog will fully serve every any participating entity who would want to purchase through the contract. Multihog is not restricted by regional limitations.	*
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?	Multihog will fully serve every any participating entity who would want to purchase through the contract. Multihog is not restricted by regional or other contractual obligations. There are no restrictions on entity sectors that we can supply to.	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	There are no contract requirement or restrictions with Multihog for participating entities in Hawaii and Alaska and in US Territories	*

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.	Direct: Our direct marketing is done through our USA sales team in conjunction with our USA dealer network. Our sales team is on the road around 90% of the time, travelling from one dealership to the next, carrying out sales training, assisting with demonstrations and cold-calling on prospective customers to generate sales leads. As the Multihog is quite a technical product, we feel that it's necessary to support the dealers very closely, in order to ensure that the customer receives the right Multihog for their needs. The Multihog sales team is consistent in promoting the Sourcewell contract as a purchasing solution, both with the dealers, and on-site directly with customers. We can see the demand for it from our customers, and it's a valuable sales tool for our brand. Online: Multihog dedicates a lot of resources to online marketing, and we believe it is a leader in its field in this respect. Over the past year, we have completed a comprehensive UX redesign of our site to ensure that it not only looks good visually, but is also funnelling web visitors towards completing a contact form or booking a demo (see attached images of pre and post web redesign). The website, www.multihog.com, features the Sourcewell logo in the footer of each page, along with links to our vehicles and the contact form (see attached image), to ensure that prospective buyers know that Sourcewell is an option for them. We also push our dealers to promote the Sourcewell contract with their customers, both at live demonstrations of the Multihog vehicles, and also on their own social media channels. Multihog is also very active on social media, posting twice per week on average, across Facebook, Twitter, LinkedIn and Instagram (see attached images of social media posts). We also have a comprehensive YouTube channel, with more than 1,200 subscribers. Multihog also completed an extensive digital marketing project between 2020-2021. This involved mapping our buyer personas to better market our products to them, the aforementioned UX website re-design, building customised landing pages for Google Ads campaigns, and setting up a comprehensive marketing automation system to nurture leads and contacts which come through our website. All of this work was undertaken to level up our digital presence and to drive more sales online through our website. Trade Events As a manufacturer, Multihog attends a number of exhibitions and conferences each year in the USA, and we also support our dealers with smaller, more regional trade events. Since becoming a Sourcewell partner in 2019, and despite many trade events being cancelled in 2020/2021 due to the pandemic, we have still attended a number of important shows, and have displayed Sourcewell pop-up poster stands and teardrop flags on our machinery and stand at each one. This ensures that any stand visitors (generally municipalities) know that they can use Sourcewell to buy our equipment. We are constantly evaluating our marketing activities and measuring our efforts between physical marketing (trade shows) and digital marketing (online) in order to best reach our target market.
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Here are some of the ways we've improved our digital presence (and in turn, marketing efforts) since 2020: Working with a digital marketing agency, we have undertaken a lot of work, including a research project for paid advertising (from which monthly ad campaigns are ongoing), a 'social selling' course for our sales team to more effectively reach buyers online, a UX redesign of our website, setting up a KPI and reporting framework to measure our marketing efforts and the launch of a marketing automation system as a way for our sales and marketing teams to track leads. All of these elements are elevating our marketing efforts in the USA (further (commercially sensitive) details can be obtained upon request. In July 2021, we also hosted a 'Bike Lanes & Trails' webinar, as a way to reach municipal customer during difficult pandemic lockdowns. We worked with our dealers to ensure that the correct buyers were invited and registered for the event, and it was a success. We have ongoing monthly status meetings with our digital marketing agency to evaluate the success of current marketing efforts, and to plan future projects. This ensures that our marketing initiatives are never stale, and always reflective of current digital trends. As mentioned previously, we are consistent users of social media, and use it to promote new vehicle models, attachments, trade events and dealerships to our followers.

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?	Sourcewell's role is to promote the Sourcewell procurement process with participating entities, potential entities who are not yet participating, our dealer network and Multihog itself. The promotion of the contract and development of participating entities is key to the contract's success. This will depend on Sourcewell promotion directly with entities but also training and supporting our sales network to ensure we promote it to its full ability. We would expect Sourcewell to market the awarded contract through email, online, shows, and other available outlets to notify existing and potential members that Multihog is now participating in Sourcewell. Sourcewell is our primary contract for government agencies, so the promotion of its availability is paramount for our sales force.	*
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.	No, due to the technical nature of our equipment we recommend that our customers first have a consultation with our sales force to understand the requirements fully and supply the correct equipment to guarantee customer satisfaction.	*

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.	Full operational and maintenance training is standard with all Multihog equipment by our dealer network and Multihog support team. This includes an onsite training with operators and maintenance staff to ensure longevity and smooth operation of our equipment. This training includes but is not limited to - Full operation training. - Cleaning and troubleshooting. - Daily checks and maintenance. - Annual service. - Attachment training. On request we can also additionally offer training at our factory. Multihog also utilizes this training to get receive feedback on the how our equipment is used. We listen to the needs of our customers and constantly try to improve and innovate our range. Multihog has huge amount of experience in airport operations which allows us to train and pass on that experience to our customers.	*

41	Describe any technological advances that your proposed products or services offer.	Multihog prides itself on our constant innovation. Our aim is to develop the right tool for the job and not just apply a cookie cutter approach. Multiple aspects to our range are unique to Multihog and were specifically designed for the airport industry. Spring and shock absorber suspension – The Multihog CX and CV range offers spring and shock absorber suspension on all four wheels. This gives an incredibly smooth and stable ride maximizing comfort and safety for the operator. This type of technology is a first in its class with all the competition still adopting rigid axles. Remote software updates - Our engineering team at Multihog has the capability to remotely login and download diagnostics from a machine anywhere in the world once the end customer has a laptop and internet connection. This is a huge advantage from a support perspective as it allows our support team to troubleshoot issues even before there is someone on the ground with the machine. This is available on all models. Tier 4 final engines –All of our engines are Tier 4 final category engines meaning they are among the cleanest diesel engines in the world. In addition our CV unit boasts a Tier 4 Final engine without the need for a DEF of DPF system. Noise level – At Multihog we use the latest in noise dampening technology in our cab manufacturing process to reduce the noise level to as little as 64 dB on our MX range and 69 dB on our CX and MH range. This level of noise reduction in the cab means for the operator it is a very comfortable environment to work in with no need for any external ear protection. Weight transfer control – Each Multihog model can have the optional weight transfer extra which allows the operator, through the innovative user interface, to transfer the weight of the attachment onto the front wheels for added traction and control. This is useful for applications such as snow blowing. Customizable Software and Password Control – Multihog has its own in-house software team. This allows us to provide custom software to customers depending on their needs. Many customers in the past have requested advanced settings and functions which can also be password protected allowing the Multihog to be setup for a certain function by a master operator/controller and then locked to prevent any changes during daily use. Down Pressure – Each Multihog model can have the optional down pressure function. An advance hydraulic circuit allows the user to adjust how much down pressure is applied to the attachment. This is extremely useful when a constant force needs to be applied to the attachment onto the surface it is operating on such as cold planning or runway grooving. R&D – Innovation and development are core elements to Multihog's strategy. At Multihog we employ techniques utilizing advanced software to simulate stresses and forces on our engineering designs. This way we can ensure that our Multihog machines are built extremely robust while remaining agile and maneuverable. Patented Technology – Multihog is the only manufacture to produce the combination plow and spreader as a turn key solution with Salt Spreading and De-Icing capability. This is a major success in the airport industry and is one of our bestselling offerings. The combination plow and broom includes patented technology allowing for auto centering of the broom when angled so the broom always maintains a center line cleaning path. This is one example of patented technology that Multihog owns allowing us to stay ahead of the Market. Advanced CFM – the CV 350 utilizes next generation fan technology to produce over 4,700 CFM in a compact unit. This is an immense amount of suction power that is invaluable to collect heavier debris.	*
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.	ECO-FRIENDLY VEHICLES • Reducing emission levels is a central part of machine development at Multihog. We are continuously improving our designs to take account of newer, cleaner engines which are released, generally opting for those which far exceed regulatory obligations. • All of our machines have long maintenance intervals (100 hours for first service, and 500 hours between each service thereafter). Less maintenance on each machine means that consumption of maintenance consumables is reduced considerably over a vehicle's lifecycle (e.g. oil and fuel filters). • The hydraulics in all of our machines are designed to be load-sensing. This means that they are optimised to provide the required hydraulic flow at the lowest revs possible, and unlike a gear pump system the oil is circulated only when required. This saves unnecessary fuel wastage when driving. • The multi-purpose nature of our machines encourages efficiency in equipment purchasing. One Multihog can carry out various tasks, and often can replace up to 3 other	

		machines, each of which would be in operation only seasonally. This reduces unnecessary machinery production and purchasing, which is beneficial both financially and environmentally (less landfill/scrap metal at end of lifecycle). • As we write our own software, particularly CAN bus, we have been able to reduce the amount of cabling and other unnecessary components running through our machine. This not only reduces component use in the build of the machine, but also reduces the number of components which would be replaced as spare parts over a machine's lifecycle. • Since control of our machines is software-based, they can be remotely updated regularly anywhere in the world, and do not become obsolete in later years. • All of our machines can be operated using bio fuel, a more eco-friendly fuel alternative. (B7 fuel for CV, HVO & B20 fuel for MX and B10 fuel for CX). ECO FRIENDLY PRODUCTION • All of the components we use are high quality and proven to be reliable. We don't use cheap components which need to be replaced regularly. This reduces unnecessary component production. • In 2017, the lighting in our factory was replaced with LED lighting throughout, as it is more eco-friendly. • All of the cardboard, wood (pallets) and waste steel used in our production is recycled. • We are 75% through a plan to replace all air powered tools with more efficient battery powered tools. • We are reviewing a "Going Green" plan for the factory floor, to make our production even more eco-friendly. • All waste oil is re-cycled. • All the steel used for the structure of our vehicles are powder coated to withstand corrosion and extend the product lifecycle. • Our components are salt tested to ensure they withstand corrosion to extend the product lifecycle. ECO FRIENDLY OFFICES • Individual plastic water bottles have been swapped for refillable water cooler stations. • Waste-heavy coffee machines which use individual, unrecyclable pods have been swapped for larger drums of instant coffee. • All waste is segregated into recyclable bins. • All of our hospitality items have been reviewed for their impact on the environment (paper cups have been swapped for ceramic mugs, plastic cutlery has been swapped for stainless steel and polystyrene plates have been replaced with reusable ceramic plates).	*
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.	N/A	*
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.	Our dealer Guthrie Heli-Arc is women or Minority Business Entity (WMBE)	*

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?	Multihog is dedicated to supplying the correct equipment to get the required application completed safely, efficiently, and effectively. To do this we have the ability and willingness to develop products that are suited and designed to complete the task at hand. One of our unique attributes is our passion to develop products from the feedback of our customers. We see our customers as partners and often develop and test our products with existing customers. This allows us to get the information and feedback we need to supply the turnkey solutions in these specific applications. Our top-level experience is a vital part of this process. Jim McAdam – Managing Director Jim spent a large part of his career as Managing Director of Moffett Ltd, the reverse-drive tractor & forklift manufacturer. A trained engineer, he was pivotal in the development of the very successful Moffett Mounty truck-mounted forklift, which has sold over 50,000 units worldwide. After the successful sale of Moffett Ltd. Jim established Multihog to develop a machine for mowing grass on slopes, & much of the vehicle's incredible evolution since then can be attributed to his knowledge & expertise in innovation Gerry McHugh Like Jim, Gerry also began his career as an engineer with Moffett Ltd., before taking over as Managing Director of Aisle-Master Ltd. There he led the development of the narrow aisle forklift, a machine which can increase warehouse capacity by up to 50% thanks to its ability to work within incredibly tight spaces. Since joining Multihog as technical director in 2010, Gerry has been instrumental in fine-tuning our product range thanks to his passion for quality and keen eye for detail. The vast experience of our top level leadership is an incredible asset to Multihog and has allowed us to develop our range of airport specific technology that any airport could utilize. Multipurpose – The multipurpose nature of our equipment is one of the most defining and unique benefits to our equipment. To be efficient no entity should have equipment not being utilized through out the year. With our various attachments Multihog units are true all season equipped machines. Support – Multihog offers best in class support to customers globally. Our dealer network is fully trained in service and maintenance of the Multihog product line. Sourcewell members can be assured they are purchasing a reliable product that also has a concrete support network behind it. Along with a trained dealer network Multihog is on call 24/7 and available to put factory support on the ground when required. Serviceability – Each Multihog model is intended for round year use where the machines runs through all 4 seasons so needs to be designed to be robust serviceable to reduce any down time. Easy access for maintenance and service is huge part of this to minimize time spent taking apart the tractor to perform simple tasks such as filter changes or oil checks. For example, Multihog has designed the surrounding panels so they hinge open allowing direct access to the engine bay from both sides and the top of the machine. Multihog also offers an option for hydraulic tilting cab to for ease of access to maintenance points on the underside of the cab which is extremely advantageous when there is on only one maintenance member working on the unit. Training – As highlighted above training is offered as standard to Sourcewell members. Carrying Capacity – The Multihog models have a carrying capacity between 4410 lbs to 7716 lbs depending on the model as highlighted in the technical specification for each model. The MX range is capable of the full 7716 lbs carrying capacity with no other multipurpose tractor in its class matching this. This is due to the robust design and premium quality wheel motors used giving a front and rear axle capacities of respectively 7716lbs and 9920 lbs. Are rear mounting attachment capability allows for large containers to be mounted right on the rear bed on all models. This uses a pin and rail quick attach system making it a simple task to remove and install rear mounted attachments and can even be done by a single person.	*

Table 9: 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, our standard warranty covers all products supplied including parts and labor where applicable.	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	Standard usage restrictions and reasonable usage limits apply. Please see supporting document for details.	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Multihog agrees to pay distributor for 1 no. travelling trip (max 2 hours travel time) to any breakdown/warranty issue. Copied in terms below.	*
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?	No. All areas in in the United States and Canada will be fully serviced for warranty repairs.	*
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?	Yes	*
51	What are your proposed exchange and return programs and policies?	Exchange and returns will be covered at our cost for parts under warranty.	*
52	Describe any service contract options for the items included in your proposal.	Multihog dealers have capability on offering service contracts to the customer. For this product line these types of contracts are very customer specific with regards to their needs. Each dealer has flexibility to offer service contracts on a case by case basis and tailoring the level of service and term of service to the customers' requirements. Some service contracts could be full maintenance, some could be parts only or some could be labor only depending on the dealer and customer requirements.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
53	Describe your payment terms and accepted payment methods.	Net 30. Payment methods are determined by the dealer as multiple options are available.	*
54	Describe any leasing or financing options available for use by educational or governmental entities.	Yes. All dealers are capable of offering flexible finance options and can tailor purchase plans to suit the customers' needs and finance requirements.	*
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.	Our order process is designed to be simple for the ease of use by participating members, our dealers and Sourcewell. 1- Members are quoted equipment by our dealers which includes reference to our Sourcewell Contract. This is verified by our dealers and Multihog. 2- In the event of a purchase a PO is issued to either Multihog or our dealer which states the Sourcewell contract # and the member ID number. This is verified by our dealers and Multihog in either case. 3- If direct Multihog will process the order and add the sale to our quarterly report. If the sale is via a dealer the dealer will issue a PO to Multihog which will contain all details including the member ID of the participating entity. Dealer POs are required to state if the sale is under source contract. 4- Every quarter Multihog compiles all direct and Dealer sales to submit to Sourcewell along with the administration fee.	*
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?	P-card and payment process is dealer dependent and on a case by case basis. No additional cost.	*

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.	The Multihog pricing model will be product category discount. List price is included in the supportive documents. Sourcewell participating members receive a 5% discount form this list price with further discount negotiable on case by case basis.	*
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.	5% discount from list price in supporting documents as stated above can automatically be applied to Sourcewell members with further discount negotiable on a case-by-case basis	*
59	Describe any quantity or volume discounts or rebate programs that you offer.	Further discount rates will be negotiable on a case-by-case basis and can be dependent on factors such as volume of order, previous relations with customer and vendor, potential for new business.	*
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.	We have made every effort to include every product that may be required in this proposal to that relates within the scope of the contract. However, with the technical nature of our equipment there can be requested “nonstandard options” that we can facilitate to ensure the best experience to our customers. In this case a quote will be supplied upon request and noted as an “Open Market” item.	*
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.	Installation, set up and training, and initial inspection are all included at no extra fee. If sourced goods require some specialized fitting/installation, then a special case fee may be charged and would be agreed on at time of purchase.	*
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.	Not an additional cost. Included in list price. This is to facilitate a smooth and efficient purchasing process for Sourcewell members. All pricing given will be to their door turnkey solution with one price.	*
63	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	All shipments can be direct from factory for areas where Multihog deals direct (e.g. Hawaii) or from the closest dealer location.	*
64	Describe any unique distribution and/or delivery methods or options offered in your proposal.	The pricing in this proposal is inclusive of shipping. This is to streamline the purchasing processing for participating members and avoid unexpected additional costs.	*

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.	

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.	We plan to further develop or robust self-auditing system to meet the increasing demand for our products. Pricing – Sourcewell pricing is distributed to all dealers immediately upon contract award. As described our dealer support team is involved from the ground up so all quoting is verified at every stage. Pricing is also verified with each dealer before acceptance of the PO. Sourcewell pricing is accessible via our dealer portal. Reporting – Our dealer network will receive immediate training on our reporting structure. This has been redesigned to accommodate our growing business. Each dealer is required to report all Sourcewell sales monthly. Every quarter this information is compiled and verified. It is then reported to Sourcewell along with the appropriate fee.	*
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.	Multihog will be measuring a number of metrics to gauge and drive sales through the Sourcewell contract. At Multihog we already look at performance of each dealer and sales person to generate actionable information. These metrics include . • Total unit sales per sales person • Total unit sales per dealer • Total revenue sales per sales person • Total revenue sales per dealer • Number of bids won • Number of bids lost With the contract we would add the following metrics • Number of unit sales through Sourcewell Vs non-Sourcewell unit sales • Number of unit sales through Sourcewell Vs non-Sourcewell unit sales per Sales Person • Number of unit sales through Sourcewell Vs non- • Sourcewell unit sales per Dealer	*
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.)	Multihog proposes an admin fee of 2% on unit sale price of each machine or attachment highlighted in this contract.	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *	
69	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	Multihog is dedicated in developing vehicles of the highest quality that meet and exceed our customers' expectations at every possible point. In our supporting documents we detail our product offering which highlights our innovative approach to servicing the needs of airport customers on a world scale. In short, Multihog offers a range of multipurpose machines ranging from 75HP to 130HP so no matter the application Multihog has the right sized machine for the job. Each of these multipurpose units can run an array of attachments for runway maintenance including snow removal, rubber removal, line removal, salt spreading, de-icing, trash pickup, mowing etc. These attachments can be switched in minutes making the Multihog and invaluable tool for any airport runway maintenance fleet. Our Range of equipment includes our CL, CV, CX, MX Range and MH units. All of which can be utilized for a plethora of different applications. The multipurpose nature of our equipment is huge benefit to our customers who aim to utilize the equipment all year round. Multihog offers a huge amount of attachments for our range which grants our customers the ability to utilize our machines for multiple applications including very specialized and niche operations. As stated we have worked with airports all over the world gathering information and feedback to develop these range of applications. Please see supporting document "Multihog Product Offering" for more details.	*
70	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	•Runway Rubber Control •Runway Light Cleaning • Runway Verge and Airfield Grass control. • Runway and Airfield Trash Control • Runway Weed Control • Runway Glycol Clean-up • Runway Line and Marking Removal • Runway Surface Cleaning • Runway Taxi Line and Tow Line Snow Maintenance • Runway De-Icing • Runway Salt Spreading •Runway Snow Management	*

Table 14B: 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.

Line Item	Category or Type	Offered *	Comments	
71	Plows;	Yes / No	Multihog offers a wide range of plows including angle plows, variable v plows, box plows, extendable plows. combination plow and brooms. The various types and sizes of plows allows for them to be utilized all over the airport and runway.	*
72	Blowers;	Yes / No	Multihog offers a wide array of blowers of various types and widths. Box blowers, open face ribbon blowers, dual auger blowers, truck loading high chute blowers.	
73	Brushes and sweepers;	Yes / No	Multihog offers brushes and sweepers for various applications for runway maintenance including snow management, sanitation, debris collection, FOD collection.	
74	Anti-icing equipment and deicing equipment;	Yes / No	Multihog offers various Anti-icing and de-icing equipment for our range.	
75	Rubber removal equipment;	Yes / No	Multihog offers multiple options for rubber removal including high pressure washers, scrubber decks and mill heads.	
76	Runway closure markers;	Yes / No	Multihog offers equipment to clean and maintain installed runway closure markers such as the high pressure washer and scrubber deck.	
77	Runway traction equipment;	Yes / No	Multihog offers multiple options for runway traction management such as surface treatment via mill heads to install runway grooving.	
78	Equipment accessories and technology related to production of a turn-key solution complementary to the solutions described in Lines 71-77 above.	Yes / No	Multihog works closely with our customers to provide turnkey solutions for the above lines. Th	*
79	Complementary offering of parts, supplies, and services, related to the upkeep, repair, or maintenance of equipment described in Lines 71-77 above.	Yes / No	Multihog offers parts, supplies, training as standard to all customers. Additional training and consultation on best practices for machine longevity is available.	*

Table 15: Exceptions to Terms, Conditions, or Specifications Form

Line Item 80. **NOTICE**: To identify any exception, or to request any modification, to the Sourcewell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcewell and will not automatically be included in the contract.

Contract Section	Term, Condition, or Specification	Exception or Proposed Modification

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 - Multihog Sourcewell Pricing.zip - Tuesday November 15, 2022 09:04:14
- Financial Strength and Stability - Financial Strength and Stability.zip - Tuesday November 15, 2022 09:05:38
- Marketing Plan/Samples - Marketing Samples.pdf - Tuesday November 15, 2022 09:55:38
- WMBE/MBE/SBE or Related Certificates (optional)
- Warranty Information - Warranty Statement - Multihog Limited (2022) (1).pdf - Tuesday November 15, 2022 09:41:53
- Standard Transaction Document Samples (optional)
- Upload Additional Document - Multihog Additional Documents.zip - Tuesday November 15, 2022 12:03:03

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. - Michael Ferris, Regional Sales Manager, Multihog Ltd

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_3_Airport_Runway_Eqpt_RFP_111522 Tue October 25 2022 01:23 PM	☑	1
Addendum_2_Airport_Runway_Eqpt_RFP_111522 Mon October 24 2022 03:59 PM	☑	1
Addendum_1_Airport_Runway_Eqpt_RFP_111522 Mon October 17 2022 11:06 AM	☑	1

Multihog #111522-MUL

Pricing for contract #111522-MUL is provided at 5% discount from list price with further discount negotiable on a case to case basis to Sourcewell participating agencies.



Multihog®

CV 350 MORE THAN JUST A SWEEPER!

THE MULTIHOG CV: HIGHLIGHTS



Compact, multi-purpose sweeper available in 3500 kg (7716 lb) or 4000 kg (8818 lb) GVW models.

Dedicated all-terrain vehicle with the option to change front brushes to other attachments.

Incredibly simple operation – switch from drive mode to sweep mode and back again using one button.

Low emission Tier 4 Final/Stage V engine makes the CV a more sustainable choice.

All sweeper functions are controlled from a fully adjustable, floating ergonomic armrest.



A SWEEPER OF SUPERIOR QUALITY, DESIGNED & BUILT IN IRELAND.

Launched in 2008, Multihog has been a leader in the multi-purpose vehicle field for many years. Designed and produced in our Irish factory, we export our products across the globe to a wide range of customers including municipalities, airports and contractors.

Our R&D department is constantly innovating, and is led by our directors, who share more than 75 years of machinery production experience:

Jim Mc Adam - CEO

Jim is a trained engineer, and spent a large part of his career as MD of Moffett Ltd., the reverse drive tractor & truck-mounted forklift manufacturer.



Gerry McHugh - Technical Director

Gerry also began his career as an engineer with Moffett Ltd., before taking over as MD of Aisle-Master, where he led the development of the narrow aisle forklift.



PERFORMANCE

The performance of the Multihog CV sweeper really is class-leading.
To create the most sustainable sweeper possible, our engineers prioritised a combination of powerful functionality and reduced fuel usage.



Gradeability for steep streets



Hopper capacity is 1.5 m^3 (2 cubic yards) and boasts industry-leading suction power of 8000m^3 (4700 cfm).

With the ability to climb hills with up to 50% incline, the CV is ideal for sweeping even the steepest of paths and streets.

Fully hydrostatic drive train for smooth driving and four cooler sections for fuel, air, water and hydraulic oil to help save costs.

Brushes can adapt from 1.2 m (47”) up to 2.35 m (93”) working width, and are tiltable for easy operation around gutters.

SUSTAINABILITY



200 litre (52 gal) recirculation tank provides superb dust suppression and helps to reduce water usage.

Integrated airflow enhancer optimises operation at lower RPM, reducing fan noise and fuel usage.

Powerful performance at lower fan speed and engine RPM ensures noise pollution is minimised for night operation.

The CV achieved the gold standard of 4 stars on the PM10/PM2.5 industry standard test.

Incredibly simple operation – switch from drive mode to sweep mode and back again using one button.

Operating the CV with more sustainable biofuels can help to reduce net greenhouse gas emissions by up to 90%.

SIMPLIFIED SERVICING

1. Everything in the rear engine bay is very accessible for servicing. The oil, fuel and air filters are all within reach when you open the doors, making filter changes very easy. The battery & fuel tank are also built into the openable door, so they don't obstruct anything during maintenance.

2. The hopper is manufactured from a special grade of aluminium alloy, which is anti-corrosive and perfect for harsh weather conditions.

3. The mesh inside the hopper is made from stainless steel and does not need to be removed for cleaning. The rear grill is also removable for access to jump points, electrical box and alternator belt.

4. The centre point of the CV is very streamlined and easily greasable, with no PTO shaft and minimal hoses running through it, for less wear and less maintenance.

SCAN ME



ON-BOARD DIAGNOSTICS

- The on-board diagnostics allow you to easily see drive pump and engine criticals like engine temps, fuel pressures, key voltages, etc.
- The operator is able to view these diagnostics without a password, making remote troubleshooting a breeze.
- An update cable on the side of the machine will connect directly to a laptop, allowing end users to install software updates remotely. This saves unnecessary trips to local dealerships, saving time and costs.
- The diagnostics are designed to be easy to understand and easy for the operator to use, ensuring that any issues are quickly resolved and downtime is minimised.



AIR QUALITY & SAFETY



The Multihog CV sweeper achieved the highest rating available (4 stars) on the PM10/PM2.5 test. The PM tests measure particulate matter and how it's handled during sweeping, and are considered the industry's 'gold standard' for prevention of air pollution.

From a safety perspective, the CV has a ROPS-certified cab and also carries European Type Approval, which means that it is a road-legal tractor which complies with some of the world's strictest safety standards. Being classified as a tractor often means that the operator only requires a tractor licence to operate our sweeper *(region-specific)*.

QUALITY
ISO 9001:2015
NSAI Certified

ENVIRONMENT
ISO 14001:2015
NSAI Certified

certified & recommended
AGR

EUnited
PM 2.5
PM 10

SO MUCH MORE THAN A SWEEPER

The Multihog CV is built to work all year round, with a wide range of front and rear attachments. Swapping attachments is simple - the front brushes can be removed in less than 15 minutes, and the hopper within just 5 minutes.

Other ways to get the most out of your CV:

1. The rear rails can be used for a drop spreader.
2. Optional pressure washer can be built in to the back of the hopper for cleaning park benches, trash cans, etc. Can also be useful for cleaning out the hopper itself using water from the fresh water tank.
3. With the water nozzle connections at the front, the sweeper is already set up to supply water at the front to other attachments such as a scrubber or watering arm.
4. Towing capacity of 3.5 tonne (braked trailer) allows you to transport extra equipment to job sites, e.g. extra water tanks.

SEE IT IN ACTION!

SCAN ME

















EXCEPTIONAL COMFORT

- Spacious cab with air-suspended seat and excellent visibility.
- Adjustable seat height and steering column position.
- Unparalleled cooling with separate fan for supercharged a/c.
- Independent spring & damper suspension for a smooth ride.
- Insulated cab protects operator from external noise & vibration.
- Ergonomic armrest moves with the operator for extra comfort.



SIMPLE OPERATION

- Our ‘one-push-sweeping’ via green button on armrest means operation is simple. Controlling 8 sweeping functions in one, it allows the operator to turn the key, push the green button and start sweeping right away.
- Just 2 simple drive modes – drive mode for driving and work mode for operating (e.g. sweeping/mowing).
- Large HD display in the cabin shows various functions, including brush speed, water level, suction power, etc.
- Everything is adjustable from within the cabin, and the ergonomic armrest makes operation very comfortable.
- A key feature is the ability to pre-set operating modes for different attachments, e.g. mower mode or snow plow mode. The modes will have different hydraulic flows optimised for each task, and takes the guesswork out of setting up attachments for less experienced operators or seasonal crew members, reducing downtime and costs.



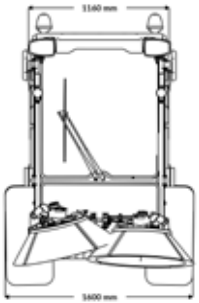


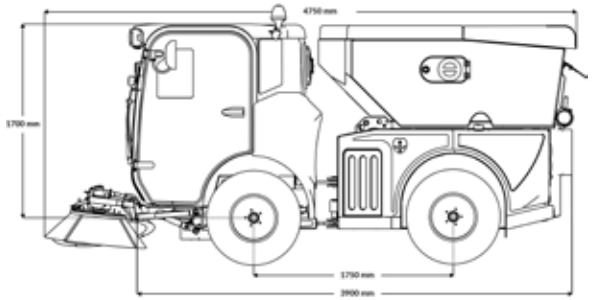
REDUCE YOUR COSTS WITH THE CV

- Truly multi-purpose sweeper, for use 365 days each year to maximise your capital investment.
- Compact size makes it perfect for sidewalk maintenance, and having the right machine for the right task ensures you don't waste fuel running an oversized vehicle for the task at hand.
- 200 litre (52 gal) water recirculation system minimises return trips to a depot for refills, saving time and costs.
- Easy maintenance and excellent access to rear chassis reduces service time, and in turn, downtime.
- Hopper is manufactured from a special grade of anti-corrosive aluminium alloy, extending its lifespan in harsh conditions.
- Reduced number of greasing points with auto-lubrication option to save on servicing costs.
- On-board diagnostics streamline troubleshooting and get you back to work faster, with less downtime.
- CAN bus system lowers the number of electrical wires and hoses running through the machine, reducing wearable parts.
- Wear-resistant blades on heavy-duty fan extends its lifespan.
- Integrated airflow enhancer significantly decreases fuel usage, making the CV a more sustainable choice.

TECHNICAL SPECIFICATION

- Engine: Hatz, 75 hp
- Emissions: Stage V, Tier 4 final
- Length: 3800 - 4600 mm (149 - 181 in)
- Width: 1200 - 1600 mm (47 - 63 in)
- Height: 1995 mm (79 in)
- Wheelbase: 1750 mm (69 in)
- Unladen weight: 2000 - 2500 kg (4409 - 5511 lb)
- Axle capacity, front, tyre dependent: 2200 kg (4850 lb)
- Axle capacity, rear, tyre dependent: 2500 kg (5511 lb)
- Gross vehicle weight: 3500 - 4000 kg (7716 - 8818 lb)
- Outer turning radius: 2550 - 2740 mm (100 - 108 in)
- Maximum speed: 40 km/h (25 mph)
- Sweeping width: 1200 - 2350 mm (47 - 92 in)
- Hopper volume: 1.5 m^3 (2 yd^3)







CONTACT US
BOOK A CV DEMO TODAY!



YOUR LOCAL AUTHORISED DEALER IS:

Multihog Global Headquarters,
Finnabair Business Park, Dundalk, Co. Louth, A91 CY92, Ireland

+353 42 9386738 (EU/ROW) / 443 852 1842 (US/CA)
www.multihog.com

FOLLOW US:

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CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Nathan Naliborski, Fleet Manager

Co-Submitter: Jen Brown

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE:

Consideration and Approval of Cooperative Purchase Contract: Two Automated Side Load Refuse trucks and one Front Load Refuse Truck for the Public Works commercial and residential Solid Waste programs.

STAFF RECOMMENDED ACTION:

1. Approve the Cooperative Purchase Contract with Rush Truck Centers of Arizona for the purchase of two Residential Automated Side Load Refuse Trucks in the amount of $450,510.48 each and one Commercial Front Load Refuse Truck in the amount of $412,066.26 for a total purchase amount of $1,313,087.22; and
2. Authorize the City Manager to execute the necessary documents.

Executive Summary:

The Solid Waste Commercial Program uses front load refuse trucks (FEL) daily to collect commercial refuse and recyclable materials. Consistent reliability of these vehicles is necessary to ensure that the Solid Waste program can provide services to City facilities, and privately owned businesses. The Solid Waste Residential Program uses automated side load refuse trucks (ASL) in the daily collection of refuse and recyclable materials from residential homes throughout the City. Per state statute, the City shall facilitate or provide twice-weekly collection of refuse and recyclable materials from our City residents.

The purchase of these trucks has been approved by the Fleet Management Committee and the trucks being replaced meet the City's Fleet Management replacement criteria. The Cooperative Purchase Contract is for three Peterbilt Motor Company refuse trucks from Rush Truck Centers of Arizona (Rush Truck) through the Sourcewell Contract No. 032824. Rush Truck is an authorized vendor of Peterbilt and the equipment warranty and services are supported locally in Flagstaff by Rush Truck.

Financial Impact:

The Solid Waste Collection Program will utilize funding from:
Account 211-06-166-0641-0-4401 $850,000 and 211-06-166-0648-0-4401 $51,020.96 for the purchase of the two (2) residential ASL trucks
Account 211-06-166-0644-0-4401 $400,000 and 211-06-166-0648-0-4401 $12,066.26 for the purchase of (1) commercial FEL truck
The total amount for all three refuse trucks is $1,313,087.22

Policy Impact:

None.

Previous Council Decision or Community Discussion:
None.

Options and Alternatives to Recommended Action:

1. Approve purchase of all equipment.
2. Do not approve the purchase of the vehicles and direct staff to reevaluate the priorities of the existing fleet, operational needs, and financial capacity of the funds.

Background and History:
The City of Flagstaff Solid Waste Section serves 30,000 residential customers with twice-weekly collection of refuse and recyclables. The commercial program services approximately one thousand customers through the use of Front End Loader refuse trucks. The two (2) Automated Side Loaders and one (1) Front End Loader in this Cooperative Purchase Contract will replace existing units that have met age and mileage requirements for replacement. This purchase will help to continue reliable service levels by ensuring a fleet that consists of well-maintained equipment and utilizing the latest in refuse equipment technology.

Connection to PBB Priorities and Objectives:
Priority Based Budget Key Community Priorities and Objectives:
Deliver outstanding services to residents through a healthy well well-maintained infrastructure system. Provide employees with tools, training and support. Invest in Our People: Ensure effective resources for employees.

Connection to Regional Plan:
N/A

Connection to Carbon Neutrality Plan:
Reducing emissions by replacing older units with new equipment, adhering to the U.S. Environmental Protection Agency greenhouse gas criteria and pollutant standards for model year 2026.

Connection to 10-Year Housing Plan:
N/A

Connection to Division Specific Plan:
N/A

Attachments: Rush Cooperative Purchase Contract and Exhibits

COOPERATIVE PURCHASE CONTRACT
Contract No. 2026-119

This Cooperative Purchase Contract is made and entered into this _____ day of _____, 20_____by and between the City of Flagstaff, Arizona, a political subdivision of the State of Arizona ("City") and Rush Truck Centers of Arizona dba Rush Truck Center, Phoenix, a Delaware Corporation ("Contractor").

RECITALS:

A. Sourcewell, a State of Minnesota local government conducted a competitive and open procurement process through Request for Proposal **032824** that resulted in Contract No. **032824-PMC** with **Peterbilt Motors Company** to sell Class 4-8 Chassis and Cabs with Related Equipment, Accessories, and Services ("Agency Contract"); and

B. Contractor is a fully authorized vendor of Peterbilt Motors Company Class 4-8 Chassis and Cabs with Related Equipment, Accessories, and Services; and

C. The City has authority to enter into a cooperative purchase contract with Contractor utilizing the Agency Contract.

AGREEMENT:

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

1. Materials and/or Services Purchased: Contractor shall provide to the City the materials and/or services, as specified in the Quotes attached as ***Exhibit A***, and in accordance with the Agency Contract. A general description of materials and/or services being purchased is:

2026 Peterbilt 520 (Qty 2) (with upfitting)
2027 Peterbilt 520 (Qty 1) (with upfitting)

2. Terms and Conditions of Agency Contract Apply: All provisions of the Agency Contract documents attached as ***Exhibit B.1-B.2***, including any amendments, are incorporated in and shall apply to this Contract as though fully set forth herein. Contractor is responsible for promptly notifying City in writing of any changes to the Agency Contract related to price for materials and/or services.

3. Payment:

4.1 Payment to Contractor for the materials and/or services not to exceed **one million three hundred thirteen thousand eighty-seven dollars and twenty-two cents ($1,313,087.22), plus additional fees and taxes,** made in accordance with the price list and terms set forth in the Agency Contract.

4.2 Any adjustment to the Payment amount 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 amendment price increase is less than $100,000; otherwise, City Council approval is required.

4. Certificates of Insurance: All insurance provisions of the Agency Contract shall apply, including any requirement to name the City as an additional insured. If requested, Contractor shall furnish City with a copy of the current Certificate of Insurance required by the Agency Contract.

5. Term and Renewal: This Cooperative Purchase Contract shall commence upon execution by the Parties and shall continue until the work described in the Quote is completed and accepted by the City, unless the Contract is terminated sooner pursuant to the terms and conditions in the Agency Contract.

6. Notice: Any formal notice required under the Contract shall be in writing and sent by email to:

To the City:
Jennifer Brown, MSL
City of Flagstaff
211 W Aspen Ave.
Flagstaff, AZ 86001
Jennifer.brown@flagstaffaz.gov
928-213-2108

To Contractor:
Christian Salam
Rush Truck Center, Phoenix
9600 W. Roosevelt St.
Tolleson, AZ. 85353
602-422-8100

With a copy to:
Liane Garcia
City of Flagstaff
211 W. Aspen Ave.
Flagstaff, AZ 86001
lgarcia@flagstaffaz.gov

7. 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.

City of Flagstaff

By:_____
City Manager

Dated:_____

Attest:

_____
City Clerk

Contractor

By:_____

Title:_____

Dated:_____

Approved as to form:

_____
City Attorney

Notice to Proceed issued:_____, 20___

Last Updated October 15, 2025

EXHIBIT A
SCOPE OF WORK
(attached)

1. Quote – 2026 Peterbilt 520 (qty 2 with upfitting)
2. Quote – 2027 Peterbilt 520 (qty 1 with upfitting)

Rush Truck Center, Phoenix
9600 W. Roosevelt St.
Tolleson, AZ 85353
602-422-8100

Exhibit A

Customer Proposal Letter

CITY OF FLAGSTAFF
211 West Aspen Ave.
Flagstaff, AZ 86001

Thank you for trusting us with your business. Please review the proposal below, and if you approve, sign and return to us at your convenience. We look forward to working with you and will continue to do our best to earn your trust now and in the future.

VEHICLE INFORMATION

Year 2026 Make Peterbilt Model 520 Stock # TBD Serial # TBD

Additional Vehicle Details: 27MY 520 ASL, New Way Body, PX-9 370/1250, Allison 4500, Paccar 20K front, Dana 44K rear, aluminum front wheels (better turn radius), undercab airhorn, No lookdown mirror, defroster fans
Local Add Ons: Under Cab Foam, Window Tint
Sourcewell Contract 032824

Quantity	2	Total
Truck Price per Unit	$ 415,335.99	$ 830,671.98
F.E.T. (Factory & Dealer Paid)	$ 0.00	
Net Sales Price	$ 415,335.99	$ 830,671.98
Optional Extended Warranty(ies)	$ 380.00	$ 760.00
State Sales Tax	$ 34,472.89	$ 68,945.78
Additional Taxes	$ 25.00	$ 50.00
Documentary Fee	$ 250.00	$ 500.00
Tire Recycling Program	$ 46.60	$ 93.20
Total Sales Price	$ 450,510.48	$ 901,020.96
Trade Allowance (see DISCLAIMER Below)		
Deposit / Down Payment		
Unpaid Balance Due on Delivery	$ 450,510.48	$ 901,020.96

Sales Representative _____ Signature — Christian Salam Printed Name — Date

Purchaser _____ Signature — _____ Printed Name / Title — Date

Accepted by Sales Manager or General Manager _____ Signature — _____ Printed Name — Date

Quote good until 12/6/2025 Note: The above Customer Proposal is a quotation only. Sale terms subject to approval of Sales Manager of Dealer.

DISCLAIMER: Any order based on this Proposal is subject to Customer executing Dealer's standard form Retail Sales Order and other required documents incorporating the above terms. Any documentary fees, FET, state tax, title, registration and license fees subject to adjustment and change. This Proposal is based upon Dealer's current and expected inventory, which is subject to change. Dealer is not obligated to retain any specific vehicles in stock, nor maintain any specific inventory levels. Dealer shall not be obligated to fulfill Proposal in event quoted vehicle(s) is not in stock or available within requested delivery schedule. **Manufacturer has reserved the right to change the price to Dealer of any vehicle not currently in Dealer's stock, without notice to Dealer. If a vehicle identified in this Proposal is not currently in Rush's stock at the time an order is placed by the Customer, Dealer reserves the right to change the vehicle price at any time to reflect any price increases imposed by the Manufacturer.** Dealer shall not be liable for any delay in providing or inability to provide Quoted Vehicle(s). Above listed Trade Value based upon current appraisal of Trade Vehicle(s). Dealer may adjust Trade Value of Trade Vehicle(s) to reflect changes in condition and/or mileage of Trade Vehicle(s) between date of current appraisal and acceptance of the Trade Vehicle by Customer.

(1) Includes subscription period for # of specified months. (2) Customer's use of RushCare Service is governed by the RushCare User Agreement located at https://www.rushtruckcenters.com/rushcare-user-agreement. (3) Customer's use of Telematics Services is governed by separate 3rd party license terms and Rush is not liable for the Telematic Service. (4) Gap Coverage is provided and administered by an independent 3rd party provider under a separate contract directly between Customer and the 3rd party provider.

Q U O T A T I O N

Short Equipment
3202 W. Durango St.
Phoenix, AZ 85009
Phone #: (480)999-5455

PHONE #: **(928)213-2193**
CELL #:
ALT. #:
P.O.#:
TERMS: **Net 30**
SALES TYPE: **Quote**

DATE: **11/18/2025**
ORDER #: **6251**
CUSTOMER #: **100104**
CP: **AndrewD**
LOCATION: **1**
STATUS: **Active**

BILL TO **100104**

CITY OF FLAGSTAFF - TRUCK SALE
3200 W. ROUTE 66
FLAGSTAFF, AZ 86001 US

SHIP TO

CITY OF FLAGSTAFF - TRUCK SALE
3200 W. ROUTE 66
FLAGSTAFF, AZ 86001 US

MFR	PRODUCT NUMBER	DESCRIPTION	QTY	PRICE	NET	TOTAL
SCRA	31ASL	31YD,XL,LW,CAN BUS,27YD BODY,4YD TG	1	$209,961.00	$209,961.00	$209,961.00
		Hopper Floor Liner .188 AR450				
		1/4" AR450 body floor				
		96 Gallon Arm 6 x 6 Chains				
		Variable Grip Pressure				
		Expanded Metal Bulkhead Screen				
		Trough Cleanout Tool				
		Chromium overlay/super track				
		Tailgate Seal				
		Cleanout Chute Extension - Street Side				
		Rake Teeth Breaker Bar				
		Hydraulic Hopper Cover - Steel				
		Hopper Access Ladder - Steel				
		Shovel/Broom Rack				
		All LED Body Lights, Including Reverse and License Plate				
		LED Mid Body Backup Lights - Includes (2) Lights				
		LED Work Lights -(1) Light In Hopper and (1) Facing Arm				
		Strobe Light (Surface Mount) - Center Tailgate				
		Strobe Light Package (Integrated Strobe System)				
		**(2) round lights mounted upper tailgate				
		**(2) round lights mounted lower tailgate				
		Upper Light Bar With (2) Stop/Tail Standard				
		Hot Shift PTO, Tandem Vane, Drive Line				
		Remote Grease Zerk Tailgate and Upper Cylinder Hinge Pins				
		Front Remote Grease System Packer & Body Lift Pins				
		Manual Auto Pack Button (Override)				
		Arm Not Stowed Audible Alarm				
		Proportional Fingertip A-Pillar Arm Controls				
		Arm Control Joystick on Console				
		Arm Controls Keypad Under Seat				
		Arm Cycle Counter				
		Low Fluid Level Switch Indicator and Shutdown				
		In Tank Oil Heater				
		Regen for Faster Pack Cycle (adds External Oil Cooler)				
		Steel Tool Box 18 x 18 x 24 - Frame Mount - Curb Side				
		Spill Kit - Mounted on chassis frame w/5 gallon bucket				
		Fire Extinguisher -- 20 lb., Triangle Kit				

Q U O T A T I O N

Short Equipment
3202 W. Durango St.
Phoenix, AZ 85009
Phone #: (480)999-5455

PHONE #: **(928)213-2193**
CELL #:
ALT. #:
P.O.#:
TERMS: **Net 30**
SALES TYPE: **Quote**

DATE: **11/18/2025**
ORDER #: **6251**
CUSTOMER #: **100104**
CP: **AndrewD**
LOCATION: **1**
STATUS: **Active**

MFR	PRODUCT NUMBER	DESCRIPTION	QTY	PRICE	NET	TOTAL
		3rd Eye - 6 Camera System w/ DVR (Locations Below)				
		**Backup, Hopper, StreetSide A-Pillar,Alley Cam Streetside,				
		**In-Cab Looking Forward, Gripper View				
		Painted Flagstaff Blue				
		2-Year Cylinder Warranty				
		1-Year Body Warranty				
		1-Year Arm Warranty				
		1-Year Hydraulic Warranty				

Prices reflected on this quote are valid for 30 days and while current supplies last. However, prices are subject to change if the program or promotion the prices were quoted under is no longer in effect.

SUBTOTAL:	**$209,961.00**
TAX:	**$0.00**
ORDER TOTAL:	**$209,961.00**

Upfitting Included in Rush Quote

Authorized By: _____

Rush Trk Ctrs Of Arizona (A265)
9600 West Roosevelt St
Tolleson, Arizona 85353

City Of Flagstaff
211 W Aspen Ave
Flagstaff, Arizona 86001
United States of America

Christian Salam
Cell Phone: 9723023270
Office Phone: 602-272-7611
Email: salamc@rushenterprises.com

Vehicle Summary

Unit		Chassis	
Model:	Model 520	Fr Axle Load (lbs):	20000
Type:	Full Truck	Rr Axle Load (lbs):	44000
Description 1:	ASL	G.C.W. (lbs):	64000
Description 2:			
Application		Road Conditions:	
Intended Serv.:	Refuse/Landfill	Class A (Highway)	95
Commodity:	Refuse, Scrap, Recycling	Class B (Hwy/Mtn)	5
		Class C (Off-Hwy)	0
Body		Class D (Off-Road)	0
Type:	Automated Side Loader	Maximum Grade:	6
Length (ft):	24	Wheelbase (in):	218
Height (ft):	13.5	Overhang (in):	50
Max Laden Weight (lbs):	90000	Fr Axle to BOC (in):	0.1
		Cab to Axle (in):	217.9
Trailer		Cab to EOF (in):	267.9
No. of Trailer Axles:	0	Overall Comb. Length (in):	325.3
Type:			
Length (ft):	0	**Special Req.**	
Height (ft):	0		
Kingpin Inset (in):	0		
Corner Radius (in):	0		
Restrictions			
Length (ft):	40		
Width (in):	102		
Height (ft):	13.5		

Approved by: _____ **Date:** _____

Note: All sales are F.O.B. designated plant of manufacture.

Std/ Opt	Description	Weight
Base Model		
S	**Model 520** Peterbilt's Model 520 is built to withstand the harsh demands of the refuse industry. The rugged, aluminum cab delivers best-in-class durability for increased uptime and lap seam construction on a zinc-coated steel sub-frame for corrosion resistance. Bulkhead-style doors provide years of watertight performance. This low-cab forward vehicle adds a new dimension of productivity and versatility. An industry-leading, 65-degree cab tilt enhances maintenance and serviceability. Body installation is cost effective and efficient and the center console provides convenient access to body control integration points.	**16,475**
S	**Refuse, Scrap, Recycling**	**0**
O	**Refuse/Landfill** Truck which picks up refuse or recycled material from curbside containers in residential areas. Operation typically includes very frequent stops and starts. Unloading can be at transfer station or at landfill (may enter landfill).	**0**
O	**Automated Side Loader**	**0**
S	**United States Registry** Canadian Registry PackageRequires Air Conditioning Excise Tax Canada, Speedometer to be KPH ipo MPH, Daytime Running Lights and Rubber Battery Pad in Bottom of Battery Box.	**0**
Configuration		
S	**Not Applicable** Secondary Manufacturer	**0**
Frame & Equipment		
O	**10-3/4" Steel Rails 306-342"** 10.75x3.5x.375 Dimension, 2,136,000 RBM; Yield Strength: 120,000 psi. Section Modulus: 17.8 cubic inches. Weight: 1.74 lbs/inch pair	**153**
O	**Full Steel Inner Liner**	**655**
O	**Zinc Coated Anti Corrosion Treated Frame Rails** Requires Frame Rail Code. Zinc Phosphate coating will replace the standard frame rail primer and provide added corrosion prevention for your customer's operating in severe conditions or in climates where vehicle rust is common.	**4**
S	**EOF Square without Crossmember** End-of-frame square without crossmember. For use with body builder installed crossmember.	**0**
S	**Omit Rear Mudflaps and Hangers**	**0**
O	**Holland (2) TH-10050 Tow Hooks EOF**	**40**
O	**(2) Solid Mount Cable Hooks**	**40**

Std/ Opt	Description	Weight
Front Axle & Equipment		
S	**PACCAR FX-20 Steer Axle 20,000 lbs. 4" Drop** Axle is designed for applications with a gross axle weight rating (GAWR) of 20,000 pounds. Front axle is designed for demanding applications such as construction, heavy haul, refuse, and other vocational uses. Robust forged steel beam construction for long-lasting performance. It utilizes innovative tapered kingpin roller bearings for more efficient operation and improved steering efficiency. The PACCAR Steer Axle comes standard with the PACCAR warranty of 5 years, 750,000 miles.	0
S	**Taper Leaf Springs, Shocks 20,000 lb** Standard with Heavy Resistance Shocks.	0
S	**Power Steering Sheppard M100 Dual Gear** For use with 16,000 to 20,000 lb. axle ratings. Glidekote splines on steering shaft extend service life of components.	0
O	**PHP10 Iron PreSet PLUS Hubs** PHP10 iron PreSet PLUS hubs have a fully integrated spindle nut design, an optimized wheel spacer, magnetic fill plug on drive and trailer hubs for inspection of metal particles in lubricant, with a long life oil seal and bearings are pre-adjusted. Use with Front Axle.	84
O	**Bendix Air Cam Front Drum Brakes 16.5x7** For use with 16,000 lbs to 23,000 lbs steer axles or front drive axles. Includes automatic slack adjusters & outboard mounted brake drums.	0
O	**PACCAR FX Wide Track IPO Standard** 71in KPI IPO 69in front axle for improved turning radius.	0
O	**Gusseted Cam Brackets, Steer Axle**	0
O	**Heavy Duty Cam Bushings, Steer Axle**	0
Rear Axle & Equipment		
O	**Dana Spicer DSH44 44,000 lb, High Performance 44** Interaxle diff lock air rocker occupies space of one gauge. 12.5 mm housing, 15.75 ring gear. Laser factory axle alignment to improve handling & reduce tire wear. Magnetic rear axle oil drain plug captures & holds any metal fragments in drive axle lube to extend service life. Parking brakes on all drive axles for optimal performance. Cognis EMGARD® FE 75W-90 synthetic axle lube provides over 1% fuel economy improvement. Reduces wear & extends maintenance intervals, resulting in increased uptime. Provides improved fluid flow to protect components in extreme cold conditions & withstand the stress from high temperatures, extending component life.	-311
O	**PHP10 Iron PreSet PLUS Hubs**	0
O	**Bendix Smart ATC Traction Control**	2
O	**Refuse Service Brakes, Steer And Drive Axles** Designed for heavy-duty applications for refuse industry, providing long brake life, safety and performance.	0

Std/ Opt	Description	Weight
O	**Rear Brake Camshaft Reinforcement** Rear brake camshaft reinforcement helps guard against wear and corrosion.	**9**
O	**Gusseted Cam Brackets, Drive Axle(s)**	**2**
S	**SBM Valve** Full trucks require a spring brake modulation (SBM) system for emergency braking application. This system requires an SBM valve and a relay valve with spring brakes on the rear axles. The SBM valve allows the foot valve to operate the rear axle spring brakes if a failure exists in the rear air system.	**0**
O	**Pneumatic Park Brake**	**0**
O	**Anti-Lock Braking System (ABS) 6S6M** ABS-6. Includes air braking system.	**35**
S	**Synthetic Axle Lubricant All Axles** Peterbilt heavy duty models include Fuel Efficient Cognis EMGARD FE75W-90 which provides customers performance advantages over current synthetic lubricants with reduced gear wear and extended maintenance intervals, resulting in increased uptime. In addition, the lubricant provides improved fluid flow to protect gears in extreme cold conditions and withstand the stress from high temperatures, extending component life.	**0**
O	**Bendix Air Cam Rear Drum Brakes 16.5x8.6** Bendix Air Cam Rear Drum Brakes to fit all heavy haul, contruction, refuse and highway truck and tractor applications. Includes Automatic Slack Adjusters & Outboard Mounted Brake Drums. Refer to TSB 11-57 for more information.	**0**
O	**Ratio 5.57 Rear Axle**	**0**
O	**Hendrickson HMX EX 460 46,000 LBS., 54"** Haulmaax, 70K Creep Rating. Includes Traax Rod as standard, option 1920905 is not needed or available. Progressive load spring system easily adjusts to the load for an enhanced combination of empty-ride quality and loaded stability.	**-84**
O	**16.5" Saddle Height HMX EX 400/460** IPO Std 18.5"	**0**

Engine & Equipment

O	**PACCAR PX-9 370@1900 GOV@2100 1250@1200** Performance (2024 Emissions) N21350 C121 64....Maximum Accelerator Pedal Ve N21370 C128 64....Maximum Cruise Speed (P059) N21460 C132 1400..Max PTO Speed (P046) N21520 C133 5.....Timer Setting (P030) N21610 C188 39....Low Ambient Temperature Thre N21620 C189 60....Intermediate Ambient Tempera N21630 C190 80....High Ambient Temperature Thr N21550 C206 35....Engine Load Threshold (P516)	**0**

Std/ Opt	Description	Weight
	N21340 C209 120...Hard Maximum Speed Limit (P1 N21510 C225 YES...Enable Idle Shutdown Park Br N21450 C231 NO....Gear Down Protection (P026) N21570 C233 NO....Idle Shutdown Manual Overrul N21440 C234 NO....Engine Protection Shutdown (N21480 C238 NO....Auto Engine Brake in Cruise N21470 C239 NO....Cruise Control Auto Resume (N21430 C333 0.....Reserve Speed Limit Offset (N21410 C334 0.....Maximum Cycle Distance (N202 N21590 C382 YES...Enable Hot Ambient Automatic N21500 C395 0.....Expiration Distance (N209) N21530 C396 YES...Enable Impending Shutdown Wa N21540 C397 60....Timer For Impending Shutdown N21320 C399 100...Standard Maximum Speed Limit N21400 C400 252...Reserve Speed Function Reset N21420 C401 10....Maximum Active Distance (N20 N21330 C402 0.....Expiration Distance (N207)	
S	**EMUX Electronics Architecture**	**0**
O	**Engine Idle Shutdown Timer Enabled**	**0**
O	**Enable EIST Ambient Temp Overrule**	**0**
	Eff EIST NA Expiration Miles	**0**
	Effective VSL Setting NA	**0**
O	**Typical Operating Speed 65 MPH**	**0**
O	**Powertrain Optimized for Performance** Best analysis for vehicles used in vocational applications or with heavy GCWRs.	**0**
O	**Engine Oil Test Port** Expanded availability of the engine oil test port to include availability with MX-11 engines.	**0**
O	**Remote PTO/Throttle, 12-Pin** Eng Bay Remote Control Provision	**0**
O	**EPA Emission Warranty**	**0**
S	**EPA Engine Idling Compliance**	**0**
O	**Omit Chevron Engine Oil Sticker** (DELO)	**0**
S	**Bed Plate for PX-9, L9N Engines** Designed to increase engine longevity by incorporating a stiffener bracket on the bottom side of the engine, inside the oil pan, for additional reinforcement. Required for all PX-9/L9N refuse applications and recommended for other high load 9-liter applications.	**0**
S	**PACCAR 160 Amp Alternator, Brushed**	**0**

Std/ Opt	Description	Weight
	PACCAR 160 AMP alternator, brushed producing 160 Amps at road speed and 100 Amps at idle.	
O	**Immersion Type Block Heater 110-120V** Standard location is left-hand under cab, Model 520 is in bumper, and for Model 220 it is at the driver step. Plug includes a weather-proof cover that protects the receptacle. This pre-heater keeps the coolant in the engine block from freezing when the engine is not running.	**2**
O	**PACCAR 12V Starter, N/A PACCAR MX Engines** PACCAR 12-volt electrical system. With centralized power distribution incorporating plug-in style relays. Circuit protection for serviceability, 12-volt light system w/circuit protection circuits number & color coded.	**0**
S	**3 PACCAR Premium 12V Dual Purpose Batt 2190 CCA** Threaded stud type terminal. Stranded copper battery cables are double aught (00) or larger to reduce resistance.	**0**
O	**Kissling Battery Disconnect SW 300AMP** Single Tab; MTD on Battery Box	**3**
S	**2-Speed Fan Clutch For Frequent Start/Stops** A 2-speed fan clutch is ideal for vocational applications where the fan clutch engagement time exceeds 10% of the engine run time. When the fan clutch is disengaged, the fan still rotates at 15-25% of the engine RPM. This fan rotation provides crucial airflow to the engine and draws virtually no horsepower.	**0**
S	**18.7 CFM Air Compressor** N/A X15. Furnished on engine. Teflon lined stainless steel braided compressor discharge line.	**0**
S	**PACCAR Fuel/Water Separator Standard Service** PACCAR Fuel/Water separator standard service intervals. High efficiency media protects critical engine components.	**0**
S	**No Fluid Heat Option for Fuel Filter**	**0**
S	**No Electric Heat Option for Fuel Filter**	**0**
O	**Engine Protection Shutdown w/ Label** Includes oil pressure, oil temperature, coolant temperature, and intake manifold temperature.	**0**
S	**High Efficiency Cooling System** Cooling module is a combination of steel and aluminum components, with aluminum connections to maximize performance and cooling capability. Silicone radiator & heater hoses enhance value, durability, & reliability. Constant tension band clamps reduce leaks. Chevron Delo Extended Life Coolant (NOAT) extends maintenance intervals reducing maintenance costs. Anti-freeze effective to -30 degrees F helps protect the engine. Low coolant level sensor warns of low coolant condition to prevent engine damage. Radiator Size by Model: 520 1242 sq in, 579 1325 sq in, 535/536/537/548 949.3 sq in, 537/548 VOC 1000.3 sq in, 567 1440 sq in, 589 1604 sq in.	**0**
O	**Bugscreen**	**5**
S	**Stainless Steel Grille**	**0**

Std/ Opt	Description	Weight
S	**Heavy Duty Air Cleaner** Molded rubber air intake connections with lined stainless steel clamps seal to prevent contaminants in air intake.	0
O	**Pre-Cleaner ECG**	13
S	**Exhaust Vertical LH DPF/SCR** LH Back of Cab Vertical, Single Module	0
O	**Exhaust 90 Degree Diffuser**	0

Transmission & Equipment

O	**Allison 4500 RDS-P Transmission, Gen 6** Rugged Duty Series	390
S	**SPL170 HD-XL Driveline, 1 Midship Bearing**	0
S	**SPL170 XL Driveline Interaxle** Dana Spicer Life Series heavy-duty drive shafts are built for heavy loads over the long haul. For tandem rear axles.	0
O	**Service Free Driveline** Service free driveline for SPL350, SPL250, SPL170, SPL100.	0
S	**Auto Neutral Activates With Parking Brake** Auto Neutral helps improve jobsite safety by reducing the possibility of the truck moving due to throttle application.	0
O	**Allison FuelSense Not Desired** Dynamic Shift Sensing	0
S	**Allison Neutral At Stop** Neutral at Stop features and benefits: Reduces or eliminates the load on the engine when vehicle is stopped, can help lower fuel consumption and C02 emissions, and is included in FuelSense 2.0 Plus and Max packages only.	0
S	**Console Mounted Push Button Shifter**	0
O	**Allison 6-Speed Configuration, Wide Ratio Gears** Allison 4500 transmission only	0
O	**Allison Output Function S Neutral Indicator** Allison output function S Neutral Indicator for PTO. Required on Refuse Packer Applications. With this configuration NEUTRAL only, PTO engagement is permitted only when the transmission is in Neutral. Once the transmission is in Neutral, the PTO is automatically engaged and fast idle is initiated when the PTO switch is on. In addition with this configuration Pack-on-the-fly, the PTO is automatically engaged and fast idle is initiated when the PTO switch is On concurrently with shifting of the transmission to Neutral.	0
O	**Allison Transmission Fluid Test Port** Remote coupler. The fluid test port provides easy access to transmission fluid for testing from its location under the hood on the right-hand frame rail.	0

Air & Trailer Equipment

Std/ Opt	Description	Weight
S	**Bendix AD-HF EP Air Dryer, Heater** Coalescing filter, extended purge. Bendix AD-HF air filters protects the life of your engine system and components. Proven PuraGuard oil coalescing technonlgy in the the air dryer catridge. This oil coalescing filter ensures the removal of oil and oil aerosols before they can contaminate the moisture removing desiccant.	**0**
S	**Nylon Chassis Hose**	**0**
O	**Central Location For Air Tank Drain Valves** Wire braid hose to air tanks. (Not available with optional drain valves.)	**4**
S	**Steel Painted Air Tanks** All air tanks are steel with painted finish except when Code 4543330 Polish Aluminum Air Tanks is also selected (then exposed air tanks outside the frame rails will be polished aluminum). Peterbilt will determine the optimal size and location of required air tanks. Narratives requesting a specific air tank size or location will not be accepted for factory installation. See ECAT to determine number or location of air tanks installed.	**0**
O	**Fitting For F/O Air Port** The furnished by owner fitting air port is mounted outboard of the driver's seat. This allows operators access to pressurize truck air, to maintain clean air in the cab.	**0**
Tires & Wheels		
O	**FF: BR 20ply 315/80R22.5 M870** Efficiency Rating: Fair Diameter= 42.8 inches; SLR= 19.9 inches The Bridgestone M870 is a high scrub All-Position Radial tire designed specifically for urban waste collection.	**-4**
O	**RR: BR 16ply 11R22.5 M799** Efficiency Rating: Poor Diameter = 42.0 inches; SLR = 19.5 inches	**32**
S	**Code-rear Tire Qty 08**	**0**
O	**FF: Alcoa 89U637 22.5 X 9.00 High Polish** Aluminum, Ultra ONE technology that saves more than 50 lbs. versus a comparable steel wheel. Built for refuse, logging, mining and other heavy haul applications that demand a tough wheel. Each wheel offers a 10,000 lbs. load rating.	**-110**
S	**RR: Accur Stl Armor 50291PK 22.5X8.25** Heavy Duty, Two Hand Holes	**0**
S	**Code-rear Rim Qty 08**	**0**
Fuel Tanks		
O	**23" Aluminum 80 Gallon Fuel Tank LH BOC** Paddle handle filler cap with threadless filler neck. Top draw fuel plumbing reduces chance of introducing air into the fuel system during low fuel level conditions due to the central placement of fuel pickup	**13**

Std/ Opt	Description	Weight
	tube. Wire braid fuel lines increase durability & reduce potential for leaks.	
O	**Location LH BOC 80 Gallon**	**0**
S	**Fuel Cooler** Required with single fuel tank	**0**
S	**DEF Tank Mounted LH BOC** Models 220 and 520 mounted left hand back-of-cab.	**0**
S	**DEF To Fuel Ratio Between 1:1 And 2:1**	**0**
S	**DEF Tank 520, 7.3 Gal**	**0**
Battery Box & Bumper		
O	**Aluminum Battery Box LH Frame Mtd Back-of- Fender** Aluminum battery box left hand frame mounted back-of-fender. 8" Below top of frame.	**1**
O	**Rubber Battery Pad In Bottom of (1) Battery Box** Mat in box that holds batteries only	**4**
S	**Steel Bumper Channel Painted** Includes two front tow eyes with pins	**0**
Cab & Equipment		
O	**53" LCF ProBilt Cab RH Drive** Use with auto-trans. Includes steel frames with aluminum and fiberglass panels, all aluminum doors, dual door stops, door locks, tinted safety glass thru-out, cab and door mounted entry grab handles, 65 degree hydraulic tilt, stainless steel grille, dual rear cab fenders, service module BOC (cab tilt pump, oil fill and dipstick, coolant fill and check, fluid fill and dipstick for auto trans), door mounted armrests, power windows, doghouse full insulation, rubber floor mats, ergonomic center control console, removable instrument panel, Driver Information Display, LED backlit gauges, adjustable side flip-down interior sunvisor, 16" steering wheel with integrated horn button, tilt/telescopic adjustable column, over-door storage, driver and passenger side cup holders, USB charging port and 12VDC charging outlet, header includes HVAC controls, rear cab corner windows, 18" bolt-on step on each side, self-canceling turn signals and Front Directional and Side Mounted Turn Signals.	**0**
O	**Key All Units Alike** Please add your 3 digit key code number in the key code field.	**0**
S	**Thermal Insulation Package in Cab** The thermal insulation package is designed to make the cab thermally efficient in extreme temperatures. The model 520 adds insulation surrounding the doghouse to reduce engine heat transmitted to the cab.	**0**
	KEY G275	**0**
S	**4.5" Rubber Flares On Cab** And wheel well fenders	**0**
O	**Sears C2 Plus Premium Driver Seat**	**0**

Std/ Opt	Description	Weight
	Enhanced for operator comfort with a 1" thicker foam cushion with flat bolsters for greater surface area coverage. Countoured metal seat and back pans add to overall ergonomic design with air lumbar supprt. Comes with quick attach seat and back cushions for ease of service and replacement.	
O	**Sears C2 Plus Premium Passenger Seat** Enhanced for operator comfort with a 1" thicker foam cushion with flat bolsters for greater surface area coverage. Countoured metal seat and back pans add to overall ergonomic design with air lumbar supprt. Comes with quick attach seat and back cushions for ease of service and replacement.	**0**
O	**Seat Belt Color Orange IPO Standard Black**	**0**
O	**Air Ride Driver**	**43**
O	**Mid Back Driver**	**0**
O	**Fabric Driver**	**0**
O	**Air Ride Passenger**	**43**
O	**Mid Back Passenger**	**0**
O	**Fabric Passenger**	**0**
S	**Gray Interior Color** Includes ABS Gray Headliner & Rear Cab Panel, Gray Vinyl Engine Tunnel Cover. For LH, RH, and Dual Steer Dual Seated Power Windows are standard on both doors. For Dual Steer RH stand-up the LH Window is Power and the RH Window is a Manual Sliding window.	**0**
O	**High-Visibility Interior Grabhandles, Painted** Bright yellow interior grabhandle for vocational vehicles.	**2**
S	**Adjustable Steering Column - Tilt/Telescope**	**0**
S	**Steering Wheel With Peterbilt Logo** Steering Wheel with embossed Peterbilt logo over horn button.	**0**
O	**Diamond Plate Floor Covering LH/RH ipo Floormat** In Dual Steer application RH Diamond Plate covering is standard. Single drive applications the Diamond Plate is optional.	**13**
S	**Exterior Cab Entry Grabhandle** Textured; NFPA compliant. Available on Day Cab specifications only.	**0**
O	**Rear Window Back of Cab Dark Tint** 18.5in X 54in	**0**
S	**2-Piece Flat Windshield**	**0**
S	**Combo Fresh Air Heater/Air Conditioner** With radiator mounted condenser, dedicated side window defrosters, Bi-Level Heater/Defroster Controls, 54,500 BTU/HR, and silicone heater hoses.	**0**

Std/ Opt	Description	Weight
O	**(2) Defroster Fan On Rear Header**	**60**
O	**Outside Sunvisor - Stainless Steel** Not available with 2.1M high roof sleeper.	**4**
S	**Black LH/RH Tri-plane Mirrors, Heated,** Motorized, Mounted to Doors. Features: Heated on All Three Surfaces, Upper/Lower Mirrors are Convex and Middle is a Flat Pane Motorized Mirror.	**0**
S	**(1) Air Horn 15" Painted** Mounted under cab.	**0**
O	**ConcertClass, AM/FM, Weatherband, 3.5 Aux**	**10**
O	**Midlevel Speaker Package For Cab** (4) Speakers	**6**
O	**Bluetooth Located On Driver Side**	**0**
O	**Radio Mute When In Reverse** For automatic or automated transmission	**0**
O	**Bluetooth Phone and Audio Requires USB Port**	**0**
O	**USB Port**	**0**
S	**Global Telematics Hardware**	**0**
O	**Cab Tilt Pump Air Assist**	**0**
O	**Rain Gutters Over Driver and Passenger Doors**	**8**
S	**Peterbilt Pantograph Windshield Wipers** With intermittent feature.	**0**
O	**Triangle Reflector Kit, Ship Loose** Florescent triangle emergency road flares are designed to meet and exceed all DOT standards.	**13**
O	**Fire Extinguisher, Cab Mounted** Hazmat approved UL listed/rated ABC	**12**
O	**Backup Alarm (107 DB)**	**3**
S	**Transmission Oil Temperature (Main)** Located in Digital Cluster Display.	**0**
S	**Air Restriction Indicator** Mounted on exhaust stanchion	**0**
O	**Warning Light Battery Disconnect, Switch Engaged** Marker light external mounted	**0**
O	**(2) Additional Dash Switches With Wiring** Located on dash panel C. Availability subject to dash space. Includes 4" 14 gauge wire with butt splice at rear of each additional switch.	**1**
O	**Engine Hourmeter Gauge** Located in Digital Cluster Display	**0**

Std/ Opt	Description	Weight
O	**Engine PTO Hourmeter Gauge** Located In Digital Cluster Display	0
O	**Engine Manifold Pressure (Turbo Boost)** Located in Digital Cluster Display	0
O	**Engine Percent Torque** Located in Digital Cluster Display	0
O	**Main Instrumentation Panel** Digital Cluster 7" Display includes: Physical (Analog) - Speedometer, Tachometer, Oil Pressure, Coolant Temp and Display Gauges - Fuel Level, DEF Level, DPF Filter Status, Fuel Economy, Volts Telltale, OAT and Primary Air Pressure, Secondary Air Pressure for air brake trucks.	0
O	**Voltmeter Gauge (MD/520 Only)** Located in Digital Cluster Display	0
O	**Headlights Single Rectangular LED** Model 520 LED headlights provide outstanding brightness and coverage that can help with driver eye-fatigue. LED headlights are easy to install, long lasting, energy efficient and cost effective and they provide improved headlight brightness.	0
S	**(5) LED Clearance With (2) LED Marker Lights** Includes (5) lights mounted on roof of cab and (1) cab side marker light mounted in front of each cab door	0
O	**Daytime Running Lights** The brake interlock turns the daytime running lights off when the parking brakes are engaged. This is required on all Canadian vehicles.	0
O	**Self-Canceling Turn Signal**	2
O	**Moveable EOF Crossmember For Mounting Tail Lights** Square end of frame with or without end of frame crossmember	2
Paint		
S	**Standard Paint Color Selection**	0
O	**(1) Color Axalta Two Stage - Cab/Hood** Base Coat/Clear Coat N85020 A - L0006EY WHITE N85700 BUMPER L0001EA BLACK N85500 CAB ROOF L0006EY WHITE N85200 FRAME L0001EA BLACK	0
Shipping Destination		
Options Not Subject To Discount		
S	**Peterbilt Class 8 Standard Coverage** 1 year/100,000 Miles (160,000 km)	0
S	**PACCAR PX-9 Standard Coverage** 2 yrs/250,000 mi (402,336 km)/6,250 hrs	0
O	**Fuel Price Index Factor $0 NET**	0
O	**SmartLINQ RD - 5YR Sub**	0

Std/ Opt	Description	Weight
	PACCAR PX Engines	
O	**Base Warr: Emissions 5YR/100K MI-EPA Engine**	**0**
O	**Vehicle Layout** Option is not subject to discount. Fleets will be split prior to build so that the charge is applied to only one unit. Quotes will not reflect this.	**0**

Miscellaneous

O	**State Of Registry: Arizona**	**0**
O	**Model Year 2026 Engine**	**0**
O	**Model Year 2025 Engine**	**0**
O	**2024 Series Emissions Engine**	**0**
O	**1 Year Towing & Mobile Service**	**0**

Promotions

Special Requirements

Special Requirement 1 0098170
Special Requirement 2
Special Requirement 3
Special Requirement 4

Order Comments

Total Weight (lbs) 17,679

Any price increase as the result of force majeure, rising costs of components (including but not limited to material shortages) or government tariffs are not included in the quoted price and will be the financial responsibility of the customer.

Prices and Specifications Subject to Change Without Notice.

Unpublished options may require review/approval.
Dimensional and performance data for unpublished options may vary from that displayed in CRM.

PRICING DISCLAIMER

While we make every effort to maintain the web site to preserve pricing accuracy, prices are subject to change without notice. Although the information in this price list is presented in good faith and believed to be correct at the time of printing, we make no representations or warranties as to the completeness or accuracy of this information. We reserve the right to change, delete or otherwise modify the pricing information which is represented herein without any prior notice. We carefully check pricing specifications, but occasionally errors can occur, therefore we reserve the right to change such prices without notice. We disclaim all liability for any errors or omissions in the materials. In no event will we be responsible for any damages of any nature whatsoever from the reliance upon information from these materials. Please check your order prebills to confirm your pricing information



Rush Truck Center, Phoenix
9600 W. Roosevelt St.
Tolleson, AZ 85353
602-422-8100

Customer Proposal Letter

CITY OF FLAGSTAFF
211 West Aspen Ave.
Flagstaff, AZ 86001

Thank you for trusting us with your business. Please review the proposal below, and if you approve, sign and return to us at your convenience. We look forward to working with you and will continue to do our best to earn your trust now and in the future.

VEHICLE INFORMATION

Year 2027 Make Peterbilt Model 520 Stock # TBD Serial # TBD

Additional Vehicle Details: 27MY 520 FEL, New Way Body, PX-9 370/1250, Allison 4500, Paccar 20K front, Dana 44K rear, Peterbilt Standard high back seat, aluminum front wheels (better turn radius), undercab airhorn, No lookdown mirror, defroster fans
Local Add Ons: Double Brake Pedal, Under Cab Foam, Window Tint
Sourcewell Contract 032824

		Total
Quantity		
Truck Price per Unit	$ 379,838.10	$ 379,838.10
F.E.T. (Factory & Dealer Paid)	$ 0.00	
Net Sales Price	$ 379,838.10	$ 379,838.10
Optional Extended Warranty(ies)	$ 380.00	$ 380.00
State Sales Tax	$ 31,526.56	$ 31,526.56
Additional Taxes	$ 25.00	$ 25.00
Documentary Fee	$ 250.00	$ 250.00
Tire Recycling Program	$ 46.60	$ 46.60
Total Sales Price	$ 412,066.26	$ 412,066.26
Trade Allowance (see DISCLAIMER Below)		
Deposit / Down Payment		
Unpaid Balance Due on Delivery	$ 412,066.26	$ 412,066.26

Sales Representative _____ Signature — Christian Salam Printed Name — Date

Purchaser _____ Signature — _____ Printed Name / Title — Date

Accepted by Sales Manager or General Manager _____ Signature — _____ Printed Name — Date

Quote good until 12/31/2025 Note: The above Customer Proposal is a quotation only. Sale terms subject to approval of Sales Manager of Dealer.

DISCLAIMER: Any order based on this Proposal is subject to Customer executing Dealer's standard form Retail Sales Order and other required documents incorporating the above terms. Any documentary fees, FET, state tax, title, registration and license fees subject to adjustment and change. This Proposal is based upon Dealer's current and expected inventory, which is subject to change. Dealer is not obligated to retain any specific vehicles in stock, nor maintain any specific inventory levels. Dealer shall not be obligated to fulfill Proposal in event quoted vehicle(s) is not in stock or available within requested delivery schedule. **Manufacturer has reserved the right to change the price to Dealer of any vehicle not currently in Dealer's stock, without notice to Dealer. If a vehicle identified in this Proposal is not currently in Rush's stock at the time an order is placed by the Customer, Dealer reserves the right to change the vehicle price at any time to reflect any price increases imposed by the Manufacturer.** Dealer shall not be liable for any delay in providing or inability to provide Quoted Vehicle(s). Above listed Trade Value based upon current appraisal of Trade Vehicle(s). Dealer may adjust Trade Value of Trade Vehicle(s) to reflect changes in condition and/or mileage of Trade Vehicle(s) between date of current appraisal and acceptance of the Trade Vehicle by Customer.

(1) Includes subscription period for # of specified months. (2) Customer's use of RushCare Service is governed by the RushCare User Agreement located at https://www.rushtruckcenters.com/rushcare-user-agreement. (3) Customer's use of Telematics Services is governed by separate 3rd party license terms and Rush is not liable for the Telematic Service. (4) Gap Coverage is provided and administered by an independent 3rd party provider under a separate contract directly between Customer and the 3rd party provider.

Q U O T A T I O N

Short Equipment
3202 W. Durango St.
Phoenix, AZ 85009
Phone #: (480)999-5455

PHONE #: **(928)213-2193**
CELL #:
ALT. #:
P.O.#:
TERMS: **Net 30**
SALES TYPE: **Quote**

DATE: **11/18/2025**
ORDER #: **7413**
CUSTOMER #: **100104**
CP: **AndrewD**
LOCATION: **1**
STATUS: **Active**

BILL TO **100104**

CITY OF FLAGSTAFF - TRUCK SALE
3200 W. ROUTE 66
FLAGSTAFF, AZ 86001 US

SHIP TO

CITY OF FLAGSTAFF - TRUCK SALE
3200 W. ROUTE 66
FLAGSTAFF, AZ 86001 US

MFR	PRODUCT NUMBER	DESCRIPTION	QTY	PRICE	NET	TOTAL
SCRA	FEL	New Way 40 Yd. Front Loader	1	$180,329.00	$180,329.00	$180,329.00

Including All Standard Equipment
Body Floor 3/16" AR450-40YD
Hopper Floor Liner 3/16" AR450
Steel Canopy With Steel Extension that is Air Raised
10,000 lb. Lift Rating Arms including 5" Arm Cylinder and 4"
Fork Thickness 1 1/4" 100K with hook
**(48" usable bumper to hook)
Service Hoist
Remote Grease tailgate hinge & cylinders
Aluminum Drip Pan Below Tailgate Seal
Shovel/Broom Rack-Back side of front bulkhead screen
Body Hold-down Lock
LED Body Lights including Reverse and License Plate
LED High Intensity Work Lights (2 in Hopper, 1 on Canopy)
Strobe Light Pkg - Integrated Strobe System w/ Turn Signals
**2 round lights mounted in upper tailgate
**2 round lights mounted in lower tailgate
Hot Shift PTO Mount Vane Pump
Single Handle Quad Control Joystick
Over Height Warning Light
In Tank Oil Heater
Steel Tool Box 18x18x24 - Frame Mounted
Rubber Fender Skirt Extension
3rd Eye 5 Camera System with DVR
**Monitor Mounted Center Overhead
**Back Up, Hopper, Forward Facing
**Tailgate Left, Tailgate Right
Painted to Flagstaff Blue - N2623EX

Prices reflected on this quote are valid for 30 days and while current supplies last. However, prices are subject to change if the program or promotion the prices were quoted under is no longer in effect.

SUBTOTAL: **$180,329.00**

Q U O T A T I O N

Short Equipment
3202 W. Durango St.
Phoenix, AZ 85009
Phone #: (480)999-5455

PHONE #: **(928)213-2193**
CELL #:
ALT. #:
P.O.#:
TERMS: **Net 30**
SALES TYPE: **Quote**

DATE: **11/18/2025**
ORDER #: **7413**
CUSTOMER #: **100104**
CP: **AndrewD**
LOCATION: **1**
STATUS: **Active**

TAX:	**$0.00**
ORDER TOTAL:	**$180,329.00**

Upfitting included in Rush Quote

Authorized By: _____

Rush Trk Ctrs Of Arizona (A265)
9600 West Roosevelt St
Tolleson, Arizona 85353

City Of Flagstaff
211 W Aspen Ave
Flagstaff, Arizona 86001
United States of America

Christian Salam
Cell Phone: 9723023270
Office Phone: 602-272-7611
Email: salamc@rushenterprises.com

BRIAN SUTTER

Vehicle Summary

Unit

Model:	Model 520
Type:	Full Truck
Description 1:	FEL PX9
Description 2:	

Application

Intended Serv.:	Refuse/Landfill
Commodity:	Refuse, Scrap, Recycling

Body

Type:	Commercial Front Loader / Push-out
Length (ft):	24
Height (ft):	13.5
Max Laden Weight (lbs):	1000

Trailer

No. of Trailer Axles:	0
Type:	
Length (ft):	0
Height (ft):	0
Kingpin Inset (in):	0
Corner Radius (in):	0

Restrictions

Length (ft):	40
Width (in):	102
Height (ft):	13.5

Chassis

Fr Axle Load (lbs):	20000
Rr Axle Load (lbs):	44000
G.C.W. (lbs):	64000
Road Conditions:	
Class A (Highway)	95
Class B (Hwy/Mtn)	5
Class C (Off-Hwy)	0
Class D (Off-Road)	0
Maximum Grade:	6
Wheelbase (in):	210
Overhang (in):	75
Fr Axle to BOC (in):	0.1
Cab to Axle (in):	209.9
Cab to EOF (in):	284.9
Overall Comb. Length (in):	342.3

Special Req.

Approved by: _____ **Date:** _____

Note: All sales are F.O.B. designated plant of manufacture.

Std/ Opt	Description	Weight
Base Model		
S	**Model 520** Peterbilt's Model 520 is built to withstand the harsh demands of the refuse industry. The rugged, aluminum cab delivers best-in-class durability for increased uptime and lap seam construction on a zinc-coated steel sub-frame for corrosion resistance. Bulkhead-style doors provide years of watertight performance. This low-cab forward vehicle adds a new dimension of productivity and versatility. An industry-leading, 65-degree cab tilt enhances maintenance and serviceability. Body installation is cost effective and efficient and the center console provides convenient access to body control integration points.	**16,475**
S	**Refuse, Scrap, Recycling**	**0**
O	**Refuse/Landfill** Truck which picks up refuse or recycled material from curbside containers in residential areas. Operation typically includes very frequent stops and starts. Unloading can be at transfer station or at landfill (may enter landfill).	**0**
O	**Commercial Front Loader / Push-out**	**0**
S	**United States Registry** Canadian Registry PackageRequires Air Conditioning Excise Tax Canada, Speedometer to be KPH ipo MPH, Daytime Running Lights and Rubber Battery Pad in Bottom of Battery Box.	**0**
Configuration		
S	**Not Applicable** Secondary Manufacturer	**0**
Frame & Equipment		
O	**10-3/4" Steel Rails 306-342"** 10.75x3.5x.375 Dimension, 2,136,000 RBM; Yield Strength: 120,000 psi. Section Modulus: 17.8 cubic inches. Weight: 1.74 lbs/inch pair	**212**
O	**Full Steel Inner Liner**	**691**
O	**Zinc Coated Anti Corrosion Treated Frame Rails** Requires Frame Rail Code. Zinc Phosphate coating will replace the standard frame rail primer and provide added corrosion prevention for your customer's operating in severe conditions or in climates where vehicle rust is common.	**4**
S	**EOF Square without Crossmember** End-of-frame square without crossmember. For use with body builder installed crossmember.	**0**
S	**Omit Rear Mudflaps and Hangers**	**0**
O	**Holland (2) TH-10050 Tow Hooks EOF**	**40**
O	**(2) Solid Mount Cable Hooks**	**40**

Std/ Opt	Description	Weight
Front Axle & Equipment		
S	**PACCAR FX-20 Steer Axle 20,000 lbs. 4" Drop** Axle is designed for applications with a gross axle weight rating (GAWR) of 20,000 pounds. Front axle is designed for demanding applications such as construction, heavy haul, refuse, and other vocational uses. Robust forged steel beam construction for long-lasting performance. It utilizes innovative tapered kingpin roller bearings for more efficient operation and improved steering efficiency. The PACCAR Steer Axle comes standard with the PACCAR warranty of 5 years, 750,000 miles.	**0**
O	**Taper Leaf Springs, Shocks 23,000 lb** Standard with Heavy Resistance Shocks.	**210**
S	**Power Steering Sheppard M100 Dual Gear** For use with 16,000 to 20,000 lb. axle ratings. Glidekote splines on steering shaft extend service life of components.	**0**
O	**PHP10 Iron PreSet PLUS Hubs** PHP10 iron PreSet PLUS hubs have a fully integrated spindle nut design, an optimized wheel spacer, magnetic fill plug on drive and trailer hubs for inspection of metal particles in lubricant, with a long life oil seal and bearings are pre-adjusted. Use with Front Axle.	**84**
O	**Bendix Air Cam Front Drum Brakes 16.5x7** For use with 16,000 lbs to 23,000 lbs steer axles or front drive axles. Includes automatic slack adjusters & outboard mounted brake drums.	**0**
O	**PACCAR FX Wide Track IPO Standard** 71in KPI IPO 69in front axle for improved turning radius.	**0**
O	**Gusseted Cam Brackets, Steer Axle**	**0**
O	**Heavy Duty Cam Bushings, Steer Axle**	**0**
Rear Axle & Equipment		
O	**Dana Spicer DSH44 44,000 lb, High Performance 44** Interaxle diff lock air rocker occupies space of one gauge. 12.5 mm housing, 15.75 ring gear. Laser factory axle alignment to improve handling & reduce tire wear. Magnetic rear axle oil drain plug captures & holds any metal fragments in drive axle lube to extend service life. Parking brakes on all drive axles for optimal performance. Cognis EMGARD® FE 75W-90 synthetic axle lube provides over 1% fuel economy improvement. Reduces wear & extends maintenance intervals, resulting in increased uptime. Provides improved fluid flow to protect components in extreme cold conditions & withstand the stress from high temperatures, extending component life.	**-311**
O	**PHP10 Iron PreSet PLUS Hubs**	**0**
O	**Bendix Smart ATC Traction Control**	**2**
O	**Refuse Service Brakes, Steer And Drive Axles** Designed for heavy-duty applications for refuse industry, providing long brake life, safety and performance.	**0**

Std/ Opt	Description	Weight
O	**Rear Brake Camshaft Reinforcement** Rear brake camshaft reinforcement helps guard against wear and corrosion.	**9**
O	**Gusseted Cam Brackets, Drive Axle(s)**	**2**
S	**SBM Valve** Full trucks require a spring brake modulation (SBM) system for emergency braking application. This system requires an SBM valve and a relay valve with spring brakes on the rear axles. The SBM valve allows the foot valve to operate the rear axle spring brakes if a failure exists in the rear air system.	**0**
O	**Pneumatic Park Brake**	**0**
O	**Anti-Lock Braking System (ABS) 6S6M** ABS-6. Includes air braking system.	**35**
S	**Synthetic Axle Lubricant All Axles** Peterbilt heavy duty models include Fuel Efficient Cognis EMGARD FE75W-90 which provides customers performance advantages over current synthetic lubricants with reduced gear wear and extended maintenance intervals, resulting in increased uptime. In addition, the lubricant provides improved fluid flow to protect gears in extreme cold conditions and withstand the stress from high temperatures, extending component life.	**0**
O	**Bendix Air Cam Rear Drum Brakes 16.5x8.6** Bendix Air Cam Rear Drum Brakes to fit all heavy haul, contruction, refuse and highway truck and tractor applications. Includes Automatic Slack Adjusters & Outboard Mounted Brake Drums. Refer to TSB 11-57 for more information.	**0**
O	**Ratio 5.57 Rear Axle**	**0**
O	**Hendrickson HMX EX 460 46,000 LBS., 54"** Haulmaax, 70K Creep Rating. Includes Traax Rod as standard, option 1920905 is not needed or available. Progressive load spring system easily adjusts to the load for an enhanced combination of empty-ride quality and loaded stability.	**-84**
O	**16.5" Saddle Height HMX EX 400/460** IPO Std 18.5"	**0**

Engine & Equipment

O	**PACCAR PX-9 370@1900 GOV@2100 1250@1200** Performance (2024 Emissions) N21350 C121 64....Maximum Accelerator Pedal Ve N21370 C128 64....Maximum Cruise Speed (P059) N21460 C132 1400..Max PTO Speed (P046) N21520 C133 5.....Timer Setting (P030) N21610 C188 39....Low Ambient Temperature Thre N21620 C189 60....Intermediate Ambient Tempera N21630 C190 80....High Ambient Temperature Thr N21550 C206 35....Engine Load Threshold (P516)	**0**

Std/ Opt	Description	Weight
	N21340 C209 120...Hard Maximum Speed Limit (P1 N21510 C225 YES...Enable Idle Shutdown Park Br N21450 C231 NO....Gear Down Protection (P026) N21570 C233 NO....Idle Shutdown Manual Overrul N21440 C234 YES...Engine Protection Shutdown (N21480 C238 NO....Auto Engine Brake in Cruise N21470 C239 NO....Cruise Control Auto Resume (N21430 C333 0.....Reserve Speed Limit Offset (N21410 C334 0.....Maximum Cycle Distance (N202 N21590 C382 YES...Enable Hot Ambient Automatic N21500 C395 0.....Expiration Distance (N209) N21530 C396 YES...Enable Impending Shutdown Wa N21540 C397 60....Timer For Impending Shutdown N21320 C399 100...Standard Maximum Speed Limit N21400 C400 252...Reserve Speed Function Reset N21420 C401 10....Maximum Active Distance (N20 N21330 C402 0.....Expiration Distance (N207)	
S	**EMUX Electronics Architecture**	**0**
O	**Engine Idle Shutdown Timer Enabled**	**0**
O	**Enable EIST Ambient Temp Overrule**	**0**
	Eff EIST NA Expiration Miles	**0**
	Effective VSL Setting NA	**0**
O	**Typical Operating Speed 65 MPH**	**0**
O	**Powertrain Optimized for Performance** Best analysis for vehicles used in vocational applications or with heavy GCWRs.	**0**
O	**Remote PTO/Throttle, 12-Pin** Eng Bay Remote Control Provision	**0**
O	**EPA Emission Warranty**	**0**
S	**EPA Engine Idling Compliance**	**0**
O	**Omit Chevron Engine Oil Sticker** (DELO)	**0**
S	**Bed Plate for PX-9, L9N Engines** Designed to increase engine longevity by incorporating a stiffener bracket on the bottom side of the engine, inside the oil pan, for additional reinforcement. Required for all PX-9/L9N refuse applications and recommended for other high load 9-liter applications.	**0**
S	**PACCAR 160 Amp Alternator, Brushed** PACCAR 160 AMP alternator, brushed producing 160 Amps at road speed and 100 Amps at idle.	**0**
O	**Immersion Type Block Heater 110-120V**	**2**

Std/ Opt	Description	Weight
	Standard location is left-hand under cab, Model 520 is in bumper, and for Model 220 it is at the driver step. Plug includes a weather-proof cover that protects the receptacle. This pre-heater keeps the coolant in the engine block from freezing when the engine is not running.	
O	**PACCAR 12V Starter, N/A PACCAR MX Engines** PACCAR 12-volt electrical system. With centralized power distribution incorporating plug-in style relays. Circuit protection for serviceability, 12-volt light system w/circuit protection circuits number & color coded.	**0**
S	**3 PACCAR Premium 12V Dual Purpose Batt 2190 CCA** Threaded stud type terminal. Stranded copper battery cables are double aught (00) or larger to reduce resistance.	**0**
O	**Kissling Battery Disconnect SW 300AMP** Single Tab; MTD on Battery Box	**3**
S	**2-Speed Fan Clutch For Frequent Start/Stops** A 2-speed fan clutch is ideal for vocational applications where the fan clutch engagement time exceeds 10% of the engine run time. When the fan clutch is disengaged, the fan still rotates at 15-25% of the engine RPM. This fan rotation provides crucial airflow to the engine and draws virtually no horsepower.	**0**
S	**18.7 CFM Air Compressor** N/A X15. Furnished on engine. Teflon lined stainless steel braided compressor discharge line.	**0**
S	**PACCAR Fuel/Water Separator Standard Service** PACCAR Fuel/Water separator standard service intervals. High efficiency media protects critical engine components.	**0**
S	**No Fluid Heat Option for Fuel Filter**	**0**
S	**No Electric Heat Option for Fuel Filter**	**0**
S	**High Efficiency Cooling System** Cooling module is a combination of steel and aluminum components, with aluminum connections to maximize performance and cooling capability. Silicone radiator & heater hoses enhance value, durability, & reliability. Constant tension band clamps reduce leaks. Chevron Delo Extended Life Coolant (NOAT) extends maintenance intervals reducing maintenance costs. Anti-freeze effective to -30 degrees F helps protect the engine. Low coolant level sensor warns of low coolant condition to prevent engine damage. Radiator Size by Model: 520 1242 sq in, 579 1325 sq in, 535/536/537/548 949.3 sq in, 537/548 VOC 1000.3 sq in, 567 1440 sq in, 589 1604 sq in.	**0**
O	**Bugscreen**	**5**
S	**Stainless Steel Grille**	**0**
S	**Heavy Duty Air Cleaner** Molded rubber air intake connections with lined stainless steel clamps seal to prevent contaminants in air intake.	**0**
O	**Pre-Cleaner ECG**	**13**
S	**Exhaust Vertical LH DPF/SCR**	**0**

Std/ Opt	Description	Weight
	LH Back of Cab Vertical, Single Module	
O	**Exhaust 90 Degree Diffuser**	**0**

Transmission & Equipment

O	**Allison 4500 RDS-P Transmission, Gen 6** Rugged Duty Series	**390**
S	**SPL170 HD-XL Driveline, 1 Midship Bearing**	**0**
S	**SPL170 XL Driveline Interaxle** Dana Spicer Life Series heavy-duty drive shafts are built for heavy loads over the long haul. For tandem rear axles.	**0**
S	**Auto Neutral Activates With Parking Brake** Auto Neutral helps improve jobsite safety by reducing the possibility of the truck moving due to throttle application.	**0**
O	**Allison FuelSense Not Desired** Dynamic Shift Sensing	**0**
S	**Allison Neutral At Stop** Neutral at Stop features and benefits: Reduces or eliminates the load on the engine when vehicle is stopped, can help lower fuel consumption and C02 emissions, and is included in FuelSense 2.0 Plus and Max packages only.	**0**
S	**Console Mounted Push Button Shifter**	**0**
O	**Allison 6-Speed Configuration, Wide Ratio Gears** Allison 4500 transmission only	**0**
O	**Allison Output Function S Neutral Indicator** Allison output function S Neutral Indicator for PTO. Required on Refuse Packer Applications. With this configuration NEUTRAL only, PTO engagement is permitted only when the transmission is in Neutral. Once the transmission is in Neutral, the PTO is automatically engaged and fast idle is initiated when the PTO switch is on. In addition with this configuration Pack-on-the-fly, the PTO is automatically engaged and fast idle is initiated when the PTO switch is On concurrently with shifting of the transmission to Neutral.	**0**
O	**Allison Transmission Fluid Test Port** Remote coupler. The fluid test port provides easy access to transmission fluid for testing from its location under the hood on the right-hand frame rail.	**0**

Air & Trailer Equipment

S	**Bendix AD-HF EP Air Dryer, Heater** Coalescing filter, extended purge. Bendix AD-HF air filters protects the life of your engine system and components. Proven PuraGuard oil coalescing technonlgy in the the air dryer catridge. This oil coalescing filter ensures the removal of oil and oil aerosols before they can contaminate the moisture removing desiccant.	**0**
S	**Nylon Chassis Hose**	**0**

Std/ Opt	Description	Weight
O	**Central Location For Air Tank Drain Valves** Wire braid hose to air tanks. (Not available with optional drain valves.)	**4**
S	**Steel Painted Air Tanks** All air tanks are steel with painted finish except when Code 4543330 Polish Aluminum Air Tanks is also selected (then exposed air tanks outside the frame rails will be polished aluminum). Peterbilt will determine the optimal size and location of required air tanks. Narratives requesting a specific air tank size or location will not be accepted for factory installation. See ECAT to determine number or location of air tanks installed.	**0**
O	**Fitting For F/O Air Port** The furnished by owner fitting air port is mounted outboard of the driver's seat. This allows operators access to pressurize truck air, to maintain clean air in the cab.	**0**
Tires & Wheels		
O	**FF: BR 20ply 315/80R22.5 M870** Efficiency Rating: Fair Diameter= 42.8 inches; SLR= 19.9 inches The Bridgestone M870 is a high scrub All-Position Radial tire designed specifically for urban waste collection.	**-4**
O	**RR: BR 16ply 11R22.5 M799** Efficiency Rating: Poor Diameter = 42.0 inches; SLR = 19.5 inches	**32**
S	**Code-rear Tire Qty 08**	**0**
O	**FF: Alcoa 89U637 22.5 X 9.00 High Polish** Aluminum, Ultra ONE technology that saves more than 50 lbs. versus a comparable steel wheel. Built for refuse, logging, mining and other heavy haul applications that demand a tough wheel. Each wheel offers a 10,000 lbs. load rating.	**-110**
S	**RR: Accur Stl Armor 50291PK 22.5X8.25** Heavy Duty, Two Hand Holes	**0**
S	**Code-rear Rim Qty 08**	**0**
Fuel Tanks		
O	**23" Aluminum 80 Gallon Fuel Tank LH BOC** Paddle handle filler cap with threadless filler neck. Top draw fuel plumbing reduces chance of introducing air into the fuel system during low fuel level conditions due to the central placement of fuel pickup tube. Wire braid fuel lines increase durability & reduce potential for leaks.	**13**
O	**Location LH BOC 80 Gallon**	**0**
S	**Fuel Cooler** Required with single fuel tank	**0**
S	**DEF Tank Mounted LH BOC** Models 220 and 520 mounted left hand back-of-cab.	**0**

Std/ Opt	Description	Weight
S	**DEF To Fuel Ratio Between 1:1 And 2:1**	**0**
S	**DEF Tank 520, 7.3 Gal**	**0**

Battery Box & Bumper

O	**Aluminum Battery Box LH Frame Mtd Back-of- Fender** Aluminum battery box left hand frame mounted back-of-fender. 8" Below top of frame.	**1**
S	**Steel Bumper Channel Painted** Includes two front tow eyes with pins	**0**

Cab & Equipment

S	**53" LCF ProBilt Cab LH Drive** Includes steel frames with alum and fiberglass panels, all alum doors, dual door stops, door locks, tinted safety glass thru-out, cab and door mounted entry grab handles, 65 degree hydraulic tilt, stainless steel grille, dual rear cab fenders, service module BOC (cab tilt pump, oil fill and dipstick, coolant fill and check, fluid fill and dipstick for auto trans), door mounted armrests, power windows, doghousefull insulation, rubber floor mats, ergonomic center control console, removable instrument panel, Driver Information Display, LED backlit gauges, adjustable side flip-down interior sunvisor, 16" steering wheel with integrated horn button, tilt/telescopic adjustable column, over-door storage, driver and passenger side cup holders, USB charging port and 12VDC charging outlet, header includes HVAC controls and 12V power connection behind header cover, rear cab corner windows, 18" bolt-on step each side, self-canceling turn signals and front directional and side mounted turn signals.	**0**
O	**Key All Units Alike** Please add your 3 digit key code number in the key code field.	**0**
S	**Thermal Insulation Package in Cab** The thermal insulation package is designed to make the cab thermally efficient in extreme temperatures. The model 520 adds insulation surrounding the doghouse to reduce engine heat transmitted to the cab.	**0**
	KEY G275	**0**
S	**4.5" Rubber Flares On Cab** And wheel well fenders	**0**
S	**Peterbilt Driver Seat**	**0**
S	**Peterbilt Passenger Seat**	**0**
O	**Seat Belt Color Orange IPO Standard Black**	**0**
O	**Air Ride Driver**	**43**
O	**High Back Driver**	**0**
O	**Mordura Driver**	**0**

Std/ Opt	Description	Weight
O	**Air Ride Passenger**	**43**
O	**High Back Passenger**	**0**
O	**Mordura Passenger**	**0**
S	**Gray Interior Color** Includes ABS Gray Headliner & Rear Cab Panel, Gray Vinyl Engine Tunnel Cover. For LH, RH, and Dual Steer Dual Seated Power Windows are standard on both doors. For Dual Steer RH stand-up the LH Window is Power and the RH Window is a Manual Sliding window.	**0**
O	**High-Visibility Interior Grabhandles, Painted** Bright yellow interior grabhandle for vocational vehicles.	**2**
S	**Adjustable Steering Column - Tilt/Telescope**	**0**
S	**Steering Wheel With Peterbilt Logo** Steering Wheel with embossed Peterbilt logo over horn button.	**0**
O	**Diamond Plate Floor Covering LH/RH ipo Floormat** In Dual Steer application RH Diamond Plate covering is standard. Single drive applications the Diamond Plate is optional.	**13**
S	**Exterior Cab Entry Grabhandle** Textured; NFPA compliant. Available on Day Cab specifications only.	**0**
O	**Rear Window Back of Cab Dark Tint** 18.5in X 54in	**0**
S	**2-Piece Flat Windshield**	**0**
S	**Combo Fresh Air Heater/Air Conditioner** With radiator mounted condenser, dedicated side window defrosters, Bi-Level Heater/Defroster Controls, 54,500 BTU/HR, and silicone heater hoses.	**0**
O	**(2) Defroster Fan On Rear Header**	**60**
O	**Mirrors SSTL Each Side Heated and Motorized** with Switch on Door.	**-7**
O	**(4) Convex 8 Inch SSTL Mirrors; (2) Center** These optional convex mirrors provide enhanced rearward visibility by allowing the driver to see the operation of front-end loader arms or other obstacles that may interfere with operation in refuse services. The mirrors have an off-center mounting that maximizes adjustability for field of view. Dual door stops are included with these mirrors for added protection to the mirrors during cab entry and exit. Includes 4 convexed 8" stainless steel mirrors and 2 center mounted under (heated) and 2 center mounted over mirror bracket (non-heated). Includes dual door stops.	**4**
S	**(1) Air Horn 15" Painted** Mounted under cab.	**0**
O	**ConcertClass, AM/FM, Weatherband, 3.5 Aux**	**10**

Std/ Opt	Description	Weight
O	**Midlevel Speaker Package For Cab** (4) Speakers	**6**
O	**Bluetooth Located On Driver Side**	**0**
O	**Radio Mute When In Reverse** For automatic or automated transmission	**0**
O	**Bluetooth Phone and Audio Requires USB Port**	**0**
O	**USB Port**	**0**
S	**Global Telematics Hardware**	**0**
O	**Cab Tilt Pump Air Assist**	**0**
O	**Front Cab Guard, Painted Black**	**15**
O	**Rain Gutters Over Driver and Passenger Doors**	**8**
S	**Peterbilt Pantograph Windshield Wipers** With intermittent feature.	**0**
O	**Triangle Reflector Kit, Ship Loose** Florescent triangle emergency road flares are designed to meet and exceed all DOT standards.	**13**
O	**Fire Extinguisher, Cab Mounted** Hazmat approved UL listed/rated ABC	**12**
O	**Backup Alarm (107 DB)**	**3**
S	**Transmission Oil Temperature (Main)** Located in Digital Cluster Display.	**0**
S	**Air Restriction Indicator** Mounted on exhaust stanchion	**0**
O	**Brake Application Air Pressure (Tractor)** Located in Digital Cluster Display.	**0**
O	**Warning Light Battery Disconnect, Switch Engaged** Marker light external mounted	**0**
O	**Up To (4) Additional Electric Switches** Up to (4) additional electric switches without wiring. Switch will short pin5 to pin 4 when off, and pin 5 to 6 when on. Backlighting provided by Lin jumper.	**1**
O	**Engine Hourmeter Gauge** Located in Digital Cluster Display	**0**
O	**Engine PTO Hourmeter Gauge** Located In Digital Cluster Display	**0**
O	**Engine Manifold Pressure (Turbo Boost)** Located in Digital Cluster Display	**0**
O	**Engine Percent Torque** Located in Digital Cluster Display	**0**

Std/ Opt	Description	Weight
O	**Main Instrumentation Panel** Digital Cluster 7" Display includes: Physical (Analog) - Speedometer, Tachometer, Oil Pressure, Coolant Temp and Display Gauges - Fuel Level, DEF Level, DPF Filter Status, Fuel Economy, Volts Telltale, OAT and Primary Air Pressure, Secondary Air Pressure for air brake trucks.	0
O	**Voltmeter Gauge (MD/520 Only)** Located in Digital Cluster Display	0
O	**Headlights Single Rectangular LED** Model 520 LED headlights provide outstanding brightness and coverage that can help with driver eye-fatigue. LED headlights are easy to install, long lasting, energy efficient and cost effective and they provide improved headlight brightness.	0
S	**(5) LED Clearance With (2) LED Marker Lights** Includes (5) lights mounted on roof of cab and (1) cab side marker light mounted in front of each cab door	0
S	**None Furnished Stop/Tail/Backup Lights** Available with full truck only, not available with tractor	0
O	**Daytime Running Lights** The brake interlock turns the daytime running lights off when the parking brakes are engaged. This is required on all Canadian vehicles.	0
O	**Self-Canceling Turn Signal**	2
Paint		
S	**Standard Paint Color Selection**	0
O	**(1) Color Axalta Two Stage - Cab/Hood** Base Coat/Clear Coat N85020 A - L0006EY WHITE N85700 BUMPER L0001EA BLACK N85500 CAB ROOF L0006EY WHITE N85200 FRAME L0001EA BLACK	0
Shipping Destination		
Options Not Subject To Discount		
S	**Peterbilt Class 8 Standard Coverage** 1 year/100,000 Miles (160,000 km)	0
S	**PACCAR PX-9 Standard Coverage** 2 yrs/250,000 mi (402,336 km)/6,250 hrs	0
O	**Fuel Price Index Factor $0 NET**	0
O	**SmartLINQ RD - 5YR Sub** PACCAR PX Engines	0
O	**Base Warr: Emissions 5YR/100K MI-EPA Engine**	0
O	**Vehicle Layout**	0

Std/ Opt	Description	Weight
	Option is not subject to discount. Fleets will be split prior to build so that the charge is applied to only one unit. Quotes will not reflect this.	

Miscellaneous

O	**State Of Registry: Arizona**	**0**
O	**Model Year 2026 Engine**	**0**
O	**Model Year 2025 Engine**	**0**
O	**2024 Series Emissions Engine**	**0**
O	**1 Year Towing & Mobile Service**	**0**

Promotions

Special Requirements

Special Requirement 1 0098170
Special Requirement 2
Special Requirement 3
Special Requirement 4

Order Comments

Total Weight (lbs)	17,986

Any price increase as the result of force majeure, rising costs of components (including but not limited to material shortages) or government tariffs are not included in the quoted price and will be the financial responsibility of the customer.

Prices and Specifications Subject to Change Without Notice.

Unpublished options may require review/approval.
Dimensional and performance data for unpublished options may vary from that displayed in CRM.

PRICING DISCLAIMER

While we make every effort to maintain the web site to preserve pricing accuracy, prices are subject to change without notice. Although the information in this price list is presented in good faith and believed to be correct at the time of printing, we make no representations or warranties as to the completeness or accuracy of this information. We reserve the right to change, delete or otherwise modify the pricing information which is represented herein without any prior notice. We carefully check pricing specifications, but occasionally errors can occur, therefore we reserve the right to change such prices without notice. We disclaim all liability for any errors or omissions in the materials. In no event will we be responsible for any damages of any nature whatsoever from the reliance upon information from these materials. Please check your order prebills to confirm your pricing information



EXHIBITS B.1-B.2
AGENCY CONTRACT
(attached)

1. Sourcewell Agency Contract with Peterbilt Motors Company - 032824-PMC (39 pages)
2. Sourcewell Customer Pricing with Peterbilt Motors Company – 032824-PMC (1 page)

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Sourcewell

Solicitation Number: RFP #032824

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Peterbilt Motors Company, 1700 Woodbrook Street, Denton, TX 76205 (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	Peterbilt Motors Company
DocuSigned by: Jeremy Schwartz C0FD2A139D06489...	DocuSigned by: DD52CB0924194DD...
By: _____	By: _____
Jeremy Schwartz	Phill Hall
Title: Chief Procurement Officer	Title: National Fleet Sales Manager
Date: 7/5/2024 | 11:29 PM CDT	Date: 7/5/2024 | 2:26 PM CDT

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RFP 032824 - Class 4-8 Chassis and Cabs with Related Equipment, Accessories, and Services

Vendor Details

Company Name:	Peterbilt Motors - MD Sales
Does your company conduct business under any other name? If yes, please state:	TX
Address:	3200 Airport Road Denton, TX 76205
Contact:	Phillip Hall
Email:	phillip.hall@paccar.com
Phone:	940-367-5665
Fax:	940-367-5665
HST#:	

Submission Details

Created On:	Thursday February 08, 2024 08:16:30
Submitted On:	Thursday March 28, 2024 09:59:08
Submitted By:	Phillip Hall
Email:	phillip.hall@paccar.com
Transaction #:	7e53e445-46c2-4228-b451-099b1f022cfa
Submitter's IP Address:	71.14.148.40

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")	Peterbilt Motors Company	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	N/A	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	N/A	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	8K065	*
5	Proposer Physical Address:	1700 Woodbrook Street Denton, Texas 76205	*
6	Proposer website address (or addresses):	http://www.peterbilt.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):	Phil Hall National Fleet Sales Manager 1700 Woodbrook Street Denton, Texas 76205 phillip.hall@paccar.com (940) 591-4006	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Phil Hall National Fleet Sales Manager 1700 Woodbrook Street Denton, Texas 76205 phillip.hall@paccar.com (940) 591-4006	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Corin Gleason District Sales Manager Corin.Gleason@paccar.com (708)-833-1508 Greg Grabinsky Vocational Sales Manager Greg.Grabinsky@paccar.com (416) 523-4497	

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.	Peterbilt Motors Company was founded in 1939. For 80+ years Peterbilt has been manufacturing Medium-Duty and Heavy-Duty commercial trucks for the U.S. & Canadian Market. We are proud to be American-owned, headquartered in the great state of Texas. Peterbilt operates manufacturing and parts distribution facilities across the U.S. & Canada and has a large independently owned & operated dealer network consisting of 423 locations and adding on average of 25 locations per year. Our trucks are recognized as the most reliable, durable, and highest quality trucks, well suited for the harshest vocational applications that government/municipal fleets operate in on a daily basis. Peterbilt's four core values: 1) Purposeful Innovation - Provide technologically advanced products and services that deliver outstanding performance and value. 2) Individualized Solutions - Customize every Peterbilt product to meet the unique business needs of the customer, and support the customer with after-sales programs and services tailored to them. 3) Enduring Craftsmanship - Manufacture the industry s most durable and reliable trucks, assembled to the highest quality standards by the industry s proudest employees. 4) Pride & Class - Maintain a passion for unrivaled performance, forged out of the heritage of the iconic brand and focused on inspired styling and a premium driver experience. Peterbilt's business philosophy Peterbilt's business philosophy is to produce the highest quality, most durable, reliable trucks on the market that provide our owners with years of dependable and efficient service and therefore the best return on investment. Peterbilt trucks are designed to last longer than any other truck on the market - on purpose! Peterbilt is the most highly desired truck on the used-truck market for a reason; the trucks are still reliable & dependable and can provide many more years of service. In fact, 94% of Peterbilt trucks in-serviced 20 years ago are STILL being in-serviced now - far better than competing OEMs.	*
11	What are your company's expectations in the event of an award?	Peterbilt has marketed the Sourcewell Program on it's website; both internally and externally. We take every opportunity to advertise our contract with Sourcewell; trade- shows, conventions, expositions, dealer open houses, and dealer training events, etc. We hold Sourcewell Webinars for our entire dealer network multiple times/year and release Dealer Bulletins to further communicate and promote our contract. If awarded, we would continue to aggressively promote our Sourcewell contract both internally & externally at events, through training, marketing, social media, etc. Our expectation is that Sourcewell members will continue to utilize the Peterbilt contract in order to secure vehicles that offer class leading reliability, durability, and value.	*

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.	Peterbilt is a Division of Paccar, Inc. (www.paccar.com). PACCAR is a global technology company that designs and manufactures premium quality light, medium and heavy duty commercial vehicles sold worldwide under the Kenworth, Peterbilt and DAF nameplates. PACCAR designs and manufactures diesel engines and other powertrain components for use in its own products and for sale to third party manufacturers of trucks and buses. PACCAR distributes aftermarket truck parts to its dealers through a worldwide network of Parts Distribution Centers. Finance and leasing subsidiaries facilitate the sale of PACCAR products in many countries worldwide. PACCAR maintains exceptionally high standards of quality for all of its products: they are well engineered, highly customized for specific applications and sell in the premium segments of their markets, where they have a reputation for superior performance and pride of ownership PACCAR had an outstanding year in 2022. The company's revenues of $28.82 billion and net income of $3.01 billion were the highest in the company's history. The after-tax return on revenue increased to 10.4%. PACCAR has earned an annual net income for 84 consecutive years. PACCAR's financial results reflect the company's industry leading trucks and powertrains, excellent aftermarket parts and financial services businesses and continued technology leadership. PACCAR's strong financial performance generated an industry leading after-tax return on beginning stockholders' equity of 26% in 2022. Year-end stockholders' equity was a record $13.17 billion. PACCAR's financial performance has enabled the company to declare $8.9 billion in dividends during the last ten years. PACCAR's A+/A1 credit rating supported PACCAR Financial Services' record pre-tax profits of $588.9 million, including $6.22 billion of new loan and lease volume. In 2022, capital investments were $505 million and research and development expenses were $341 million. These investments enabled PACCAR's truck factories to build zero emissions vehicles, supported global production capacity increases and implemented advanced technologies to enhance manufacturing efficiency, including the expanded use of automated guided vehicles. PACCAR made excellent progress in the development of its proprietary autonomous vehicle platform and advanced its partnership with Aurora to commercialize autonomous vehicles. Peterbilt, Kenworth and DAF continued to enhance their industry leading connected services offerings that provide valuable vehicle performance data to our customers, while also providing PACCAR with an increasing stream of recurring revenue. PACCAR is a leader in the development of battery-electric, hydrogen combustion and hydrogen fuel cell vehicles. Kenworth, Peterbilt and DAF delivered nearly 200 battery-electric trucks to customers in 2022 and have nine zero emissions vehicle models in production with a backlog of hundreds of customer units on order. PACCAR's three global embedded software development centers and global connected truck teams are providing proprietary, customer-focused solutions for all parts of the business. 2022 Financial Highlights • Worldwide net sales and revenues were $28.82 billion in 2022 compared to $23.52 billion in 2021, primarily due to higher truck and parts revenues. • Truck sales were $21.49 billion in 2022 compared to $16.80 billion in 2021, primarily due to higher truck deliveries and price realization in all markets. • Parts sales were $5.76 billion in 2022 compared to $4.94 billion in 2021 reflecting higher demand and price realization in all markets. • Financial Services revenues were $1.51 billion in 2022 compared to $1.69 billion in 2021, primarily due to lower used truck sales. • In 2022, PACCAR earned net income for the 84th consecutive year. Net income was $3.01 billion ($5.75 per diluted share) in 2022 compared to $1.87 billion ($3.57 per diluted share) in 2021 reflecting higher Truck, Parts and Financial Services operating results. • Capital investments were $505.0 million in 2022 compared to $511.8 million in 2021. • After-tax return on beginning equity (ROE) was 26.0% in 2022 compared to 17.7% in 2021. • Research and development (R&D) expenses were $341.2 million in 2022 compared to $324.1 million in 2021. See attached 01-PACCAR Annual Report
13	What is your US market share for the solutions that you are proposing?	Class 6/7: 6.1% Class 8: 13.9% Above numbers take into account ALL trucks/tractors with the majority being freight- hauling tractors and inner-city delivery trucks. Looking only at Vocational-Trucks, which includes the government sector, Peterbilt market share overall is 11.9% (Class 6/7/8 - all inclusive).
14	What is your Canadian market share for the solutions that you are proposing?	Class 6/7: 7.0% Class 8: 12.4% Above numbers take into account ALL trucks/tractors with the majority being freight- hauling tractors and inner-city delivery trucks. Looking only at Vocational-Trucks, which includes the government sector, Peterbilt market share is overall 9.67% (Class 6/7/8 - all inclusive).
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?	Peterbilt Motors Company is a manufacturer of commercial trucks. Peterbilt has a dealer network of 432 locations across the U.S. & Canada. Peterbilt dealers are independently owned & operated. All Peterbilt dealers must meet stringent sales, service, and parts support requirements as set forth in their dealer contract with Peterbilt Motors Company & Paccar, Inc. Peterbilt dealers employ 1,000+ salespersons across the U.S. & Canada. Dealer sales personnel are required to stay up to date on the latest product updates, industry technologies, emissions, etc through in-person & on-line training throughout each calendar year. All Peterbilt dealer salespersons are licensed to sell in the States they are assigned. In addition to the dealer network sales force, Peterbilt Motors also employs a factory- sales-management staff of approximately 40; 13 of which are focused on Vocational Trucks, including government/municipal accounts. Peterbilt also employs an individual dedicated to government contracts and the Sourcewell contract. Peterbilt factory sales managers are required to complete truck product, and all other industry related training throughout the year. All Peterbilt factory sales managers are licensed to sell in the States they are assigned. Peterbilt dealer AND factory sales forces work collaboratively with fleets to ensure the * customer experience is optimized in regards to truck specifications, performance, etc. Peterbilt dealer service network includes 432+ locations (add ~25/year), 60 independent dealer groups, 5,000+ dealer personnel, and highly trained technicians that are ALL 100% factory certified. Peterbilt dealer locations perform all levels of service work from standard preventive maintenance to warranty repairs to complete engine rebuilds. Dealers also offer custom maintenance solutions including contract maintenance, mobile service, and on-site technician support. Peterbilt dealers offer on-site comprehensive fluid analysis, DOT inspections and RapidCheck Express Service (provide diagnostics and an estimate of repairs in two hours or less). Dealers offer drop off service as well as pick-up and delivery. Dealers also provide Mobile Service truck for repairs at your locations.. 24/7 roadside assistance as well as a 24/7 repair hotline also available at 1-800-4- PETERBILT. Peterbilt factory service support management team consists of 30+ individuals across the U.S. & Canada that work collaboratively with our dealers service managers and technicians to take care of our customers & their trucks, from in-depth troubleshooting to warranty & policy support.
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.	Peterbilt Manufacturing facilities are ISO 9001:2015 certified. Peterbilt maintains ISO 14001:2015 Environmental Management System (EMS) to improve its environmental programs and to reduce the environmental impacts of its operations and activities. Peterbilt trucks conform to all applicable Federal Motor Vehicle Safety Standards (FMVSS). Peterbilt trucks are equipped with emission control equipment to comply with all applicable US Environmental Protection Agency (EPA) regulations governing control of air pollution from new motor vehicles and new motor vehicle engines, which are in effect on the date of manufacture. In addition, all vehicles conform to the State of California Vehicle Code air quality standards (CARB) for new motor vehicles and new motor vehicle engines in effect on the date of vehicle manufacture. The exterior sound level of Peterbilt vehicles conforms to the noise legislation of the US Department of Transportation and the EPA. The interior sound level of Peterbilt vehicles, when measured in accordance with the test procedure of SAE J336 do not exceed the decibels per hour dictated in the test procedure. Peterbilt brake systems meet all NHSTA FMVSS regulations. Peterbilt trucks are equipped with a lighting system that conforms to the requirements of FMVSS 108. Peterbilt standard seat belt assembly (shoulder and lap), restraint system hardware, mounting, and performance conform to FMVSS Nos. 208, 209, 210. All instruments, indicators, and panel controls are located, identified and illuminated to conform to 49 CFR, Part 571, FMVSS No. 101. Peterbilt dealers are authorized/certified/licensed to sell Class 5-8 commercial trucks in the States & Provinces in which they do business.
18	Provide all “Suspension or Debarment” information that has applied to your organization during the past ten years.	N/A

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	2019 Awards 2019 Top Company for Women to Work for in Transportation by the Women In Trucking (WIT) Association • The organization's mission is to encourage the employment of women in the trucking industry, promote their accomplishments, and minimize the obstacles they face. 2020 Awards 2020 Top Company for Women to Work for in Transportation by the Women In Trucking (WIT) Association • The organization's mission is to encourage the employment of women in the trucking industry, promote their accomplishments, and minimize the obstacles they face. 2021 Awards 2021 Top Company for Women to Work for in Transportation by the Women In Trucking (WIT) Association • The organization's mission is to encourage the employment of women in the trucking industry, promote their accomplishments, and minimize the obstacles they face. Award of Distinction from the international Communicator Awards for Peterbilt Online EV Operations Cost Calculator. • The Communicator Awards is a leading international awards program dedicated to recognizing excellence, effectiveness and innovation across all areas of communication. The Peterbilt EV Operating Cost Calculator won for its user experience as a powerful tool for prospective customers to evaluate the Total Cost of Ownership of Peterbilt's three EV vehicle configuration on a per mile (on-highway applications) or per hour basis (vocational applications). 2022 Awards Operational Excellence Leadership Award from the National Association of Manufacturers (NAM) • Peterbilt received an Operational Excellence Leadership award for its Offline Priority Dashboard initiative, which provides a real-time, on-demand source of information assisting the Operations team to better forecast, prioritize and distribute resources, such as parts and labor, in the most effective manner in offline recovery efforts, and to achieve the delivery goals to assist with supply chain recovery across our country. With this new innovative process, Peterbilt streamlined offline processes to deliver trucks to our customers in the most efficient manner. Engineering and Production Technology Award from the National Association of Manufacturers (NAM) • Peterbilt received the award for the Structural Fastening Equipment Modernization project that utilizes a fastening equipment hydraulic system featuring MiniBooster hydraulic pressure intensifiers that are simple, inexpensive, and with a parallel installation and modular mounting system changeable on the fly in the case of failure. Transformative Culture Award from the National Association of Manufacturers (NAM) • Peterbilt received the Transformative Culture award for Safety Program Improvements, with the addition of the Velocity EHS and DuPont STOP program improving the efficiency with immediate corrective actions and shifting the safety culture to the proactive mindset that every safety incident can be prevented. About the National Association of Manufacturers The National Association of Manufacturers (NAM) is the largest manufacturing association in the United States, representing small and large manufacturers in every industrial sector and in all 50 states. The NAM is a powerful voice in the manufacturing community and the leading advocate for a policy agenda that helps manufacturers compete in the global economy and create jobs across the United States. 2022 Top Company for Women to Work for in Transportation by the Women In Trucking (WIT) Association • The organization's mission is to encourage the employment of women in the trucking industry, promote their accomplishments, and minimize the obstacles they face. 2023 Awards 2023 Top Company for Women to Work for in Transportation by the Women In Trucking (WIT) Association • The organization's mission is to encourage the employment of women in the trucking industry, promote their accomplishments, and minimize the obstacles they face.
20	What percentage of your sales are to the governmental sector in the past three years	2% *
21	What percentage of your sales are to the education sector in the past three years	<1% *
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?	Peterbilt Motors Company only Cooperative purchasing contract is with Sourcewell. Rush Truck Centers holds contracts with The Florida Sheriffs Association (FSA) and the Houston-Galveston Area Council (H-GAC). Annual volume data available by request through Rush Enterprises. *
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?	N/A *

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 *
Kent County Road Commission	Steve Roose	616-481-5368 *
Montcalm County Road Commission	Mark Christensen	616-835-6654 *
McHenry County DOT	Benjamen Justen	815-334-4977 *
Village of Northfield Illinois	John Rikje	224-707-2645
Four Rivers Sanitation Authority	Dave Daughenbaugh	815-387-7583

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 *	
City of Fresno	Government	California - CA	Refuse Trucks Model 520	6 Trucks	$955,750	*
City of Virginia Beach	Government	Virginia - VA	Refuse Trucks Model 520	15 Trucks	$2,018,482	*
City of Visalia	Government	California - CA	Refuse Trucks Model 520	9 Trucks	1,375,987	*
Kent County Road Commission	Government	Michigan - MI	Vocational Truck Model 365	11 Trucks	$1,854,965	*
Miami Dade County	Government	Florida - FL	Refuse Trucks Model 520	5 Trucks	$930,620	*

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.	Peterbilt Motors Company Factory Sales force consists of Peterbilt's General Manager (equivalent to VP/President at other companies), Assistant General Manager, 3 General Sales Managers over the U.S. & Canada that have a total of 6 Region Managers reporting to them based out of Philadelphia (East), Nashville (South), Denton/Dallas (Midwest), Chicago (Great Lakes), Scottsdale/Phoenix (West), and Toronto (Canada). Each Region Manager oversees 3-4 District Sales Managers. In addition, Peterbilt Motors has a separate Medium-Duty Sales Team (1 per Region/Canada), Vocational Sales Team (1 per Region/Canada), and National Account Sales Team (1 per Region/Canada). Peterbilt also has one National Fleet Sales Manager that is dedicated to the Sourcewell Account. All Sales personnel mentioned above collaborate with Peterbilt's Dealer Network Sales teams which consists of 1,085 individuals throughout the US & Canada, including Sales VPs, Directors, Managers, Sales Personnel, and Sales Administrators. Peterbilt Motors Company also has 3 Dealer Sales Councils comprised of Sales Managers and Representative from all over the US & Canada. The 3 Councils are: National-Accounts Sales Council, Vocational/Government Sales Council, and Medium- Duty Sales Council.	*
27	Dealer network or other distribution methods.	Peterbilt Motors Company's dealer network is independently owned & operated. Peterbilt's dealer network consists of 432 locations across the US & Canada. In addition to the dealer network, Peterbilt's dealers are supported by 7 Paccar-owned Parts Distribution Centers strategically located across the US. The Parts Distribution Centers maintain a 99% fill- rate. In addition to Peterbilt Dealer parts inventories AND the Paccar Parts Distribution Centers, Peterbilt also offers All-Makes parts at over 101 TRP locations in US/Canada and online at https://trpparts.com/ Peterbilt dealers also maintain strong relationships with several Body-Manufacturers. Many of these Body-Companies are Sourcewell members and stock vehicles that utilize Peterbilt trucks. Please see attached 00-Peterbilt Dealer Locations	*
28	Service force.	Peterbilt Motors Company maintains an extensive Corporate service force consisting of a General Manager of Service, Assistant General Manager of Service (GM titles at Peterbilt are equivalent of VP at most companies), Director of Field Service, Director of Warranty, 6 Region Service Managers located across the US (East-Philadelphia, South-Nashville, Midwest-Dallas, Great Lakes-Chicago, West-Phoenix, and Canada- Toronto). Each Region Manager has 3 District Service Managers and 2 Engine Service Managers. The dealer network consists of 5,025 service personnel (Service Managers, Shop Foreman, Technicians, Service Advisors, Service Writers, etc.). Peterbilt Motors Company also has a Dealer Service Council that meets multiple times annually to discuss all things service, preventive maintenance, warranty, etc.	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Orders will be coordinated and managed by an authorized Petertbilt Dealer sales person.	*

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.	Peterbilt's Customer Service Program, TruckCare, starts with the initial request for service from the customer. Fleets can rely on Peterbilt TruckCare https://partsandservice.peterbilt.com/en/services to connect them to the help they need 24 hours a day, 365 days a year. Wherever in the U.S. or Canada, Peterbilt's dealer network will get you back on the road as fast as possible: • Fast help when you call 1-800-4-PETERBILT • Free registration • Assistance with towing, jump and pull starts, tires, mechanical repairs and preventive maintenance services • An efficient roadside assistance system that tracks all aspects of your job • Custom-mapping technology including On-board diagnostics through SmartLinq that locates the nearest Peterbilt dealer, other PACCAR dealer or independent service provider to best assist you • Personalized customer profiles to specify your roadside assistance preferences • Bilingual representatives and translation service to ensure quality assistance in any language Peterbilt Dealers must achieve a year-to-date TruckCare Preventive Maintenance Customer Service Score of 90% or higher from Peterbilt Motors Company. The Preventive Maintenance Customer Service Score for each dealer location will reflect a score based upon the following criteria: 1. Dealer s ability to set firm appointment 2. Resolving all customer complaints regarding service quality, customer treatment, or any other complaint deemed reasonable brought to the attention of the Customer Center. 3. Dealer holding appointment slot for customer. 4. Customer is not to wait longer than 1 hour from the scheduled time of the appointment 5. Customer to receive a completed copy of the Preventive Maintenance Inspection Form at the completion of the service. Since 2020, Peterbilt's "Platinum Service Center Certification". The program is intended to provide superior service for customers. The certification process is stringent: Platinum Factors for Dealerships scores are based on factors including: • Facilities and drivers lounges. • Expanded hours of service. • Parts availability. • Triage procedure. • Having certified Paccar MX engine technicians. Platinum Service Center locations will receive a special designation in Peterbilt s dealer locator on the company s website as well as a plaque to showcase in their dealership. Customer service is also a reflection of parts support; without the needed parts on hand a service event can be significantly delayed. Peterbilt has the parts you need, ready to ship, with a 99% fill rate. Fleets can reduce their inventory levels and gain security by relying on Peterbilt s dealer network of over 405 locations with 7 regional Parts Distribution Centers strategically located across the U.S. Fleets can be set up with Not-to-Exceed Pricing, Consolidated Billing, and dedicated Account Support locally and nationally. Response time capability: Rapidcheck: Available at all Peterbilt Dealer service locations, Rapidcheck provides a Diagnostic check within 2 hours of truck drop-off; No appointment necessary. Rapid Check guarantees the following within 2 hours of when the work order is started: Run initial diagnostic testing on the vehicle Determine needed repairs or if more complete diagnoses is required Check parts availability Provide an estimate of when the vehicle repairs will be complete Communicate all findings to the customer With customer permission, repairs that can be completed within 2 hours will be carried out Response Time Capability: Mobile Service: Peterbilt's dealer network operates a fleet of 968+ mobile repair trucks; the fleet is growing rapidly. Mobile service allows for fast response to problems where the customer cannot or prefers not to bring their vehicle to the Peterbilt dealer location. Common in remote areas or areas where traffic is heavy and therefore drive time to/from dealer is not ideal. Peterbilt also offers National Account Warranty Programs that include: Access to online truck service & option database (E-Portal), Online electronic parts catalog (ECAT), and Field Service Bulletins Option to perform in-house warranty repairs with a sponsoring Dealer Filing Warranty Claims on Behalf of Fleet (Dealer Sponsored) OR Fleet filing direct with Peterbilt (Direct Fleet) Discounted and/or free diagnostic tools. *
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Peterbilt's full product line and support services are available to ALL Sourcewell participating entities in the United States. *
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Peterbilt's full product line and support services are available to ALL Sourcewell participating entities in Canada. *
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	N/A - Peterbilt services ALL geographic areas in the US & Canada. *
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?	N/A - Peterbilt will fully service ALL Sourcewell participating entity sectors. *
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	N/A - No specific contract requirements or restrictions apply to Sourcewell entities in Hawaii, Alaska, or other US Territories. *

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.	Peterbilt Motors Company Marketing strategy for promoting the Sourcewell Contract consists of the following: Internal Dealer Bulletins (sent out to all Dealers Management & Sales Personnel) that announce the program, describe the program, provide pricing, and contact details. Peterbilt Intranet site: Sourcewell is the ONLY entity that has it's own dedicated page on Peterbilt Motors' internal website. The site contains an overview of the program, quick reference guide, customer presentation template, pricing guide, contact information & more. Peterbilt has and will promote Sourcewell at all Vocational/Government shows, conferences, and expos at which we exhibit; NTEA Work Truck Show, WasteExpo, Electric Utility Fleet Managers Conference (EUFMC), International Construction and Utility Electrical Expo (ICUEE), etc. This includes Peterbilt created marketing materials (see attached) as well as Sourcewell provided pop-ups, flags, truck vinyl logos, etc. All of Peterbilt's on-site training events include a module on Sourcewell. On-site training is held at Peterbilt's manufacturing locations on a quarterly basis and is open to all Dealer personnel. In addition to training held at Peterbilt facilities, Peterbilt also holds sales/product training at most major shows (NTEA, WasteExpo, etc) that also include module on Sourcewell. Peterbilt markets our Sourcewell contract on Social Media (Facebook, Twitter, LinkedIn). Peterbilt's dealer network actively promotes their participation in the Peterbilt Sourcewell contract through their websites, social media, and exhibition at various shows including local and regional APWA events. See attached 02-Marketing Plan
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Peterbilt Motors has and will continue to market Sourcewell on our Facebook page and Twitter account. Peterbilt will significantly increase our social media posts in general over the next several years with Sourcewell being part of that. Peterbilt's dealer network utilizes Facebook, Twitter, and LinkedIn primarily to promote their participation in the Sourcewell contract and to make announcements regarding customer procurement via the contract, etc.
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?	Sourcewell's role in promoting contracts arising out of this RFP would be to announce the contracts on their website and conduct email campaigns to Sourcewell members. Sourcewell's role is to continue to be present at major shows, expositions, and conferences to actively promote Sourcewell in general and provide assistance to contract holders to actively promote their specific contracts, including providing marketing materials, pop-up flags, truck decals, etc. Sourcewell should continue to offer sponsorship opportunities at major events for contract holders to participate - example) Peterbilt Motors sponsored the "Public Procurement Reception" at WasteExpo in CY2020. Peterbilt Motors Company integrates the Sourcewell contract by setting sales goals for its District Sales Managers and Vocational Sales Managers that involve key government/municipal target accounts in their territories with an emphasis on promoting our Sourcewell Contract. Peterbilt Dealers are provided with presentation templates, marketing material, and filtered spreadsheets of all Sourcewell members in their specific areas of operation. Sales Blitzes and joint sales calls with factory personnel are held monthly.
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.	Peterbilt products are not available through an e-procurement ordering process; only through Peterbilt Dealers and Sourcewell Member Body-Companies that sell complete/turnkey units to Sourcewell members.

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.	Peterbilt Motors Company offers on-site and on-line product training, maintenance/service training, and many other courses relevant to the municipal/vocational truck market. Online training is available to all Sourcewell members 100% FREE of charge. Members would need to simply contact their local dealer who will sponsor the customer and provide the initial log in credentials at https://bca-training.net/peterbiltfleet/account/login Members can take any course on the site and/or Fleet Managers can assign courses & track progress. The following are just some of the training on the site that is available: EV Module Engine Service Low Power Visual Inspection Common Rail Troubleshooting Tandem Drive Axle Service Axle Kingpin Replacement Fuel System Flow and Components Common Rail Fuel System Engine Lubrication System Starting and Charging Systems Pending Active and Inactive Codes Clearing the MIL Light Smoke Analysis Low Power Diagnosis Manual Compression Testing EGR System Diagnosis Warning Lights DPF System Diagnosis DEF System Diagnosis Turbo System Diagnosis Diesel Emissions System Exhaust and Aftertreatment System Diagnosis NOx Sensor Diagnosis On-site training is available from Peterbilt Motors Company Factory Training Department for a fee on a reservation basis. Training can be conducted at a Peterbilt Motors facility (factory, Region Office, etc.) or at a Sourcewell Member's fleet location. Peterbilt's Dealer Network also offers operation, maintenance, service and other training. This training is offered for a fee on a reservation basis.
41	Describe any technological advances that your proposed products or services offer.	Peterbilt products and services incorporate leading technologies. By working with world-class supplier partners, Peterbilt leverages industry expertise to design and manufacture advanced vehicles, vehicle systems, powertrain components, hardware and software, all fully integrated to deliver outstanding performance and value. In addition to the standard features of Peterbilt trucks that will be listed below, Peterbilt trucks offer the following technological advances: Digital Display The Peterbilt Digital Display fully integrates with electrical and safety systems found on the new 579, 567, 589, 535,536,537,548, and 520 models including the Bendix Fusion Advanced Driver Assistance System. The state-of-art Digital Display features a fully customizable user interface (UI), delivering an almost endless combination of digital gauges on the main screen at any one time. Operators control the digital UI through one of

three different Drive View Zones. Minimized View eliminates everything but the speedometer and tachometer for minimal driver distraction. Basic View represents traditional information found on analog dashes with Air & Oil Pressure, Fuel & DEF level and Water temperature all prominently displayed along with a speedometer and tachometer. The Enhanced View builds upon the previous views displaying the maximum number of gauges from a list of over 30 information sources. The beauty of the Peterbilt Digital Display is that operators can fine-tune the information shown to suit their individual needs through the easy to use controls found on the all-new steering wheel.

SmartNav:

A high-tech infotainment system, SmartNav delivers GPS navigation (truck maps), communications (integrates with cell phones) and vehicle monitoring (virtual gauges and other truck info) direct to an in-dash seven-inch color touch-screen. The SmartNav display enables intuitive interaction with an array of technologies, functions and apps, including truck camera systems. SmartNav features voice recognition and control, keeping hands on the wheel and eyes on the road. SmartNav integrates seamlessly with your phone via Bluetooth® connection and includes WiFi capability, making it easy to stay in touch no matter where you are. The integrated audio system plays through the truck speakers and can also accommodate
satellite radio. The display is available in English, Spanish and French Canadian.

SmartAir:

Peterbilt s proprietary SmartAir system provides a factory installed, no-idle climate control solution that delivers maximum
comfort while also reducing emissions and lowering fuel costs.
The SmartAir system is powered by four, heavy-duty AGM batteries that are charged during normal driving conditions. When
the engine is off, SmartAir provides quiet, effi cient, high-power cooling capacity for up to 10 hours on a single charge.
Peterbilt s SmartAir design features one of the smallest footprints in the industry. It also features on-board diagnostics, full automatic temperature control in A/C and heating modes and a digital LCD
display that makes it easier to control the unit and provides battery monitoring. The system is fully integrated with Peterbilt s existing sleeper HVAC systems, resulting in increased cooling performance,
enhanced reliability, reduced maintenance and lower overall operating costs. SmartLinq:
SmartLINQ and its suite of connected services monitor your truck's health and have the capability to send customized alerts and notifications to your designated support team, including the nearest Peterbilt dealership.

Collision Mitigation:

Peterbilt offers both the Bendix Wingman Collision Mitigation System as well as the Meritor OnGuard System. These systems utilizes forward radar detection to provide driver alerts and active braking when objects are detected in the road or if closing on the vehicle ahead.
Systems also offer lane-keeping technology as well as side object detection. Camera- integrated option provides enhanced object detection and can even read speed limit signs and alert drivers if over the limit. Systems can provide electronic stability control to prevent rollovers as well as adaptive cruise control with reduces throttle and/or applies the service brakes to maintain safe distance with vehicles ahead.

HID + LED headlights:

Peterbilt offers both High-Intensity-Discharge headlights and LED headlights. HIDs provide
the best available forward visibility, while LEDs provide superior wide-range/close-range lighting Predictive Cruise:
Predictive Cruise if offered and provides (via forward radar sensor) for automated reduced throttle and/or service brake application to maintain safe distance with vehicles ahead.

Driver Performance Assistant:

When manual transmission is specified, Driver Performance Assistant provides a visual aid to drivers to encourage them to operate in the vehicles RPM "sweet spot" as well as "shift now" notifications to optimize shift patterns for operational efficiency and improved fuel economy

Driver Information Display:

The standard Peterbilt Driver Information Display, located in the center of the dash cluster, provides the operator with the following selections via a toggle switch: Standard view shows cruise status, park-brake status, and gear selected. Optional views show virtual gauges (i.e. voltmeter, transmission temperature gauge), engine RPM display, shut-down timer, trip information (fuel economy, miles operated, hours operated, idle time, etc.), truck information (VIN, engine make/model, transmission make/model, etc.), and diagnostics/warnings (fault codes with descriptions).

Stability Control with Automatic Traction Control:

Electronic Stability Control prevents roll-over situation by applying the anti-lock service brakes to individual wheels to maintain truck balance when taking turns.Combined with automatic traction control, the technology greatly enhances safety for drivers/fleets.

Zinc coated frame rails:

Peterbilt offers a zinc coating for it's frame rails and crossmembers that significantly reduces corrosion over the life of the truck.

Peterbilt offers a bump-fin style cooling system for extreme dirt environments to reduce wear on the engine.

Allison FuelSense:

Allison FuelSense technology optimizes shift patterns depending on the fleet's desired operating characteristics (power/max-fuel-economy/blend).

Peterbilt offers RollTek Air-Bag-equipped seats for enhanced safety in rollover accidents.

Peterbilt offers the full line of NFPA requirements including Seat & Occupancy sensor & warning, NFPA seats, NFPA grab handles, etc.

Peterbilt offers pre-wiring Provisions for fleet communication systems, camera systems, custom maintenance systems, etc.
Standard technology on Peterbilt trucks that provide value to fleets:

FRAME
Steel rails with gussets to maximize RBM.
Huck bobtail fasteners provide a consistent and durable clamping force up to 600% greater than bolted frames.
Tamper resistant round head and collar offers improved paint adhesion and corrosion resistance. Swage indicating features on collar allows for visual inspection of clamped joint.
Rubber-lined clamps along frame rail to protect air & electric lines routed in frame.
Chassis hose and wiring bundles conveniently routed through gussets provides protection for lines.

STEER AXLE

Zerk fittings on tie rod ends, king pins, and draglink ball joints for ease of maintenance and help extend service life of components.

Greaseless spring pins reduce maintenance and improve ride quality.
Cognis EMGARD® Synthetic Axle Lube reduces wear and extends maintenance intervals, resulting in increased uptime. Provides improved fluid flow to protect components in extreme cold conditions and withstand the stress from high temperatures, extending component life. Glidekote splines on steering shaft extend service life of components.

DRIVE AXLE

Laser factory axle alignment (accurate to .030 of an inch) to improve handling and reduce tire wear.
Magnetic rear axle oil drain plug captures and holds any metal fragments in drive axle lube to extend service life.

ENGINES & RELATED SYSTEMS

Magnetic engine oil drain plug captures and holds any metal fragments in engine oil to extend service life.
Silicone radiator and heater hoses enhance value, durability and reliability.
ClimaTech extended life coolant extends maintenance intervals which reduces maintenance costs.
Constant tension and torque band clamps reduce leaks.
Stainless steel hard-line manifold reduces coolant hoses in the engine compartment to improve durability and appearance.
Thermal fuse in the air conditioning compressor clutch allows the pulley to free spin in the event of a compressor failure, thus reducing belt wear and vehicle downtime.
Weather pack silicone sealed electrical chassis connectors enhance value, durability and reliability.
Maintenance free 12V batteries provide reliable power for starting and accessories. Stranded copper battery cables are double aught (00) or larger to reduce resistance. Stainless steel flex exhaust tubing & clamps provide durability.
Optimized exhaust routing to simplify the truck order process and provide optimal performance.

AIR SYSTEM

Teflon-lined, stainless steel braided compressor discharge hose provides long service life in high operating temperatures.

FUEL TANKS

Aluminum fuel tanks with heavy-duty aluminum brackets and stainless steel straps. Wire braid fuel lines increase durability and reduce potential for leaks.

ELECTRICAL SYSTEM

Multiplex electrical design utilizing the industry standard J1939 data bus that sends multiple signals over a single wire instead of having an individual wire for each function. This allows each component (engine, transmission and instrumentation) to communicate to each other.
This design improves reliability and offers increased functionality.
Proprietary Electronic Service Analyst (ESA) allows dealer to monitor the electrical system, isolate sensors and gauges, and keep a log of service history.
Braided chassis harness cover provides durability.
Convoluted tube covering on harnesses protects from chaffing. Wires numbered every 4 inches or less for ease of serviceability.

CAB / HOOD

Proprietary all-aluminum cab is light weight and durable for long service life. Spring assisted, hood opening for serviceability.
Proprietary anti-blow-down locking mechanism that keeps the hood open during servicing and prevents unintentional closing.
One piece roof reduces potential for leaks.
Lap seam construction and aircraft fasteners has greater clamp load than rivets.
Double wall stamped aluminum doors provide virtually water-tight, rattle-free performance.
Full length, light weight hidden gravity-hinge system that provides low resistance and ease for closing doors providing durability.
Interior Left and Right Side Grab Handles for easy access into the cab.

CAB INTERIOR
LH & RH door mounted map pockets with door mounted step lights Cast rubber flooring with integral sound barrier.
Integrated "dead pedal" for driver comfort.
Four ergonomically positioned entry / egress grabhandles
Proprietary non-slip threshold plate accented with a chrome inset and Peterbilt Red Oval adds a touch of Peterbilt class to safety and convenience.

LIGHTS

Projector module pod headlights provide outstanding visibility.
'Headlight On Warning' when headlights are active with door open and ignition off. The high beam headlamp icon flashes and sounds an audible alarm.
Headlights turn on automatically when windshield wiper blades are activated.
Lighting system is protected by an impact resistant Lexan® lens and requires no special tools for lamp adjustment or bulb replacement.

DASH & INSTRUMENTATION

Driver Information Display that allows the driver to view diagnostic information and monitor truck system behavior.
Information such as fuel economy, optimum engine speed and engine and transmission system management provides driver feedback and improves operating performance.
Dash features an "in-mold" color process that imbeds the color into the material making the color permanent and eliminating peeling and fading.
LED backlit gauges to prevent eye fatigue.

PAINT
Dupont Imron Elite two-stage non-metallic paint, one color cab / hood.

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.	Peterbilt manufactures the largest product lineup of Battery-Electric-Vehicles (Models 220EV, 520EV and 579EV) and continues to invest in this technology with a manufacturing plant dedicated to building batteries for its electric vehicles. Additionally, as part of the transition to zero emissions, PACCAR has introduced new electric vehicle charging stations to support electric vehicles. PACCAR is collaborating with Faith Technologies and Schneider Electric to provide charging infrastructure solutions for customers who purchase Peterbilt electric trucks in the US and Canada. Charging power from 20 kW up to 350 kW. Our financial strength enables us to invest over $1.11B in Capital projects and R&D in 2023 to: • Integrated powertrains including state to the art diesel; electric; hybrid; and hydrogen fuel technologies • Enhance our manufacturing capability for better efficiency • Strengthen our aftermarket transportation solutions • Leadership in autonomous systems, and connected vehicle services Peterbilt offers more models with CNG & LNG engines than any other OEM and has sold more CNG/LNG trucks and offered them longer (since 1996) than any other OEM. Peterbilt’s full line of engines are approved for the use of Biodiesel up to B20. Investing in Sustainable Operations: All Company manufacturing locations are ISO 14001 certified and more than 80% are zero-waste-to-landfill. The Company has invested $800 million over the past ten years in facility projects that have improved energy efficiency, reduced emissions, reduced water consumption and waste including $35 million in reusable containers. First in the truck industry to implement chassis robotic paint systems. This process has enhanced paint quality, reduced cost and decreased paint usage, waste and air emissions. Reducing Greenhouse Gas Emissions From 2013 to 2022 PACCAR reduced greenhouse gas emissions 50% on a per revenue basis. Hazardous air emissions have been reduced by over 200 metric tonnes per year in paint and other processes. Peterbilt joined the CDP Reporter Services for reporting greenhouse gas emissions and to benchmark performance to continue reducing our greenhouse gas footprint. Reducing Waste Many of the Company s manufacturing locations achieve "zero waste to landfill" by recycling, employing reusable containers and composting food and paper waste. Conserving Resources Peterbilt reduces the use of water through internal recycling, reduces paint waste through robotic paint systems and conserves energy by using new technologies such regenerative dynamometers that capture electricity from vehicle testing. Products All Peterbilt internal combustion engine vehicles have near-zero emissions of NOx, a smog causing compound, and are compliant with all applicable standards including those by the California Air Resources Board (CARB), the US Environmental Protection Agency (EPA) and the European Commission. Peterbilt uses Ecodesign, a software tool, to reduce environmental impacts through product design. Through this process, engineers increase recyclability of our trucks, reduce air emissions, use lighter materials to reduce fuel consumption and use fewer hazardous materials. Fuel-Efficient, Low-Emission PACCAR Engines Peterbilt has strengthened its leadership in environmental stewardship by expanding its global portfolio of high performing low emission engines. Over the past five years, these engines have reduced GHG emissions by up to 14%. NOx and particulate matter have also been reduced by over 83%.
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.	Peterbilt's full engine offerings all meet or exceed all Environmental Protection Agency (EPA) and California Air Resources Board (CARB) emissions requirements. All plants that manufacture Peterbilt products are are ISO 14001:2015 and/or ISO 14001:2015 Certified. Peterbilt offers EPA-Certified Green-House-Gas Emissions tires on all of its products. See Line Item 42 for additional details. CARB and EPA labels available upon request.
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.	Peterbilt's Dealer Network has several dealers/groups that operate as WMBE, SBE, and/or veteran owned businesses. Example certification, see attached 05-Montana Peterbilt LLC - MBE Other certifications/inquiries available upon request to Peterbilt Motors.
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?	Peterbilt is a US based (Headquartered in Denton, Texas) company that offers the widest array of trucks in the industry. Peterbilt offers Class 5 Conventional trucks, Class 6 & 7 Cab- Over trucks, Class 6 & 7 Conventional trucks & tractors, Class 8 Conventional trucks & tractors AND Class 8 Cab-Over trucks & tractors. No other OEM has the variety of trucks offered by Peterbilt Motors. This allows for a Sourcewell member fleet to procure all of their trucks from one OEM/Dealer. This "one-stop-shopping" benefits the member through a single source for all trucks, parts, and service needs, streamlining their operations. For example, if a fleet needs a large cab-over refuse truck, a small cab-over for paint striping, and a conventional tandem truck for a dump/plow application, Peterbilt is the ONLY OEM that can provide all 3 trucks. Additionally, Peterbilt is the only OEM who offers 3 Electric Trucks ranging from medium duty, vocational, and regional tractor. Peterbilt offers Class leading re-sale values on all of its trucks. If/when a Sourcewell Member trades/sells/auctions its used Peterbilts they will get significantly more than any competitor. This is reflected in NADA book values and can also be extracted from "Truck Paper" pricing. 94% of Peterbilt trucks in-serviced in Calendar Year 2022 were still in-serviced in Calendar Year 2022 94% of 20-year-old trucks were still being put into service. This is a testament to Peterbilt's design philosophy of durable, reliable, custom engineered work trucks.

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. See attached for full warranty schedule. For extended warranty information, members can reach out to their local Peterbilt dealer or Peterbilt's Sourcewell manager listed on the contract. Hundreds of different combinations of extended warranties are available, including custom warranties to match the members needs (ex - more years, less miles/yr, etc.) See Attached 03 Warranty Procedure Manual and Schedule
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	No.
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Yes.
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?	No.
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?	Typically warranty for components added to a truck AFTER FACTORY DELIVERY (i.e. a Refuse Body or Dump Body, etc.) is covered by the OEM/Dealer/Distributor for that Body. However, a number of Peterbilt Dealers are authorized distributors and/or service locations for other manufacturers/Body-Companies and can therefore provide warranty support. Peterbilt Dealer locations that are also authorized dealers/distributors for other manufacturers/Body-Companies can be researched via the Peterbilt dealer or manufacturer/Body-Company website or by contacting the Peterbilt Motors National Account Manager that manages the Sourcewell Contract listed on the Peterbilt landing page on the Sourcewell website.
51	What are your proposed exchange and return programs and policies?	Exchange & return policies for trucks are at the discretion of the individual Peterbilt dealer providing the vehicle.
52	Describe any service contract options for the items included in your proposal.	Service contracts direct through Peterbilt Motors would only be available through Peterbilt's company-owned Lease operations (PacLease). Fleet Field Service…. The majority of service contract options would be handled through Peterbilt Motors dealer network. Most Peterbilt Dealers offer service contracts that provide a variety of options i.e. Preventive Maintenance, towing services, DOT inspections, tire exchange programs, oil analysis, winter prep, etc. Most Peterbilt dealers can also offer on-site technicians, mobile-service, and full-maintenance-contracts.

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *
53	Describe your payment terms and accepted payment methods.	Payment terms are at the discretion of Peterbilt Dealers and vary depending on the type of truck purchased, body installed (if applicable), lead-times for components, etc. Payment terms are negotiable - typically Peterbilt dealers can provide payment terms that match what the Sourcewell member requests.
54	Describe any leasing or financing options available for use by educational or governmental entities.	Yes; Peterbilt Motors offers a full range of financing options including municipal leases through Paccar Financial Corporation (PFC), a Division of Paccar (Peterbilt is also a Division of Paccar). In addition to PFC, Peterbilt dealers can provide financing options through various banks and other financial partners. Also, many Dealer Groups operate their own finance companies and can provide options for Sourcewell members.
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.	Peterbilt Motors has created a special sales code that is added electronically in our "Truck Specification Software" that designates the truck(s) being ordered as a Sourcewell transaction. Peterbilt dealers submit Sourcewell orders electronically to Peterbilt Motors. A quarterly report is generated using the special sales code from the system that shows all trucks that were invoiced and in service for that period. An automatic email will go out to the Peterbilt dealer to verify the trucks sold to the customer is indeed a Sourcewell member. Peterbilt's system then cross references the special sales code with warranty start dates to determine what trucks were put into service during that particular quarter. The trucks are then loaded onto the Sourcewell quarterly sales report and submitted to Sourcewell and at the same time submitted to Peterbilt accounting for check processing to pay Sourcewell. All purchase orders from Sourcewell members go directly to and are processed by Peterbilt dealers. For trucks on the ground that were not ordered for particular Sourcewell deals (stock trucks), dealers submit pricing to Peterbilt's Sourcewell Manager to verify that the sell price qualifies as a Sourcewell contract pricing. Those "stock trucks" are then added to the quarterly tracking database.
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?	No.

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.	Peterbilt will continue with pricing that provides a %-off-of-list format. Peterbilt's published Sourcewell pricing lists sample MSRP/List prices for each model offered. Peterbilt will provide pricing for EVERY model we offer. Sourcewell members need to simply have their local Peterbilt dealer build their truck specification, obtain the specification from the dealer with the final list price. Member then takes the appropriate % (varies by Model) off of that list price to give them their final ceiling price for the truck. Pricing includes cab & chassis, factory-freight, Pre-Delivery-Inspection (PDI), marketing fee, and dealer profit Pricing does NOT include flooring/interest, any applicable taxes (i.e. FET), commodity surcharge(s), any options/services provided by the dealer outside of PDI (i.e. body, lights, manuals, training, Doc Fees, DEF fluid, additional fuel, truck clean-up, local delivery etc.). Also not included are any extended coverages requested and any engineering vehicle layout drawings if needed. *** Medium-Duty/Heavy-Duty/BEV Commercial trucks do not have true MSRPs - list prices can vary greatly depending on options. For example, the difference between a manual transmission and automatic transmission can be $10,000+ in list price. Aggressive deep-lug all terrain tires can add $5,000+. For BEV battery pack prices can vary $20,000+ due to range size.	*
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.	Peterbilt's discount for the Sourcewell contract is a %-off-of-List-Price format. The %-off yields truck pricing that is equalized to our best Marketing Program at the time of the RFP which will provide for substantial savings for Sourcewell members. As per the comments in Line Item 57, Price is established by taking the appropriate % (varies by Model) off of the final list price of the truck (after dealer specs the truck per the Sourcewell member's specifications). Price yielded includes Peterbilt's factory freight and the Peterbilt dealer's profit & pre-delivery-inspection. Pricing does NOT include flooring/interest, any applicable taxes (i.e. FET), commodity surcharge(s), any options/services provided by the dealer outside of PDI (i.e. body, lights, manuals, training, Doc Fees, DEF fluid, additional fuel, truck clean-up, local delivery etc.). Also not included are any extended coverages requested and engineering vehicle layout drawings if needed. Latest pricing guide for specific Sourcewell Members will be updated yearly. Peterbilt dealers will have the latest pricing guide. See pricing example below: Sourcewell member works with local dealer to build a spec for a Model 548 and final list price with all options assuming is $200,000 and assuming the current discount is 15%. Sourcewell member simply takes % off of list price and the number yielded is what they would pay for the truck. (List Price x % off) = Discount ($200,000 X 15%) = $30,000 (List Price – Discount) = Sourcewell Price ($200,000 - $30,000) = $170,000	*
59	Describe any quantity or volume discounts or rebate programs that you offer.	N/A	*
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.	Peterbilt dealers can provide turnkey solutions for Sourcewell Members. Peterbilt dealers can provide one invoice that includes the truck cab & chassis and all other components required on the vehicle. Examples of such components (or "sourced goods"): Bodies (refuse, dump, vacuum, etc.) Accessories (plows, additional lights, cameras, etc.) Peterbilt dealers will provide both Bodies & Accessories at cost plus a maximum of 10%. Cost plus 10% amount may not exceed $7,000 for Bodies & Accessories.	*
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.	Items not included in Peterbilt's "%-off-of-List-Price" pricing are mentioned in Line Items 57 & 58. Truck (cab & chassis) price calculated from %-off-of-list-price equation includes Peterbilt factory freight charge and dealer profit and pre-delivery-inspection (PDI). Price does not include any component or service provided post factory delivery. Examples of components/services NOT included from Peterbilt Motors: Extended truck warranty Extended engine warranty Peterbilt Engineering Vehicle layout drawings Examples of components/services NOT included from Peterbilt Motors and provided by the Peterbilt Dealer: Body Federal Excise Tax (FET) - if applicable Other taxes Doc fees local delivery clean-up/truck wash additional manuals training additional lights camera systems additional fuel additional diesel exhaust fluid additional fuel engineering vehicle layout drawings Pricing does NOT include flooring/interest, any applicable taxes (i.e. FET), commodity surcharge(s), any options/services provided by the dealer outside of PDI (i.e. body, lights, manuals, training, Doc Fees, DEF fluid, additional fuel, truck clean-up, local delivery etc.). Also not included are any extended coverages requested and engineering vehicle layout drawings if needed.	*
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.	Freight from the Peterbilt factory where the truck is being manufactured to the 1st delivery point (either Body-Company or Peterbilt Dealer) IS included in Peterbilt's Sourcewell pricing. Delivery of truck from the Body-Company or Peterbilt Dealer to the Sourcewell member is NOT included in Peterbilt's Sourcewell pricing and will be called out as a separate line item on the Body Company invoice and/or the Peterbilt dealer final invoice.	*
63	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Terms for freight, shipping, and delivery to Alaska, Hawaii, Canada, and Puerto Rico no different that US from a pricing perspective. Time to ship estimated at 2-3 additional weeks for Alaska/Hawaii/Puerto Rico	*
64	Describe any unique distribution and/or delivery methods or options offered in your proposal.	Peterbilt Motors dealers can offer delivery spread out across a calendar (depending on purchase volume and Peterbilt manufacturing schedule). Trucks can be delivered at intervals that suit the Sourcewell members need/budget.	*

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.	Peterbilt pricing proposal reflects our best Marketing Program offered YTD and due to limits placed on dealer profit/pdi and other costs, the final pricing is better than what is typically offered.

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.	As noted in Line Item 55, Peterbilt Motors has created a special sales code that is added electronically in our "Truck Specification Software" that designates the truck(s) being ordered as a Sourcewell transaction. Peterbilt dealers submit Sourcewell orders electronically to Peterbilt Motors. A quarterly report is generated that shows all trucks that were ordered with the code. Peterbilt's Sourcewell Manager then cross references the code with warranty start dates to determine what trucks were put into service during that particular quarter. Although not required by Sourcewell, Peterbilt Sourcewell Manager then obtains copies of all Peterbilt dealer invoices to the Sourcewell members for those trucks and verifies pricing meets the Sourcewell Contract. The trucks are then loaded onto the Sourcewell quarterly report and submitted to Sourcewell and at the same time submitted to Peterbilt accounting for check processing to pay Sourcewell. For trucks on the ground that were not ordered for particular Sourcewell deals (stock trucks), and therefore do not have the Sourcewell electronic code on them, dealers have been formally instructed through Peterbilt's Sourcewell dealer training material to notify Peterbilt Motors of any stock trucks that sell to a Sourcewell member. Dealers must also submit pricing for those stock trucks to Peterbilt's Sourcewell Manager to verify that the sell price meets our Sourcewell contract pricing.	*
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.	Peterbilt will track each sale utilizing the quarterly report described in line 66. This report will be compared to other customer and regional sales reports at Peterbilt to determine if that quarter was a success. If orders are 50+ per quarter is deemed a successful program. Please note current market conditions limits exponential growth due to allocation.	*
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.)	Peterbilt Motors proposes to offer the flat $500/truck administrative fee that was provided for our current Sourcewell contract.	*

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.	Peterbilt Motors offers the widest product line in the industry for Sourcewell members from class 5 to class 8. Peterbilt offers the following products: Cab over and conventional Medium, Vocational, Heavy, and EV Model 220: Cab-over cab. Truck configuration only (no tractor). 26,000 LBS GVW - 33,000 LBS GVW. 6.7 Liter diesel engine. Automated/automatic transmissions. Common applications include Street-Sweepers, Paint-Stripers, Stake-bed-trucks, and Van-body-trucks. Model 535: Conventional cab. Truck configuration only (no tractor). 19,500 LBS GVW. 6.7 Liter or 9 Liter diesel engine. Automated/automatic transmissions. Common applications include Service/Mechanics-trucks, Stake-bed-trucks, flat-bed- trucks, and Van-body-trucks. Model 536: Conventional cab. Truck configuration only (no tractor). 26,000 LBS GVW. Paccar 6.7 Liter or 9 Liter diesel engine. Automated/automatic transmissions. Common applications include Service/Mechanics-trucks, Stake-bed- trucks, flat-bed-trucks, and Van-body-trucks. Model 537: Conventional cab. Truck or tractor configuration. 26,000 LBS - 33,000 LBS GVW (52,000 LBS GVWR). 6.7 Liter or 9 Liter diesel engine. Automated/automatic or manual transmissions. Common applications include Dump- trucks, Van-body-trucks, hook-lift-trucks, and Utility-trucks. Model 548: Conventional cab. Truck or tractor configuration. 33,000 LBS - 66,000 LBS GVW & GVWR. 6.7 Liter or 9 Liter diesel or CNG/LNG engine. Automated/automatic or manual transmissions. Common applications include Dump/Plow-trucks, Vacuum-trucks, Crane-trucks, Refuse/Waste Collection-trucks and Tank-trucks. Model 567: Conventional cab. Truck or tractor configuration. 66,000 LBS - 80,000+ GVW & GVWR. 9 Liter, 11 Liter, 13 Liter, and 15 Liter diesel engine. Automated/automatic or manual transmissions. Common applications include Dump-trucks, Crane-trucks, Tank-trucks, and Low-Boy-tractors. Model 579: Conventional cab. Tractor configuration only (no truck). 66,000 LBS - 80,000 LBS GVWR. 9 Liter, 11 Liter, 13 Liter, or 15 Liter diesel engine and 12 Liter CNG or LNG engine. Automated/automatic or manual transmissions. Common applications include Van-Body-tractors, Flat-Bed-tractors, Tanker-tractors, and Low-Boy- tractors. Model 589: Conventional cab. Tractor or truck configurations. 80,000+ LBS GVW & GVWR. 13 Liter or 15 Liter diesel engine. Automated/automatic or manual transmissions. Common applications include Heavy-haul-tractors, Heavy-Dump-tractors, Low-Boy-tractors, and Heavy-Dump-trucks. Model 520: Cab-over cab. Truck configuration and limited tractor configurations. 66,000 LBS - 80,000 LBS GVW and 80,000 LBS GVWR. Automated/automatic or manual transmissions. Common applications include Refuse/Waste-Collection-trucks (Rear-Load, Automated-Side-Loader, Front-Loader, etc.), Paint-Striping-trucks, and Concrete-Pumping-trucks. Additional details can be found at https://www.peterbilt.com/trucks
71	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Truck & related Parts: Peterbilt Motors Company and its sister division, Paccar Parts can provide comprehensive parts solutions (all makes/all models) for Sourcewell members. Some members can qualify for National Account Parts pricing depending on volumes. Paccar Parts offers and "Online Parts Counter" (https://parts.peterbilt.com/), 24/7-365 parts ordering, consolidated billing, and Universal Credit Lines. In addition, Several Peterbilt Dealers operate very large Parts operations with their own dedicated distributions centers and can provide comprehensive parts solutions to Sourcewell members by way of substantial discounts, delivery service, and inventory management services.
72	Describe any manufacturing processes or materials utilized that contribute to chassis strength, cab strength, overall durability, driver safety.	Each Peterbilt truck is built at one of our 3 manufacturing facilities. All components that make up each individual Vehicle Identification Number (VIN) are tracked by their serial number, at what station they were installed, by what employee, using what tools, at what specific time of the day and even the exact torque value of components fastened to the truck. This allows for optimum monitoring of supplier quality, any manufacturing errors, and insight into issues in the field (i.e. - failure in the field can more easily be traced to a particular batch of parts or a particular supplier, manufacturing process may need adjusted, etc.). Peterbilt Motors uses the highest quality materials that exceed most NHTSA, TMC, or SAE standards. All conventional cabs are aluminum in construction and use aircraft grade huck or henrob fasteners for assembly. Chassis strength: All OEMs use similar frame RAILS in regards to PSI/RBM - Peterbilt is the only OEM that uses FIVE 5/8" huck fasteners on each side of the crossmembers in the frame. This gives Peterbilt the absolute strongest frame in the industry - up to 600% stronger. Most of Peterbilt's conventional cabs (535/536/537/548/567/589) are constructed of aluminum and are fastened together with adjoining aluminum sheets overlapped (lap- seam construction) and fastened using robotically punched henrob fasteners along with 2 adhesives (structural & acoustic) to fasten the cab together. This superior frame and cab construction contributes to Peterbilt having 94% of it's trucks in-serviced in 1999 STILL being in-serviced in 2024! - Class leading durability. Safety features include: Bendix ESP Stability Control System Bendix Wingman collision mitigation Meritor OnGuard Smart Traction Control Battery disconnect switches Auto Neutral activates with parking brake Brake lock PTO control Seat belt and occupancy sensor Remote keyless entry Optional Severe Service Cab Orange/Red seat belts RollTek Air-bag equipped seats Other Peterbilt features & benefits/advantages: FRAME • Steel rails with gussets to maximize RBM. • Huck bobtail fasteners provide a consistent and durable clamping force up to 600% greater than bolted frames. Tamper resistant round head and collar offers improved paint adhesion and corrosion resistance. Swage indicating features on collar allows for visual inspection of clamped joint. • 3-piece C-Channel crossmember with cast gussets for the strongest crossmembers in the industry. • Each crossmember is attached with FIVE 5/8" huck fasteners making for the strongest frames in the industry. • Rubber-lined clamps along frame rail to protect air & electric lines routed in frame. • Chassis hose and wiring bundles conveniently routed through gussets provides protection for lines. • Stanard front wheel mudflaps reduce road spray, help maintain a cleaner truck and better visibility. • Two frame mounted tow pins standard. STEER AXLE • Available with set forward front axle configuration for a smoother ride or set back front axle configuration for increased maneuverability and optimized weight distribution. • Factory front axle alignment to improve handling and reduce tire wear. • Zerk fittings on tie rod ends, king pins, and draglink ball joints for ease of maintenance and help extend service life of components. • Greaseless spring pins reduce maintenance and improve ride quality. • Standard oil seals for long lasting leak protection.

- Cognis EMGARD® Synthetic Axle Lube reduces wear and extends maintenance intervals, resulting in increased uptime. Provides improved fluid flow to protect components in extreme cold conditions and withstand the stress from high temperatures, extending component life.
- Glidekote splines on steering shaft extend service life of components.

- DRIVE AXLE
- Laser factory axle alignment (accurate to .030 of an inch) to improve handling and reduce tire wear.
- Magnetic rear axle oil drain plug captures and holds any metal fragments in drive axle lube to extend service life.
- Parking brakes on ALL drive axles for optimal performance.
- Cognis EMGARD® Synthetic Axle Lube for all Rear Axles.

ENGINES & RELATED SYSTEMS
- Magnetic engine oil drain plug captures and holds any metal fragments in engine oil to extend service life.
- Silicone radiator and heater hoses enhance value, durability and reliability.
- ClimaTech extended life coolant extends maintenance intervals which reduces maintenance costs.
- Low coolant level sensor warns of low coolant condition to prevent engine damage.
- Constant tension and torque band clamps reduce leaks.
- Stainless steel hard-line manifold reduces coolant hoses in the engine compartment to improve durability and appearance.
- Thermal fuse in the air conditioning compressor clutch allows the pulley to free spin in the event of a compressor failure, thus reducing belt wear and vehicle downtime.
- Weather pack silicone sealed electrical chassis connectors enhance value, durability and reliability.
- 12 Volt System with circuit protection for reliable easy maintenance and service.
- Composite fan is light-weight but strong and corrosion resistant.
- Full fan shroud, ring and rubber boot improves under hood airflow and provides a robust fan-to-radiator shroud interface for greater cooling capacity.
- Maintenance free 12V batteries provide reliable power for starting and accessories.
- Stranded copper battery cables are double aught (00) or larger to reduce resistance.
- Stainless steel air cleaner straps, brackets and fasteners provide a durable bright finish.
- Molded rubber air intake connections with lined stainless steel clamps seal to prevent contaminants in air intake.
- Washer bottle with 1.3 gallon capacity extends maintenance intervals to refill.
- Polished stainless steel grille with a distinctive punched oval grille pattern provides a durable bright finish.
- Stainless steel flex exhaust tubing & clamps provide durability.
- Optimized exhaust routing to simplify the truck order process and provide optimal performance.
- 5" diameter chrome plated steel standpipe cools exhaust for safety.

TRANSMISSION & RELATED SYSTEMS
- Synthetic lubricant to reduce friction, improve efficiency and extend component life.
- Magnetic transmission oil drain plug captures and holds any metal fragments in transmission oil to extend service life.
- Coated driveshaft splines extend service life.
- Configured Clutch to simplify the truck order process and provide optimal performance.
- Torque limiting clutch brake

AIR SYSTEM
- Engine mounted air compressor with remote mounted air system filter dryer to reduce moisture in air system components.
- Teflon-lined, stainless steel braided compressor discharge hose provides long service life in high operating temperatures.
- Schrader valve for charging of air system from external source.

FUEL TANKS
- Aluminum fuel tanks with heavy-duty aluminum brackets and stainless steel straps.
- Under cab fuel tanks include steps for cab access.
- Single fuel tank will receive a single draw / single return fuel system.
- Dual fuel tanks will receive dual draw / dual return fuel system equalizes fuel load.
- Top draw fuel plumbing reduces chance of introducing air into the fuel system during low fuel level conditions due to the central placement of the fuel pickup tube.
- Optimized filler neck location on under cab fuel tanks optimizes access and safety.
- Paddle handle filler cap with threadless filler neck to avoid stripping
- Wire braid fuel lines increase durability and reduce potential for leaks.

ELECTRICAL SYSTEM
- Multiplex electrical design utilizing the industry standard J1939 data bus that sends multiple signals over a single wire instead of having an individual wire for
each function. This allows each component (engine, transmission and instrumentation) to communicate to each other. This design improves reliability and offers increased functionality. Standard are two RP1226 connectors inside the cab for easy connections.
- Proprietary Electronic Service Analyst (ESA) allows dealer to monitor the electrical system, isolate sensors and gauges, and keep a log of service history.
- Automatically resetting circuit breakers in selected circuits
- Braided chassis harness cover provides durability.
- Convoluted tube covering on harnesses protects from chaffing.
- Wires numbered every 4 inches or less for ease of serviceability.
- Power distribution center in cab is centrally located in a protected environment for easy access.

CAB / HOOD
- Proprietary all-aluminum cab is light weight and durable for long service life.
- Light-weight, gently sloped, hood with and one-piece grille crown improves air flow and increases visibility.
- Spring assisted 90 degree hood opening for serviceability.
- Proprietary anti-blow-down locking mechanism that keeps the hood open during servicing and prevents unintentional closing.
- Hood latch on each side secures the hood to the cowl.
- Three point rubber cab mounting
- One piece roof reduces potential for leaks.
- Lap seam construction and aircraft fasteners has greater clamp load than rivets.
- Bulkhead style doors provide virtually water-tight, rattle-free performance.
- Extruded aluminum door frames for strength and durability.
- Full length, heavy-duty piano-type stainless steel door hinges and pins provide durability.
- View window in RH door for safety.
- Electric windshield wipers and washers with intermittent wiper function
- Grab handles mounted on cab LH & RH for cab access.
- Convex mirror over RH door and below each rear view mirror for improved visibility and safety

CAB INTERIOR
- Upper and lower dash panels in a dark charcoal color that is not only easier to clean and shows less scratches and scuffs, but also improves driver visibility due to less glare.
- Contoured door pads featuring integrated ergonomic armrests for driver comfort
- LH & RH door mounted map pockets with built-in courtesy lights
- Power lift passenger window controls integrated into the door panel are within easy reach of the driver for safe and convenient operation.
- Padded vinyl headliner is easy to clean.
- Two inside sunvisors with map straps provide driver and passenger comfort and convenience.
- Two coat hooks for driver and passenger convenience.
- Integrated cup holder in dash
- Cast rubber flooring with integral sound barrier.

		• Heater / air conditioner with dedicated side window defroster • Adjustable steering column • Key start ignition for an automotive feel. • Ignition and doors keyed alike for driver convenience. • Cigar lighter and ashtray with power port • Integrated "dead pedal" for driver comfort. • Five ergonomically positioned entry / egress grab-handles • Proprietary non-slip threshold plate accented with a chrome inset and Peterbilt Red Oval adds a touch of Peterbilt class to safety and convenience. • Header mounted dome light • Driver and passenger dome and reading lights • Footwell lighting • 12-volt and USB power outlet in dash • Peterbilt in-dash Navigation System available LIGHTS • State-of-the-art LED and halogen projector module headlights increase visibility. • 'Headlight On Warning' when headlights are active with door open and ignition off. The high beam headlamp icon flashes and sounds an audible alarm. • Headlights turn on automatically when windshield wiper blades are activated. • Polished cast aluminum headlight pod housing with LED side-turn indicators and an impact resistant lens matches durability with style. DASH & INSTRUMENTATION • Driver Information Display that allows the driver to view diagnostic information and monitor truck system behavior. Information such as fuel economy, optimum engine speed and engine and transmission system management provides driver feedback and improves operating performance. • Ergonomic dash provides enhanced driver comfort and productivity. • Dash features an "in-mold" color process that imbeds the color into the material making the color permanent and eliminating peeling and fading. • LED backlit gauges to prevent eye fatigue. • Standard warning lights with audible alarm for high coolant temperature, low oil pressure and low air pressure • Warning indicators for high beam, parking brake, turn signals, low fuel, road surface ice potential • Seat belt reminder • Cruise control for driver convenience. • Rocker switches with long-life LED indicators that are easy to reach for driver safety and convenience. PAINT • The best paint in the industry: Dupont Imron Elite two-stage non-metallic paint, one color cab / hood
73	Describe any differentiating serviceability attributes (remote diagnostics, etc.) your proposal offers.	Peterbilt hoods tilt a full 90-degrees providing class-leading engine compartment access for optimum serviceability of all components. All other OEMs hood tilt at approximately up to 75-degrees or worse. In addition, Peterbilt's conventional cabs do NOT have dog-houses which push the back end of the engine into the cab. Peterbilt's engine bay with no dog-house provides the best engine access for service in the industry. Peterbilt offers individually replaceable gauges that allow for fast & inexpensive gauge replacement. Approximately 10 minutes & $50 to replace a gauge in the gauge "cluster" vs ALL other OEMs needing the entire cluster replaced if 1 gauge goes out - approximately $1,200 & 1-2 hours. Peterbilt's cabin air filter is located out of the elements and easy to access near the passenger footwell. Other OEMs have external cabin air filters that require the windshield cowl to be removed and are exposed to the elements. Peterbilt uses weatherpack connectors with o-ring seals on wiring connection points to keep the elements out and provide secure connections. All wires clearly numbered (every 4 inches) and include aluminum tags to help identify them for easier service. Air lines are color-coded for simple tracing. Published Labor Times for Common Maintenance and Repair Items Show that a Peterbilt can Save up to 20% on Labor Costs Peterbilt trucks come standard with on-board-diagnostics, visible to the driver via the 7" or 15" digital displays. The on-board diagnostics will alert the driver of a fault code and provide the fault code number and a brief description. If the fault requires service soon or immediately the display will provide the driver with the level of the fault and the time (in hours) to de-rate and if severe, the time in hours to (shut- down). If, for example, a fault has a time in hours to de-rate of 5-hours and the operator has only 2 hours left in their route, they can finish their route and return to their shop or take to the dealer at the end of their route. Without on-board- diagnostics and just a simple dash light, operators would often times cut their route off as soon as the light illuminated. Peterbilt also offers Remote-diagnostics via our standard SmartLinq system. SmartLinq provides the same information noted above (on-board-diagnostics) but additionally through a desktop and/or mobile app format. The SmartLinq web portal can be set up for management by one or several fleet personnel and provides a dashboard that will display a map of all SmartLinq-enabled trucks the fleet operates. The vehicles move on the map in real time and will display color-coded symbols to denote their current operating status (i.e. green-normal, yellow-service soon, red-service now, etc.). Each truck can be clicked on for more detailed information. Email notifications can be set up to alert the fleet SmarLinq adminstrator(s) when a truck experiences a fault code and can be tailored to only alert when faults are mission disabling, etc. More information can be found at https://www.peterbilt.com/why-peterbilt/purposeful-innovation Peterbilt dealers offer "RapidCheck" service. Peterbilt launched the Rapid Check service program to provide diagnostics and an estimate of repairs in two hours or less. The program is available throughout the more than 432 locations in the Peterbilt dealer network. Within two hours, Rapid Check provides basic vehicle diagnostics, with more complex diagnostics if necessary. The information is evaluated and repairs are provided along with an estimated time needed to complete the work - again; all within 2 hours. The service is being offered to maximize customer uptime. The service is available for ANY truck make or model, not just Peterbilt.

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	Internal Combustion Engine fuel types (ICE)	Peterbilt does not offer Class 4 chassis.	*
75	Class 5 chassis	◉ Yes ○ No	Internal Combustion Engine fuel types (ICE)	Conventional cab. Truck only. Body- installation unlimited. Up to 19,500 LBS GVW	*
76	Class 6 chassis	◉ Yes ○ No	Both Chassis Types (ICE and BEV)	Conventional cab & Cab-Over. Trucks & tractors. Body-installation unlimited. Up to 26,000 LBS GVW and 52,000 LBS GVWR	*
77	Class 7 chassis	◉ Yes ○ No	Both Chassis Types (ICE and BEV)	Conventional cab & Cab-Over. Trucks & tractors. Body-installation unlimited. Up to 33,000 LBS GCW and 66,000 LBS GVWR	*
78	Class 8 chassis	◉ Yes ○ No	Both Chassis Types (ICE and BEV)	Conventional cab & Cab-Over. Trucks & tractors. Body-installation unlimited. Up to 160,000 LBS GVWR.	*
79	Related equipment, accessories, parts, upfitting, services, used chassis and Class 3 chassis	○ Yes ◉ No	Internal Combustion Engine fuel types (ICE)	Peterbilt does not offer Class 3 chassis.	

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	Peterbilt does not offer Class 4 chassis.	*
81	Battery Electric Vehicle (BEV) Class 5 Chassis	○ Yes ◉ No	Peterbilt does not offer Class 5 chassis.	*
82	Battery Electric Vehicle (BEV) Class 6 Chassis	◉ Yes ○ No	Class: 6 GCWR: 26,000 lbs. Used for: Local Pickup, Delivery & Regional Haul/Beverage Max Horsepower: 355 hp (265kw) - 499 hp (372kw) Front Axle & Suspension: 10,000 lbs. Rear Axle & Suspension: 17,000 lbs. Est Daily Range: 100, 150 or 200 Miles Per Charge Minimum Charge Time: 2.1 Hours Box Size Configurations: 24', 26', 30'	*
83	Battery Electric Vehicle (BEV) Class 7 Chassis	◉ Yes ○ No	Class: 7 GCWR: 33,000 lbs. Used for: Local Pickup, Delivery & Regional Haul/Beverage Max Horsepower: 355 hp (265kw) - 499 hp (372kw) Front Axle & Suspension: 12,000 lbs. Rear Axle & Suspension: 21,000 lbs. Est Daily Range: 100, 150 or 200 Miles Per Charge Minimum Charge Time: 2.1 Hours Box Size Configurations: 24', 26', 30'	*
84	Battery Electric Vehicle (BEV) Class 8 Chassis	◉ Yes ○ No	Model 579EV Class: 8 GCWR: 82,000 lbs. Used for: Regional Haul, Drayage Max Horsepower: 670 hp (500kw) Front Axle & Suspension: 12,000 - 14,600 lbs. Rear Axle & Suspension: 40,000 lbs. Est Daily Range: 150 Miles Per Charge Minimum Charge Time: 3 Hours Model 520EV Class: 8 GCWR: 66,000 lbs. Used for: Right-Hand Side Loader and Rear Loader Refuse Collection Max Horsepower: 670 hp (500kw) Front Axle & Suspension: 20,000 - 23,000 lbs. Rear Axle & Suspension: 46,000 lbs. Est Daily Range: 80 - 120 Miles Per Charge (1,100 Bin Pickups) Minimum Charge Time: 3 Hours	*
85	Related equipment, accessories, parts, upfitting, services, used chassis and Class 3 chassis	○ Yes ◉ No	Peterbilt does not offer Class 3 chassis.	

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 - 00-2024 Peterbilt Pricing Example.JPG - Tuesday March 26, 2024 17:38:03
- Financial Strength and Stability - 01 - PACCAR Annual Report.pdf - Tuesday March 26, 2024 17:38:15
- Marketing Plan/Samples - 02 - Marketing Plan.pdf - Tuesday March 26, 2024 17:38:32
- WMBE/MBE/SBE or Related Certificates - 05-Montana Peterbilt LLC-MBE.pdf - Tuesday March 26, 2024 17:39:01
- Warranty Information - 03 Warranty Procedure Manual and Schedule.pdf - Tuesday March 26, 2024 17:39:26
- Standard Transaction Document Samples (optional)
- Requested Exceptions (optional)
- Upload Additional Document - 00-Peterbilt Dealer Locations.xls - Tuesday March 26, 2024 17:40:44

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. - Phillip Hall, National Account Manager, Peterbilt Motors Company

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

DEALER BULLETIN

SUBJECT: Sourcewell Customer Pricing CY2024-2028 Exhibit B.2 - Pricing **DB # 24-21**
DATE: 09-16-24

Peterbilt is excited to announce the extension of the Sourcewell Customer Pricing program for 2025-2028. Sourcewell, formerly NJPA, holds national contracts that offer an easy, time-saving procurement process for all levels of government and education. The discount by model represents the "% Off List" price the customer will pay when ordering units on the Sourcewell program.

Sourcewell Formerly NJPA

Sourcewell Customer Pricing CY2024-2028

Peterbilt Motors Company Contract #032824-PMC July 29, 2024 REVISION

Model	Model 220	Model 220EV	Model 535	Model 536	Model 537	Model 548
Average List Price	$119,000	$367,900	$115,500	$128,000	$145,800	$177,000
CY2024-2028 Sourcewell DISCOUNT	5%	5%	15%	15%	15%	15%
Estimated Sourcewell Customer Price	$113,050	$349,505	$98,175	$108,800	$123,930	$150,450

Model	Model 567	Model 579	Model 579EV	Model 589	Model 520	Model 520EV
Average List Price	$281,000	$264,700	$662,700	$294,000	$284,000	$690,300
CY2024-2028 Sourcewell DISCOUNT	25%	25%	25%	25%	25%	25%
Estimated Sourcewell Customer Price	$210,750	$198,525	$497,025	$220,500	$213,000	$517,725

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Jennifer Mikelson, Housing Planning Manager

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE:

Consideration and Approval of Contract: Loan Documents for Western Hills Apartments by Housing Solutions of Northern Arizona

STAFF RECOMMENDED ACTION:

Approve the loan documents totaling $1,160,000 for the Western Hills property by Housing Solutions of Northern Arizona, using Adaptive Reuse Bond Program funds.

Executive Summary:

Staff is requesting Council's approval of a loan for Housing Solutions of Northern Arizona (HSNA), a non-profit organization that responded to an open call for applications for funding and were eligible for an award of $1,160,000 for the acquisition of the Western Hills property for their 100% affordable adaptive reuse project.

- Unit count: 29
- Income Level Served: average of 80% AMI, maximum 100% AMI
- Loan Amount: $1,160,000 ($40,000 per affordable unit)
- 0% interest and no payments required during 30-year loan term
- Loan forgiven at 30 years of compliance

Financial Impact:

Project Name: Western Hills Apartments
Cost: $1,160,000 ($40,000 per affordable unit)
Account Number Budgeted: 411-13-105-0353-4-4290
FY Budgeted Amount: $2,934,664
Grant Funded: n/a
Funding Source: Housing Bond (Prop 442) -- Adaptive Reuse Bond Program

Policy Impact:

None

Previous Council Decision or Community Discussion:

Council Approved the Adaptive Reuse Bond Program by Resolution 2025-44 on September 2, 2025.

Options and Alternatives to Recommended Action:

1. Approve the loan as recommended.
2. Amend the loan per Council direction.
3. Reject staff recommendation.

Background and History:

Housing Bond

Proposition 442 -- authorizing the use of $20 million dollars of general obligation bonds for "Creating Rental and Ownership Opportunities for Residents of Flagstaff" was approved by the voters in the November 2022 General Election. Proposition 442 identified four affordable housing spending categories, including "repurposing existing available buildings for rental housing."

Adaptive Reuse Bond Program

Approved by City Council on September 2, 2025 (Resolution 2025-44), the Adaptive Reuse Bond Program is intended to provide funding to developers of eligible projects who are adaptively reusing Flagstaff's existing building stock for the creation of affordable housing, serving households at an average of 80% AMI, with a maximum household income of 100% AMI.

Application Process

The Program offers a simple non-competitive application process, with funds awarded to applicants on a pass/fail basis. Housing published the online application for funding on September 9, 2025. Housing Solutions of Northern Arizona submitted an application on September 22, 2025. Staff determined the project passed all Program requirements and was eligible for an award. Staff provided HSNA with a notice of funding reservation on September 25, 2025.

Project Details

Housing Solutions of Northern Arizona is prepared to purchase the Western Hills property, located at 1580 E Route 66 with financing provided by AZ One Credit Union. HSNA is expected to close on the property on December 23, 2025. This project is another local example of a motel being converted to long-term rental housing. Rent for each of the 29 units will be calculated at 30% of household income for the duration of the 30-year loan term.

Loan Documents

Attached loan documents include a funding agreement between the City of Flagstaff and HSNA, a promissory note, a declaration of restrictive covenants, and a deed of trust. The City will sign a subordination agreement confirming the City's loan is subordinate to the first mortgage lender. All documents were prepared by the City's external legal counsel and reviewed by the awardee and their lender.

Connection to PBB Priorities and Objectives:

Livable Community: Actively support attainable & affordable housing through City projects & opportunities with developers.

Connection to Regional Plan:

Goal LU.9. Focus reinvestment, partnerships, regulations, and incentives on developing or redeveloping urban areas.
Goal NH.3. Make available a variety of housing types at different price points, to provide housing opportunity for all economic sectors.
Policy 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.
Policy NH.3.3. Increase the availability of affordable housing for very low-income persons, through innovative and effective funding mechanisms.
Policy NH.3.5. Encourage and incentivize affordable housing.
Policy CC.2.10. Educate the community and developers on the benefits of adaptive reuse and create policies to incentivize the reuse of historic buildings to maintain their integrity.

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-4: Protect people from housing discrimination and remove housing barriers.

Connection to 10-Year Housing Plan:
Goal: Create housing options for households at all income levels and family sizes occupied by local residents.
Create 1: Incentivize the creation of affordable units through various programs and mechanisms.
Preserve 1: Encourage the adaptive reuse of buildings.
Goal: Protect people from housing discrimination and remove housing barriers.
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.

Attachments: Agreement
Declaration and Covenants
Deed of Trust
Promissory Note

FUNDING AGREEMENT

WESTERN HILLS APARTMENTS

1580 E. Route 66, Flagstaff, Arizona 86001

THIS FUNDING AGREEMENT (this "Agreement"), dated as of _____, 2025, is made and entered into by and between HOUSING SOLUTIONS OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation, (the "Borrower") and CITY OF FLAGSTAFF, ARIZONA, a municipal corporation of the State of Arizona (the "City").

R E C I T A L S

A. Proposition 442 was approved by the voters November 8, 2022, which had as one of its funding categories, "Repurpose Existing Buildings into Rental Units".

B. City Resolution 2023-51 established the City of Flagstaff Rental Incentive Bond Program allocating approximately five million dollars ($5,000,000) in General Obligation Bond Funds for such purpose.

C. The Adaptive Reuse Bond Program ("ARBP" or "Program") was approved by the City Council on September 2, 2025, as evidenced by City Resolution 2025-44, its purpose to provide loans to eligible for profit and nonprofit developers of rental housing to create new rental housing from existing buildings within the City, specifically to repurpose and rehabilitate existing buildings into new affordable rental units to house and serve residents at or below eighty percent (80%) area median income ("AMI") with a maximum household income of one hundred percent (100%) AMI.

D. The ARBP will be funded with three million dollars ($3,000,000) of the $5,000,000 Rental Incentive Bond Program funds described in Recital B. For the purposes of the Program, 'Adaptive Reuse' is defined as repurposing and/or rehabilitating any existing building for the creation of new affordable residential units and is defined more specifically in the Flagstaff Zoning Code.

E. The City made available the Program funds through an open call for applications and through its evaluation process identified Borrower to receive an award of funds from the ARBP ("ARBP Funds"), which will be in the form of a loan to Borrower.

F. Borrower has a fee simple interest in certain real property located in Flagstaff, Arizona, more particularly described in **Exhibit "A"** attached hereto and made a part hereof (the "Land").

G. The City subject to the Borrower's agreement to and compliance with the terms and conditions of the ARBP award and the ARBP Funds documents, which include this Agreement, the Promissory Note, Deed of Trust (With Assignment of Rents and Security Agreement and

Fixture Filing) ("Deed of Trust"), Declaration of Restrictive Covenants, and such other documents as the City in its sole discretion shall determine necessary, agrees to provide to Borrower a loan under in the original principal amount of One Million One Hundred Sixty Thousand and 00/100 Dollars ($1,160,000.00) of ARBP Funds (the "Loan") for the construction of twenty-nine (29) units (the "Improvements"), which will include twenty-nine (29) affordable units serving households up to eighty percent (80%) AMI, and be known as Western Hills Apartments on the Land. The Land and the Improvements are referred to collectively hereafter as the "Development."

H. The Borrower and the City have negotiated the terms and conditions of, and wish to enter into, this Agreement in order to set forth the terms and conditions of the disbursement of the Loan and specific terms and conditions concerning the ARBP Funds as indicated herein.

I. Except as otherwise specified herein, capitalized terms used herein, including the Recitals, shall have the meanings set forth in Paragraph 2 of this Agreement.

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

AGREEMENT

1. INCORPORATION OF RECITALS. The above Recitals are true and correct and are incorporated into and made a part hereof.

2. DEFINITIONS. As used in this Agreement the terms listed below shall have the following meanings unless otherwise required by the context:

Completion Date: December 22, 2025.

Construction Contract: The general construction contract between the Borrower and the General Contractor for the installation and construction of the Improvements.

Contractor or General Contractor: Rpm Masonry and General Contracting, an Arizona corporation.

Declaration: that certain Declaration of Restrictive Covenants by the Borrower in favor of the City in connection with the Loan.

Developer: Axxo Holdings, LLC and Cedar Rose, LLC.

Events of Default: As defined in Section 10 of this Agreement.

Final Plans: The plans and specifications for the construction or rehabilitation of the Improvements and all amendments and modifications must be reviewed and approved by the City prior to the disbursement of the Loan.

Loan Documents: The Note, this Agreement, Deed of Trust, the Declaration and all other documents evidencing or securing the Loan.

General Partner (if applicable): Not applicable.

Note: That certain Promissory Note dated as of the date hereof, in the principal amount of One Million One Hundred Sixty Thousand and 00/100 Dollars ($1,160,000.00) by the Borrower to the City, evidencing the Loan pursuant to the Loan Documents, as may be amended, modified or supplemented from time to time.

Bylaws/Operating/Partnership Agreement: The Bylaws of the Borrower dated as of March 23, 2017.

State: Shall mean the state of Arizona.

3. THE LOAN.

The City will make the Loan to the Borrower subject to the terms and conditions set forth herein, and the Borrower agrees to the Loan and expressly agrees to comply with and perform all of the terms and conditions of the Loan Documents.

(a) Disbursement of ARBP Funds. The City will disburse the proceeds of the Loan to Borrower at the closing of the acquisition loan and after the recordation of the Deed of Trust and Declaration.

(b) Term. The term of the Loan shall be thirty (30) years from the disbursement of the ARBP Funds.

(c) Security. The Loan shall be evidenced by the Note and the other Loan Documents as herein provided.

(d) Interest and Payments. No interest and no payments are required during the Term of the Loan if the Borrower has not otherwise defaulted on the Loan and if the affordable units in the Development continuously meet affordability and maintenance requirements as determined by the City in its sole discretion.

(e) Loan Forgiveness. Upon Borrower's strict compliance with the Loan Documents throughout the entire Term, the City may, in its sole discretion, forgive the balance of the Loan consistent with the ARBP Award and as more specifically described in the Promissory Note. The minimum required affordability period is thirty (30) years from the Certificate of Occupancy and shall be sustained regardless of any transfer of ownership, such transfer subject to the terms and conditions of the Loan Documents.

4. CONSTRUCTION OF IMPROVEMENTS.

(a) Commencement and Completion. The Borrower shall cause construction of the Improvements to be prosecuted with reasonable diligence and dispatch so that the Improvements are completed substantially in accordance with the Final Plans on or before the Completion Date, free and clear of all liens or claims for materials, labor, services, or other items furnished in the construction of the Improvements, and in full compliance with all building, zoning and other applicable local, state and federal ordinances and regulations. The Completion Date shall be extended for Unavoidable Delays (as defined below). Completion of the Improvements shall be evidenced by issuance of a certificate of occupancy or completion on all of the Improvements by the governmental authorities having jurisdiction over the Development. "Unavoidable Delays" is defined as delays due to strikes, pandemics, blackouts, acts of God, restrictions of any governmental authority, failure or inability to secure materials or labor by reason of priority or similar regulation or order of any governmental authority, enemy action, civil disturbance, fire, inclement weather, or any other act beyond the reasonable control of the Borrower, (excluding, however, the inability or failure of the Borrower to obtain any financing which may be necessary to carry out its obligations under this Agreement), provided, however, within fifteen (15) days after the termination of the occurrence which caused any such delay, the Borrower shall have given written notice to the City of the cause of the delay and the period of time during which it existed, and the period of Unavoidable Delay shall be such period of time during which the particular delay existed or such longer period of time as the City, in its reasonable discretion, may determine.

(b) Right of City to Inspect. The City and any other agent or representative of the City shall have the right to enter the Development during normal business hours for the purpose of inspecting the construction and the Improvements upon forty-eight (48) hours prior written notice to the Borrower. The Borrower shall cause the General Contractor and all subcontractors and suppliers to cooperate with the City and such agents and representatives in the exercise of their rights and performance of their duties hereunder. This provision shall not impose on the City any obligation to inspect or to correct any defects discovered or to notify any person with respect thereto.

(c) Unit Availability for Occupancy. Units must be available for occupancy within twenty-four (24) months of the Borrower receiving notification of an award of Program Funds.

5. CONDITIONS TO THE EXECUTION OF THIS AGREEMENT BY CITY. The conditions listed below are conditions precedent to City's execution hereof and shall be complied with in form and substance satisfactory to City and its counsel prior to City's execution hereof:

(a) Reserved.

(b) Survey. The Borrower shall deliver to City a current survey of the Development, certified to the City.

(c) Contracts. The Borrower shall deliver to the City an executed copy of the Construction Contract.

(d) Note. The Note shall be duly authorized, executed and delivered by the Borrower to the City.

(e) Deed of Trust. The Deed of Trust shall be duly authorized and delivered by the Trustor to the City.

(f) Declaration. The Declaration shall be duly authorized, executed and delivered by the Borrower to the City.

(g) Organizational Documents. To the extent applicable, the Borrower shall deliver to the City the following documents:

i. The Certificate of Incorporation of the Borrower, or, if the Borrower is a limited partnership, the Certificate of Limited Partnership of the Borrower and all amendments thereto, or, if the Borrower is a limited liability company, the Articles of Organization of the Borrower and all amendments thereto, and the Certificate of Incorporation of any corporate general partners or managing members, as applicable, of the Borrower certified by the appropriate official of the state of their incorporation, together with a certificate of such official to the effect that each such entity is in good standing therein;

ii. A good standing certificate of the Borrower from the Arizona Corporation Commission;

iii. Articles of Incorporation and Bylaws of the Borrower, if a corporation, certified by the Secretary of such corporation; or Limited Partnership Agreement of the Borrower, if a limited partnership; or Articles of Organization and Operating Agreement of the Borrower, if a limited liability company;

iv. Incumbency certificates identifying the officers and directors of the Borrower or its General Partner or its Managing Member, as applicable, certified by the Secretary of such entity;

v. Certified resolutions of the Board of Directors of the Borrower or the corporate general partners or managers of Borrower, as applicable, authorizing the execution and delivery of the Loan Documents, and all other documents necessary or desirable for the consummation of the transactions contemplated by this Agreement; and

vi. Certified resolutions of the Borrower or its General Partner or its Managing Member, as applicable, authorizing the execution and delivery of the Loan Documents, and all other documents necessary or desirable for the consummation of the transactions contemplated by this Agreement.

(h) Insurance. The insurance requirements are attached hereto as **Exhibit "B"** and incorporated herein by reference and include the requirements of this paragraph. Borrower shall deliver evidence satisfactory to the City of the existence of public liability, builder's risk, permanent hazard/all risks, flood (if applicable) and worker's compensation insurance and any other reasonable insurance coverage. Borrower agrees that it shall immediately notify the City upon receiving notice of cancellation, modification or non-renewal of any policy. Borrower agrees that the City shall have the right to take any action necessary to continue said insurance in full force and effect including, but not limited to, paying premiums. Any funds advanced to continue said policies in full force and effect shall be considered as advances hereunder and shall bear interest from the date of disbursement at the default rate set forth under the Loan Documents.

(i) Other Documents. The Borrower shall deliver to the City such other documents and information as the City may reasonably require.

(j) Representations and Warranties. The representations and warranties of the Borrower as set forth in this Agreement and the Loan Documents shall be true and correct in all material respects at the time made.

6. EXPENSES. The Borrower shall pay all reasonable, third-party fees and charges actually incurred in the procuring and making of the Loan, if applicable, and all other reasonable, third-party expenses actually incurred by the City during the term of the Loan, including without limitation the title company's fees and premiums, charges for examination of title to the Development, expenses of surveys, legal fees and costs, and recording expenses. The Borrower shall also pay any and all insurance premiums, taxes, assessments, water rates, sewer rates and other charges, liens and encumbrances upon the Development, any other expenses shown as part of the total development cost, and any other amounts necessary for the payment of the cost of the Improvements.

7. SPECIAL PROVISIONS APPLICABLE TO LOANS UNDER THE ARBP AWARD. The Borrower expressly agrees to the following terms and conditions:

(a) Set Asides and Rent Level Requirements. The Borrower shall comply with the set asides, rent restrictions, demographic commitment and other requirements set forth in the Loan Documents.

(b) Compliance with the ARBP NOFA. Without limitation, and notwithstanding anything to the contrary herein, the ARBP Funds shall only be used for costs relating to the pre-acquisition, development, and construction of the affordable rental housing units in the Development. The ARBP Funds shall not be used for fees or costs related to the construction of new freestanding buildings, market-rate units in the project, complete demolition of buildings, renovation of existing residential units, or the improvement of undeveloped land If Borrower fails to comply with the terms of ARBP Award and Loan Documents, the Loan will be deemed in default and it shall be required to immediately repay to the City the ARBP Funds.

(c) No Discrimination. The Borrower shall not discriminate on the basis of age, race, religion, color, sex, familial status, national origin or disability in the lease, use or occupancy of

the Development. Notwithstanding the foregoing, Borrower and City may mutually agree to amend this Funding Agreement to allow for a facility that serves community needs of a specific group or category of persons requesting services so long as such operations are consistent with applicable laws.

(d) Prepayment Penalty. The Loan shall not be subject to any prepayment penalty.

(e) Sale, Transfer, or Refinancing of the Development. Any attempted sale, transfer, conveyance, of the Development, unless approved in writing by the City, is strictly prohibited and all principal and interest, as well as all other obligations due or accrued under the Loan Documents, shall be due immediately.

(f) Uniform Administrative Requirements. Borrower shall comply with the applicable portions of the Uniform Administrative Requirements, Cost Principals and audit requirements found in 2 CFR 200. Borrower shall retain all records pertaining to this Agreement, regardless of the form of the record (e.g. paper, film, recording, electronic), including but not limited to financial records, supporting documents, statistical records, and any other documents (hereinafter referred to as "Records") for a period of five (5) fiscal years after all reporting requirements are satisfied and final payments have been received, or if an audit has been initiated and audit findings through ligation or otherwise.

(g) Relocation of Tenants. If applicable, the Borrower shall comply with the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. s. 4601-4655) and implementing regulations.

(h) Lead-Based Paint. The Development is subject to the requirements of 24 C.F.R. Part 35.

(i) Debarment and Suspension. Borrower hereby certifies that neither it nor any of its partners, members or principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in receiving ARBP Program funds.

(j) Flood Insurance. In accordance with the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001-4128), ARBP Program funds may not be used with respect to the acquisition, new construction or rehabilitation of a Development located in an area identified by the Federal Emergency Management Agency ("FEMA") as having special flood hazards unless the community in which the Development is located is participating in the national flood insurance program; therefore, the Borrower hereby certifies that the Development is either not located in an area identified by FEMA as having special flood hazards or, if the Development is located in an area identified by FEMA as having special flood hazards, that the community in which the Development is located is participating in the national flood insurance program.

(k) Property Standards for Construction. The Development must meet the following requirements including, but not limited to, (i) the accessibility requirements of 24 CFR part 8, which implements section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), (ii) Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented at 28 CFR parts

35 and 36, as applicable, and (iii) the energy efficiency standards established pursuant to section 109 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12709).

(l) VAWA Requirements. The Borrower agrees to comply with the Violence Against Women Act (VAWA) requirements set forth in 24 CFR part 5, subpart L, including notice obligations and obligations under the emergency transfer plan.

(m) Citations. In the event that any of the citations listed herein are changed, modified, amended or corrected, Borrower agrees to comply with any and all applicable, similar statutes, rules or regulations.

(n) Cooperation. The Borrower shall cooperate fully, as and to the extent requested by the City, in connection with any audit or report required under the Act and the rules promulgated thereunder and with any other audit or reporting requirements under federal, state, or local law. Such cooperation shall include the retention and provision of records and information reasonably relevant to any such report or audit and making employees and agents available to provide additional information and explanation of any material provided under this Agreement.

(o) Reports. The Borrower shall provide the City with annual reports and a close-out report. These reports shall include the current status and progress by the Borrower in completing the Improvements and the expenditure of funds under this Agreement, in addition to any other information requested by the City. Quarterly reports are due to the City no later than thirty (30) days after the end of each calendar quarter of the year and shall be sent each quarter until submission of the administrative close-out report.

(p) Required certifications. Each report must include a certification, signed by an official who is authorized to legally bind the Borrower.

8. WARRANTIES AND REPRESENTATIONS OF THE BORROWER. The Borrower represents and warrants as of the date hereof, as follows:

(a) Organization Status. If a partnership, the Borrower is duly organized, is in good standing as a limited partnership under the laws of the State and the state of its organization, if different; further, each general partner of the Borrower if a corporation or a limited liability company, is duly organized and in good standing under the laws of the State and the state of incorporation or organization, if different. If a corporation, the Borrower is duly organized, is in good standing as a corporation under the laws of the State and the state of its organization, if different. If a limited liability company, the Borrower is duly organized, is in good standing as a limited liability company under the laws of the State and the state of its organization, if different.

(b) Construction and Compliance with Laws. There is no violation of any applicable zoning, building or any other local, state or federal laws, ordinances and regulations existing with respect to the anticipated use and construction of the Development; the Borrower shall obtain all licenses, permits and approvals required by all local, state and federal agencies regulating such construction and use; and the Borrower is in compliance with all laws, regulations, ordinances and orders of all governmental authorities having jurisdiction over the Development.

(c) Suspension/Debarment . Borrower certifies, for itself and all its contractors and subcontractors, that as of the date of its execution of this Agreement, neither Borrower nor any of its contractors, subcontractors or suppliers are under suspension or debarment by the State of Arizona, the federal government or any governmental entity, instrumentality or authority and, if Borrower cannot so certify, then it agrees to submit with this Agreement a written explanation of why such certification cannot be made.

(d) Authority to Enter into Loan Documents. The Borrower has full power and authority to enter into the Loan Documents and consummate the transactions contemplated hereby, and the facts and matters expressed in the opinions of its legal counsel are true and correct.

(e) Validity of Loan Documents. The Loan Documents have been approved by those persons having proper authority, and are in all respects legal, valid and binding according to their terms.

(f) Priority of Lien on Personalty. Except as previously disclosed in writing to the City or in the Title Insurance Policy, no chattel mortgage, bill of sale, security agreement, financing statement or other title retention agreement has been or will be executed with respect to any personal property, chattel or fixture used in conjunction with the construction, operation, or maintenance of the Improvements as described.

(g) Conflicting Transactions of the Borrower. The consummation of the transaction hereby contemplated and the performance of the obligations of the Borrower under and by virtue of the Loan Documents will not result in any breach of, or constitute a default under, any lease, bank loan or credit agreement, or other instrument to which the Borrower is a party or by which it may be bound or affected.

(h) Pending Litigation. Except for actions, suits or proceedings which have been specifically disclosed to and approved by the City in writing, there are no actions, suits or proceedings before or by any court or governmental authority, pending, threatened or affecting the Borrower or the Development which, if determined adversely to the Borrower or the Development, would have a materially adverse effect on the financial condition, properties, businesses or operations of the Borrower or the Development, or which may prevent or interfere with or adversely affect the Borrower entering into the Loan Documents, or the Borrower's ability to perform its obligations under the Loan Documents, or involving the validity of the Loan Documents, and, to the Borrower's knowledge, Borrower is not in default with respect to any order, writ, injunction, decree or demand of any court or any governmental authority.

(i) Advertising. Subject to applicable laws, rules and regulations, during the period of the construction of the Improvements, the City shall have the right to install and maintain on the Development one or more signs identifying the City, or to be identified on such signs installed by others, as one of the institutions financing the Development. A sign or signs will be provided by the City and erected at the Borrower's expense. In connection with any leasing of the Development, or any portion thereof, which has been approved by the City, the Borrower will not use any promotional advertising or other material using the City's name without first obtaining City's prior written approval thereof, which approval shall not be unreasonably withheld.

(j) Hazardous Waste. The Borrower is in compliance in all material respects with all provisions of the Federal Water Pollution Control Act, Comprehensive Environmental Response, Compensation and Liability ("Superfund") Act of 1980 and other similar federal, state and local statutory schemes imposing liability on the Borrower relating to the generation, storage, impoundment, disposal, discharge, treatment, release, seepage, emission, transportation or destruction of any sewage, garbage, effluent, asbestos or asbestos-containing materials, polychlorinated biphenyls (PCBs), toxic, hazardous or radioactive materials, petroleum products, pesticides, smoke, dust, or any other form of pollution as such laws are in effect as of the date of this Agreement and with any rules, regulations and orders issued by any federal, state or local governmental body, agency or authority thereunder and with any orders or judgments of any courts of competent jurisdiction with respect thereto, and no assessment, notice of (primary or secondary) liability or notice of financial responsibility, or the amount thereof, or to impose civil penalties has been received by the Borrower. The Borrower has paid any environmental excise taxes, imposed upon it with respect to the Development pursuant to Sections 4611, 4661 or 4681 of the Internal Revenue Code of 1986, as from time to time amended.

(k) Representations and Warranties in Loan Documents. All of the representations and warranties of Borrower contained in the other Loan Documents are true and correct in all material respects and are incorporated herein by reference as if set out in full.

(l) Other Financing. The Borrower has not received any other financing for the acquisition of the Land or construction of the Improvements other than the Loan, and (i) a loan from OneAZ Credit Union in the amount of $4,550,000.00, and (ii) Housing Solutions equity loan in the amount of $315,000. The seller carryback loan and Housing Solutions equity loan described in the Borrower's Program application materials shall be subordinated to the Loan.

(m) Labor and Materials. All labor and materials contracted for in connection with the construction of the Improvements shall be used and employed solely on the Land in said construction and only in substantial accordance with the Final Plans.

(n) Contractor and Other Contractors. The Construction Contract and all other contracts with architects, engineers and other professionals, which have been or will be executed, are in full force and effect and are the legal, valid and binding obligations of the General Contractor and each other contractor, as applicable, enforceable in accordance with the respective terms thereof; the General Contractor is a duly licensed general contractor under the laws of the State of Arizona; and each other professional is a duly licensed professional under the laws of the State of Arizona.

(o) Payments of Taxes. The Borrower and each of the guarantors, if any, has filed or caused to be filed, or will file or cause to be filed, all federal, state and local tax returns that are required to be filed and has paid or caused to be paid all taxes as shown on such returns or on any assessment received by it, to the extent that such taxes have become due.

(p) O.S.H.A. and Environmental Matters. The Borrower has duly complied with, and its properties are in full compliance in all material respects with, the provisions of the Federal

Occupational Safety and Health Act, the Environmental Protection Act, and the Resource Conservation and Recovery Act ("RCRA") and all rules and regulations thereunder and all similar state and local laws, rules and regulations, including but not limited to any and all of the foregoing relating in any manner to underground tanks and other storage facilities or equipment and the removal and disposal of asbestos; there have been no outstanding citations, notices or orders of noncompliance issued to Borrower relating to its businesses or properties under any such laws, rules or regulations.

(q) ADA Compliance. That to the best of its knowledge, and to the extent applicable, the Development complies and shall comply with the Americans With Disabilities Act of 1990, as implemented by 28 C.F.R. Part 35, as amended (the "ADA"); and to the extent any renovation or changes are required to be made to the Development, so as to have the Development comply with and meet all the requirements of the ADA, the Borrower shall, at its expense, promptly and immediately undertake said renovations or improvements. Furthermore, the Borrower indemnifies the City from and against all claims, damages, fines, penalties, losses, expenses (including costs and reasonable attorneys' fees), liabilities and obligations arising out of or relating to any breach by the Borrower of this representation or the fact that the Development is not in compliance with the ADA.

9. ADDITIONAL AND CONTINUING COVENANTS OF THE BORROWER.

The Borrower covenants and agrees with the City as follows:

(a) Compliance with Laws. The Borrower will comply promptly with all federal, state and local laws, ordinances and regulations relating to the construction, use, and leasing of the Development, and will obtain and keep in good standing all necessary licenses, permits and approvals required or desirable for construction and use of the Improvements.

(b) Brokerage Commissions. The Borrower will not knowingly engage in any activity or enter into any relationship which will give rise to any loan or brokerage commission with regard to the Loan, and the Borrower will indemnify the City from the claims of brokers arising by reason of the execution hereof or the consummation of the transactions contemplated hereby.

(c) The Borrower to Maintain Bookkeeping System. The Borrower shall maintain a bookkeeping system for the Development in form and content sufficient for the City to conduct reviews, inspections, certifications and reports required by this Agreement. The City shall have full (but confidential) access during normal business hours and after written notice to the Borrower, to the books, records and contracts pertaining to the Development, the Borrower and the General Contractor to determine the accuracy, correctness and reasonableness of the sum advanced hereunder. Borrower shall retain all records pertaining to this Agreement, regardless of the form of the record (e.g. paper, film, recording, electronic), including but not limited to financial records, supporting documents, statistical records, and any other documents (hereinafter referred to as "Records") for a period of five (5) fiscal years after all reporting requirements are satisfied and final disbursements have been received, or if an audit has been initiated and audit findings through ligation or otherwise.

(d) Collection of Insurance Proceeds. The Borrower will cooperate with the City in obtaining for the City the benefits of any insurance or other proceeds lawfully or equitably payable to it in connection with the transaction contemplated hereby and the collection of any indebtedness or obligation of the Borrower to the City incurred hereunder (including the payment by the Borrower of the expense of an independent appraisal on behalf of the City in case of a fire or other casualty affecting the Development).

(e) Consolidation, Merger, Entity Status. The Borrower shall not consolidate with or merge into any other partnership, corporation or limited liability company, or permit another partnership, corporation or limited liability company to merge into it, or voluntarily or involuntarily fail to maintain its current status.

(f) Further Assurances and Preservation of Security. The Borrower will do all acts and execute all documents for the better and more effective carrying out of the intent and purposes of this Agreement, as the City shall reasonably require from time to time, and will do such other acts necessary or desirable to preserve and protect the collateral at any time securing or intending to secure the Note, as the City may require.

(g) Utilization of Loan Proceeds. The Borrower will utilize the proceeds of the Loan solely for eligible uses under the Laws and Regulations.

(h) No Assignment. The Borrower shall not assign this Agreement or any interest therein, and any such assignment shall be void and of no effect.

(i) Rights Inferior. The City shall not be liable to materialmen, contractors, subcontractors, sub-subcontractors, laborers, suppliers or others for goods or services delivered by them in or upon the Land or employed in the construction of the Improvements, or for any debts or claims accruing to any of said parties against the Borrower or against the Development , and it is distinctly understood and agreed that there is no contractual relationship, either express or implied, between the City and any materialmen, contractors, sub-contractors, sub-subcontractors, craftsmen, laborers or any person supplying any work, labor or material.

(j) Borrower's Rights Assigned. The Borrower hereby assigns to the City, effective however, only after an Event of Default and the expiration of applicable cure periods, all rights of the Borrower under its contract with the General Contractor and under its contracts with any other professionals, and the City shall have the option after an Event of Default, and the expiration of applicable cure periods, in its sole discretion and in addition to any other rights and remedies the City may have, to exercise its rights under this assignment. Nothing herein shall be construed, however, to require the City to exercise any rights under this paragraph.

10. DEFAULT. Upon the occurrence of any of the following events and subject to the expiration of any applicable cure periods (an "Event of Default") all obligations on the part of the City shall, if the City elects, terminate, and the City may at its option exercise any of its remedies at law or equity including without limitation causing Borrower's immediate repayment of the Loan. All prior commitments to forgive any portion or all of the Loan shall be terminated and not reinstated notwithstanding the Borrower bringing the Loan into compliance or curing the Default.

(a) Bankruptcy. If there is filed by or against the Borrower a petition in bankruptcy or a petition for the appointment of a receiver or trustee of the property of the Borrower, and any such petition not filed by the Borrower is not dismissed within ninety (90) days of the date of filing; or if the Borrower files a petition for reorganization under any of the provisions of the United States Bankruptcy Code or of any similar law, state, federal, or foreign, and any such petition is not dismissed within ninety (90) days of the date of filing, or if either of them makes a general assignment for the benefit of creditors or makes any insolvency assignment or is adjudicated insolvent by any court of competent jurisdiction, any of which events, in the reasonable judgment of the City, will cause material interference with the timely completion of the Improvements; or

(b) Payment. The Borrower fails to make any payment of principal or interest required under the Note when due; or

(c) Breach of Covenants, Warranties and Representations. If any warranty or representation made by the Borrower or pursuant to the terms of the Loan Documents shall be false or misleading in any material respect, or if the Borrower shall fail to keep, observe or perform any of the terms, covenants, representations or warranties contained in the Loan Documents (provided, that with respect to nonmonetary Events of Default, the City shall give written notice to the Borrower, who shall have thirty (30) days after the date of the written notice to cure, which time may be reasonably extended by the City, provided that if Borrower cannot reasonably cure within thirty (30) days, Borrower shall be entitled to such additional period of time as is the City deems appropriate in its sole discretion for Borrower to cure such nonperformance, and that with respect to monetary Events of Default, the Borrower shall have a five (5) day grace period), or is unable or unwilling to meet its obligations thereunder; or

(d) Failure to Comply with Requirements of ARBP Fund Recipients. If at any time the Borrower or Development is not in compliance with requirements associated with the ARBP Funds, such funds will be immediately due and payable to the City.

11. REMEDIES OF THE CITY. Upon the occurrence and during the continuance of an Event of Default, then the City may, at its option, upon written notice to the Borrower:

(a) Cancel this Agreement.

(b) Commence legal or equitable action to enforce performance of this Agreement.

(c) Accelerate the payment of the Note and the Loan and commence legal and equitable action to collect all such amounts due the City.

(e) Exercise any other rights or remedies the City may have under the Loan Documents referred to in this Agreement or executed in connection with the Loan or which may be available under applicable law.

No right, power or remedy of the City as provided in this Agreement is intended to be exclusive of any other right, power, or remedy of the City, but each and every such right, power and remedy shall be cumulative and concurrent and in addition to any other right, power or remedy available to the City now or hereafter existing at law or in equity and may be pursued separately, successively or concurrently at the sole discretion of the City. The failure of the City to exercise any such right, power or remedy shall in no event be construed as a waiver or release thereof.

12. GENERAL TERMS. The following shall be applicable throughout the period of this Agreement or thereafter as provided herein:

(a) Rights of Third Parties. All conditions of the City hereunder are imposed solely and exclusively for the benefit of the City and its successors and assigns, and no other person shall have standing to require satisfaction of such conditions or be entitled to assume that the City will make the Loan in the absence of strict compliance with any or all thereof, and no other person shall, under any circumstances, be deemed to be a beneficiary of this Agreement or the Loan Documents, any provisions of which may be freely waived in whole or in part by the City at any time if, in its sole discretion, it deems it desirable to do so. In particular, the City makes no representations and assumes no duties or obligations as to third parties concerning the quality of the construction by the Borrower of the Improvements or the absence therefrom of defects.

(b) The Borrower Not City's Agent. Nothing in this Agreement, the Note, or any other Loan Document shall be construed to make the Borrower the City's agent for any purpose whatsoever, or the Borrower and the City partners, or joint or co-venturers, and the relationship of the parties shall, at all times, be that of debtor and creditor.

(c) The City Not Liable for Damage or Loss. All inspections and other services rendered by or on behalf of the City shall be rendered solely for the protection and benefit of the City. Neither the Borrower nor other third persons shall be entitled to claim any loss or damage against the City or against its agents or employees for failure to properly discharge their duties.

(d) The City Not Obligated to Insure Proper Disbursement of Funds to Third Parties. Nothing contained in this Agreement, or the Loan Documents, shall impose upon the City any obligation to oversee the proper use or application of any disbursements and advances of funds made pursuant to the Loan.

(e) Indemnification from Third Party Claims. The Borrower shall indemnify and hold harmless the City, its directors, officers, members, officials, employees and agents (collectively, the "Indemnified Parties"), from any actual, third party liability, claims or losses, including reasonable attorneys' fees and costs, resulting from the disbursement of the proceeds of the Loan to the Borrower or its designee or from the condition of the Development, whether related to the quality of construction or otherwise, and whether arising during or after the term of the Loan excluding misconduct, bad faith or negligence of any of the Indemnified Parties. This provision shall survive the repayment or termination of the Loan and shall continue in full force and effect so long as the possibility of such liability, claims, or losses exists.

(f) Rights of Subcontractor, Laborers and Materialmen. In no event shall this Agreement be construed to make the City, the Title Company or any agent of the City liable to the General Contractor or any subcontractor, laborers, materialmen, craftsmen, or others for labor, materials, or services delivered to the Development or goods specially fabricated for incorporation therein, or for debts or claims accruing or arising to such persons or parties against the Borrower or the General Contractor. It is distinctly understood and agreed that, other than as specifically provided herein, there is no relationship of any type whatsoever, contractual or otherwise, either express or implied, between the City and the General Contractor, nor is there any such relationship between the City and any materialman, subcontractor, craftsman, laborer or any other person or entity supplying any labor, materials or services to the Development or specially fabricating goods to be incorporated therein. Except as otherwise specifically provided herein, no such persons or entities are intended to be third party beneficiaries of this Agreement or any document or instrument related to the Loan or to have any claim or claims in or to any undisbursed or retained proceeds of the Loan.

(g) Headings. The headings of the sections, paragraphs and subdivisions of this Agreement are for the convenience of reference only, and shall not limit or otherwise affect any of the terms hereof.

(h) Invalid Provisions to Affect No Others/Severability. If performance of any provision hereof or any transaction related hereto is limited by law, then the obligation to be performed shall be reduced accordingly; and if any clause or provision herein contained operates or would prospectively operate to invalidate this Agreement in part, then the invalid part of said clause or provision only shall be held for naught, as though not contained herein, and the remainder of this Agreement shall remain operative and in full force and effect.

(i) Application of Interest to Reduce Principal Sums Due. In the event that any charge, interest or late charge is above the maximum rate provided by law, then any excess amount over the lawful rate shall be applied by the City to reduce the principal sum of the Loan or any other amounts due the City hereunder.

(j) Governing Law. The laws of the State of Arizona shall govern the interpretation and enforcement of this Agreement.

(k) Number and Gender. Whenever the singular or plural number, masculine or feminine or neuter gender is used herein, it shall equally include the others and shall apply jointly and severally.

(l) Prior Agreement. To the extent necessary, this Agreement shall be deemed to be an amendment to any prior loan agreement between the Borrower and the City, and in the event of a conflict between the terms of this Agreement and of any such prior agreement, the terms of this Agreement shall govern.

(m) Waiver. If the City shall waive any provisions of the Loan Documents, or shall fail to enforce any of the conditions or provisions of this Agreement, such waiver shall not be deemed to be a continuing waiver and shall never be construed as such; and the City shall thereafter have

the right to insist upon the enforcement of such conditions or provisions. Furthermore, no provision of this Agreement shall be amended, waived, modified, discharged or terminated, except by instrument in writing signed by the parties hereto.

(n) Notices. All notices and other communications to be made or permitted to be made hereunder shall be in writing and shall be delivered to the addresses shown below or to such other addresses that the parties may provide to one another in accordance herewith. Such notices and other communications shall be given by any of the following means: (a) personal service; or (b) national express air courier, provided such courier maintains written verification of actual delivery. Any notice or other communication given by the means described in subsection (a) or (b) above shall be deemed effective upon the date of receipt or the date of refusal to accept delivery by the party to whom such notice or other communication has been sent.

The City:	City of Flagstaff 211 W. Aspen Avenue Flagstaff, AZ 86001 Attention: Housing Director
with a copy to:	City of Flagstaff 211 W. Aspen Avenue Flagstaff, AZ 86001 Attn: City Attorney
Borrower:	Housing Solutions of Northern Arizona, Inc. 1500 E. Cedar Avenue, Suite #86 Flagstaff, AZ 86004 Attention: Devonna McLaughlin, CEO

Any party may change said address by giving the other parties hereto Notice of such change of address in accordance with the foregoing provisions.

(o) Successors and Assigns. This Agreement shall inure to the benefit of and be binding on the parties hereto and their heirs, legal representatives, successors and assigns; but nothing herein shall authorize the assignment hereof by the Borrower.

(p) Counterparts. This Agreement may be executed in one or more counterparts, all of which shall constitute collectively but one and the same instrument.

(q) Right of Cancellation. All parties hereto acknowledge that this Agreement is subject to cancellation by the City pursuant to the provisions of §38-511, Arizona Revised Statutes.

(r) Discretion of the City. Wherever pursuant to this Agreement (a) the City exercises any right given to it to approve or disapprove, (b) any arrangement or term is to be satisfactory to the City, or (c) any other decision or determination is to be made by the City, the decision of the City to approve or disapprove, all decisions that arrangements or terms are satisfactory or not satisfactory and all other decisions and determinations made by the City, shall be in the reasonable discretion of the City and shall be final and conclusive, except as may be otherwise expressly and specifically provided herein.

(s) Waiver of Jury Trial. BY EXECUTING THIS AGREEMENT, THE BORROWER AND THE CITY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THEIR RESPECTIVE RIGHTS OR THE RIGHTS OF THEIR RESPECTIVE ASSIGNS OR SUCCESSORS TO A TRIAL BY JURY, IF ANY, IN ANY ACTION, PROCEEDING OR SUIT, WHETHER ARISING IN CONTRACT, TORT OR OTHERWISE, AND WHETHER ASSERTED BY WAY OF COMPLAINT, ANSWER, CROSSCLAIM, COUNTERCLAIM, AFFIRMATIVE DEFENSE OR OTHERWISE, BASED ON, ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS AGREEMENT

The Borrower acknowledges that the above paragraph has been expressly bargained for by the City as part of the transaction with the Borrower and that, but for the Borrower's agreement thereto, the City would not have extended the Loan evidenced by this Agreement for the terms and at the interest rates provided.

(t) Attorneys' Fees and Costs. If any legal services by an attorney or attorneys are required to enforce the requirements of this Agreement or any of the Loan Documents, the prevailing party will be reimbursed by the other party for all costs and expenses of such legal services, including but not limited to reasonable attorneys' fees, and if in legal action costs and expense of such action, including but not limited to reasonable attorneys' fees as may be fixed by the court.

[COUNTERPART SIGNATURE PAGES TO FOLLOW]

COUNTERPART SIGNATURE PAGE TO
FUNDING AGREEMENT

WESTERN HILLS APARTMENTS

IN WITNESS WHEREOF, the City and the Borrower have caused this Agreement to be executed on the date first set forth above.

CITY OF FLAGSTAFF, ARIZONA, a municipal corporation of the State of Arizona

By:_____
Name:_____
Title:_____

COUNTERPART SIGNATURE PAGE TO
FUNDING AGREEMENT

WESTERN HILLS APARTMENTS

IN WITNESS WHEREOF, the City and the Borrower have caused this Agreement to be executed on the date first set forth above.

BORROWER

HOUSING SOLUTIONS OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation

BY: _____

ITS: _____

EXHIBIT "A"

LEGAL DESCRIPTION

EXHIBIT "B"

INSURANCE REQUIREMENTS

When Recorded Return to:

CITY OF FLAGSTAFF
211 W. Aspen Avenue
Flagstaff, Arizona 86001
Attn: Legal Department

DECLARATION OF RESTRICTIVE COVENANTS

This Declaration of Restrictive Covenants (the "Declaration") made this ___ day of _____, 2025 by HOUSING SOLUTIONS OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation (hereinafter referred to as "Project Owner"), is in favor of the CITY OF FLAGSTAFF, Arizona, a municipal corporation of the State of Arizona (hereinafter referred to as the "City"). Project Owner and the City are sometimes collectively referred to as the "Parties" and singularly referred to as "Party."

RECITALS

WHEREAS, the Project Owner is the owner of the property legally described in Exhibit A, attached hereto and incorporated here ("Property"); and

WHEREAS, the Project Owner hereby agrees and covenants that the Project Owner's Property shall be subject to the provisions, covenants, and restrictions contained herein; and

WHEREAS, this Declaration is made for the express benefit of the City, and it shall remain in full force and effect until released by the City; and

WHEREAS, the City is making a loan in the original principal amount of One Million One Hundred Sixty Thousand Dollars ($1,160,000.00) of funds from the Adaptive Reuse Bond Program (the "Program") to Project Owner ("Loan") in connection with the construction of the Project, as more particularly described below; and

WHEREAS, the Project Owner is developing a project that will, among other things, increase the supply of rental housing units in the community, to be known as Western Hill Apartments (hereinafter referred to as the "Project"), which consists of twenty-nine (29) units located at 1580 E. Route 66, Flagstaff, AZ 86001, City of Flagstaff, County of Coconino, State of Arizona; and

WHEREAS, the City's allocation of funds for the Project is subject to that certain Funding Agreement ("Loan Agreement"), Promissory Note ("Note"), and Deed of Trust entered into on or about this date between the City and the Project Owner (collectively the "Loan Documents"); and

WHEREAS, Project Owner desires to make a binding commitment to assure that the Project is maintained and operated in accordance with the provisions of the Loan Documents and this Declaration; and

WHEREAS, Project Owner, as a condition for receiving the Loan funds, is required to record in the Public Records of Coconino County, Arizona, this Covenant obligating the Project Owner, its successors, and assigns to maintain and operate the Project in accordance with the Loan Documents; and

WHEREAS, the Project Owner hereby declares that this Covenant shall be and is a covenant running with the Project Owner's Property and, unless released by the City, is binding on the Project Owner's Property for the entire Affordability Period, and is not merely a personal covenant of the Project Owner; and

NOW THEREFORE, Project Owner voluntarily covenants and agrees that the Project shall be subject to the following restrictions that are intended and shall be deemed to be covenants running with the Project Owner's Property and binding upon Project Owner, and its heirs, transferees, successors and assigns as follows:

TERMS:

Section 1. Recitals: The recitals and findings set forth in the preamble of this Covenant are hereby adopted by reference thereto and incorporated herein as if fully set forth in this Section.

Section 2. Use of Property: The Units in the Project shall be rented to households whose annual income does not exceed eighty percent (80%) of the area median income for Flagstaff, Arizona, adjusted for family size, as determined annually by the U.S. Department of Housing and Urban Development, and in compliance with any extended low-income housing (as such term is defined in Section 42(h)(6)(B) of the Internal Revenue Code) or similar agreement entered into by Project Owner in connection with the Project.

Section 3. Term of Declaration: This Declaration is a covenant running with the land and shall remain in full force and effect and shall be binding upon the Project Owner, its successors, transferees, and assigns from the Effective Date until the expiration of the Affordability Period. The Affordability Period of this Project will be thirty (30) years commencing on the date the Project receives its certificate of occupancy (the "Affordability Period"). Upon the expiration of the Affordability Period, this Declaration shall immediately lapse and be of no further force and effect without the necessity of any other written document or instrument. Notwithstanding the foregoing, upon the expiration of the Affordability Period, upon request of the Project Owner, the City shall record an instrument evidencing the expiration of and other termination of this Declaration in the Official Records of Coconino County, Arizona.

Section 4. Prohibited Conveyances: Except as provided in the Loan Agreement, the Project Owner covenants and agrees not to encumber or convey its interest in the Project, interest in the Property, or any portion thereof, without City's prior written consent in accordance with the terms of the Loan Agreement.

Section 5. Repayment Upon Default: The Project Owner covenants and agrees that in the event (i) of a default as described in the Loan Documents, subject to the terms and any notice and cure rights as provided therein, (ii) of the sale or conveyance of any interest in the Project and/or the Project Owner's interest in the Property without City's prior written consent as required by the Loan Documents (except as otherwise provided in the Loan Documents), or (iii) that the Project

Owner ceases to exist as an organization, the Project Owner shall subject to the subordination in the Note and Deed of Trust, immediately make payment to the City in an amount equal to the full amount of Loan funds disbursed and outstanding, with interest thereon as provided in the Note, all Program Income (as defined in 2 CFR Part 200.307(e)(2)) derived from or in connection with the Project, if applicable, the Project Owner's interest in the Property and/or the Loans, and all unpaid fees, charges and other obligations of the Project Owner due under any of the Loan Documents.

Section 6. Inspection and Enforcement: It is understood and agreed that any official inspector of the City shall have the right any time during normal working hours to enter and investigate the use of the Property to determine whether the conditions of this Declaration are in compliance, subject to the rights of residential tenants under their leases.

Section 7. Amendment and Modification: This Declaration may be modified, amended, or released in whole or in part by a written instrument executed on behalf of the City and the Project Owner, or their respective successors-in-interest. Should this instrument be modified, amended or released, an written instrument executed by the City and Project Owner will be recorded in the Official Records of Coconino County, Arizona, effectuating and acknowledging such modification, amendment, or release.

Section 8. Definitions: All capitalized terms not defined herein shall have the meanings provided in the Loan Agreement.

Section 9. Severability: Invalidation of one or more of the provisions of this Declaration by judgment of court shall not affect any of the other provisions of the Declaration, which shall remain in full force and effect.

Section 10. Recordation: This Declaration shall be recorded in the Official Records of Coconino County, Arizona, at the sole cost and expense of the Project Owner.

Section 11. Covenant Running with the Land: Any and all requirements of the laws of the State of Arizona that must be satisfied in order for the provisions of this Covenant to constitute a restriction and covenant running with the Project Owner's interest in the Property shall be satisfied in full, and any requirements or privileges of estate are intended to be satisfied, or in the alternate, an equitable servitude has been created to insure that these restrictions run with the Project Owner's interest in the Property. For the term of this Covenant, each and every contract, deed, or other instrument hereafter executed conveying the Project Owner's interest in the Property or portion thereof shall expressly provide that such conveyance is subject to this Covenant, provided, however, that the covenants contained herein shall survive and be effective regardless of whether such contract, deed, or other instrument hereafter executed conveying the Project Owner's interest in the Property or portion thereof provides that such conveyance is subject to this Covenant.

Section 12. Governing Law and Venue: This Declaration shall be construed and enforced pursuant to the laws of the State of Arizona, excluding all principles of choice of laws, conflict of laws and comity. Any action pursuant to a dispute under this Declaration must be brought in Coconino County and no other venue. All meetings to resolve said dispute, including voluntary arbitration, mediation, or other alternative dispute resolution mechanism, will

take place in this venue. The Parties both waive any defense that venue in Coconino County is not convenient.

Section 13. RESERVED.

Section 14. Costs, Including Attorneys' Fees: If any legal services by an attorney are required to enforce the requirements of this Declaration or any of the Loan Documents, the prevailing party will be reimbursed by the other party for all costs and expenses of such action, including reasonable attorneys' fees, and if in legal action costs and expense of such action, including reasonable attorneys' fees as may be fixed by the court.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Project Owner has caused this Declaration to be executed by its duly authorized officers and the corporate seal to be affixed hereto on the day and year first above-written.

PROJECT OWNER:

HOUSING SOLUTIONS OF NORTHERN ARIZONA, INC., AN ARIZONA NONPROFIT CORPORATION

BY:_____

ITS:_____

AKNOWLEDGMENT

STATE OF _____)
COUNTY OF _____)

This Declaration was signed and acknowledged before me this _____ day of _____, 2025, by _____, as _____ of Housing Solutions of Northern Arizona, Inc., on behalf of the company(ies) and pursuant to authority given to her/him by said company(ies). She/He is personally known to me or has produced _____ as identification.

In witness whereof I hereunto set my hand and official seal.

_____
NOTARY PUBLIC

Print Name:_____

My Commission Expires: _____

CITY:

CITY OF FLAGSTAFF, ARIZONA, A MUNICIPAL CORPORATION OF THE STATE OF ARIZONA

ATTESTED:

_____
Print Name: _____
Title: _____

By: _____
Print Name:_____
Title: _____

ACKNOWLEDGMENT

STATE OF _____)
COUNTY OF _____)

This Declaration was signed and acknowledged before me this _____ day of _____, 2025, by _____, as _____ of the City of Flagstaff on behalf of the City. She/He is personally known to me or has produced _____ as identification.

In witness whereof I hereunto set my hand and official seal.

_____
NOTARY PUBLIC

Print Name:_____

My Commission Expires: _____

Exhibit A
Legal Description Of The Property

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF COCONINO, STATE OF ARIZONA, AND IS DESCRIBED AS FOLLOWS:

When Recorded Return to:

CITY OF FLAGSTAFF
211 W. Aspen Avenue
Flagstaff, Arizona 86001
Attn: Legal Department

DEED OF TRUST
(With Assignment of Rents, Security Agreement and Fixture Filing)

THIS DEED OF TRUST (With Assignment of Rents, Security Agreement and Fixture Filing) (as it may be amended and modified from time to time, the "**Deed of Trust**") is made as of December ___, 2025, by and among (a) HOUSING SOLUTIONS OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation, whose mailing address is 1500 East Cedar Avenue, Suite #86 Flagstaff, Arizona 86004 ("**Trustor**"); (b) Pioneer Title Agency, Inc., an Arizona corporation, with an address of 821 W. Riordan Road, Flagstaff, AZ 86001 ("**Trustee**"); and (c) CITY OF FLAGSTAFF, ARIZONA, a municipal corporation of the State of Arizona, whose address is 211 W. Aspen Avenue, Flagstaff, Arizona 86001 ("**Beneficiary**").

FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited and the trust herein created, the receipt of which is hereby acknowledged, Trustor hereby irrevocably grants, transfers, conveys and assigns to Trustee, IN TRUST, WITH POWER OF SALE, for the benefit and security of Beneficiary, under and subject to the terms and conditions hereinafter set forth, Trustor's interest in that certain real property developed for an affordable housing known as the Western Hills Apartments and located at 1580 E. Route 66, Flagstaff, AZ 86001, City of Flagstaff, County of Coconino, State of Arizona, more particularly described in **Exhibit A** attached hereto and incorporated herein by this reference (the "**Premises**");

TOGETHER WITH Trustor's interest in any and all buildings and other improvements now or hereafter erected on the Premises including, without limitation, fixtures, attachments, appliances, equipment, machinery, and other personal property attached to such buildings and other improvements (collectively, the "**Improvements**"), all of which shall be deemed and construed to be a part of the Premises;

TOGETHER WITH all rents, issues, profits, damages, royalties, income and other benefits now or hereafter derived from the Premises and the Improvements (collectively, the "**Rents**"), subject to the terms and provisions of Article 2 of this Deed of Trust with respect to all Leases (as defined below), and further subject to the right, power and authority hereinafter given to Trustor to collect and apply such Rents;

TOGETHER WITH all interests, estates or other claims, both in law and in equity, which Trustor now has or may hereafter acquire in the Premises or the Improvements;

TOGETHER WITH Trustor's interest in all easements, rights-of-way and other rights now owned or hereafter acquired by Trustor used in connection with the Premises or the Improvements or as a means of access thereto (including, without limitation, all rights pursuant to any trackage agreement and all rights to the nonexclusive use of common drive entries, and all tenements, hereditaments and appurtenances thereof and thereto) and all water and water rights and shares of stock evidencing the same;

TOGETHER WITH all right, title and interest of Trustor in and to all leases or subleases covering the Premises or the Improvements or any portion thereof now or hereafter existing or entered into, and all right, title and interest of Trustor thereunder including, without limitation, all rights of Trustor against guarantors thereof, all cash or security deposits, advance rentals, and deposits or payments of similar nature (collectively, the "**Leases**");

TOGETHER WITH all right, title and interest now owned or hereafter acquired by Trustor in and to any greater estate in the Premises or the Improvements;

TOGETHER WITH all right, title and interest of Trustor in (i) the property and interests in property described on **Exhibit B** attached hereto and incorporated herein by reference, (ii) all other personal property now or hereafter owned by Trustor that is now or hereafter located on or used in connection with the Premises or the Improvements, (iii) all other rights and interests of Trustor now or hereafter held in personal property that is now or hereafter located on or used in connection with the Premises or the Improvements, (iv) all personal property and rights and interests in personal property of similar type or kind hereafter acquired by Trustor in connection with the Premises or the Improvements, and (v) all proceeds thereof (such personal property and proceeds referred to herein collectively as the "**Personal Property**");

TOGETHER WITH all right, title and interest of Trustor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Premises, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with the Premises;

TOGETHER WITH all the estate, interest, right, title, other claim or demand, both in law and in equity (including, without limitation, claims or demands with respect to the proceeds of insurance in effect with respect thereto) that Trustor now has or may hereafter acquire in the Premises, the Improvements, the Personal Property, or any other part of the Trust Estate (as defined below), and any and all awards made for the taking by eminent domain, or by any proceeding of purchase in lieu thereof, of the whole or any part of the Trust Estate (including, without limitation, any awards resulting from a change of grade of streets and awards for severance damages);

TOGETHER WITH all proceeds of the foregoing.

The entire estate, property, right, title and interest hereby conveyed to Trustee (including, but not limited to, the Premises, Improvements, Rents, Leases, and Personal Property) may hereafter be collectively referred to as the "**Trust Estate**."

FOR THE PURPOSE OF SECURING the following obligations (collectively, the "**Obligations**"):

A. payment of that certain Loan in the amount of One Million One Hundred Sixty Thousand and 00/100 Dollars ($1,160,000.00) (the "**Loan**"), evidenced by that certain Funding Agreement, dated the date hereof, by and between the Beneficiary and the Trustor, as it may be amended, modified, extended and renewed from time to time (the "**Loan Agreement**"), and that certain Promissory Note, dated the date hereof, by the Trustor to the order of the Beneficiary, as it may be amended, modified, extended and renewed from time to time (the "**Note**");

B. performance of every obligation of Trustor contained in the Loan Agreement and the Note;

C. payment of all sums advanced by Beneficiary to protect the Trust Estate;

D. payment of all other sums, with interest thereon, that may hereafter be loaned to Trustor, or its successors or assigns, by Beneficiary or its successors or assigns, and as evidenced by the Note;

E. performance of every obligation of Trustor to Beneficiary contained in the Loan Documents (as defined below);

F. performance of every obligation of Trustor to Beneficiary contained in any agreement, document, or instrument now or hereafter executed by Trustor which, recites that the obligations thereunder are secured by this Deed of Trust; and

G. for the benefit of Beneficiary, compliance with and performance of each and every provision of any declaration of covenants, conditions and restrictions, any maintenance, easement and party wall agreement, or any other agreement, document, or instrument by which the Trust Estate is bound or may be affected.

This Deed of Trust, the Loan Agreement, the Note, and any other deeds of trust, mortgages, agreements, guaranties or other instruments given to evidence or further secure the payment and performance of any or all of the Obligations, as the same may be amended, modified, extended, or renewed from time to time, may hereinafter be collectively referred to as the "**Loan Documents**".

TRUSTOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

ARTICLE 1. COVENANTS AND AGREEMENTS OF TRUSTOR

1.1 Payment and Performance of Secured Obligations.

Trustor shall pay when due and/or perform each of the Obligations.

1.2 Maintenance, Repair, Alterations.

Trustor shall keep the Trust Estate in reasonably good condition and repair. Trustor shall not remove, demolish, or substantially alter any of the Improvements in any material way, except with the prior written consent of Beneficiary or as contemplated in the Loan Agreement. Trustor shall complete promptly and in a good and workmanlike manner any Improvement that may be now or hereafter constructed on the Premises and promptly restore in like manner any Improvements that may be damaged or destroyed from any cause whatsoever and pay when due all claims for labor performed and materials furnished therefor. Trustor shall comply with all Requirements (as defined below) and shall not suffer to

occur or exist any violation of any Requirement. Trustor shall not commit or permit any waste or deterioration of the Trust Estate, and, to the extent allowed by applicable law, shall keep and maintain abutting grounds, sidewalks, roads, parking and landscape areas in good and neat order and repair. Trustor shall perform its obligations under each Lease and otherwise enforce the terms thereof. "**Requirement**" and "**Requirements**" mean, respectively, each and all obligations and requirements now or hereafter in effect by which Trustor or the Trust Estate are bound or which are otherwise applicable to the Trust Estate, to construction of any Improvements on the Trust Estate, or to operation, occupancy or use of the Trust Estate (including, without limitation (i) such obligations and requirements imposed by common law or any law, statute, ordinance, regulation, or rule (federal, state, or local), and (ii) such obligations and requirements of, in or in respect of (A) any consent, authorization, license, permit, or approval relating to the Trust Estate, (B) any condition, covenant, restriction, easement, or right-of-way reservation applicable to the Trust Estate, (C) any Lien or Encumbrance, (D) any other agreement, document or instrument, in connection with the Trust Estate, to which Trustor is a party or by which Trustor or the Trust Estate is bound or affected, and (E) any order, writ, judgment, injunction, decree, determination, or award of any arbitrator, other private adjudicator, court, government, or governmental authority (federal, state or local) to which Trustor is a party or by which Trustor or the Trust Estate is bound or affected.

1.3 Required Insurance.

Trustor shall at all times provide, maintain and keep in force or cause to be provided, maintained and kept in force with respect to the Trust Estate, at no expense to Trustee or Beneficiary, policies of insurance in forms and amounts and issued by companies reasonably satisfactory to Beneficiary, covering such casualties, risks, perils, liabilities and other hazards as are required by the Loan Agreement.

1.4 Delivery of Policies, Payment of Premiums.

(a) At the option of Beneficiary, all policies of insurance shall either have attached thereto a lender's loss payable endorsement for the benefit of Beneficiary in form reasonably satisfactory to Beneficiary or shall name Beneficiary as an additional insured. Trustor shall furnish Beneficiary with certificates of insurance for each required policy setting forth the coverage, the limits of liability, the name of the carrier, the policy number and the period of coverage. At least thirty (30) days prior to the expiration of each required policy, Trustor shall deliver to Beneficiary proof of the payment of premiums and the renewal or replacement of such policy continuing insurance in form as required by this Deed of Trust. For each insurance policy required by the insurance provisions of this Deed of Trust, the Trustor must provide to the Beneficiary, within five (5) business days of receipt, any notice received by Trustor notifying Trustor that a policy is suspended, voided or canceled for any reason.

(b) In the event Trustor fails to obtain, maintain, or deliver to Beneficiary the policies of insurance with respect to the Trust Estate required by this Deed of Trust, Beneficiary may at its election, but without any obligation so to do, procure, at reasonable market rates, such insurance or single-interest insurance for such risks covering Beneficiary's interest, and Trustor will pay all premiums thereon promptly to Beneficiary (as directed in writing by Beneficiary) upon demand, and until such payment is made by Trustor, the amount of all such premiums shall bear interest at the Agreed Rate. On and during the occurrence and during the continuation of an Event of Default and upon written request by Beneficiary, Trustor shall deposit with Beneficiary (as directed in writing by Beneficiary) in monthly installments, an amount equal to one-twelfth (1/12) of the estimated aggregate annual insurance premiums on all policies of insurance required by this Deed of Trust (funds deposited for this purpose are referred to as "**Insurance Impounds**"). In such event, Trustor further agrees to cause all bills, statements, or other documents relating

to the foregoing insurance premiums to be sent or mailed directly to Beneficiary in accordance with the notice requirements set forth in the Loan Agreement. Upon receipt of such bills, statements, or other documents evidencing that a premium for a required policy is then payable, and provided there are sufficient Insurance Impounds, Beneficiary (as agreed among them) shall timely pay such amounts as may be due thereunder out of the Insurance Impounds. If at any time and for any reason the Insurance Impounds are or will be insufficient to pay such amounts as may then or subsequently be due, Beneficiary shall notify Trustor in writing of the same and Trustor shall promptly deposit an amount equal to such deficiency with Beneficiary (as directed in writing by Beneficiary). Notwithstanding the foregoing, nothing contained herein shall cause Beneficiary to be deemed a trustee of Insurance Impounds or to be obligated to pay any amounts in excess of the amount of the Insurance Impounds, nor shall anything contained herein modify the obligation of Trustor set forth in Section 1.3 hereof to obtain and maintain insurance. Beneficiary shall not commingle Insurance Impounds with their own funds, and Trustor shall not be entitled to interest thereon. Beneficiary may reserve for future payments of premiums such portion of Insurance Impounds as Beneficiary in its commercially reasonable discretion deems proper. If Trustor fails to deposit with Beneficiary (as directed in writing by Beneficiary) sums sufficient to pay fully such premiums at least thirty (30) days before delinquency thereof, Beneficiary may at its election, but without any obligation so to do, advance any amounts required to make up the deficiency, which advances, if any, shall be secured hereby and shall be repayable to Beneficiary upon demand with interest from the date advanced at the Agreed Rate, or at the option of Beneficiary may, without making any advance whatever, apply any Insurance Impounds to payment of the Obligations, notwithstanding that such Obligations may not yet be due. Upon and during the occurrence of an Event of Default, Beneficiary may, at any time, at their option, apply any Insurance Impounds or Imposition Impounds under this Section 1.4 or Section 1.8 hereof, any funds paid as Rents, and any other funds of Trustor held by Beneficiary to payment of the Obligations, notwithstanding that such Obligations may not yet be due.

1.5 Casualties; Insurance Proceeds.

Insurance proceeds from casualty and condemnation shall be used to restore and rebuild the Property so long as Trustor is not in default under the Loan Documents.

1.6 Assignment of Policies Upon Foreclosure.

In the event of foreclosure of this Deed of Trust, as a mortgage, a sale under the power of sale, or any other transfer of title or assignment of the Trust Estate in extinguishment, in whole or in part, of the Obligations, all right, title and interest of Trustor in and to all policies of insurance required by Section 1.3 hereof shall inure to the benefit of and pass to the successor in interest to Trustor or the purchaser or grantee of the Trust Estate, to the extent such policies are assignable pursuant to the terms thereof.

1.7 Indemnification; Subrogation; Waiver of Offset.

(a) If Beneficiary is made a party to any litigation concerning any of the Loan Documents, then Trustor shall indemnify, defend and hold Beneficiary harmless for, from and against all liability by reason of said litigation, including actual, reasonable out-of-pocket attorneys' fees and expenses incurred by Beneficiary as a result of any such litigation, whether or not any such litigation is prosecuted to judgment. Beneficiary may employ an attorney to protect their respective rights hereunder, and in the event of such employment following any breach of Trustor, Trustor shall pay Beneficiary actual, reasonable

out-of-pocket attorneys' fees and expenses incurred by it, whether or not an action is actually commenced against Trustor by reason of its breach. Notwithstanding the foregoing, Trustor shall have no responsibility to indemnify Beneficiary for claims resulting from the Beneficiary's gross negligence or intentional misconduct. Trustor shall be entitled to notice of and opportunity to defend and settle any third party claim which may result in an indemnification obligation hereunder.

(b) Trustor waives any and all right to claim or recover against Beneficiary and its successors and assigns, its council members, officials, directors, officers, employees, agents and representatives, for loss or damage to Trustor, the Trust Estate, Trustor's property or the property of others under Trustor's control from any cause insured against or required to be insured against by this Deed of Trust.

(c) All sums payable by Trustor pursuant to this Deed of Trust shall be due and payable without notice (except for such notice as may be expressly required hereunder or under the other Loan Documents), demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of Trustor hereunder shall in no way be released, discharged or otherwise affected (except as expressly provided herein) by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Trust Estate or any part thereof; (ii) any restriction or prevention of or interference by any Person (as defined below) with any use of the Trust Estate or any part thereof; (iii) any title defect or encumbrance or any eviction from the Premises or the Improvements or any part thereof by title paramount or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Beneficiary, or any action taken with respect to this Deed of Trust by any trustee or receiver of Beneficiary, or by any court, in any such proceeding; (v) any claim that Trustor has or might have against Beneficiary; (vi) any default or failure on the part of Beneficiary to perform or comply with any of the terms of the Loan Documents, or any other agreement with Trustor; or (vii) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not Trustor shall have notice or knowledge of any of the foregoing. Except as expressly provided herein, Trustor waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any sum secured hereby and payable by Trustor. "**Person**" means any natural person, any unincorporated association, any corporation, any partnership, any joint venture, any trust, any other legal entity, or any governmental authority (federal, state, local or foreign).

1.8 Impositions.

(a) Trustor shall pay, or cause to be paid, prior to delinquency, all real property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever (including, without limitation, non-governmental levies or assessments such as maintenance charges, levies, or charges resulting from covenants, conditions and restrictions affecting the Trust Estate) that are assessed or imposed upon the Trust Estate or become due and payable and that create, may create, or appear to create a lien upon the Trust Estate (the above are sometimes referred to herein individually as an "**Imposition**" and collectively as "**Impositions**"), provided, however, that if by applicable law any Imposition is payable, or may at the option of the taxpayer be paid, in installments, Trustor may pay the same or cause it to be paid, together with any accrued interest on the unpaid balance of such Imposition, in installments as the same become due and before any fine, penalty, interest, or cost may be added thereto for the nonpayment of any such installment and interest.

(b) If at any time after the date hereof there shall be assessed or imposed a fee, tax, or assessment on Beneficiary measured by or based in whole or in part upon this Deed of Trust or the outstanding amount of the Obligations, then all such taxes, assessments or fees shall be deemed to be included within the term "Impositions" as defined in Section 1.8(a) hereof and Trustor shall pay and discharge the same as herein provided with respect to the payment of Impositions. If Trustor fails to pay such Impositions prior to delinquency, Beneficiary may, at its option, declare the Obligations immediately due and payable. If Trustor is prohibited by applicable law from paying such Impositions, Beneficiary may, at its option, declare all of the Obligations due and payable on a date which is not less than six (6) months from the date such prohibition is imposed on Trustor.

(c) Subject to the provisions of Section 1.8(d) hereof and upon advance written request by Beneficiary, Trustor shall deliver to Beneficiary within thirty (30) days after the date upon which any Imposition is due and payable by Trustor official receipts of the appropriate taxing authority, or other proof reasonably satisfactory to Beneficiary, evidencing the payment thereof.

(d) Trustor shall have the right before any delinquency occurs to contest or object to the amount or validity of any Imposition by appropriate proceedings, but such right shall not be deemed or construed in any way as relieving, modifying or extending Trustor's covenant to pay any such Imposition at the time and in the manner provided in this Section 1.8, unless Trustor has given prior written notice to Beneficiary of Trustor's intent to so contest or object to an Imposition, and unless, in Beneficiary's commercially reasonable discretion, (i) Trustor shall demonstrate to Beneficiary's commercially reasonable satisfaction that the proceedings to be initiated by Trustor shall operate to prevent the sale of the Trust Estate or any part thereof or interest therein to satisfy such Imposition prior to final determination of such proceedings, (ii) Trustor shall furnish a good and sufficient bond or surety reasonably satisfactory to Beneficiary, or (iii) Trustor shall demonstrate to Beneficiary's commercially reasonable satisfaction that Trustor has provided a good and sufficient undertaking as may be required or permitted by applicable law to accomplish a stay of any such sale.

(e) Upon and during the occurrence and during the continuation of an Event of Default and upon advance written request by Beneficiary, Trustor shall pay to Beneficiary (as directed in writing by Beneficiary) an initial cash deposit in an amount adequate to pay all Impositions for the ensuing tax fiscal year and shall thereafter continue to deposit with Beneficiary (as directed in writing by Beneficiary), in monthly installments, an amount equal to one-twelfth (1/12) of the sum of the annual Impositions reasonably estimated by Beneficiary, for the purpose of paying the installment of Impositions next due (funds deposited for this purpose are referred to as "Impositions Impounds"). In such event, Trustor further agrees to cause all bills, statements, or other documents relating to Impositions to be sent or mailed directly to Beneficiary. Upon receipt of such bills, statements, of other documents, and providing there are sufficient Impositions Impounds, Beneficiary (as agreed among them) shall timely pay such amounts as may be due thereunder out of the Impositions Impounds. If at any time and for any reason the Impositions Impounds are or will be insufficient to pay such amounts as may then or will subsequently be due, Beneficiary may notify Trustor in writing of the same and upon such notice Trustor shall deposit immediately an amount equal to such deficiency with Beneficiary (as directed in writing by Beneficiary). Notwithstanding the foregoing, nothing contained herein shall cause Beneficiary to be deemed a trustee of Impositions Impounds or to be obligated to pay any amounts in excess of the amount of funds deposited with Beneficiary pursuant to this Section 1.8(e). Beneficiary shall not commingle Impositions Impounds with its own funds and shall

not be obligated to pay any interest on any Impositions Impounds. Beneficiary may reserve for future payment of Impositions such portion of Impositions Impounds as Beneficiary may in its commercially reasonable discretion deem proper. If Trustor fails to deposit with Beneficiary sums sufficient to fully pay such Impositions at least thirty (30) days before delinquency thereof, Beneficiary may at their election, but without any obligation so to do, advance any amounts required to make up the deficiency, which advances, if any, shall be secured hereby and shall be repayable to Beneficiary upon demand together with interest thereon at the Agreed Rate from the date of such advance, or at the option of Beneficiary, it may, without making any advance whatever, apply any Impositions Impounds held by it towards payment of the Obligations, notwithstanding that such Obligations may not yet be due.

(f) Trustor shall not initiate or suffer to occur or exist the joint assessment of any real and personal property included in the Trust Estate or any other procedure whereby the lien of real property taxes and the lien of personal property taxes shall be assessed, levied, or charged to the Trust Estate as a single lien.

1.9 Utilities.

Trustor shall pay when due all charges that are incurred by Trustor for the benefit of the Trust Estate or that may become a charge or lien against the Trust Estate for gas, electric, water, sewer, or other services furnished to the Trust Estate.

1.10 Actions Affecting Trust Estate.

Trustor shall appear in and contest any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee hereunder; and Trustor shall pay all actual, reasonable out-of-pocket costs and expenses (including, without limitation, costs of evidence of title, litigation, and reasonable attorneys' fees) in any such action or proceeding in which Beneficiary or Trustee may appear.

1.11 Actions by Trustee or Beneficiary.

If Trustor fails to make any payment or to do any act as and in the manner provided in any of the Loan Documents, Beneficiary and Trustee, in their commercially reasonable discretion, without obligation to do so, without releasing Trustor from any obligation hereunder, and with only such prior written notice to or demand upon Trustor as may be reasonable under the then existing circumstances, (in no event required to exceed ten (10) days' prior written notice), may make or do the same in such manner and to such extent as they may deem reasonably necessary or appropriate. In connection therewith (without limiting their general powers, whether conferred herein, in another Loan Document or by applicable law), Beneficiary and Trustee shall have and are hereby given the right, but not the obligation, (a) to enter upon and take possession of the Trust Estate; (b) to make additions, alterations, repairs and improvements to the Trust Estate that they may consider reasonably necessary or appropriate to keep the Trust Estate in good condition and repair; (c) to appear and participate in any action or proceeding affecting or which may affect the security hereof or the rights or powers of Beneficiary or Trustee; (d) to pay, purchase, contest or compromise any Lien or Encumbrance (as defined below) or alleged Lien or Encumbrance whether superior or junior to this Deed of Trust; and (e) in exercising such powers, to pay necessary expenses (including, without limitation, reasonable expenses of employment of counsel or other necessary or desirable

consultants.) Trustor shall, promptly upon written demand therefor by Beneficiary or Trustee or any of them, pay to Beneficiary or Trustee (as directed in writing by Beneficiary) an amount equal to all actual, reasonable out-of-pocket costs and expenses incurred by them in connection with the exercise of the foregoing rights (including, without limitation, costs of evidence of title, court costs, appraisals, surveys and receiver's, trustee's and attorneys' fees) together with interest thereon from the date of such expenditures at the Agreed Rate.

1.12 Transfer of Trust Estate by Trustor.

In order to induce Beneficiary to make the Loan, Trustor agrees that, in the event of any Transfer (as hereinafter defined), without the prior written consent of Beneficiary, Beneficiary shall have the right, at its option, upon written notice, to declare all sums secured hereby immediately due and payable. Consent to one Transfer shall not be deemed to be a waiver of the right to require consent to future or successive Transfers. Beneficiary may grant or deny such consent in its commercially reasonable discretion and, if consent should be given, any such Transfer shall be subject to this Deed of Trust, and such transferee shall assume all obligations hereunder and agree to be bound by all provisions contained herein. Such assumption shall not, however, release Trustor or any maker or guarantor (if any) of any of the Loan Documents from any liability thereunder without the prior written consent of Beneficiary. As used herein, and except for any transfers permitted under this Deed of Trust or the Loan Agreement, "**Transfer**" shall mean:

(i) any sale, transfer, conveyance, hypothecation, encumbrance, lease or vesting of the Trust Estate or any part thereof or interest therein to or in any Person, whether voluntary, involuntary, by operation of applicable law, or otherwise, except in connection with the Permitted Encumbrances (as such term is defined in **Exhibit C** attached hereto and in incorporated herein by reference);

(ii) any sale, transfer, assignment, conveyance, hypothecation, encumbrance or vesting of any membership interest in Trustor, whether voluntary, involuntary, by operation of law, or otherwise, except in connection with the Permitted Encumbrances and except as otherwise permitted under this Deed of Trust or the Loan Agreement;

(iii) any sale, transfer, assignment, conveyance, hypothecation, encumbrance or vesting of any shares of stock or membership interest in Trustor or any partner in Trustor to or in any Person or any consolidation or merger of Trustor or any partner in Trustor into or with any Person (if Trustor or any partner in Trustor is a corporation or limited liability company) whether voluntary, involuntary, by operation of applicable law, or otherwise, except in connection with the Permitted Encumbrances; or

(iv) the execution of any agreements to do any of the foregoing, except in connection with the Permitted Encumbrances.

Except as expressly permitted herein, the Trustor may not transfer, assign, convey, encumber, or lease the Property or any portion of the Property, or any equity interest in the Trustor without the prior written consent of the Beneficiary, except for Permitted Encumbrances and in connection therewith.

Nothing in this Deed of Trust shall prohibit the Trustor entering into dwelling leases with eligible tenants without the consent of the Beneficiary.

1.13 Intentionally Deleted.

1.14 Additional Security.

No other security now existing, or hereafter taken, to secure the Obligations secured hereby shall be impaired or affected by the execution of this Deed of Trust. All security for the Obligations taken from time to time shall be considered and held as cumulative. Any taking of additional security, execution of partial releases of the security, or any extension of the time of payment of, or modification of other terms of any of the Obligations shall not diminish the force, effect or lien of this Deed of Trust and shall not affect or impair the liability of any maker, guarantor, surety or endorser for the payment or performance of any of the Obligations. In the event Beneficiary at any time holds additional security for any of the Obligations, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before, concurrently with, or after a sale or realization is made hereunder.

1.15 Appointment of Successor Trustee.

Beneficiary may, from time to time, by a written instrument executed and acknowledged by Beneficiary, mailed to Trustor and recorded in the county in which the Trust Estate is located and by otherwise complying with the provisions of applicable law, substitute a successor or successors to any Trustee named herein or acting hereunder, and such successor(s) shall, without conveyance from the predecessor Trustee, succeed to all title, estate, rights, powers and duties of such predecessor.

1.16 Inspections.

Beneficiary, its agents, representatives, officers, and employees, are authorized to enter, upon at least seventy-two (72) hours' prior written notice, the Trust Estate for the purpose of inspecting the same and for the purpose of performing any of the acts Beneficiary is authorized to perform hereunder or under the terms of any of the Loan Documents. With respect to rental units occupied by tenants, the Beneficiary will give the Trustor not less than seventy-two (72) hours' prior written notice of such inspections, and the Trustor shall provide the tenants of the dwelling units such prior written notice as is required by the Arizona Residential Landlord Tenant Act (A.R.S. § 33-1301 *et seq*.). Trustor acknowledges and agrees that Beneficiary shall be liable for any loss or damage caused by its entry onto the Trust Estate, or any part thereof.

1.17 Ownership and Liens and Encumbrances.

Trustor is, and as to any portion of the Trust Estate acquired hereafter will upon such acquisition be, and shall remain the fee owner of the Trust Estate free and clear of any Liens and Encumbrances, subject only to the Permitted Encumbrances. Trustor shall not grant, shall not suffer to exist, and shall pay and promptly discharge, post to bond, escrow, or properly contest any Liens and Encumbrances, at Trustor's cost and expense. Trustor shall promptly notify Beneficiary in writing of any Lien or Encumbrance or claim thereof. Trustor shall have the right to contest in good faith the validity of any involuntary Lien or Encumbrance. If Trustor shall fail to remove and discharge or escrow for any Lien or Encumbrance or claim thereof, then, in addition to any other right or remedy of Beneficiary pursuant to applicable law or under the Loan Documents, Beneficiary may, after only such written notice to Trustor as may be reasonable under the then existing circumstances, but shall not be obligated to, discharge the same, either by paying the amount claimed to be due, or by procuring the discharge of such Lien or Encumbrance by depositing in a court a bond for the amount claimed or otherwise giving security for such claim, or by

procuring such discharge in such manner as is or may be prescribed by applicable law. Trustor shall promptly upon demand therefor by Beneficiary, pay to Beneficiary (as directed in writing by Beneficiary) an amount equal to all costs and expenses incurred by Beneficiary in connection with the exercise of the foregoing right to discharge any Lien or Encumbrance or claim thereof, together with interest thereon from the date of each such expenditure at the Agreed Rate. Such costs and expenses shall be secured by this Deed of Trust. "**Lien or Encumbrance**" and "**Liens and Encumbrances**" mean, respectively, each and all of the following in respect to the Trust Estate: leases, other rights to occupy or use, mortgages, deeds of trust, pledges, security agreements, assignments, assignments as security, conditional sales, title retention arrangements or agreements, conditions, covenants, and restrictions, and other charges, liens, encumbrances, or adverse interests, whether voluntarily or involuntarily created and regardless of whether prior or subordinate to any estate, right, title or interest granted to Trustee or Beneficiary in this Deed of Trust, excluding from the foregoing the Permitted Encumbrances.

1.18 Trustee's Powers.

At any time, or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and without affecting the personal liability of any person for payment of the Obligations or the effect of this Deed of Trust upon the remainder of said Trust Estate, Trustee may (a) reconvey any part of said Trust Estate, (b) consent in writing to the making of any map or plat thereof, (c) join in granting any easement thereon, or (d) join in any extension agreement or any agreement subordinating the lien or charge hereof.

1.19 Powers.

Beneficiary may, from time to time (a) release any person liable for the payment of the Obligations, (b) extend the timing of the Obligations, (c) grant other indulgences with regard to the Obligations, (d) release or reconvey, or cause to be released or reconveyed, at any time at Beneficiary's option any parcel, portion or all of the Trust Estate from the lien of the Obligations and this Deed of Trust, (e) take or release any other or additional security or any guaranty for the Obligations and this Deed of Trust, or (f) make compositions or other arrangements with debtors in relation thereto.

1.20 Intentionally Omitted.

1.21 Trade Names.

At the request of Beneficiary from time to time, Trustor shall execute a certificate in form reasonably satisfactory to Beneficiary listing the trade names or fictitious business names under which Trustor intends to operate the Trust Estate or any business located thereon and representing and warranting that Trustor does business under no other trade names or fictitious business names with respect to the Trust Estate. Trustor shall promptly notify Beneficiary in writing of any change in said trade names or fictitious business names, and will, upon written request of Beneficiary, execute any additional financing statements and other certificates necessary to reflect the change in trade names or fictitious business names.

ARTICLE 2. ASSIGNMENT OF RENTS

2.1 Assignment of Rents.

Trustor hereby absolutely and irrevocably assigns and transfers to Beneficiary, equally and ratably, all the Rents of the Trust Estate and hereby gives to and confers upon Beneficiary, acting collectively, the right, power and authority, to, upon Beneficiary's notice to Trustor, collect the Rents. Trustor irrevocably appoints Beneficiary its true and lawful attorney-in-fact, at their option at any time and from time to time, acting collectively, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of Trustor or Beneficiary, for all Rents and apply the same to the payment of the Obligations. Trustor hereby authorizes and directs the lessees, tenants and occupants to make all payments under the Leases directly to Beneficiary upon and as directed in written demand by Beneficiary without further consent of Trustor; provided, however, that Trustor shall have the right to collect such Rents (but not more than one (1) month in advance unless the written approval of Beneficiary is first obtained), and to retain and enjoy same, so long as an Event of Default shall not have occurred hereunder or under any of the Loan Documents. The assignment of the Rents of the Trust Estate in this Article 2 is intended to be an absolute assignment from Trustor to Beneficiary and not merely the passing of a security interest.

2.2 Collection Upon an Event of Default.

Upon and during the occurrence of an Event of Default, Beneficiary may, upon advance written notice to Trustor, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the Obligations, enter upon and take possession of the Trust Estate, or any part thereof, and, with or without such entry or taking possession, in their own name sue for or otherwise collect the Rents (including, without limitation, those past due and unpaid) and apply the same, less actual, reasonable out-of-pocket costs and expenses of operation and collection (including, without limitation, attorneys' fees) toward payment of the Obligations. The collection of such Rents, or the entering upon and taking possession of the Trust Estate, or the application of the Rents as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default. Trustor also hereby authorizes Beneficiary upon such entry, at their option, acting collectively, to take over and assume the management, operation and maintenance of the Trust Estate and to perform all acts they in their sole discretion (as agreed among them) deem necessary and proper and to expend such sums out of Rents as may be needed in connection therewith, in the same manner and to the same extent as Trustor theretofore could do (including without limitation, the right to enter into new leases, to cancel, surrender, alter or amend the terms of and/or renew existing Leases and/or to make concessions to tenants). Trustor hereby releases all claims of any kind or nature against Beneficiary arising out of such management, operation and maintenance, excepting the liability of Beneficiary to account as hereinafter set forth.

2.3 Application of Rents.

Upon such entry, Beneficiary shall, as agreed among them, after payment of all property charges and expenses (including, without limitation, reasonable compensation to such managing agent as they may select and employ) and after the accumulation of a reserve to meet requisite amounts, credit the net amount of the Rents received by them to the Obligations. Beneficiary shall be accountable for more monies than it actually receives from the Trust Estate; nor shall Beneficiary be liable for failure to collect Rents. Beneficiary shall make reasonable efforts to collect Rents, reserving, however, within their own absolute and sole discretion, as agreed among them, the right to determine the method of collection and the

extent to which enforcement of collection of Rents shall be prosecuted and their judgment shall be deemed conclusive and reasonable.

2.4 Mortgagee in Possession.

It is not the intention of the parties hereto that an entry by Beneficiary upon the Premises under the terms of this instrument shall make Beneficiary a party in possession in contemplation of applicable law, except at the option of Beneficiary as agreed among them.

2.5 Indemnity.

Trustor hereby agrees to indemnify and hold harmless Beneficiary for, from and against any and all losses, liabilities, obligations, claims, demands, damages, penalties, judgments, actual, reasonable out-of-pocket costs and expenses, including actual, reasonable out-of-pocket legal fees and expenses, howsoever and by whomsoever asserted, arising out of or in any way connected with this assignment of Rents; and all such losses, liabilities, obligations, claims, demands, damages, penalties, judgments, actual, reasonable out-of-pocket costs and expenses shall be deemed added to the indebtedness secured hereby and shall be secured by any and all other instruments securing said indebtedness.

2.6 No Obligation to Perform.

Nothing contained herein shall operate or be construed to obligate Beneficiary to perform any obligations of Trustor under any Lease (including, without limitation, any obligation arising out of any covenant of quiet enjoyment therein contained in the event the lessee under any such Lease shall have been joined as a party defendant in any action to foreclose and the estate of such lessee shall have been thereby terminated). Prior to actual entry into and taking possession of the Premises by Beneficiary, this assignment of Rents shall not operate to place upon Beneficiary any responsibility for the operation, control, care, management or repair of the Trust Estate or any portion thereof, and the execution of this Assignment of Rents by Trustor shall constitute conclusive evidence that all responsibility for the operation, control, care, management and repair of the Trust Estate is and shall be that of Trustor, prior to such actual entry and taking of possession by Beneficiary.

ARTICLE 3. SECURITY AGREEMENT

3.1 Creation of Security Interest.

Trustor hereby grants to Beneficiary a security interest in and to all of the Personal Property.

3.2 Representations, Warranties and Covenants of Trustor.

Trustor hereby represents, warrants and covenants (which representations, warranties and covenants shall survive creation of any indebtedness of Trustor to Beneficiary and any extension of credit thereunder) as follows:

(a) The Personal Property is not used or bought for personal, family or household purposes.

(b) The tangible portion of the Personal Property will be kept on or at the Premises or Improvements and Trustor shall not, without the prior written consent of Beneficiary, remove the Personal Property or any portion thereof therefrom except such portions or items of Personal Property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Trustor with similar items of equal or greater value.

(c) At the request of Beneficiary, Trustor will permit Beneficiary to prepare and file one or more financing statements and fixture filings pursuant to the Uniform Commercial Code of Arizona as in effect in the State of Arizona, Arizona Revised Statutes ("**A.R.S.**") Sections 47-1101 through 47-11107, as amended from time to time ("**Uniform Commercial Code of Arizona**"), in form satisfactory to Beneficiary and will pay the cost of recording and filing the same in all public offices wherever recording or filing is deemed by Beneficiary to be necessary or desirable.

(d) Trustor does not do business under any trade name except as previously disclosed in writing to Beneficiary. Trustor will immediately notify Beneficiary in writing of any change in its responsible individual or the adoption or change of any trade name or fictitious business name, and will upon request of Beneficiary execute any additional financing statements or other certificates necessary to reflect the adoption or change in trade name or fictitious business name.

(e) Trustor shall promptly notify Beneficiary of any claim against the Personal Property adverse to the interest of Beneficiary therein.

3.3 Use of Personal Property by Trustor.

Until the occurrence of an Event of Default hereunder or under any Loan Document, Trustor may have possession of the Personal Property and use it in any lawful manner not inconsistent with this Deed of Trust and not inconsistent with any policy of insurance thereon.

3.4 Remedies Upon an Event of Default.

(a) In addition to the remedies provided in Section 4.2 hereof, upon and during the occurrence of an Event of Default hereunder, Beneficiary may, at its option, do any one or more of the following:

(i) Either personally, or by means of a court appointed receiver, take possession of all or any of the Personal Property and exclude therefrom Trustor and all others claiming under Trustor, and thereafter hold, store, use, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and powers of Trustor with respect to the Personal Property or any part thereof. In the event Beneficiary demands, or attempts to take possession of the Personal Property in the exercise of any rights under this Deed of Trust, Trustor agrees to promptly turn over and deliver possession thereof to Beneficiary.

(ii) Without notice to or demand upon Trustor, make such payments and do such acts as Beneficiary may deem necessary to protect their security interest in the Personal Property (including, without limitation, paying, purchasing, contesting or compromising any Lien or Encumbrance, whether superior or inferior to such security interest) and in exercising any such powers or authority to pay all

expenses (including, without limitation, litigation costs and reasonable attorneys' fees) incurred in connection therewith;

(iii) Require Trustor from time to time to assemble the Personal Property, or any portion thereof, at the Premises. Beneficiary and its agents and representatives, shall have the right to enter upon any or all of Trustor's premises and property to exercise Beneficiary's rights hereunder;

(iv) Realize upon the Personal Property or any part thereof as herein provided or in any manner permitted by applicable law and exercise any and all of the other rights and remedies conferred upon Beneficiary by this Deed of Trust or any other Loan Document, or by applicable law, either concurrently or in such order as Beneficiary may determine;

(v) Sell or cause to be sold in such order as Beneficiary may determine, as a whole or in such parcels as Beneficiary may determine, the Personal Property and the remainder of the Trust Estate;

(vi) Sell, lease or otherwise dispose of the Personal Property at public sale, upon terms and in such manner as Beneficiary may determine. Beneficiary may be a purchaser at any sale; and

(vii) Exercise any remedies of a secured party under the Uniform Commercial Code of Arizona or any other applicable law.

(b) Unless the Personal Property is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Beneficiary shall give Trustor at least five (5) business days' prior written notice of the time and place of any public sale of the Personal Property or other intended disposition thereof to be made. Such notice may be mailed to Trustor at the address set forth in Section 5.5 hereof.

(c) The proceeds of any sale under Section 3.4(a)(vi) hereof shall be applied as follows:

(i) To the repayment of the reasonable costs and expenses of taking, holding, and preparing for the sale and selling the Personal Property (including, without limitation, costs of litigation and reasonable attorneys' fees) and the discharge of all Impositions, Liens and Encumbrances, and claims thereof, if any, on the Personal Property prior to the security interest granted herein (except any Impositions or Liens and Encumbrances subject to which such sale shall have been made);

(ii) To the payment of the Obligations hereof; and

(iii) The surplus, if any, shall be paid to the Trustor or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

Beneficiary shall have the right to enforce one or more remedies hereunder, successively or concurrently, and such action shall not operate to estop or prevent Beneficiary from pursuing any further remedy that it may have. Any repossession or retaking or sale of the Personal Property pursuant to the terms hereof shall not operate to release Trustor until full payment of any deficiency has been made in cash.

3.5 Security Agreement.

This Deed of Trust constitutes and shall be deemed to be a "security agreement" for all purposes of the Uniform Commercial Code of Arizona and Beneficiary shall be entitled to all the rights and remedies of a "secured party" under such Uniform Commercial Code of Arizona. This Deed of Trust shall be recorded and filed in the real property records accordingly.

ARTICLE 4. REMEDIES UPON DEFAULT

4.1 Events of Default.

The existence or occurrence of any one or more of the following events shall constitute an event of default (individually, an "**Event of Default**"):

(a) The Trustor's failure to meet the requirements of the Loan Agreement.

(b) The Trustor's failure to make any payment of principal or interest required under the Note (after the expiration of any applicable notice and cure period set forth in the Loan Documents) when due after written notice, specifying such failure and requesting that it be remedied, shall have been given to the Trustor by the Beneficiary, and such failure continues for a period of ten (10) business days after written notice having been given.

(c) The Trustor's failure, after the expiration of any applicable notice and cure period, to comply with or perform any covenant or obligation set forth in the Loan Agreement or any other Loan Document.

(d) The breach of any representation or warranty set forth in the Loan Agreement or any other Loan Document, or the existence of any material misrepresentation of fact by the Trustor in any document submitted to the Beneficiary in support of the Loan or in connection with any of the Loan Documents.

(e) The Trustor's failure to cure promptly any violation of any law or regulation resulting from or related to the Premises or work on the Improvements or any portion of the Improvements; the Trustor's failure to comply promptly with any provision of any notice of any requirement or any law or regulation having any effect on or relation to the Premises or the Project issued by or filed in any department of any governmental authority having jurisdiction over the Trustor, the Premises or the Improvements; or the Trustor's failure to furnish to the Beneficiary, immediately and without demand, a true copy of any notice or other document received by or available to the Trustor disclosing any such requirement or violation of any such law or regulation, or otherwise bearing upon the compliance of the Premises or the Improvements with any applicable law or regulation. In this regard, "**promptly**" means within thirty (30) days, the commencement of the action to cure or comply within the same thirty (30) days and the reasonably diligent prosecution to completion.

(f) The occurrence of a default, event of default or acceleration of any obligations after expiration of any applicable notice and cure period under the Loan Documents.

4.2 Acceleration Upon Default; Additional Remedies.

Upon and during the occurrence of an Event of Default, Beneficiary may, at its option and upon ten (10) days' advance written notice and opportunity to cure, declare the Obligations, immediately due and payable without any presentment, demand, protest or notice of any kind. Beneficiary may, upon notice to Trustor, in addition to the exercise of any or all of the remedies specified in Section 3.4 hereof:

(a) Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court and without regard to the adequacy of its security, enter upon and take possession of the Trust Estate, or any part thereof, in their own name or in the name of Trustor, and do any acts that they deem necessary or desirable to preserve the value, marketability or rentability of the Trust Estate, or any part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Trust Estate, sue for or otherwise collect the Rents, or any part thereof, including, without limitation, those past due and unpaid, and apply the same, less costs and expense of operation and collection (including, without limitation, attorneys' fees) upon the Obligations. The entering upon and taking possession of the Trust Estate, the collection of such Rents and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession of all or any portion of the Trust Estate or the collection, receipt and application of Rents, Trustee and Beneficiary shall be entitled to exercise every right provided for in this Deed of Trust, in any of the other Loan Documents or by applicable law upon and during occurrence of any Event of Default, including, without limitation, the right to exercise the power of sale;

(b) Commence an action to foreclose the lien of this Deed of Trust as a mortgage, appoint a receiver, or specifically enforce any of the covenants hereof;

(c) Exercise the power of sale herein contained and deliver to Trustee a written statement of breach, notice of default and election to cause Trustor's interest in the Trust Estate to be sold; or

(d) Exercise all other rights and remedies provided herein or in any other Loan Document, or by law, including, without limitation, the rights and remedies provided in A.R.S. § 33-702.B.

4.3 Exercise of Power of Sale.

If Beneficiary elects to exercise the power of sale herein contained, Beneficiary shall promptly notify Trustee and shall deposit with Trustee this Deed of Trust and the Note, including, but not limited to, the Loan Agreement and such receipts and evidence of expenditures made and secured hereby as Trustee may require.

(a) Upon receipt of such statement and notice from Beneficiary, Trustee shall cause to be recorded, published and delivered to Trustor such Notice of Trustee's Sale as then required by applicable law. Trustee shall, without demand on Trustor, after lapse of such time as may then be required by applicable law and after recordation of such Notice of Trustee's Sale and Notice of Trustee's Sale having been given as required by applicable law, sell the Trust Estate at the time and place of sale fixed by it in said Notice of Trustee's Sale, either as a whole, or in separate lots or parcels or items as Trustee shall deem expedient, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States payable at the time of sale. Trustee shall deliver to such purchaser or purchasers

thereof its good and sufficient deed or deeds conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including, without limitation, Trustor, Trustee or Beneficiary, may purchase at such sale and Trustor hereby covenants to warrant and defend the title of such purchaser or purchasers.

(b) After deducting all costs, fees and expenses of Trustee and of this Trust, including, without limitation, Trustee's fees and reasonable attorneys' fees, and costs of evidence of title in connection with sale, Trustee shall apply the proceeds of sale in the following priority, to payment of: (i) first, all sums expended under the terms of the Deed of Trust, or under the terms of other Loan Documents in connection with the exercise of the foregoing rights and remedies, not then repaid, with accrued interest at the Agreed Rate; (ii) second, to the payment of the Obligations; (iii) all other sums, then secured hereby; and (iv) the remainder, if any, to the person or persons legally entitled thereto or as provided in A.R.S. § 33-812 or any similar or successor statute.

(c) Subject to A.R.S. § 33-810.B, Trustee may postpone sale of all or any portion of the Trust Estate by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement or subsequently noticed sale, and without further notice make such sale at the time fixed by the last postponement, or may, in its discretion, give a new notice of sale.

4.4 Personal Property.

It is the express understanding and intent of the parties that as to any personal property interests subject to Chapter 9 of the Uniform Commercial Code of Arizona, Beneficiary, upon an Event of Default, may proceed under such Uniform Commercial Code of Arizona or may proceed as to both real and personal property interests in accordance with the provisions of this Deed of Trust and its rights and remedies in respect to real property, as specifically permitted under A.R.S. § 47-9604, and treat both real and personal property interests as one parcel or package of security.

4.5 Appointment of Receiver.

Upon and during the occurrence of an Event of Default, Beneficiary, as a matter of right and without regard to the then value of the Trust Estate or the interest of Trustor therein, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Trust Estate, and Trustor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases, and all the powers and duties of Beneficiary in case of entry as provided herein, and shall continue as such and exercise all such powers until the later of the date of confirmation of sale of the Trust Estate or the date of expiration of any redemption period, unless such receivership is sooner terminated.

4.6 Remedies Not Exclusive.

Trustee and Beneficiary, and each of them, shall be entitled to enforce payment and performance of any and all of the Obligations and to exercise all rights and powers under the Loan Documents, and under the applicable law now or hereafter in effect, notwithstanding some or all of the

Obligations may now or hereafter be otherwise secured or guaranteed. No remedy herein conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy herein or by applicable law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing under the applicable law. Every power or remedy given by any of the Loan Documents or by applicable law to Trustee or Beneficiary or to which any of them may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Trustee or Beneficiary and, to the extent permitted by applicable law and subject to the provisions of Section 5.18 hereof, any of them may pursue inconsistent remedies.

4.7 Request for Notice.

Trustor hereby requests a copy of any notice of default and that any notice of sale hereunder be mailed to it at the address set forth in Section 5.5 hereof.

ARTICLE 5. MISCELLANEOUS

5.1 Change, Discharge, Termination or Waiver.

No provision of this Deed of Trust may be changed, discharged, terminated, or waived except in a writing signed by the party against whom enforcement of the change, discharge, termination, or waiver is sought. No failure on the part of Beneficiary to exercise and no delay by Beneficiary in exercising any right or remedy under the Loan Documents or under the applicable law shall operate as a waiver thereof.

5.2 Trustor Waiver of Rights.

Trustor waives, to the extent permitted by applicable law, (a) the benefit of all applicable laws now existing or that may hereafter be enacted providing for any appraisement before sale of any portion of the Trust Estate, and (b) all rights of redemption, valuation, appraisement, stay of execution, notice of election to mature or declare due the Obligations and marshaling in the event of foreclosure of the liens hereby created and (c) all rights and remedies that Trustor may have or be able to assert by reason of the laws of the State of Arizona pertaining to the rights and remedies of sureties including, without limitation, A.R.S. §§ 12-1641 through 12-1646, and Arizona Rules of Civil Procedure 17(f).

5.3 Statement of Trustor.

Trustor shall, within ten (10) days after written notice thereof from Beneficiary, deliver to Beneficiary, a written statement stating to the best of its knowledge the unpaid principal of and interest on the Loan and any other amounts secured by this Deed of Trust, and stating whether any offset or defense exists against such principal and interest or such other amounts.

5.4 Reconveyance by Trustee.

Upon written request of Beneficiary stating that all Obligations have been satisfied in full, and upon surrender of this Deed of Trust and any promissory note or contract evidencing the Loan including, but not limited to, the Note, the Loan Agreement, to Trustee for cancellation and retention, and upon payment by Trustor of Trustee's fees, Trustee shall reconvey to Trustor, or to the person or persons

legally entitled thereto, without warranty, any portion of the Trust Estate then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in any reconveyance may be described as "the person or persons legally entitled thereto."

5.5 Notices.

All notices, requests and demands to be made hereunder to the parties hereto shall be in writing and shall be delivered by overnight courier service or sent by certified mail, return receipt requested, postage prepaid, through the United States Postal Service, or personally delivered to the addressees shown below or such other addressees which the parties may provide to one another in accordance herewith. Such notices, requests and demands, if sent by mail, shall be deemed given two (2) days after deposit in the United States mail, and if delivered by overnight courier service or personally delivered, shall be deemed given when delivered.

To Beneficiary:	City of Flagstaff 211 W. Aspen Avenue Flagstaff, Arizona 86001 Attn: Housing Director
With a copy to:	City of Flagstaff 211 W. Aspen Avenue Flagstaff, Arizona 86001 Attn: Legal Department
To Trustor:	Housing Solutions of Northern Arizona, Inc. 1500 E. Cedar Avenue, Suite #86 Flagstaff, AZ 86004 Attention: Devonna McLaughlin, CEO

5.6 Acceptance of Trustee.

Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by applicable law.

5.7 Captions and References.

The headings at the beginning of each section of this Deed of Trust are solely for convenience and are not part of this Deed of Trust. Unless otherwise indicated, each reference in this Deed of Trust to a section or an exhibit is a reference to the respective section herein or exhibit hereto.

5.8 Invalidity of Certain Provisions.

If any provision of this Deed of Trust is unenforceable, the enforceability of the other provisions shall not be affected and they shall remain in full force and effect. If the lien of this Deed of Trust is invalid or unenforceable as to any part of the debt, or if the lien is invalid or unenforceable as to any of the Trust Estate, the unsecured or partially secured portion of the indebtedness shall be completely

paid prior to the payment of the remaining and secured or partially secured portion of the debt, and all payments made on the debt, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion of the indebtedness which is not secured or fully secured by the lien of this Deed of Trust.

5.9 Subrogation.

To the extent that proceeds of sums secured hereby are used to pay any outstanding lien, charge or prior encumbrance against the Trust Estate, such sums have been or will be deemed advanced by Beneficiary at Trustor's request, and Beneficiary shall be subrogated to any and all rights and liens held by any owner or holder of such outstanding liens, charges and prior encumbrances, irrespective of whether said liens, charges or encumbrances are released.

5.10 Attorneys' Fees.

If any or all of the Obligations are not paid when due or if an Event of Default occurs, Trustor agrees to pay all actual, reasonable out-of-pocket costs of enforcement and collection and preparation therefor (including, without limitation, reasonable attorneys' fees) whether or not any action or proceeding is brought (including, without limitation, all such costs incurred in connection with any bankruptcy, receivership, or other court proceedings, whether at the trial or appellate level), together with interest thereon from the date of demand at the Agreed Rate.

5.11 Governing Law.

This Deed of Trust shall be governed by and construed in accordance with the laws of the State of Arizona, without giving effect to conflict of laws principles.

5.12 Joint and Several Obligations.

If this Deed of Trust is signed by more than one party as Trustor, all obligations of Trustor herein shall be the joint and several obligations of each party executing this Deed of Trust as Trustor.

5.13 Number and Gender.

In this Deed of Trust the singular shall include the plural and the masculine shall include the feminine and neuter gender and vice versa, if the context so requires.

5.14 Loan Statement Fees.

Trustor shall pay the amount demanded by Beneficiary or their authorized loan servicing agents for any statement regarding the Obligations, provided, however, that such amount may not exceed the maximum amount allowed by applicable law at the time request for the statement is made.

5.15 Counterparts.

This document may be executed and acknowledged in counterparts, all of which executed and acknowledged counterparts shall together constitute a single document. Signature and acknowledgment pages may be detached from the counterparts and attached to a single copy of this document to form one physical document, which may be recorded.

5.16 Status of Title.

Trustor represents and warrants that it is the lawful owner of the Trust Estate and Premises and Improvements free and clear of all Liens and Encumbrances, subject only to the Permitted Encumbrances, and that Trustor has full right, power and authority to convey and mortgage the same and to execute this Deed of Trust.

5.18 Integration.

The Loan Agreement and other Loan Documents relating to the Loan contain the complete understanding and agreement of Trustor and Beneficiary and supersede all prior representations, warranties, agreements, arrangements, understandings, and negotiations with respect to the subject matter thereof. In the event of any conflict between this Deed of Trust and the Loan Agreement this Deed of Trust shall be deemed to be controlling.

5.19 Binding Effect.

The Loan Documents will be binding upon, and inure to the benefit of, Trustor, Trustee, Beneficiary, and their respective successors and assigns. Trustor may not delegate its obligations under the Loan Documents.

5.20 Time of the Essence.

Time is of the essence with regard to each provision of the Loan Documents as to which time is a factor.

5.21 Survival.

The representations, warranties, and covenants of Trustor contained in the Loan Documents shall survive the execution and delivery of the Loan Documents and the making of the Loan.

5.22 Limitation of Liability.

The liability of Trustor hereunder shall be limited to the extent provided in the documents evidencing the Loan.

5.23 Non-Recourse.

Neither Trustor nor any member of Trustor shall have any personal liability for the performance of Trustor's obligations hereunder, including any amounts payable hereunder, it being understood that Beneficiary's sole recourse shall be to the Trust Estate.

5.24 Subordination

The rights of the Beneficiary to payment of the indebtedness secured by this Deed of Trust and evidenced by the Note and other Loan Documents shall be subordinate to the Senior Lender identified on the attached **Exhibit C**.

5.26 Regulatory Agreement

Trustor hereby covenants and agrees that the Improvements shall be constructed and continue to be in substantial accordance with the United States Housing Act of 1937, as amended, and related Federal regulations.

[signature page follows]

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the day and year first above written.

TRUSTOR:

HOUSING SOLUTIONS OF NORTHERN ARIZONA, INC., AN ARIZONA NONPROFIT CORPORATION

BY:_____

ITS: _____

ACKNOWLEDGMENT

STATE OF _____)
COUNTY OF _____)

This Deed of Trust was signed and acknowledged before me this _____ day of _____, 2025, by _____, as _____ of Housing Solutions of Northern Arizona, Inc., on behalf of the company(ies) and pursuant to authority given to her/him by said company(ies). She/He is personally known to me or has produced _____ as identification.

In witness whereof I hereunto set my hand and official seal.

_____
NOTARY PUBLIC

Print Name:_____

My Commission Expires: _____

EXHIBIT A

Property Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF COCONINO, STATE OF ARIZONA, AND IS DESCRIBED AS FOLLOWS:

[INSERT LEGAL DESCRIPTION]

EXHIBIT B

All of the following described estate, property and interest of Trustor now or hereafter acquired, together with all cash and noncash proceeds thereof, and all modifications, extensions, renewals and replacements thereof, in, on, at, or related to an affordable housing (apartment) complex known as Western Hills Apartments located at 1580 E. Route 66, Flagstaff, AZ 86001.

A. Premises

All of the Trustor's interest in that certain real property located in the City of Flagstaff, County of Coconino, State of Arizona, and more particularly described on Exhibit A attached to this Deed of Trust, all interests, estates or other claims, both in law and in equity, which Trustor now has or may hereafter acquire in the Premises; all easements, rights-of-way and other rights now owned or hereafter acquired used in connection therewith or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto, and all water rights and shares of stock evidencing the same; all minerals and mineral rights on, under or related to the Property; all right, title and interest of Trustor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Premises and any and all sidewalks, alleys and strips and gores or land adjacent to or used in connection with the Premises;

B. Improvements

Trustor's interest in any and all buildings and improvements now or hereafter located on the Premises, including, but not limited to, the fixtures, attachments, appliances, equipment, machinery, and other personal property attached to such buildings and improvements;

C. Personal Property

All right, title and interest of Trustor in and to all tangible personal property now owned or hereafter acquired by Trustor and now or at any time hereafter located on or at the Premises or used solely in connection therewith, including, but not limited to: all building materials stored on or at the Premises, goods, machinery, tools, equipment (including fire sprinklers and alarm systems, air conditioning, heating and refrigerating equipment, medical equipment, equipment for electronic monitoring, entertainment, recreation, window or structural cleaning, maintenance, exclusion of vermin or insects, removal of dust, refuse or garbage and all `other equipment of every kind), lobby and all other indoor and outdoor furniture (including tables, chairs, planters, desks, sofas, shelves, lockers and cabinets), wall beds, wall safes, furnishings, appliances (including dishwashers, garbage disposal units, refrigerators, fans, heaters, stoves, water heaters and incinerators), inventory, rugs, carpets and other floor coverings, draperies and drapery rods and brackets, awnings, window shades, venetian blinds, curtains, lamps, chandeliers and other lighting fixtures and maintenance and other supplies;

D. Intangibles

All of Trustor's interest in all existing and future accounts, contract rights, general intangibles, files, books of account, agreements, permits, licenses, plans and specifications, drawings, warranties, guarantees and certificates necessary or desirable in connection with the acquisition, ownership, leasing, construction, operation, servicing or management of the Premises, whether now existing or entered into or obtained after the date hereof, the nonexclusive use of all existing and future names under or by which the Premises or any portion thereof may at any time be operated or known, all rights to carry on business under any such names or any variant thereof, and all existing and future telephone numbers and listings, advertising and marketing materials, trademarks and goodwill in any way relating to the Premises or any portion thereof; and

E. Claims and Awards

All the estate, interest, right, title, other claims or demands, including claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Trustor now has or may hereafter acquire in the Premises, and any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Premises, including, without limitation, any awards from a change of grade of streets and awards for severance damages;

F. Rents

All rents, issues, profits, damages, royalties, income and other benefits now or hereafter derived from the Premises and the Improvements; and

G. Leases

All right, title and interest of Trustor in and to all leases or subleases covering the Premises or the Improvements or any portion thereof now or hereafter existing or entered into, and all right, title and interest of Trustor thereunder including, without limitation, all rights of Trustor against guarantors thereof, all cash or security deposits, advance rentals, and deposits or payments of similar nature.

EXHIBIT C

PERMITTED ENCUMBRANCES

[1. Such liens and encumbrances as are set forth in the _____ Policy # _____.]

PROMISSORY NOTE

PROJECT: WESTERN HILLS APARTMENTS

Date: [_____], 2025

Amount: $1,160,000.00

Loan Period: 30 years

FOR VALUE RECEIVED, HOUSING SOLUTIONS OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation ("Borrower"), promises to pay to the order of the City of Flagstaff, Arizona, a municipal corporation of the State of Arizona, ("Lender"), the original principal amount of One Million One Hundred Sixty Thousand and 00/100 Dollars ($1,160,000.00) (the "Loan").

LOAN PAYMENT: Borrower shall pay the outstanding principal of the indebtedness evidenced by this Promissory Note ("Note"), and all other charges and indebtedness provided herein, at the times and in the manner provided in this Note. The interest rate on the loan shall be zero percent (0%) simple interest; provided, however, interest at the rate of ten percent (10%) on the unpaid balance of the Note shall accrue annually commencing upon the Event of Default and continuing thereafter until such date as the Default is cured, as detailed below. If any amount due and owing under this Note is reduced to judgment, such judgment shall bear interest at the highest rate permissible under applicable law.

The date the Loan will mature is **[_____, 2055]** (hereinafter referred to as the "Maturity Date"), at which time the full outstanding principal balance of the Loan will be immediately due and payable. No interest and no payments are required during the thirty (30) years of the term of the Loan if the Borrower has not otherwise defaulted on the Loan and if the affordable units in the Development continuously meet affordability and maintenance requirements as determined by the Lender in its sole discretion.

This Note and the principal amount of the indebtedness evidenced by this Note may be forgiven in the sole and absolute discretion of the Lender if the Borrower is in compliance with the requirements of that certain Funding Agreement (referred to herein as the "Loan Agreement") and that certain Declaration of Restrictive Covenants in favor of the Lender in connection with the Development (the "Declaration"), For purposes hereof, "Development" shall mean Western Hills Apartments development, which will include twenty-nine (29) affordable units and all other improvements now or hereafter to be constructed by Borrower on the land described on **Exhibit "A"** hereto. Notwithstanding the foregoing, interest accruing as a result of an Event of Default or Default, shall not be forgiven and will be due and payable upon demand of the Lender.

SECURITY: This Note is secured by and is entitled to the benefits of the security interest granted in the Loan Agreement and the rights, benefits and interests granted in the Deed of Trust, Security Agreement and Fixture Filing, executed or to be executed by the Borrower for the benefit of the Lender (the "Deed of Trust") and encumbering the property more particularly described in the Deed of Trust. Payment and performance of the obligations set forth in the Loan Documents shall be non-recourse to Borrower and Borrower's directors.

DEFAULT & ACCELERATION: Lender shall have the right to declare the total unpaid balance of the Note to be due and forthwith payable in advance of the Maturity Date of any sum due or installment, as fixed herein, upon the occurrence of any Event of Default.

Any of the following events, subject to the expiration of any applicable cure periods constitute a default (an "Event of Default" or "Default") and the Lender may at its option exercise any of its remedies at law or equity including without limitation causing Borrower's immediate repayment of the Loan. All prior commitments to forgive any portion or all of the Loan shall be terminated and not reinstated notwithstanding the Borrower bringing the Loan into compliance or curing the Default.

(a) Bankruptcy. If there is filed by or against the Borrower a petition in bankruptcy or a petition for the appointment of a receiver or trustee of the property of the Borrower, and any such petition not filed by the Borrower is not dismissed within ninety (90) days of the date of filing; or if the Borrower files a petition for reorganization under any of the provisions of the United States Bankruptcy Code or of any similar law, state, federal, or foreign, and any such petition is not dismissed within ninety (90) days of the date of filing, or if either of them makes a general assignment for the benefit of creditors or makes any insolvency assignment or is adjudicated insolvent by any court of competent jurisdiction, any of which, in the reasonable judgment of the Lender, will cause material interference with the timely completion of the Improvements; or

(b) Payment. The Borrower fails to make any payment of principal or interest required under the Note when due; or

(c) Breach of Covenants, Warranties and Representations. If any warranty or representation made by the Borrower or pursuant to the terms of the Loan Documents shall be false or misleading in any material respect, or if the Borrower shall fail to keep, observe or perform any of the terms, covenants, representations or warranties contained in the Loan Documents (provided, that with respect to nonmonetary Events of Default, the Lender shall give written notice to the Borrower, who shall have thirty (30) days after the date of the written notice to cure, which time may be reasonably extended by the Lender, provided that if Borrower cannot reasonably cure within thirty (30) days, Borrower shall be entitled to such additional period of time as is the Lender deems appropriate in its sole discretion for Borrower to cure such nonperformance, and that with respect to monetary Events of Default, the Borrower shall have a five (5) day grace period), or is unable or unwilling to meet its obligations thereunder; or

(d) Failure to Comply with Requirements of Adaptive Reuse Bond Program ("ARBP"). If at any time the Borrower or Development is not in compliance with requirements associated with the ARBP established by the City of Flagstaff Resolution No. 2025-24, after written notice and reasonable opportunity to cure period of time not to exceed thirty (30) days, or longer period of time agreed upon by Lender in writing in its sole discretion, then such non-compliance constitutes an Event of Default and, the ARBP Funds will be immediately due and payable to the Lender.

ESTOPPEL/WAIVER: Failure of Lender to declare a Default shall not constitute a waiver of such Default. Furthermore, any Lender waiver of any Default shall not be construed to waive any subsequent Default or estop Lender from seeking enforcement of this Note.

PREPAYMENT: Borrower reserves the right to prepay at any time all or part of the principal amount of this Note without the payment of penalties or premiums. All payments of this Note, prior to

default, shall be first applied to reduce the principal amount of this Note and second to the payment of interest, if any. Upon Borrower's payment in full of the entire indebtedness under this Note, Lender shall promptly release the Declaration and the Deed of Trust and record a satisfaction of the Deed of Trust and a release of covenant, as well as any other documents required to be recorded to evidence the foregoing releases, in the public records of Coconino County, Arizona.

COSTS & ATTORNEYS' FEES: If any legal services by an attorney are required to enforce the requirements of this Note or any of the Loan Documents, the prevailing party will be reimbursed by the other party for all costs and expenses of such action, including reasonable attorneys' fees, and if in legal action costs and expense of such action, including reasonable attorneys' fees as may be fixed by the court.

PARTIES: The words "Borrower" and "Lender" in this Note shall be construed to include the respective heirs, personal representatives, successors, and assigns of the Borrower and the Lender.

[SUBORDINATION: The right of the Lender to payment of the indebtedness evidenced by this Note is and will at all times be subordinate to the senior lender, OneAZ (as described in the Funding Agreement.

CONSTRUCTION AND VENUE: Each party covenants and agrees that any and all legal actions arising out of or connected with this Note shall be instituted in the Superior Court for Coconino County, Arizona, or in the United States District Court for the District of Arizona, as the exclusive forums and venues for any such action, subject to any right of either party to removal from state court to federal court, which is hereby reserved, and each party further covenants and agrees that it will not institute any action in any other forum or venue and hereby consents to immediate dismissal or transfer of any such action instituted in any other forum or venue. This Note is entered into within, and with reference to the internal laws of, the State of Arizona, and shall be governed, construed and applied in accordance with the internal laws (excluding conflicts of law) of the State of Arizona.

LOAN AGREEMENT: This Promissory Note is subject to the terms and conditions of the Loan Agreement of even date between the parties hereto, and the terms and conditions of such Loan Agreement are incorporated by reference herein to the same extent, force, and effect as if they were fully set forth herein. The terms of the Loan Agreement and this Promissory Note should be construed in such manner as not to render any term meaningless or void. However, in the event of a conflict between the terms of this Promissory Note and the Loan Agreement, the Loan Agreement shall govern.

AMENDMENTS. No amendment, modification, change, waiver, release, or discharge hereof and hereunder shall be effective unless evidenced by an instrument in writing and signed by the party against whom enforcement is sought.

NOTICE. All notices mut be provided as set forth in the Loan Agreement.

TIME OF ESSENCE. Time is of the essence in the performance of each and every obligation of the Borrower hereunder.

ASSIGNMENT, CONVEYANCE, TRANSFER OF THIS NOTE. The obligations of the Borrower under this Note may not be assigned or transferred in whole or in part without the prior written approval of the Lender and then only upon such terms and conditions as the Lender may approve in its reasonable discretion. Any attempted assignment or transfer of this Note without such prior written approval will be automatically null and void.

IN WITNESS WHEREOF, this Note has been duly executed by Borrower as of the day and year first written above.

BORROWER

HOUSING SOLUTIONS OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation

BY: _____

ITS: _____

ACKNOWLEDGMENT

STATE OF _____)
COUNTY OF _____)

ACKNOWLEDGED before me this _____ day of _____, 2025, by _____, as _____ of _____, on behalf of the company(ies) and pursuant to authority given to him by said company(ies). He/She is personally known to me or has produced _____ as identification. This is an acknowledgement clause. No oath or affirmation was administered to the signor.

In witness whereof I hereunto set my hand and official seal.

_____
NOTARY PUBLIC

Print Name:_____
My Commission Expires: _____

PROMISSORY NOTE
WESTERN HILLS APARTMENTS

Exhibit "A"

Legal Description

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Amelia Mason, Administrative Specialist

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE:

Consideration and Approval of Contract: Library Materials and Processing Cooperative Purchase from Ingram Library Services LLC in an amount not to exceed $200,000 annually for a period of 2 years.

STAFF RECOMMENDED ACTION:

1. The City Council approves the Library Materials and Processing Cooperative Purchase from Ingram Library Services LLC in an amount not to exceed $200,000 annually for a period of 2 years; and
2. Authorize the City Manager to execute the necessary documents.

Executive Summary:

The Library Materials and Processing Cooperative Purchase from Ingram Library Services LLC provides for the procurement of library materials, processing of these materials, and allows the City to leverage its purchasing power to obtain a better cost per item. The materials and processing provided by Ingram Library Services LLC are a necessity for the library to continue to supply the Flagstaff community with new and replacement books, DVDs, CDs, and other media purchases. While Council approved a contract with Baker & Taylor LLC on Aug 26, 2025, Baker & Taylor LLC has since announced that they are going out of business, effective January 2026. This has required the library to identify a new vendor to order the bulk of our materials from.

Financial Impact:

Project Name: Library Materials and Processing
Cost: $200,000
Account Number Budgeted: 030-07-035-0141-5-4321; 030-07-035-0143-5-4321; 030-07-035-0146-5-4321; 030-07-036-0151-5-4321; 030-07-036-0152-5-4321; 030-07-036-0153-5-4321; 030-07-036-0154-5-4321; 030-07-036-0156-5-4321; and 001-09-403-1421-1-4321.
FY Budgeted Amount: $383,541
Grant Funded: No
Funding Source: Library budget allocated for FY26

Policy Impact:

None

Previous Council Decision or Community Discussion:

None

Options and Alternatives to Recommended Action:

Do not approve the Cooperative Purchase. Staff does not recommend this option, because the library would be unable to purchase new or replacement materials for patrons to check out until a new procurement process can be accomplished.

Background and History:
The City of Peoria conducted a competitive and open procurement process through Request for Proposal Solicitation No. P22-0029 that resulted in Contract No. ACON03722B a/k/a P22-0029(D)with Ingram Library Services, LLC,. The City of Flagstaff Procurement department has verified the cooperative purchase contract as valid.

Connection to PBB Priorities and Objectives:
High Performing Governance

- Serve the public by providing high quality customer service
- Enhance the organization's fiscal stability and increase efficiency and effectiveness

Inclusive & Engaged Community

- Facilitate and foster diversity and inclusivity
- Ensure city facilities, services, and programs are accessible for all residents and representative of Flagstaff's diverse community

Connection to Regional Plan:
Goal PF.2. Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics.
Goal ED.2. Support and encourage an excellent educational system that promotes critical thinking and job training programs at all levels.

- Policy ED.2.3. Encourage efforts to provide a full range of high-quality educational opportunities for life-long learning for all residents.
- Policy ED.2.4. Promote science, technology, engineering, mathematics, liberal arts, and entrepreneurship education at all levels.

Connection to Carbon Neutrality Plan:
N/A

Connection to 10-Year Housing Plan:
N/A

Connection to Division Specific Plan:
Library Strategic Plan Goal 1: Ensure access to accurate information and quality resources by removing barriers and meeting the needs of the community.

Attachments: 2026-85 Ingram Final Contract

COOPERATIVE PURCHASE CONTRACT
Contract No. 2026-85

This Cooperative Purchase Contract is made and entered into this _____ day of _____, 20_____by and between the City of Flagstaff, Arizona, a political subdivision of the State of Arizona ("City") and **Ingram Library Services, LLC, a Tennessee C Corporation** ("Contractor").

RECITALS:

A. Contractor is a fully authorized vendor of **Library Books, DVD's, CD's, and Other Media**

B. The **City of Peoria, Arizona** conducted a competitive and open procurement process through Request for Proposal **P22-0029** that resulted in Contract No. **ACON03722B a/k/a P22-0029(D)** with Contractor ("Agency Contract");

C. The City has authority to enter into a cooperative purchase contract with Contractor utilizing the Agency Contract.

AGREEMENT:

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

1. Materials and or Services Purchased: Contractor shall provide to the City the materials and/or services, as specified in the Scope of Work attached as *Exhibit A*, and in accordance with the Agency Contract. A general description of materials and/or services being purchased is:

Library Books, DVD's, CD's, and Other Media

2. Specific Requirements of City: Contractor shall comply with all specific purchase and delivery requirements and/or options of City, as specified in the Scope of Work attached as *Exhibit A* and incorporated by reference.

3. Terms and Conditions of Agency Contract Apply: All provisions of the Agency Contract documents attached as *Exhibit B*, including any amendments, are incorporated in and shall apply to this Contract as though fully set forth herein. Contractor is responsible for promptly notifying City in writing of any changes in price made to the Agency Contract.

4. Payment:

   4.1 Payment to Contractor for the materials and/or services not to exceed **two hundred thousand dollars and zero cents ($200,000.00) annually**; made in accordance with the price list and terms set forth in the Agency Contract.

   4.2 Any adjustment to the Payment amount 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 amendment price increase is less than $100,000; otherwise, City Council approval is required.

5. Certificates of Insurance: All insurance provisions of the Agency Contract shall apply, including any requirement to name the City as an additional insured. If requested, Contractor shall furnish City with a copy of the current Certificate of Insurance required by the Agency Contract.

6. Term and Renewal: This Cooperative Purchase Contract shall commence upon execution by the Parties and shall continue for a period of one (1) year from the date of execution..

7. Notice: Any formal notice required under the Contract shall be in writing and sent by certified mail and email as follows:

To the City:	To Contractor:
Amelia Mason City of Flagstaff 211 W. Aspen Ave. Flagstaff, AZ 86001 amason@flagstaffpubliclibrary.org	Hannah Jones Sales Representative 1 Ingram Blvd LaVergne, TN 37086 Hannah.jones@ingramcontent.com 801-999-8404
With a copy to:	**With a copy to:**
Teddy Callan City of Flagstaff 211 W. Aspen Ave. Flagstaff, AZ 86001 Teddy.callan@flagstaffaz.gov	Will Harrison Sales Representative 1 Ingram Blvd LaVergne, TN 37086 Will.harrison@ingramcontent.com 615-213-5768

9. 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.

City of Flagstaff	**Contractor**
By:_____ City Manager	By:_____ Title:_____
Dated:_____	Dated:_____
Attest:	Approved as to form:
_____ City Clerk	_____ City Attorney

Notice to Proceed issued:_____, 20___

Last Updated January 6, 2025

INGRAM CONTENT GROUP | Library Services

October 15, 2025

Flagstaff City-Coconino County Public Library
Abbey Buckham, Collection Management Supervisor
300 West Aspen Ave.
Flagstaff, Arizona 86001

RE: New Ingram Special Offer

Dear Ms Buckham:

Please accept this offer as notification that Ingram Library Services LLC would like to continue our business relationship with the Flagstaff City-Coconino County Public Library in the form of an agreement, renewed annually. The discounts and terms offered herein are from the City of Peoria Contract # P22-0029(D) for Library Materials and Processing. Flagstaff City-Coconino County Public Library has offered an estimated annual spend of $200,000.

Discounts and Terms:

	Trade Hardcover	43.0%
	Trade Quality Paperbacks	42.0%
	Mass Market Paperbacks	42.0%
	Library Bindings	18.0%
*	Short Discounted Titles	8.0% - 35.0%
	University Press	16.0%
**	Spoken Word Audio	0-46.0%
	Games	0.0 - 5.0%
	Music	26.0%
	DVD/Blu-ray	28.0%
	Net Titles	0.0%

**Short Discount/Non-Trade: Lower demand, small print-run books in various bindings, and includes legal, technical, reference, scientific, and medical, prebound, and graphic novel titles as defined by Ingram subject categories. Titles are generally published by small or university presses. Also included are print and audiobook titles purchased at lower than full trade discount; titles with limited sales volume; and/or titles from publishers not in compliance with Ingram's purchasing requirements.*

*** Ninety to ninety-five percent of all Spoken Word Audio CD is at the 45% discount; however, some Spoken Word Audio is short discounted by the publisher.*

Cataloging and Processing:
To simplify budgeting and to speed items through our facilities, Ingram offers bundled cataloging and processing services. With our tiered service levels, your library can easily estimate its yearly cataloging and processing costs and identify ways to save. Rather than charging for each item applied to a unit, all units on a designated account will be charged the same cataloging and processing fee. This speeds up the work in our processing units and lets the library reconcile charges with little effort. It also distributes cataloging costs across all Ingram's cataloging customers more fairly and enables us to maintain lower fees.

Cooperative Purchasing Freight Terms:
Ingram offers Ingram-paid freight from your primary and secondary distribution centers. Orders of 15 or more units from both your primary and secondary distribution center will ship with Ingram Paid Freight. Shipments of less than 15 units will be charged a flat $6.00 shipping fee. The qualifying unit quantity is subject to change with notice. Items picked, packed, and shipped together count as an individual shipment. Distribution center designation is subject to change by Ingram to provide the best service for your Library.

UPS ground service is used to transport the majority of Ingram's goods. Ingram will choose the most cost-effective shipping method. Ingram has the right to adjust distribution center designations in order to provide the greatest service to your Library. Orders will ship FOB Destination. Ingram defines FOB Destination as Ingram being responsible for the products until they are delivered to the library. Once the items have been delivered, liability lies with the receiving agency. When freight charges on an individual account surpass 2.5% of the account's expenditures, Ingram reserves the right to change the shipping settings under this offer. Changes to account settings such as one warehouse for shipments or shipment timetables and order consolidation levels are examples of such alterations. We will work closely with the Library to ensure if changes are made, they are in the best interests of both parties. Ingram reserves the right to adjust freight terms on an account-by-account basis.

Due to the impact of rising oil prices, Ingram has instituted a $2.50 fuel surcharge. This charge is subject to change with notice. These charges will appear as a Shipping and Handling charge on your invoice.

Payment Terms:
Payment terms under this offer shall be Net 30 Days. Payment is required for invoices within these terms even when a purchase order has not been completed. Ingram does not invoice for items until they have been shipped. While other vendors demand payment from invoice date, Ingram's terms are calculated on statement date at the end of each month. With payment due 30 days from statement date, the customer's payment is due an average of 45 days from invoice (30-59 days). Ingram reserves the right to assess a late charge on all past due invoices.

Effective Dates:	Date:	Within 72 hours of acceptance of offer
	End Date:	1 year from acceptance date

This offer is valid for a period of 60 days. To accept and apply the discounts and terms, please send an email confirmation to our Bids and Contracts Department at ilsbids@ingramcontent.com. Ingram will review the offer with the Library annually.

Ingram Contact List:
Toll-free telephone access to any Ingram point of contact is available to Flagstaff City-Coconino County Public Library at (800) 937-8200. Your Sales Representatives can be reached at the following numbers:

- Hannah Jones, Senior Sales Representative .....(801) 999-8404
  Email: hannah.jones@ingramcontent.com
- Will Harrison, Sales Specialist .....(615)-213-5768
  Email: will.harrison@ingramcontent.com

Ingram Library Services LLC is looking forward to forming a successful collaboration with Flagstaff City-Coconino County Public Library System. If you have any questions, please reach out to Hannah Jones, your Ingram Senior Sales Representative. Hannah will gladly assist you.

To accept and activate this offer, please send an email to ilsbids@ingramcontent.com.

Best regards,

Carolyn Morris
Vice President

CM/ab

City of Peoria

FINANCE DEPARTMENT
MATERIALS MANAGEMENT

CONTRACT AUTHORIZATION AND SIGNATURE – COVER SHEET

(For City Use Only)

CONTRACT DETAILS

☒ New Contract ☐ Amendment ☐ Extension ☐ Other:

Purchasing Job Number: P22-0029C **Buyer Name:** Terry Andersen

Vendor / Contractor: Ingram Library Services Inc.

Contract Purpose / Scope Description: Library Materials and Processing - New 2-yr term contract with option to renew up to 36 months.

Start Date: 02/01/22 **End Date:** 01/31/23 **Term Contract?** ☐ No ☒ Yes **Final Expiration:** 01/31/27

FINANCIAL DETAILS

City Department: Arts, Cultural and LIbrary Services **Department Rep:** Kathleen Wade

Budget Account #: **CIP#:**

A. This document amount:	$ 0.00
B. Total of all previous executed amounts for this contract:	$
C. Total Contract Amount:	$ 0.00

APPROVALS

Council Approval Required?: ☒ No ☐ Yes: Council Date:

City Manager Signature Required? ☒ No ☐ Yes

Comments/Special Instructions: Please sign as requested Final copy will be provided to all signers and recorded with Materials Management. Thank you!

ROUTING SEQUENCE

Materials Management:	By:	Christine Finney	Date:	02/14/2022
Risk Management:	By:		Date:	
City Attorney:	By:	George Mariscal for	Date:	02/15/2022
City Manager:	By:		Date:	
City Clerk:	By:	Lori Dyckman	Date:	02/15/2022

ACON: 03722 **LCON:** **Recordation#:**

City of Peoria, Arizona
Notice of Request for Proposal

Solicitation No.:	**P22-0029** C	Proposal Due Date:	**November 30, 2021**
Capital Project No.:	N/A	Proposal Due Time:	5:00 P.M. AZ Time
Materials and/or Services:	**Library Materials and Processing**	Purchasing Agent:	**Terry Andersen**
		Pre-Proposal Date:	N/A
Contact Phone:	(623) 773-7981	Pre-Proposal Time:	N/A
Contact Email:	Teresa.Andersen@peoriaaz.gov	Pre-Proposal Location:	NA

In accordance with City of Peoria Procurement Code competitive sealed proposals for the material or services specified will be received by the City of Peoria Materials Management at the specified location until the date and time cited above. Proposals shall be in the submitted on or prior to the exact date and time indicated above. Late proposals will not be considered, except as provided in the City of Peoria Procurement Code. ***Proposals shall be submitted electronically via the City's Procurement Portal (Bonfire) or in a sealed envelope with the Request for Proposal number and the offeror's name and address clearly indicated on the front of the envelope.*** Offerors are strongly encouraged to carefully read the ***entire*** Request for Proposal Package.

OFFER

To the City of Peoria: The undersigned on behalf of the entity, firm, company, partnership, or other legal entity listed below offers on its behalf to the City a proposal that contains all terms, conditions, specifications and amendments in the Notice of Request for Proposal issued by the City. Any exception to the terms contained in the Notice of Request for Proposal must be specifically indicated in writing and are subject to the approval of the City prior to acceptance. The signature below certifies your understanding and compliance with Paragraph 1 of the City of Peoria Standard Terms and Conditions (form COP 202) contained in the Request for Proposal package issued by the City.

For clarification of this offer contact:

Name: Regina Dunlap

Telephone: (800) 937-5300 Fax: (615) 213-6004

Email: ilsbids@ingramcontent.com

Ingram Library Services LLC
Company Name

Pamela R. Smith
Authorized Signature for Offer

One Ingram Blvd
Address

Pamela R. Smith
Printed Name

La Vergne | TN | 37086
City | State | Zip Code

Vice President and General Manager
Title

ACCEPTANCE OF OFFER AND CONTRACT AWARD (For City of Peoria Use Only)

Your offer is accepted by the City, subject to approval of each written exception that your proposal contained. The contract consists of the following documents: 1.) Request for Proposal issued by the City; 2.) Your offer in Response to the City's Request for Proposal; 3.) This written acceptance and contract award.

As the contractor, you are now legally bound to sell the materials and/or services listed by the attached award notice, based on the solicitation of proposals, including all terms, conditions, specifications, amendments and your offer as now accepted by the City. The Contractor shall not commence any billable work or provide any material, service or construction under this contract until the Contractor receives an executed Purchase Order or written Notice to Proceed.

Attested by:

Lori Dyckman
Lori Dyckman, Acting City Clerk

City Seal
Copyright 2003 City of Peoria, Arizona

CC: _____

Contract Number:
ACON03722

Official File: _____

City of Peoria, Arizona. Effective Date: February 1, 2022

John R. Sefton, Jr.
John R. Sefton, Jr., Arts, Culture & Library Services Director

Approved as to form:

George Mariscal for
Vanessa P. Hickman, City Attorney

Contract Awarded Date February 15, 2022

Christine Finney
Christine Finney, Materials Manager

REQUEST FOR PROPOSAL

INSTRUCTIONS TO OFFEROR

Materials Management Procurement

9875 N. 85th Ave., 2nd Fl.
Peoria, Arizona 85345-6560
Phone: (623) 773-7115
Fax: (623) 773-7118

1. **PREPARATION OF PROPOSAL:**
   a. All proposals shall be on the forms provided in this *Request For Proposal* package. It is permissible to copy these forms if required. Telegraphic (facsimile) or mailgram proposals will not be considered.
   b. The Offer and Contract Award document (COP Form 203) shall be submitted with an original ink or digital signature by a person authorized to sign the offer.
   c. Erasures, interlineations, or other modifications in the proposal shall be initialed in original ink by the authorized person signing the Vendor Offer.
   d. If price is a consideration and in case of error in the extension of prices in the proposal, the unit price shall govern. No proposal shall be altered, amended, or withdrawn after the specified proposal due date and time.
   e. Periods of time, stated as a number of days, shall be calendar days.
   f. It is the responsibility of all Offerors to examine the entire *Request For Proposal* package and seek clarification of any item or requirement that may not be clear and to check all responses for accuracy before submitting a bid. Negligence in preparing a Proposal confers no right of withdrawal after proposal due date and time.

2. **INQUIRIES:** Any question related to the *Request For Proposal* shall be directed to the Buyer whose name appears on the front. The Offeror shall not contact or ask questions of the department for which the requirement is being procured. Questions should be submitted in writing when time permits. The Buyer may require any and all questions be submitted in writing at the Buyer's sole discretion. Any correspondence related to a *Request For Proposal* should refer to the appropriate *Request For Proposal* number, page, and paragraph number. However, the Offeror shall not place the *Request For Proposal* number on the outside of any envelope containing questions since such an envelope may be identified as a sealed proposal and may not be opened until after the official *Request For Proposal* due date and time.

3. **PROSPECTIVE OFFERORS CONFERENCE:** A prospective offerors conference may be held. If scheduled, the date and time of this conference will be indicated within this document. The purpose of this conference will be to clarify the contents of this *Request For Proposal* in order to prevent any misunderstanding of the City's position. Any doubt as to the requirements of this *Request For Proposal* or any apparent omission or discrepancy should be presented to the City at this conference. The City will then determine if any action is necessary and may issue a written amendment to the *Request for Proposal*. Oral statements or instructions will not constitute an amendment to this *Request for Proposal*.

4. **LATE PROPOSALS:** Late Proposals will not be considered, except as provided by the **City of Peoria Procurement Code**. A vendor submitting a late proposal shall be so notified.

5. **WITHDRAWAL OF PROPOSAL:** At any time prior to the specified proposal due date and time, a Vendor (or designated representative) may withdraw the proposal. Telegraphic (facsimile) or mailgram proposal withdrawals will not be considered.

6. **AMENDMENT OF PROPOSAL:** Receipt of a Solicitation Amendment (COP Form 207) shall be acknowledged by signing and returning the document prior to the specified proposal due date and time.

7. **PAYMENT:** The City will make every effort to process payment for the purchase of goods or services within thirty (30) calendar days after receipt of goods or services and a correct notice of amount due, unless a good faith dispute exists as to any obligation to pay all or a portion of the account. Any proposal that requires payment in less than thirty (30) calendar days shall not be considered.

8. **NEW:** All items shall be new, unless otherwise stated in the specifications.

9. **DISCOUNTS:** Payment discount periods will be computed from the date of receipt of material/service or correct invoice, whichever is later, to the date Buyer's payment is mailed. Unless freight and other charges are itemized, any discount provided will be taken on full amount of invoice. Payment discounts of thirty (30) calendar days or more will be deducted from the proposal price in determining the low bid. However, the Buyer shall be entitled to take advantage of any payment discount offered by the Vendor provided payment is made within the discount period.

10. **TAXES:** The City of Peoria is exempt from Federal Excise Tax, including the Federal Transportation Tax. Sales tax, if any, shall be indicated as a separate item.

11. **VENDOR REGISTRATION:** After the award of a contract, the successful Vendor shall have a completed Vendor Registration Form (COP Form 200) on file with the City of Peoria Materials Management Division.

12. **AWARD OF CONTRACT:**

    a. Unless the Offeror states otherwise, or unless provided within this *Request For Proposal*, the City reserves the right to award by individual line item, by group of line items, or as a total, whichever is deemed most advantageous to the City.

    b. Notwithstanding any other provision of this *Request For Proposal*, The City expressly reserves the right to:

       (1) Waive any immaterial defect or informality: or
       (2) Reject any or all proposals, or portions thereof, or
       (3) Reissue a *Request For Proposal*.

    c. A response to a *Request For Proposal* is an offer to contract with the City based upon the terms, conditions and specifications contained in the City's *Request For Proposal* and the written amendments thereto, if any. Proposals do not become contracts unless and until they are accepted by the **City Council**. A contract is formed when written notice of award(s) is provided to the successful Offeror(s). The contract has its inception in the award document, eliminating a formal signing of a separate contract. For that reason, all of the terms and conditions of the procurement contract are contained in the *Request For Proposal*; unless modified by a Solicitation Amendment (COP Form 207) or a Contract Amendment (COP Form 217).

STANDARD TERMS AND CONDITIONS

Materials Management Procurement
9875 N. 85th Ave., 2nd Fl.
Peoria, Arizona 85345-6560
Phone: (623) 773-7115
Fax: (623) 773-7118

THE FOLLOWING TERMS AND CONDITIONS ARE AN EXPLICIT PART OF THE SOLICITATION AND ANY RESULTANT CONTRACT.

1. **CERTIFICATION:** By signature in the Offer section of the Offer and Contract Award page (COP Form 203), the Vendor certifies:
   a. The submission of the offer did not involve collusion or other anti-competitive practices.
   b. The Vendor shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246.
   c. The Vendor 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 sign the offer, or signing it with a false statement, shall void the submitted offer or any resulting contracts, and the vendor may be debarred.
2. **GRATUITIES:** The City may, by written notice to the Contractor, cancel this contract if it is found by the City that gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor, to any officer or employee of the City with a view toward securing an order, securing favorable treatment with respect to the awarding, amending, or the making of any determinations with respect to the performing of such order. In the event this contract is cancelled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Contractor the amount of the gratuity. Paying the expense of normal business meals which are generally made available to all eligible city government customers shall not be prohibited by this paragraph.
3. **APPLICABLE LAW:** In the performance of this agreement, contractors shall abide by and conform to any and all laws of the United States, State of Arizona and City of Peoria including but not limited to federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act and any other federal or state laws applicable to this agreement.

   Contractor specifically understands and acknowledges the applicability to it of the Americans with Disabilities Act, including Section 508, the Immigration Reform and Control Act of 1986, and the Drug Free Workplace Act of 1989. In addition, if this agreement pertains to construction, Contractor must also comply with A.R.S. § 34-301, as amended (Employment of Aliens on Public Works Prohibited) and A.R.S. § 34-302, as amended (Residence Requirements for Employees).

   Under the provisions of A.R.S. § 41-4401, Contractor hereby warrants to the City that Contractor and each of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal immigration laws and regulations that relate to their employees and A.R.S. § 23-214(A) (hereinafter, "Contractor Immigration Warranty").

   A breach of the Contractor Immigration Warranty shall constitute a material breach of this agreement and shall subject Contractor to penalties up to and including termination of this agreement at the sole discretion of the City. The City may, at its sole discretion, conduct random verification of the employment records of Contractor and any Subcontractors to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any random verifications performed.

   Neither Contractor nor any Subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if Contractor or the Subcontractor establishes that it has complied with the employment verification provisions prescribed by §§ 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214(A).

   The provisions of this Paragraph must be included in any contract Contractor enters into with any Subcontractors who provide services under this agreement or any subcontract. "Services" is defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

   Contractor warrants, for the term of this agreement and for six months thereafter, that is has fully complied with the requirements of the Immigration Reform and Control Act of 1986 and all related or similar legal authorities.

   This contract shall be governed by the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this contract or in statutes pertaining specifically to the City. This contract shall be governed by the laws of the State of Arizona and suit pertaining to this contract may be brought only in courts in the State of Arizona.

   This contract is subject to the provisions of ARS §38-511; the City may cancel this contract without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or

Materials Management Procurement

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creating the contract on behalf of the City or any of its departments or agencies, is at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

4. **LEGAL REMEDIES:** All claims and controversies shall be subject to resolution according to the terms of the City of Peoria Procurement Code.

5. **CONTRACT:** The contract between the City and the Contractor shall consist of (1) the Solicitation, including instructions, all terms and conditions, specifications, scopes of work, attachments, and any amendments thereto, and (2) the offer submitted by the Vendor in response to the solicitation. In the event of a conflict in language between the Solicitation and the Offer, the provisions and requirements in the Solicitation shall govern. However, the City reserves the right to clarify, in writing, any contractual terms with the concurrence of the Contractor, and such written contract shall govern in case of conflict with the applicable requirements stated in the Solicitation or the Vendor's offer. The Solicitation shall govern in all other matters not affected by the written contract.

6. **CONTRACT AMENDMENTS:** This contract may be modified only by a written Contract Amendment (COP Form 217) signed by persons duly authorized to enter into contracts on behalf of the City and the Contractor.

7. **CONTRACT APPLICABILITY:** The Offeror shall substantially conform to the terms, conditions, specifications and other requirements found within the text of this specific Solicitation. All previous agreements, contracts, or other documents, which have been executed between the Offeror and the City are not applicable to this Solicitation or any resultant contract.

8. **PROVISIONS REQUIRED BY LAW:** Each and every provision of law and any clause required by law to be in the contract will be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the contract will forthwith be physically amended to make such insertion or correction.

9. **SEVERABILITY:** The provisions of this contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the contract which may remain in effect without the invalid provision or application.

10. **RELATIONSHIP TO PARTIES:** It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor is advised that taxes or Social Security payments will not be withheld from any City payments issued hereunder and that the Contractor should make arrangements to directly pay such expenses, if any.

11. **INTERPRETATION-PAROL EVIDENCE:** This contract represents the entire agreement of the Parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this contract are hereby revoked and superseded by this contract. No representations, warranties, inducements or oral agreements have been made by any of the Parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this contact. This contract may not be changed, modified or rescinded except as provided for herein, absent a written agreement signed by both Parties. Any attempt at oral modification of this contract shall be void and of no effect.

12. **NO DELEGATION OR ASSIGNMENT:** Contractor shall not delegate any duty under this Contract, and no right or interest in this Contract shall be assigned by Contractor to any successor entity or third party, including but not limited to an affiliated successor or purchaser of Contractor or its assets, without prior written permission of the City. The City, at its option, may cancel this Contract in the event Contractor undertakes a delegation or assignment without first obtaining the City's written approval. Contractor agrees and acknowledges that it would not be unreasonable for the City to decline to approve a delegation or assignment that results in a material change to the services provided under this Contract or an increased cost to the City.

13. **SUBCONTRACTS:** No subcontract shall be entered into by the contractor with any other party to furnish any of the material, service or construction specified herein without the advance written approval of the City. The prime contractor shall itemize all sub-contractors which shall be utilized on the project. Any substitution of sub-contractors by the prime contractor shall be approved by the City and any cost savings will be reduced from the prime contractor's bid amount. All subcontracts shall comply with Federal and State laws and regulations which are applicable to the services covered by the subcontract and shall include all the terms and conditions set forth herein which shall apply with equal force to the subcontract and if the Subcontractor were the Contractor referred to herein. The Contractor is responsible for contract performance whether or not Subcontractors are used.

Materials Management Procurement

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14. **RIGHTS AND REMEDIES:** No provision in this document or in the vendor's offer shall be construed, expressly or by implication, as waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of the City to insist upon the strict performance of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, or the City's acceptance of and payment for materials or services, shall not release the Contractor from any responsibilities or obligations imposed by this contract or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of the Contract.

15. **INDEMNIFICATION:** To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, 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 acts, errors, mistakes, omissions, work or services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any 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 Contract including any employee of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable.

    The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

16. **OVERCHARGES BY ANTITRUST VIOLATIONS:** The City maintains that, in practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Contractor hereby assigns to the City any and all claims for such overcharges as to the goods and services used to fulfill the Contract.

17. **FORCE MAJEURE:** Except for payment for 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; acts of terror, hate crimes affecting public order; riots; strikes; mobilization; labor disputes; civil disorders; fire; floods; lockouts, injunctions-intervention-acts, or failures or refusals to act by government authority; events or obstacles resulting from a governmental authority's response to the foregoing; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence. The force majeure shall be deemed to commence when the party declaring force majeure notifies the other party of the existence of the force majeure and shall be deemed to continue as long as the results or effects of the force majeure prevent the party from resuming performance in accordance with this Contract.

    Force majeure shall not include the following occurrences:

    a. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences.

    b. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this Force Majeure term and Condition.

    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. If either party is delayed at any time in the progress of the work by force majeure, then the delayed party shall notify the other party in writing of such delay within forty-eight (48) hours commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand 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. The time of completion shall be extended by contract modification for a period of time equal to the time that the results or effects of such delay prevent the delayed party from performing in accordance with this contract.

18. **RIGHT TO ASSURANCE:** Whenever one party to this contract in good faith has reason to question the other party's intent to perform he may demand that the other party give a written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within five (5) days, the demanding party may treat this failure as an anticipatory repudiation of the Contract.

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19. **RIGHT TO AUDIT RECORDS:** The City may, at reasonable times and places, audit the books and records of any Contractor as related to any contract held with the City. This right to audit also empowers the City to inspect the papers of any Contractor or Subcontractor employee who works on this contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty made pursuant to Paragraph 3 above.

20. **RIGHT TO INSPECT PLANT:** The City may, at reasonable times, inspect the part of the plant or place of business of a Contractor or Subcontractor which is related to the performance of any contract as awarded or to be awarded.

21. **WARRANTIES:** Contractor warrants that all material, service or construction delivered under this contract shall conform to the specifications of this contract. Unless otherwise stated in Contractor's response, the City is responsible for selecting items, their use, and the results obtained from any other items used with the items furnished under this contract. Mere receipt of shipment of the material/service specified and any inspection incidental thereto by the City shall not alter or affect the obligations of the Contractor or the rights of the City under the foregoing warranties. Additional warranty requirements may be set forth in the solicitation.

22. **INSPECTION:** All material and/or services are subject to final inspection and acceptance by the City. Materials and/or services failing to conform to the specifications of this Contract will be held at Contractor's risk and may be returned to the Contractor. If so returned, all costs are the responsibility of the Contractor. The City may elect to do any or all:

    a. Waive the non-conformance.
    b. Stop the work immediately.
    c. Bring material into compliance.

    This shall be accomplished by a written determination for the City.

23. **TITLE AND RISK OF LOSS:** The title and risk of loss of material and/or service shall not pass to the City until the City actually receives the material or service at the point of delivery, unless otherwise provided within this Contract.

24. **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 of the Contract as a whole.

25. **DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Contractor shall deliver conforming materials in each installment of lot of this Contract and may not substitute nonconforming materials. Delivery of nonconforming materials or a default of any nature, at the option of the City, shall constitute a breach of the Contract as a whole.

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

27. **LIENS:** All materials, service or construction shall be free of all liens, and if the City requests, a formal release of all liens shall be delivered to the City.

28. **LICENSES:** Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor as applicable to this Contract.

29. **PATENTS AND COPYRIGHTS:** All services, information, computer program elements, reports and other deliverables, which may be patented or copyrighted and created under this contract are the property of the City and shall not be used or released by the Contractor or any other person except with the prior written permission of the City.

30. **PREPARATION OF SPECIFICATIONS BY PERSONS OTHER THAN CITY PERSONNEL:** All specifications shall seek to promote overall economy for the purposes intended and encourage competition and not be unduly restrictive in satisfying the City's needs. No person preparing specifications shall receive any direct or indirect benefit from the utilization of specifications, other than fees paid for the preparation of specifications.

31. **COST OF BID/PROPOSAL PREPARATION:** The City shall not reimburse the cost of developing presenting or providing any response to this solicitation. Offers submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner.

32. **PUBLIC RECORD:** All offers submitted in response to this solicitation shall become the property of the City and shall become a matter of public record available for review, subsequent to the award notification, in accordance with the City's Procurement Code. However, subsequent to the award of the contract, any information and documents obtained by the City during the course of an audit conducted in accordance with Paragraph 19 above for the purpose of determining compliance by Contractor or a Subcontractor with

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the Contractor Immigration Warranty mandated by Paragraph 3 above shall remain confidential and shall not be made available for public review or produced in response to a public records request, unless the City is ordered or otherwise directed to do so by a court of competent jurisdiction.

33. **ADVERTISING:** Contractor shall not advertise or publish information concerning this Contract, without prior written consent of the City.

34. **DELIVERY ORDERS:** The City shall issue a Purchase Order for the material and/or services covered by this contract. All such documents shall reference the contract number as indicated on the Offer and Contract Award (COP Form 203).

35. **FUNDING:** Any contract entered into by the City of Peoria is subject to funding availability. Fiscal years for the City of Peoria are July 1 to June 30. The City Council approves all budget requests. If a specific funding request is not approved, the contract shall be terminated.

36. **PAYMENT:** A separate invoice shall be issued for each shipment of material or service performed, and no payment will be issued prior to receipt of material and/or services and correct invoice.

37. **PROHIBITED LOBBYING ACTIVITIES:** The Offeror, his/her agent or representative shall not contact, orally or in any written form any City elected official or any City employee other than the Materials Management Division, the procuring department, City Manager, Deputy City Manager or City Attorney's office (for legal issues only) regarding the contents of this solicitation or the solicitation process commencing from receipt of a copy of this request for proposals and ending upon submission of a staff report for placement on a City Council agenda. The Materials Manager shall disqualify an Offeror's proposal for violation of this provision. This provision shall not prohibit an Offeror from petitioning an elected official after submission of a staff report for placement on a City Council agenda or engaging in any other protected first amendment activity after submission of a staff report for placement on a City Council agenda.

38. **PROHIBITED POLITICAL CONTRIBUTIONS**: Consultant during the term of this Agreement shall not make a contribution reportable under Title 16, Chapter 6, Article 1, Arizona Revised Statutes to a candidate or candidate committee for any city elective office during the term of this Agreement. The City reserves the right to terminate the Agreement without penalty for any violation of this provision.

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1. **Purpose:** Pursuant to provisions of the City Procurement Code, the City of Peoria, Materials Management Division intends to establish a contract for **Library Materials and Processing**.

2. **Authority:** This Solicitation as well as any resultant contract is issued under the authority of the City. No alteration of any resultant contract may be made without the express written approval of the City Materials Manager in the form of an official contract amendment. Any attempt to alter any contract without such approval is a violation of the contract and the City Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.

3. **Offer Acceptance Period:** In order to allow for an adequate evaluation, the City requires an offer in response to this Solicitation to be valid and irrevocable for ninety (90) days after the opening time and date.

4. **Eligible Agencies:** Any contract resulting from this Solicitation shall be for the use of all City of Peoria departments, agencies and boards.

5. **Cooperative Purchasing:** While this contract is for the City of Peoria, other public agencies and political subdivisions may express interest in utilizing the contract. In addition to the City of Peoria, and with approval of the contractor, this contract may be extended for use by other eligible public agencies (i.e. municipalities, school districts, nonprofit educational institutions, public health institutions, community facilities districts, and government agencies of the State). Eligible public agencies may elect to utilize the contract through cooperative purchasing (or piggybacking) on the contract and do so at their discretion. No volume is implied or guaranteed, and the contractor must be in agreement with the cooperative transaction. The Strategic Alliance for Volume Expenditures (SAVE), a group of school districts and other public agencies, have signed an intergovernmental cooperative purchase agreement to obtain economies of scale. As a member of SAVE, the City of Peoria will act as the lead agency. Any such usage by other participating public agencies must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective public agency. Potential participating public agencies (i.e. municipalities, school districts, nonprofit educational institutions, public health institutions, community facilities districts, and government agencies of the State) recognize potential equipment, logistical and capacity limitations by the contractor may limit the contractor's ability to extend use of this contract. Any orders placed to the contractor will be placed by the specific public agency participating in this purchase, and payment for purchases made under this agreement will be the sole responsibility of each participating public agency. The City of Peoria shall not be responsible for any disputes arising out of transactions made by others.

6. **Contract Type:** Fixed Price

7. **Term of Contract:** The term of any resultant contract shall commence *on the date of award* and shall continue for a period of two (2) years thereafter, unless terminated, cancelled or extended as otherwise provided herein.

8. **Contract Extension:** By mutual written contract amendment, any resultant contract may be extended for supplemental periods of up to a maximum of thirty-six (36) months.

9. **Proposal Opening:** Proposals shall be submitted no later than the due date and time indicated in the request for proposals. All information contained in the proposals shall be deemed as exempt from public disclosure based on the City's need to avoid disclosure of contents prejudicial to competing Offerors during the process of negotiation. The proposals shall not be open for public inspection until after contract award. After contract award, the successful proposal and the evaluation documentation shall be open for public inspection

10. **Discussions:** In accordance with the City of Peoria Procurement Code, after the initial receipt of proposals, discussions may be conducted with Offerors who submit proposals determined to be reasonably susceptible of being selected for award.

11. **Interview Guidelines:** During any requested interview, which would be scheduled in the future, be prepared to discuss your firm's proposal, staff assignments, project approach and other pertinent information. The presentation shall be approximately 30 minutes, allowing 15 minutes for a question and answer session. The Consultant's Project/Team Manager shall lead the presentation team and answer questions on behalf of the Consultant. If work involves a major sub-consultant, the firms Project/Team Manager's presence may also be requested (by the City) at the interview.

12. **Price Adjustment:** The City of Peoria Purchasing Office will review fully documented requests for price increases after

any contract has been in effect for two (2) years. Any price increase adjustment will only be made at the time of contract extension and will be a factor in the extension review process. The City of Peoria Materials Management Division will determine whether the requested price increase or an alternate option, is in the best interest of the City. Any price adjustment will be effective upon the effective date of the contract extension.

13. **Price Reduction:** A price reduction adjustment may be offered at any time during the term of a contract and shall become effective upon notice.

14. **Affirmative Action Report:** It is the policy of the City of Peoria that suppliers of goods or services to the City adhere to a policy of equal employment opportunity and demonstrate an affirmative effort to recruit, hire, and promote regardless of race, color, religion, gender, national origin, age or disability. The City of Peoria encourages diverse suppliers to respond to solicitations for products or services.

15. **Performance Warranty:** Contractor warrants that the services rendered in performance will conform to the requirements and to the highest professional standards of the industry.

16. **Permits and Approvals:** Contractor agrees and undertakes to obtain necessary permits and approvals from all local, state and federal authorities for the project.

17. **Inspection:** All work shall be subject to inspection, surveillance, and test by the City at reasonable times during the performance. The Contractor shall provide and maintain an inspection system which is acceptable to the City.

18. **Investigation of Conditions:** The Contractor warrants and agrees familiarity of the work that is required, is satisfied as to the conditions under which is performed and enters into this contract based upon the Contractor's own investigation.

19. **Acceptance:** Determination of the acceptability of work shall be completed in a responsive and professional manner and in accordance with the specifications, schedules, or plans, which are incorporated in the Scope of Work.

20. **Invoices:** The Contractor shall submit invoices to the City of Peoria Accounts Payable Department, 8401 W. Monroe St, Peoria AZ 85345. Invoices may also be submitted electronically to accountspayable@peoriaaz.gov.

39. **Payments:** A separate invoice shall be issued for each shipment of material or service performed, and no payment will be issued prior to receipt of material and/or services and correct invoice.

21. **Shipping Terms:** Prices shall be F.O.B. Destination to the delivery location designated herein. Contractor shall retain title and control of all goods until they are delivered and the contract of coverage has been completed. All risk of transportation and all related charges shall be the responsibility of the contractor. All claims for visible or concealed damage shall be filed by the contractor. The City will notify the contractor promptly of any damaged goods and shall assist the contractor in arranging for inspection.

22. **Insurance Requirements:** The Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of A-, or approved unlicensed in the State of Arizona with policies and forms satisfactory to the City.

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

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

    Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the City.

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

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

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

The insurance policies, except Workers' Compensation and Professional Liability, required by this Contract, shall name the City, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

23. **Required Insurance Coverage:**

a. Commercial General Liability

Contractor shall maintain Commercial General Liability insurance with a limit of not less than $1,000,000 for each occurrence with a $2,000,000 Products/Completed Operations Aggregate and a $2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00011207 or any replacements thereof. The coverage shall not exclude X, C, U.

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

The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form B, CG 20370704, and shall include coverage for Contractor's operations and products and completed operations.

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

b. Automobile Liability

Contractor shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than $1,000,000 each occurrence with respect to the Contractor's any owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work. Coverage will be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00010306, or any replacements thereof). Such insurance shall include coverage for loading and off-loading hazards. If hazardous substances, materials or wastes are to be transported, MCS 90 endorsement shall be included and $5,000,000 per accident limits for bodily injury and property damage shall apply.

c. Workers' Compensation

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

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

d. Professional Liability

The Contractor retained by the City to provide the work or service required by this Contract will maintain Professional Liability insurance covering acts, errors, mistakes and omissions arising out of the work or services performed by the Contractor, or any person employed by the Contractor, with a limit of not less than $1,000,000 each claim.

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

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

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

All Certificates of Insurance required by this Contract shall be identified with a bid or contract number and title of the project.

25. **Cancellation and Expiration Notice:** Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the City.

26. **Independent Contractor:**

a. General

i. The Contractor acknowledges that all services provided under this Agreement are being provided by him as an independent contractor, not as an employee or agent of the City Manager or the City of Peoria.

ii. Both parties agree that this Agreement is nonexclusive and that Contractor is not prohibited from entering into other contracts nor prohibited from practicing his profession elsewhere.

b. Liability

i. The City of Peoria shall not be liable for any acts of Contractor outside the scope of authority granted under this Agreement or as the result of Contractor's acts, errors, misconduct, negligence, omissions and intentional acts.

c. Other Benefits

The Contractor is an independent contractor, therefore, the City Manager will not provide the Contractor with health insurance, life insurance, workmen's compensation, sick leave, vacation leave, or any other fringe benefits. Further, Contractor acknowledges that he is exempt from coverage of the Comprehensive Benefit and Retirement Act (COBRA). Any such fringe benefits shall be the sole responsibility of Contractor.

27. **Key Personnel:** It is essential that the Contractor provide adequate experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this contract. The Contractor must agree to assign specific individuals to the key positions.

a. The Contractor agrees that, once assigned to work under this contract, key personnel shall not be removed or replaced without written notice to the City.

b. If key personnel are not available for work under this contract for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the work than initially anticipated, the Contractor shall immediately notify the City, and shall, subject to the concurrence of the City, replace such personnel with personnel of substantially equal ability and qualifications.

28. **Estimated Quantities:** This solicitation references quantities as a general indication of the needs of the City. The City

anticipates considerable activity resulting from contracts that will be awarded as a result of this solicitation; however, the quantities shown are estimates only and the City reserves the right to increase or decrease any quantities actually acquired.

No commitment of any kind is made concerning quantities and that fact should be taken into consideration by each potential contractor.

29. **Confidential Information:**

    a. If a person believes that a bid, proposal, offer, specification, or protest contains information that should be withheld, a statement advising the Materials Manager of this fact shall accompany the submission and the information shall be identified.

    b. The information identified by the person as confidential shall not be disclosed until the Materials Manager makes a written determination.

    c. The Materials Manager shall review the statement and information and shall determine in writing whether the information shall be withheld.

    d. If the Materials Manager determines to disclose the information, the Materials Manager shall inform the bidder in writing of such determination.

30. **Confidentiality of Records:** The contractor shall establish and maintain procedures and controls that are acceptable to the City for the purpose of assuring that information contained in its records or obtained from the City or from others in carrying out its functions under the contract shall not be used or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the contract. Persons requesting such information should be referred to the City. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of contractor as needed for the performance of duties under the contract.

31. **Multiple Awards:** In order to assure that any ensuing contracts will allow the City to fulfill current and future requirements, the City reserves the right to award contracts to multiple companies. The actual utilization of any contract will be at the sole discretion of the City. The fact that the City may make multiple awards should be taken into consideration by each potential contractor.

32. **Identity Theft Prevention:** The Contractor shall establish and maintain Identity Theft policies, procedures and controls for the purpose of assuring that "personal identifying information," as defined by A.R.S. § 13-2001(10), as amended, contained in its records or obtained from the City or from others in carrying out its responsibilities under the Contract, is protected at all times and shall not be used by or disclosed to unauthorized persons. Persons requesting such information should be referred to the City. Contractor also agrees that any "personal identifying information" shall not be disclosed other than to employees or officers of Contractor as needed for the performance of duties under the Contract. Contractor agrees to maintain reasonable policies and procedures designed to detect, prevent and mitigate the risk of identity theft. Contractor is required under this contract to review the City of Peoria's Identity Theft Program and to report to the Program Administrator any Red Flags as defined within that program. At a minimum, the contractor will have the following Identity Theft procedures in place:

    a. Solicit and retain only the "personal identifying information" minimally necessary for business purposes related to performance of the Contract.

    b. Ensure that any website used in the performance of the contract is secure. If a website that is not secure is to be used, the City shall be notified in advance before any information is posted. The City reserves to right to restrict the use of any non-secure websites under this contract.

    c. Ensure complete and secure destruction of any and all paper documents and computer files at the end of the contracts retention requirements.

    d. Ensure that office computers are password protected and that computer screens lock after a set period of time.

    e. Ensure that offices and workspaces containing customer information are secure.

    f. Ensure that computer virus protection is up to date

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33. **Ordering Process:** Upon award of a contract by the City of Peoria, Materials Management Division may procure the specific material and/or service awarded by the issuance of a purchase order to the appropriate contractor. The award of a contract shall be in accordance with the City of Peoria Procurement Code and all transactions and procedures required by the Code for public bidding have been complied with. A purchase order for the awarded material and/or service that cites the correct contract number is the only document required for the department to order and the contractor to deliver the material and/or service.

    Any attempt to represent any material and/or service not specifically awarded as being under contract with the City of Peoria is a violation of the contract and the City of Peoria Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.

34. **Billing:** All billing notices to the City shall identify the specific item(s) being billed and the purchase order number. Items are to be identified by the name, model number, and/or serial number most applicable. Any purchase/delivery order issued by the requesting agency shall refer to the contract number resulting from this solicitation.

35. **City of Peoria Business License:** Peoria City Code requires that all persons conducting business in the City of Peoria must first obtain a license. This includes businesses within the Peoria city limits, or those outside the limits who conduct business or perform services within Peoria. For business license questions or to obtain a license, please contact the City of Peoria Sales Tax & License Division at (623) 773-7160 or via email at salestax@peoriaAZ.gov.

36. **Business in Arizona:** The City will not enter contracts with foreign corporations not granted authority to transact business, or not in good standing, in the state of Arizona by the Arizona Corporation Commission. Businesses outside of Arizona may file documents to obtain a business license from the Arizona Corporation Commission. Information is available on the Arizona Corporation Commission's website at https://www.azcc.gov for more information. Businesses are cautioned the processing time can be lengthy.

37. **Samples:** Samples of items, when requested, must be submitted within 72 hours. Unless otherwise specified by the City of Peoria Materials Management Division, samples will be furnished, at no expense to the City. They must be identified as to supplier, manufacturer, part number, model number, type, grade, applicable stock number, etc. If not destroyed by testing, samples will be returned at vendor's request and expense. If no instructions are received for their return, samples will be discarded 30 days after award date.

38. **Contract Termination:** Any contract entered into as a result of this Solicitation is for the convenience of the City and as such, may be terminated without default by the City by providing a written thirty (30) day notice of termination.

39. **Cancellation:** The City reserves the right to cancel the whole or any part of this contract due to failure by the contractor to carry out any obligation, term or condition of the contract. The City will issue written notice to the contractor for acting or failing to act as in any of the following:

    a. The contractor provides material that does not meet the specifications of the contract;

    b. The contractor fails to adequately perform the services set forth in the specifications of the contract;

    c. The contractor fails to complete the work required or to furnish the materials required within the time stipulated in the contract;

    d. The contractor fails to make progress in the performance of the contract and/or gives the City reason to believe that the contractor will not or cannot perform to the requirements of the contract.

    Upon receipt of the written notice of concern, the contractor shall have ten (10) days to provide a satisfactory response to the City. Failure on the part of the contractor to adequately address all issues of concern may result in the City resorting to any single or combination of the following remedies:

    a. Cancel any contract;

    b. Reserve all rights or claims to damage for breach of any covenants of the contract;

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c. Perform any test or analysis on materials for compliance with the specifications of the contract. If the results of any test or analysis find a material non-compliant with the specifications, the actual expense of testing shall be borne by the contractor;

d. In case of default, the City reserves the right to purchase materials, or to complete the required work in accordance with the City Procurement Code. The City may recover any actual excess costs from the contractor by:

   i. Deduction from an unpaid balance;

   ii. Any combination of the above or any other remedies as provided by law.

40. **Protest Policy and Procedures:** The City of Peoria protest policy and procedures are available for review at the following public websites.

   a. The City of Peoria Protest Policy and Procedures are available online at https://www.peoriaaz.gov/government/city-law/city-code. The policy is contained within the City of Peoria Procurement Code, Chapter 26 - Administration, section 26-121. Procurement Code Protests; Informal and Formal.

   b. The specific protest procedures are contained in the Materials Management "Procurement Guidelines" and can be accessed at http://www.peoriaaz.gov/procurement.

SCOPE OF WORK

Solicitation Number: **P22-0029**

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I. Intent:

The City of Peoria intends to contract with a qualified and experienced vendor or vendors to provide quality printed and non-print library materials for the Peoria Public Library System.

Offerors should respond to as many areas in the scope of work as possible. If a vendor does not provide a particular product line, please "deviate" or "no bid" that item. The City of Peoria will consider all offers; however, vendors with the ability to supply multiple product lines are preferred.

Offerors shall indicate pricing as a percent discount off List Price.

The scope of work and requirements define the quality and characteristics of the desired materials and application. They are based upon specifications for known acceptable manufacturers, processes, materials and/or brands. They are not intended to be exclusive or restrictive.

For fiscal year 2022, Peoria Public Library System budgeted $209,000.00 for library materials and plans to spend 100% of it. This information is provided as an aid to vendors in preparing proposals only. It is not to be considered a guarantee of volume under this RFP. The successful offeror(s) discount and pricing schedule shall apply regardless of the volume of business under the contract. The City of Peoria does not guarantee any quantity of orders.

II. **Requirements:**

A. All books must be new and unmarked.
B. Periodicals, including but not limited to magazines, journals and foreign imprints are excluded from this solicitation.
C. Contract vendor must guarantee complete satisfaction with materials delivered under the contract.
D. Contract vendor shall accept return, shipping prepaid by contract vendor, of any materials found to be unacceptable.
E. Contract vendor shall provide a broad range of library books and/or media that will support the educational and library programs of the City of Peoria.
F. Special Promotions available to contract vendor's other clients shall also be extended to the City of Peoria.
G. Contract vendor shall maintain a reasonable stock on hand of the books and media offered in order to ensure quick delivery.
H. Contract vendor shall maintain a catalog or listing of materials. Catalog or listing shall include title, edition, ISBN, price, and other information pertinent to ordering library books and media.
I. Contract vendor shall deliver materials promptly. The City of Peoria prefers that materials be delivered from stock. ***Backorders will be permitted with approval from the member***.
J. Rush delivery may be offered. "Rush" is defined as "overnight" (24-hour) delivery. Any additional charge for rush delivery shall be indicated in the offeror's proposal.
K. Contract vendor shall maintain and error rate of two percent (2%) or less in filling orders, following a sixty (60) day familiarity period.
L. Libraries in the State of Arizona are exempt from Arizona Transaction Privilege Tax (State Sales Tax) and Arizona use tax on purchase of books, electronic information and audio/visual materials. Arizona contract vendors may only charge an applicable local transaction privilege tax (city sales tax).
M. The City of Peoria Library System typically will retain a minimum of four (4) copies for high volume titles.
N. Multiple contracts may be awarded. The City of Peoria has the right to choose the contractor that best meets their requirements for any purchase.

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O. Leasing may be included in this request for proposal.

P. OCLC Subscription Service: If vendor offers this option, then the final agreement between the City and the vendor shall contain the cataloging and processing specifications as required by the City at that time.
- The bibliographic record shall be compatible in structure and content with the Resource Description and Access (RDA) standard for descriptive cataloguing designed for the digital world.
- Genre headings with tag 655 based on Library of Congress Genre/Form Terms (LCGFT).
- Item linking to bibliographic record and RFID.
- Project Management Support
- Barcode Labels
- FRID Theft Detection
- Spine Label
- J Label
- Large Print Label
- Reference Label
- Branch Label
- Teen Label
- Property Labeling
- Mylar Jacket Label Protectors
- Spine Tape Quality Trade Paperbacks

Q. Media information:
- Customized artwork including but not limited to barcode, library name and call number.
- Library quality containers.
- Hub label with barcode on all discs.

R. The City may request the vendor to provide samples of items or services offered by the vendor for further evaluation. If requested, samples will be provided at no cost to the City.

SCOPE OF WORK

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Offerors will respond to each numbered item by checking the appropriate "Comply" or "Deviate" box. "No Bid" items shall be marked as such in the appropriate "Deviate" box. Details for deviations will be listed by item number and attached to the proposal.

Requirements Checklist		Comply	Deviate*
2.1	**General Requirements**		
2.1.01	The minimum single order requirement shall be one book or one unit.	✓	
2.1.02	Contract vendor shall provide small single copy orders, upon request.	✓	
2.1.03	Contract vendor shall provide large quantities of single titles and/or multiple titles, when requested.	✓	
2.1.04	Contract vendor shall repair or replace with no obligation to the Library, any item with a defect that occurs during the warranty period, except where it is shown that the defect was caused by misuse and not by faulty manufacture.	✓	
2.1.05	Individual videos, CDs and DVDs that become damaged and/or are defective in the first twelve (12) months after receipt date shall be replaced free of charge to the Library.		✓
2.1.06	Substitutions and/or additions of titles or editions to orders shall **not** be permitted without written authorization from the ordering library staff. All unauthorized substitutions and/or additions will be returned to the contract vendor at contract vendor's expense.	✓	
2.1.07	To aid in payment processing, invoices shall include, but are not limited to the following information: "Bill to" name and address, "Ship to" name and address, City of Peoria purchase order number, title/author, quantity, list price, % of discount, discounted cost and total cost for quantity purchased.	✓	
2.2	**Ordering**		
2.2.01	Within 60 days after contract commences, each contract vendor shall strive to maintain an average fill rate of 95 percent within 30 days from date of order for current U.S. imprint items. Line items that are reordered, back-ordered, or partially filled are not considered filled.	✓	

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Requirements Checklist		Comply	Deviate*
2.2.02	Orders not filled and partials shall be reported to the ordering library system. Wherever possible, the contract vendor shall inform library staff of the availability date of non-filled and partial orders within 30 days after receipt of order. Failure to maintain acceptable fill rates for library materials may result in the contract cancellation.	✓	
2.2.03	It is preferred that the electronic ordering system shall allow library staff to enter orders and shall have full order inquiry capabilities.	✓	
2.2.04	It is preferred the contract vendor shall provide order system software and training guides/manuals at no additional cost to all library staff members choosing to place orders electronically, if applicable. Samples of software and training guide/manuals may be required at no cost.	✓	
2.2.05	It is preferred the contract vendor provide a toll-free telephone support and assistance at no extra charge as well as digital communication to all library staff members interested in ordering electronically.	✓	
2.2.06	Contract vendors must provide web-based information on their products, services, marketing information, electronic ordering, etc.	✓	
2.3	**Shipping**		
2.3.01	Library Staff shall have the option to indicate whether partial orders are to be shipped as available or held for completion. Unless the staff member authorizes partial shipments, contract vendor shall furnish the total number of copies of any individual title in one shipment and fill orders for multi-volume sets in one shipment.	✓	
2.3.02	Contract vendor shall advise ordering member by email any product not in stock, and/or any product out of print. (It is preferred, when reporting products temporarily out of stock, contract vendor shall, if possible advise the library of the anticipated delivery date.)	✓	
2.3.03	Contract vendor cancellation of orders in part or whole for materials not available, out of stock, out of print, and/or not yet published will be made by means of appropriate notations and adjustments on orders returned to the library. Contract vendors will make no shipments of cancelled materials except on the basis of a new order from the Library	✓	

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Requirements Checklist		Comply	Deviate*
2.3.04	Contract vendor shall check all shipments for accuracy and completeness, and shall maintain a minimum 98% rate for accuracy (i.e. books shipped represent the order received) and completeness (i.e. books appearing on the packing slip are shipped) throughout the life of the contract.	✓	
2.3.05	A statement must be provided with the first shipment and shall include a listing of unavailable products, out of print titles, titles out of stock indefinitely, titles out of stock temporarily, and titles not to be supplied for other reasons. This information may be included on the packing slip or invoice.	✓	
2.4	**Bindings**		
2.4.01	Bindings shall meet or exceed requirements established by the American Library Association (ALA) and Library Binding Institute (LBI), where applicable.	✓	
2.4.02	Cloth bindings for hardcover publications shall be the publisher's standard binding.	✓	
2.4.03	Library bindings for hardcover publications shall be reinforced and include reinforced juvenile publications.	✓	
2.5	**Other**		
2.5.01	Other print and non-print library materials requested but not limited to: DVDs, audio books, dictionaries, thesauri, teacher resource guides, maps, educational wall charts, and quizzes for reading programs.	✓	

*** Deviations must be listed and attached to the proposal**

2.1.05
Ingram recognizes that individual discs in a multi-disc title may be lost or damaged once the title is in circulation. Replacements for discs lost or damaged after receipt f rom Ingram may be available directly from the title's publisher. For example, Brilliance Audio Library Edition audiobooks have a guarantee of free disc and vinyl case replacements. Publisher contact information for every title is easily obtained on ipage at the Library' convenience, 24/7.

SUBMITTAL REQUIREMENTS

Solicitation Number: **P22-0029**

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I. QUESTIONS:

All questions regarding the solicitation should be sent in writing to the designated purchasing agent via email or through Messages/Opportunity Q&A on the City of Peoria's Purchasing Portal (Bonfire).

The designated purchasing agent for this solicitation is:

Terry Andersen, Contract Officer
Phone: (623) 773-7981
Email: Teresa.Andersen@peoriaaz.gov

All questions must be submitted no later than the date and time indicated on the City of Peoria's Purchasing Portal (Bonfire).

Contact with City staff, other than the designated contact person indicated in the RFP, regarding this solicitation is strictly prohibited during the proposal process.

II. PROPOSAL DUE DATE:

Proposals are due no later than **5:00 P.M**. on **November 30, 2021**, unless the RFP is otherwise extended or cancelled via formal Solicitation Amendment.

III. INSTRUCTIONS FOR PREPARING AND SUBMITTING RESPONSE:

A. Proposals shall be submitted through the City of Peoria's Purchasing Portal (Bonfire) website at https://peoriaaz.bonfirehub.com/portal under the appropriate solicitation opportunity. Submissions submitted elsewhere or under the wrong solicitation will not be considered.

B. Solicitation Amendments: Any changes to the solicitation document will be in the form of a Solicitation Amendment. Amendments are posted on the City of Peoria's Purchasing Portal (Bonfire) website at https://peoriaaz.bonfirehub.com/portal under the appropriate solicitation opportunity. Interested parties are cautioned to check the Purchasing Portal (Bonfire) for amendments prior to submitting their proposal. The City will not be held responsible if a vendor fails to receive any amendments issued.

The City shall not be responsible for any oral changes to the scope of work or specifications made by any employees or officer of the City and interested parties are cautioned not to rely on any such changes.

IV. PROPOSAL CONTENT: The following items shall be addressed in the proposal:

A. Firm & Staff Experience

- Provide a brief company history and experience including specific expertise in providing services to other libraries.
- Key personnel – indicate the assignment of a dedicated account manager who will work with the City of Peoria. Include their experience and qualifications.
- List three (3) references with projects similar in scope and size within the last five (5) years utilizing the Questionnaire sheet.

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B. Method of Approach

- Provide a description of services including order processing, inventory and speed of delivery.
- Demonstrate customer service showing company's approach to care for the customer and resolve any issues that may arise (e.g. backorders, discontinued items and customer credits).
- Complete Requirements Checklist indicating compliance or deviation.

C. Cost Considerations

Offeror is to submit pricing (in their own format). Include sufficient detail and identify any inclusions, exclusions or limitations that may apply.

- Product listing including material type and corresponding discount off list price;
- Processing pricing;
- Cataloging pricing, standard and/or optional customization. Indicate if pricing is per title or per item.
- Additional products/services available including but not limited to bundling options, lease program, conversions, etc.

D. Conformance to RFP

- Failure to provide all requested information may result in firm's proposal being rejected as non-responsive.
- Complete and return all City forms.
- Exceptions – Any exceptions to any part of the RFP must be clearly noted and identified.

V. **EVALUATION CRITERIA:** In accordance with the City of Peoria Procurement Code, awards shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the City, based upon the evaluation criteria listed below. The evaluation factors are listed in their relative order of importance.

A. Firm & Staff Experience
B. Method of Approach
C. Cost Considerations
D. Conformance to RFP

The City reserves the right to consider historic information and facts, whether gained from the Offeror's proposal, questions and answer conferences, references, or other source and the views of the evaluator(s) with prior Contract or service delivery experience with any of the Offerors, while conducting the proposal evaluations.

QUESTIONNAIRE

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Please list a minimum of three (3) owner references from similar projects whom the Materials Management Division may contact:

1. Company: Logan Library
   Contact Name: Karen Clark, Director Phone: (435) 716-9130
   Email: karen.clark@loganutah.org

2. Company: Meridian Library District
   Contact Name: Cheri Rendler, Materials Services Manager Phone: (208) 888-4451 x1751
   Email: cheri@mld.org

3. Company: Garfield County Libraries
   Contact Name: Darla Baumli, Library Collections Coordinator Phone: (907) 625-4270
   Email: dbaumli@gcpld.ogr

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Offeror acknowledges that NO changes to the City's Insurance Requirements, Indemnification and Document Use requirements will be granted, and that any changes or modifications requested may result in the offeror's proposal being rejected.

☐ Yes ☑ No *If no, give reason below*

Ingram has included notations from our Insurance Department relating to sections 22. Insurance Requirements & 23. Required Insurance Coverage on page 8 of our RFP response.

Relating to Item 23, Ingram does not purchase X,C,U coverage as our operations have no exposure to this.

SEE AGREED UPON CONTRACT TERMS

Offeror acknowledges acceptance of the City of Peoria's Standard Terms and Conditions and Special Terms and Conditions and takes no exceptions.

☐ Yes ☑ No *If no, give reason below*

Ingram has included requested changes from our Legal Department relating to the Standard Terms and Conditions on pages 2 - 5 of our RFP response.

SEE AGREED UPON CONTRACT TERMS

P22-0029 Library Materials and Services - Agreed upon Contract Terms and Conditions Revisions			
RFP Section Reference	**RFP Language**	**Proposed Changes**	**Final Language**
Standard Terms & Conditions			
3. Applicable Law	In the performance of this agreement, contractor shall abide by and conform to any and all laws of the United States, State of Arizona and City of Peoria including but not limited to federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act and any other federal or state laws applicable to this agreement. Contractor specifically understands and acknowledges the applicability to it of the Americans with Disabilities Act, including Section 508, the Immigration Reform and Control Act of 1986, and the Drug Free Workplace Act of 1990. In addition, if this agreement pertains to construction, Contractor must also comply with A.R.S. § 34-301, as amended (Employment of Aliens on Public Works Prohibited) and A.R.S. § 34-302, as amended (Residence Requirements for Employees). Under the provisions of A.R.S. §41-4401, Contractor hereby warrants to the City that Contractor and each of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal immigration laws and regulations that relate to their employees and A.R.S. § 23-214(A) (hereinafter, "Contractor Immigration Warranty"). A breach of the Contractor Immigration Warranty shall constitute a material breach of this agreement and shall subject Contractor to penalties up to and including termination of this agreement at the sole discretion of the City. The City may, at its sole discretion, conduct random verification of the employment records of Contractor and any Subcontractors to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any random verifications performed. Neither Contractor nor any Subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if Contractor or the Subcontractor establishes that it has complied with the employment verification provisions prescribed by §§ 274A and 274B of the Federal Immigration and Nationality Act and the E-verify requirements prescribed by A.R.S. §23-214(A). The provisions of this Paragraph must be included in any contract Contractor enters into with any Subcontractors who provide services under this agreement or any subcontract. "Services" is defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property. Contractor warrants, for the term of this agreement and for six months thereafter, that is has fully complied with the requirements of the Immigration Reform and Control Act of 1986 and all related or similar legal authorities. This contract shall be governed by the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this contract or as otherwise pertaining specifically to the City. This contract shall be governed by the laws of the State of Arizona and suit pertaining to this contract may be brought only in courts in the State of Arizona. This contract is subject to the provisions of ARS §38-511, the City may cancel this contract without penalty or further obligation by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or awarding the contract on behalf of the City or any of its departments or agencies, is at any time while this contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.	A breach of the Contractor Immigration Warranty shall constitute a material breach of this agreement and shall be ~~is~~ Contractor to penalties up to and including termination of this agreement at the sole discretion of the City. The ~~City may, at its sole discretion, conduct random verification of the employment records of Contractor and any Subcontractors to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any random verifications performed.~~ Neither Contractor nor any Subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if Contractor or the Subcontractor establishes that it has complied with the employment verification provisions prescribed by §§ 274A and 274B of the Federal Immigration and Nationality Act and the E-verify requirements prescribed by A.R.S. §23-214(A). The provisions of this Paragraph must be included in any contract Contractor enters into with any Subcontractors who provide services under this agreement or any subcontract. "Services" is defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property. Contractor warrants, for the term of this agreement and for six months thereafter, that is has fully complied with the requirements of the Immigration Reform and Control Act of 1986 and all related or similar legal authorities. This contract shall be governed by the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this contract or as otherwise pertaining specifically to the City. This contract shall be governed by the laws of the State of Arizona and suit pertaining to this contract may be brought only in courts in the State of Arizona. ~~We can agree to governing law but would prefer suits be restricted in venue.~~ Ingram agrees to original RFP language.	In the performance of this agreement, contractors shall abide by and conform to any and all laws of the United States, State of Arizona and City of Peoria including but not limited to federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act and any other federal or state laws applicable to this agreement. Contractor specifically understands and acknowledges the applicability to it of the Americans with Disabilities Act, including Section 508, the Immigration Reform and Control Act of 1986, and the Drug Free Workplace Act of 1990. In addition, if this agreement pertains to construction, Contractor must also comply with A.R.S. § 34-301, as amended (Employment of Aliens on Public Works Prohibited) and A.R.S. § 34-302, as amended (Residence Requirements for Employees). Under the provisions of A.R.S. §41-4401, Contractor hereby warrants to the City that Contractor and each of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal immigration laws and regulations that relate to their employees and A.R.S. § 23-214(A) (hereinafter, "Contractor Immigration Warranty"). A breach of the Contractor Immigration Warranty shall constitute a material breach of this agreement and shall subject Contractor to penalties up to and including termination of this agreement at the sole discretion of the City. The City may, at its sole discretion, conduct random verification of the employment records of Contractor and any Subcontractors to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any random verifications performed. Neither Contractor nor any Subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if Contractor or the Subcontractor establishes that it has complied with the employment verification provisions prescribed by §§ 274A and 274B of the Federal Immigration and Nationality Act and the E-verify requirements prescribed by A.R.S. §23-214(A). The provisions of this Paragraph must be included in any contract Contractor enters into with any Subcontractors who provide services under this agreement or any subcontract. "Services" is defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property. Contractor warrants, for the term of this agreement and for six months thereafter, that is has fully complied with the requirements of the Immigration Reform and Control Act of 1986 and all related or similar legal authorities. This contract shall be governed by the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this contract or as otherwise pertaining specifically to the City. This contract shall be governed by the laws of the State of Arizona and suit pertaining to this contract may be brought only in courts in the State of Arizona. This contract is subject to the provisions of ARS §38-511, the City may cancel this contract without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or awarding the contract on behalf of the City or any of its departments or agencies, is at any time while this contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.
14. Rights and Remedies:	No provision in this document or in the vendor's offer shall be construed, expressly or by implication, as waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of the City to insist upon the strict performance of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, or the City's acceptance of and payment for materials or services, shall not release the Contractor from any responsibilities or obligations imposed by this contract or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of the Contract.	No provision in this document or in the Contractor's vendor's offer shall be construed, expressed or by implication, as waiver by the City of any existing or futu re right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of the City to insist upon the strict performa nce of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, or the City's acceptance of and payment for materials or services, shall not release the Contractor from any responsibilities or obligations imposed by this contract or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performa nce of the Contract. Change 'vendor's' to 'Contractor's'	No provision in this document or in the Contractor's vendor's offer shall be construed, expressed or by implication, as waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of the City to insist upon the strict performance of any term or condition of the contractor to exercise or delay the exercise of any right or remedy provided in the contract, or by law, or the City's acceptance of and payment for materials or services, shall not release the Contractor from any responsibilities or obligations imposed by this contract or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of the Contract.
15. Indemnification:	To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, 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 acts, errors, mistakes, omissions, work or services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any 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 of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable. The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.	To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, 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 acts, errors, mistakes, omissions, work or services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any 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 Contract including any employee of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable. The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.	To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, 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 acts, errors, mistakes, omissions, work or services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any 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 the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable. The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.
16. Overcharges by Antitrust Violations:	The City maintains that, in practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Contractor hereby assigns to the City any and all claims for such overcharges as to the goods and services used to fulfill the Contract.	The City maintains that, in practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Contractor hereby assigns to the City any and all claims Contractor has for such overcharges as to the goods and services used to fulfill the Contract. Add 'Contractor has'.	The City maintains that, in practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Contractor hereby assigns to the City any and all claims Contractor has for such overcharges as to the goods and services used to fulfill the Contract. Add 'Contractor has'.
17. Force Majeure	Except for payment for 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 reasons 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; acts of terror; take crimes affecting public order; riots; strikes; mobilization; labor disputes; civil disorders; fire; floods; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; events or obstacles resulting from a governmental authority's response to the foregoing; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence. The force majeure shall be deemed to commence when the party declaring force majeure notifies the other party of the existence of the force majeure and shall be deemed to continue as long as the results or effects of the force majeure prevent the party from resuming performance in accordance with this Contract. Force majeure shall not include the following occurrences: a. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, an overcold condition of the manufacturer, inefficiencies, or similar occurrences. b. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with the Force Majeure term and Condition. 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. If either party is delayed at any time in the progress of the work by force majeure, then the delayed party shall notify the other party in writing of such delay within forty-eight (48) hours commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand 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. The time of completion shall be extended by contract modification for a period of time equal to the time that the results or effects of such delay prevent the delayed party from performing in accordance with this contract.	Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; acts of terror; take crimes affecting public order; riots; strikes; mobilization; labor disputes; civil disorders; epidemics and pandemics; fire; floods; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; events or obstacles resulting from a governmental authority's response to the foregoing; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence. Add 'epidemics and pandemics'	Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; acts of terror; take crimes affecting public order; riots; strikes; mobilization; labor disputes; civil disorders; epidemics and pandemics; fire; floods; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; events or obstacles resulting from a governmental authority's response to the foregoing; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

19. Right to Audit Records	The City may, at reasonable times and places, audit the books and records of any Contractor as related to any contract held with the City. This right to audit also empowers the City to inspect the papers of any Contractor or Subcontractor employee who works on this contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty made pursuant to Paragraph 3 above.	~~The City may, at reasonable times and places, audit the books and records of any Contractor as related to any contract held with the City. This right to audit also empowers the City to inspect the papers of any Contractor or Subcontractor employee who works on this contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty made pursuant to Paragraph 3 above. Contractor shall maintain, during the term of this Agreement and for at least two (2) year thereafter,~~ ~~records sufficient to demonstrate Contractor's compliance with its obligations under the~~ ~~Agreement (upon reasonable advance notice, City may request, once per calendar year that City~~ ~~engage Ingram Industries Inc.'s (Ingram) in-house Audit Department to perform specified procedures~~ ~~or statements by City. Such procedures will be performed in accordance with attestation standards~~ ~~established by the American Institute of Certified Public Accountants ("Agreed Upon Procedures") and~~ ~~will be related to Contractor's compliance with its reporting and payment obligations under this~~ ~~Agreement. Ingram shall receive fifteen (15) calendar days prior to the date of the request, and provide a written response to~~ ~~City. In the event that City is not satisfied with such procedures for any reason, City may, at its discretion,~~ ~~engage PricewaterhouseCoopers, LLP, Ingram's current independent public accounting firm, (or if~~ ~~such firm is no longer available, as a independent public accounting firm reasonably acceptable to both~~ ~~parties) to conduct Agreed Upon Procedures related to Contractor's obligations under this Agreement~~ ~~in connection with such inspection. If in the written opinion of such auditor there has been an~~ ~~overpayment by City of more than five percent (5%) of the total amounts due during the previous~~ ~~twelve month period, Contractor~~ ~~shall pay the reasonable costs of such audit in addition to promptly paying such amounts. (For clarity,~~ ~~any discrepancy in invoice amounts paid to or from other party and amounts shown to be due by such~~ ~~audit shall be promptly payable, whether or not equal to five percent (5%) of total amounts during the~~ ~~previous twelve month period.) Ingram agrees to original RFP language with the addition of: "(Limit~~ ~~Penetrate right to request an audit annually.)"	The City may, at reasonable times and places, audit the books and records of any Contractor, no more than once per year as related to any contract held with the City. This right to audit also empowers the City to inspect the papers of any Contractor or Subcontractor employee who works on this contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty made pursuant to Paragraph 3 above.
20. Right To Inspect Plant	The City may, at reasonable times, inspect the part of the plant or place of business of a Contractor or Subcontractor which is related to the performance of any contract as awarded or to be awarded.	Ingram requires a minimum 72-hour notice for warehouse visits to be scheduled. Visits are conducted during normal business hours, 8:00 a.m. – 5:00 p.m. CST. This preferred range is 1:00 p.m.-3:00 p.m. local time. For safety and security reasons, all tours, regardless of the guide, must be scheduled in advance. SA personnel should contact your Sr. Sales Representative to arrange a tour of our picking and packing area of the ingram designated distribution center for your project. Due to the confidential nature of our business processes and equipment, photography is not allowed.	City will investigate inspection guidelines.
RFP Section Reference	**RFP Language**	**Proposed Changes**	**Final Language**
Special Terms & Conditions			
22. Insurance Requirements:	The City reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and endorsements. The City shall not be obligated, however, to review same or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of the City's right to insist on, strict fulfillment of Contractor's obligations under this Contract.	The City reserves the right to reasonably request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and endorsements. Add 'reasonably'. Ingram prefers to not provide physical policies unless absolutely necessary.	The City reserves the right to reasonably request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and endorsements. Add 'reasonably'. Ingram prefers to not provide physical policies unless absolutely necessary.
	The insurance policies, except Workers' Compensation and Professional Liability, required by this Contract, shall name the City, its agents, representatives, officers, directors, officials and employees as Additional Insureds.	shall / name include the City, its agents, etc. This is not required as long as Peoria is willing to accept blanket endorsements. Ingram agrees to original RFP language.	The insurance policies, except Workers' Compensation and Professional Liability, required by this Contract, shall name the City, its agents, representatives, officers, directors, officials and employees as Additional Insureds.
23. Required Insurance Coverage:	a. Commercial General Liability		
	Contractor shall maintain Commercial General Liability insurance with a limit of not less than $1,000,000 for each occurrence with a $2,000,000 Products/Completed Operations Aggregate and a $2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Services Office, Inc. Policy Form CG 00011207 or any replacements thereof. The coverage shall not exclude X, C, U. Each policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, nor any provision which would serve to limit third party action over claims. The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured Form B, CG 20370704, and shall include coverage for Contractor's operations and products and completed operations. Any Contractor subletting any part of the work, services or operations awarded to the Contractor shall purchase and maintain, at all times during prosecution of the work, services or operations under this Contract, an Owner's and Contractor's Protective Liability insurance policy for bodily injury and property damage, including death, which may arise in the prosecution of the Contractor's work, services or operations under the Contract. Coverage shall be on an occurrence basis with a limit not less than $1,000,000 per occurrence, and the policy shall be issued by the same insurance company that issues the Contractor's Commercial General Liability insurance.	The coverage shall not exclude X, C, U. Ingram does not purchase X,C,U coverage as our operations have no exposure to this. Ingram agrees to original RFP language.	Contractor shall maintain Commercial General Liability insurance with a limit of not less than $1,000,000 for each occurrence with a $2,000,000 Products/Completed Operations Aggregate and a $2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Services Office, Inc. Policy Form CG 00011207 or any replacements thereof. The coverage shall not exclude X, C, U. Each policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, nor any provision which would serve to limit third party action over claims. The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form B, CG 20370704, and shall include coverage for Contractor's operations and products and completed operations. Any Contractor subletting any part of the work, services or operations awarded to the Contractor shall purchase and maintain, at all times during prosecution of the work, services or operations under this Contract, an Owner's and Contractor's Protective Liability insurance policy for bodily injury and property damage, including death, which may arise in the prosecution of the Contractor's work, services or operations under this Contract. Coverage shall be on an occurrence basis with a limit not less than $1,000,000 per occurrence, and the policy shall be issued by the same insurance company that issues the Contractor's Commercial General Liability insurance.

Peoria, Arizona

Library Materials and Processing
Solicitation No: P22-0029

Due Date: Tuesday, November 30, 2021
Time: 5:00 p.m. MST

Submitted By:

One Ingram Blvd.
La Vergne, TN 37086-1986
www.ingramcontent.com
Federal ID # 62-1746696

INGRAM

November 24, 2021

City of Peoria
ATTN: Terry Andersen, Purchasing Agent
9875 N. 85th Ave., 2nd Fl.
Peoria, Arizona 85345-6560

Re: Solicitation No. P22-0029, Library Materials and Processing
Due: November 30, 2021 5:00pm MST

Dear Ms. Andersen:

Thank you for including Ingram Library Services LLC in your search for a vendor to fulfill Library Materials and Processing for the Peoria Public Library System (PBLS). We welcome this opportunity to present our proposal to continue our partnership with your libraries.

As an **Ingram Content Group** company, we have the full range of content and value-added services to truly offer "one-stop shopping" for our library customers. With over five decades of experience in distribution, we serve libraries with a wide range of collection development, cataloging and processing services that are guaranteed to enhance your collections and please your staffs and patrons. Our goal is to continue to partner with PBLS to help support your mission to your patrons.

Please provide a copy of the resulting bid tabulations to ilsbids@ingramcontent.com.

Ingram staff members are readily available to provide any additional information you may request, and to further discuss Ingram's current and developing strategy for content and service delivery. Should you have any questions regarding Ingram's proposal, please feel free to contact Regina Dunlap, Contract Management Specialist at (800) 937-5300, extension 35736. She may also be reached by email at ilsbids@ingramcontent.com or by fax at (615) 213-5196.

Best Regards,

Pamela R. Smith
Vice President and General Manager

PRS/rd

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STANDARD TERMS AND CONDITIONS

Ingram has read and understands the Standard Terms and Conditions. We would like to request changes to the following specific items:

3. APPLICABLE LAW: In the performance of this agreement, contractors shall abide by and conform to any and all laws of the United States, State of Arizona and City of Peoria including but not limited to federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act and any other federal or state laws applicable to this agreement.

Contractor specifically understands and acknowledges the applicability to it of the Americans with Disabilities Act, including Section 508, the Immigration Reform and Control Act of 1986, and the Drug Free Workplace Act of 1989. In addition, if this agreement pertains to construction, Contractor must also comply with A.R.S. § 34-301, as amended (Employment of Aliens on Public Works Prohibited) and A.R.S. § 34-302, as amended (Residence Requirements for Employees).

Under the provisions of A.R.S. § 41-4401, Contractor hereby warrants to the City that Contractor and each of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal immigration laws and regulations that relate to their employees and A.R.S. § 23-214(A) (hereinafter, "Contractor Immigration Warranty").

A breach of the Contractor Immigration Warranty shall constitute a material breach of this agreement and shall subject Contractor to penalties up to and including termination of this agreement at the sole discretion of the City. ~~The City may, at its sole discretion, conduct random verification of the employment records of Contractor and any Subcontractors to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any random verifications performed.~~ See Audit Provisions

Neither Contractor nor any Subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if Contractor or the Subcontractor establishes that it has complied with the employment verification provisions prescribed by §§ 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214(A).

The provisions of this Paragraph must be included in any contract Contractor enters into with any Subcontractors who provide services under this agreement or any subcontract. "Services" is defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

Contractor warrants, for the term of this agreement and for six months thereafter, that is has fully complied with the requirements of the Immigration Reform and Control Act of 1986 and all related or similar legal authorities.

This contract shall be governed by the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this contract or in statutes pertaining specifically to the City. This contract shall be governed by the laws of the State of Arizona ~~and suit pertaining to this contract may be brought only in courts in the State of Arizona.~~ We can agree to governing law but would prefer not to be restricted in venue.

This contract is subject to the provisions of ARS §38-511; the City may cancel this contract without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City or any of its departments or agencies, is at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

14. RIGHTS AND REMEDIES: No provision in this document or in the Contractor's ~~vendor's~~ offer shall be construed, expressly or by implication, as waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of the City to insist upon the strict performance of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, or the City's acceptance of and payment for materials or services, shall not release the Contractor from any responsibilities or obligations imposed by this contract or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of the Contract.

15. INDEMNIFICATION: To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, 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 breach of this Contract by ~~acts, errors, mistakes, omissions, work or services of~~ the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any 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 Contract including any employee of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

16. OVERCHARGES BY ANTITRUST VIOLATIONS: The City maintains that, in practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Contractor hereby assigns to the City any and all claims Contractor has for such overcharges as to the goods and services used to fulfill the Contract.

17. FORCE MAJEURE: Except for payment for 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; acts of terror, hate crimes affecting public order; riots; strikes; mobilization; labor disputes; civil disorders; epidemics and pandemics: fire; floods; lockouts, injunctions-intervention-acts, or failures or refusals to act by government authority; events or obstacles resulting from a governmental authority's response to the foregoing; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence. The force majeure shall be deemed to commence when the party

declaring force majeure notifies the other party of the existence of the force majeure and shall be deemed to continue as long as the results or effects of the force majeure prevent the party from resuming performance in accordance with this Contract.

Force majeure shall not include the following occurrences:

a. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences.
b. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this Force Majeure term and Condition.

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. If either party is delayed at any time in the progress of the work by force majeure, then the delayed party shall notify the other party in writing of such delay within forty-eight (48) hours commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand 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. The time of completion shall be extended by contract modification for a period of time equal to the time that the results or effects of such delay prevent the delayed party from performing in accordance with this eContract.

19. RIGHT TO AUDIT RECORDS: ~~The City may, at reasonable times and places, audit the books and records of any Contractor as related to any contract held with the City. This right to audit also empowers the City to inspect the papers of any Contractor or Subcontractor employee who works on this contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty made pursuant to Paragraph 3 above.~~

Contractor shall maintain, during the term of this Agreement and for at least two (2) year thereafter, records sufficient to demonstrate Contractor's compliance with its obligations under this Agreement. Upon reasonable advance notice, City may request, once per calendar year, that City engage Ingram Industries Inc.'s ("Ingram") Internal Audit department to perform specified procedures as determined by City. Such procedures will be performed in accordance with attestation standards established by the American Institute of Certified Public Accountants ("Agreed Upon Procedures") and will be related to Contractor's compliance with its reporting and payment obligations under this Agreement for the twelve (12) months prior to the date of the request and provide a written report to City. In the event that City is not satisfied with such procedures for any reason, City may, at its election, engage PriceWaterhouseCoopers, LLP, Ingram's current independent public accounting firm, (or if such firm is no longer available, an independent public accounting firm reasonably acceptable to both parties) to conduct Agreed Upon Procedures related to Contractor's obligations under this Agreement in connection with such inspection. If in the written opinion of such auditors there has been an overpayment by City of more than five percent (5%) of the total amounts due during the previous twelve-month period, Contractor shall pay the reasonable costs of such audit in addition to promptly paying such amounts. (For clarity, any discrepancy between amounts paid to or from either party and amounts shown to be due by such audit shall be promptly payable, whether or not equal to five percent (5%) of total amounts during the previous twelve month period.)

20. RIGHT TO INSPECT PLANT: ~~The City may, at reasonable times, inspect the part of the plant or place of business of a Contractor or Subcontractor which is related to the performance of any contract as awarded or to be awarded.~~

Ingram requires a minimum 72-hour notice for warehouse visits to be scheduled. Visits are conducted during normal business hours, 8:00 a.m. – 5:00 p.m. CST. The preferred timing is 1:00 p.m.-3:00 p.m. local time. For safety and security reasons, all tours, regardless of the guide, must be scheduled in advance. SA personnel should contact your Sr. Sales Representative to arrange a tour of our picking and packing areas of the Ingram-designated distribution center for your project.

Due to the confidential nature of our business processes and equipment, photography is not allowed.

SPECIAL TERMS AND CONDITIONS

Ingram has read and understands the Special Terms and Conditions. We would like to elaborate upon the following specific items:

5. Cooperative Purchasing:

Ingram pricing is based upon several factors including dollar value of commitment, actual expenditure, number of accounts and shipping locations. Ingram reserves the right to offer pricing, delivery terms, and other services to other Ingram customers based solely on Ingram management criteria. Ingram will allow Cooperative Purchasing under this contract on a case-by-case basis.

Cooperative Purchasing Freight Terms
For libraries participating under Cooperative Purchasing, shipments of 15 or more units from the primary distribution center or from the secondary distribution center qualify for Ingram-paid freight. Shipments of less than 15 units will be charged a flat $6.00 shipping fee and $1.75 surcharge. This flat fee amount or qualifying unit quantity is subject to change with notice. Items picked, packed, and shipped together count as an individual shipment. For Cooperative Purchasing accounts, Ingram reserves the right to adjust freight terms on an account-by-account basis.

20. Invoices: The Contractor shall submit invoices to the City of Peoria Accounts Payable Department, 8401 W. Monroe St, Peoria AZ 85345. Invoices may also be submitted electronically to accountspayable@peoriaaz.gov.

Ingram can provide multiple copies of invoices; they can be e-mailed or included with the shipment.

EDI Invoicing
EDI invoicing is available. We support daily or weekly summary invoices. For customers opting to receive electronic invoices, Ingram places electronic invoice files on the Ingram FTP for customer retrieval. E-invoices streamline workflow and greatly reduce the amount of effort used in the manual posting of invoices. Ingram continues to provide paper invoices to electronic invoice users.

Payment Terms
Payment terms under this contract shall be Net 30 EOM. Payment is required for invoices within these terms even when a purchase order has not been completed. Ingram does not invoice for items until they have been shipped.

While other vendors demand payment from invoice date, Ingram's terms are calculated on statement date at the end of each month. With payment due 30 days from statement date, the customer's payment is due an average of 45 days from invoice (30-59 days). Ingram reserves the right to assess a late charge on all past due invoices.

Invoice discrepancies must be reported to Ingram within 30 days of the invoice date. All discrepancy reports must include an invoice number and date of invoice. Discrepancies reported after 30 days from invoice date will not be adjusted.

For opening day collections, Ingram can store product and ship to you at an agreed upon date under the following terms. Items will be invoiced when they are moved to storage in an Ingram facility after receiving processing and cataloging services and are payable within 30 days EOM. Ownership and title of said product passes to the Library upon invoice.

21. Shipping Terms: Prices shall be F.O.B. Destination to the delivery location designated herein. Contractor shall retain title and control of all goods until they are delivered and the contract of coverage has been completed. All risk of transportation and all related charges shall be the responsibility of the contractor. All claims for visible or concealed damage shall be filed by the contractor. The City will notify the contractor promptly of any damaged goods and shall assist the contractor in arranging for inspection.

Freight Terms:
Orders will ship with Ingram-paid freight from your primary and secondary distribution centers on all shipments of 15 or more units. Shipments of less than 15 units from this distribution center will be charged a flat $6.00 shipping fee. This flat fee amount or qualifying unit quantity is subject to change with notice. Items picked, packed, and shipped together count as an individual shipment. Distribution center designation is subject to change by Ingram to provide the best service for your Library. Items receiving custom cataloging or digital processing services, or opening day collection orders may ship from a single distribution center exclusively.

Orders will ship FOB Destination. Ingram defines FOB Destination as Ingram being responsible for the products until they are delivered to the library. Once the items have been delivered, liability lies with the receiving agency.

Ingram normally ships items via UPS ground transportation. Shipping will be via best method as determined by Ingram, which may include order or account consolidation, shipping schedules or other account setting adjustments to maintain freight costs below 2% of invoice. Ingram does not currently assess any additional fees for shipping. However, given the unpredictable impact of rising oil prices, Ingram reserves the right to assess a fuel surcharge with notice.

22. Insurance Requirements: The Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of A-, or approved unlicensed in the State of Arizona with policies and forms satisfactory to the City.

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

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

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the City.

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

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

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

Ingram prefers to not provide physical policies unless absolutely necessary.

The insurance policies, except Workers' Compensation and Professional Liability, required by this Contract, shall ~~name~~ include the City, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

This is not required as long as Peoria is willing to accept blanket endorsements.

23. Required Insurance Coverage:

a. Commercial General Liability

Contractor shall maintain Commercial General Liability insurance with a limit of not less than $1,000,000 for each occurrence with a $2,000,000 Products/Completed Operations Aggregate and a $2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00011207 or any replacements thereof. ~~The coverage shall not exclude X, C, U.~~

Ingram does not purchase X,C,U coverage as our operations have no exposure to this.

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

The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form B, CG 20370704, and shall include coverage for Contractor's operations and products and completed operations.

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

b. Automobile Liability
Contractor shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than $1,000,000 each occurrence with respect to the Contractor's any owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work. Coverage will be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00010306, or any replacements thereof). Such insurance shall include coverage for loading and off-loading hazards. If hazardous substances, materials or wastes are to be transported, MCS 90 endorsement shall be included and $5,000,000 per accident limits for bodily injury and property damage shall apply.

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

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

d. Professional Liability
The Contractor retained by the City to provide the work or service required by this Contract will maintain Professional Liability insurance covering acts, errors, mistakes and omissions arising out of the work or services performed by the Contractor, or any person employed by the Contractor, with a limit of not less than $1,000,000 each claim.

24. Certificates of Insurance: Prior to commencing work or services under this Contract, Contractor shall furnish the City with Certificates of Insurance, and formal endorsements as required by the Contract, issued by Contractor's insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Contract are in full force and effect.
In the event any insurance policy(ies) required by this contract is(are) written on a “claims made” basis, coverage shall extend for two years past completion and acceptance of the Contractor's work or services and as evidenced by annual Certificates of Insurance.
If a policy does expire during the life of the Contract, a renewal certificate must be sent to the City fifteen (15) days prior to the expiration date.

All Certificates of Insurance required by this Contract shall be identified with a bid or contract number and title of the project.

SCOPE OF WORK

I. INTENT

Ingram Acknowledges

II. REQUIREMENTS

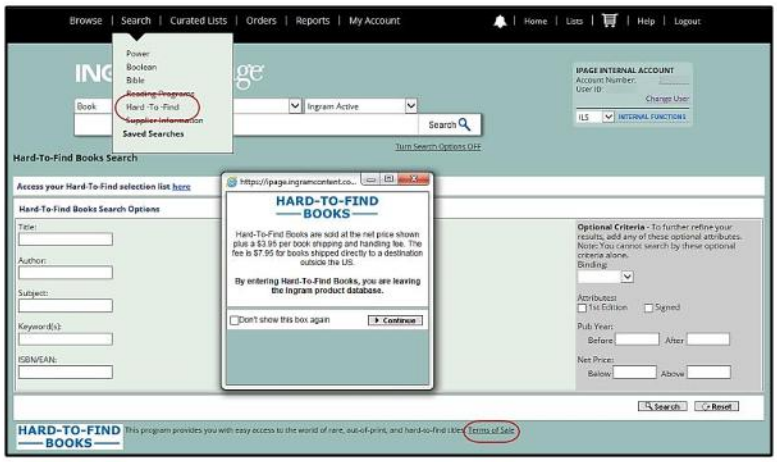
A.

All books must be new and unmarked.

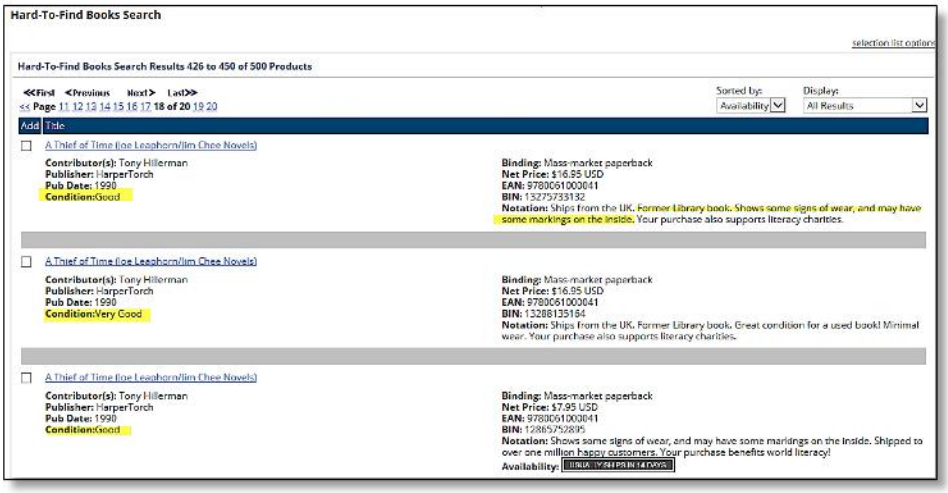
Ingram understands books are to be new and unmarked. We would like to make the Library aware of used books on ipage:

Hard-to-Find Book Service
Ingram offers an optional Hard-to-Find Books service on ipage. Ingram's partner for Hard-to-Find Books is Alibris. Alibris is a leading provider of rare, hard-to-find, and antiquarian books.

Search options include Title, Author, Subject, Keyword(s) or ISBN/EAN. You can further refine your results by adding optional attributes including Binding (Any, Hardcover or Softcover), Publication Year (before and after years) and Net Price (Below and Above price criteria.) You can also specify if you want to see only a 1st Edition or Signed copy. This service does not allow for searching for a specific copy of a title.



Books ordered through this service may be used books. When viewing available titles through ipage, the condition of the book will be listed, such as Good, Very Good, Fine, Acceptable. Notations may also include additional information on the condition of the book.



Title details for Hard-to-Find Books includes title, author, binding, condition, publisher, pub date, EAN, Net price (USD) and notation. The cover image displayed is from the ipage database and may not be the actual cover of the book you purchase from Hard-to-Find Books service. The notation may include data such as “Former Library book. Shows some signs of wear and may have some markings on the inside.”

Titles ordered under our optional Hard to Find Books Service ship from Alibris’s distribution facility, and not an Ingram warehouse. They will not combine with your Ingram orders for shipping and may have different turn times and shipping methods. These titles are sold at the net price shown, plus a $3.95 per book shipping and handling fee if shipped within the United States.

Special Terms for Hard-to-Find Books Service

- Hard to Find Books are not covered under your Ingram contract terms and discounts
- They will not receive cataloging or processing services.
- These titles will be net priced.
- No minimum order is required.
- Ingram will invoice customers for Alibris orders. These invoices will also appear on the monthly Ingram statement.
- Titles ship from Alibris’s distribution facility, and not an Ingram warehouse. They will not combine with your Ingram orders for shipping and may have different turn times and shipping methods.
- Delivery charges and freight charges will vary from your standard Ingram orders, and a $3.95 per book shipping and handling fee will be applied to each book if shipped within the United States.

B.

Periodicals, including but not limited to magazines, journals and foreign imprints are excluded from this solicitation.

Ingram understands periodicals are excluded from this Solicitation.

C.

Contract vendor must guarantee complete satisfaction with materials delivered under the contract.

Unacceptable materials may be returned under the guidelines of our Hassle-Free Returns Policy, as outlined below.

D.

Contract vendor shall accept return, shipping prepaid by contract vendor, of any materials found to be unacceptable.

Ingram has included our full returns policy provided in our response below.

E.

Contract vendor shall provide a broad range of library books and/or media that will support the educational and library programs of the City of Peoria.

Ingram's on-hand inventory represents the largest range of publishers in the wholesale distribution business today including all binding types and formats as well as university press, small press and specialty publishing houses. Ingram stocks not only new best sellers, but also the deepest inventory of midlist and backlist titles of any vendor. Ingram can provide adult, young adult, and juvenile fiction and nonfiction titles in all subjects in a variety of bindings, including trade hardcover, trade paper, mass market paper, large print, short discount and small press, university press, single library editions, publisher's library editions, graphic novels, board books, easy readers, picture books, pre-bound books, and big books.

F.

Special Promotions available to contract vendor's other clients shall also be extended to the City of Peoria.

Any special promotions announced on ipage will be available to the City of Peoria.

G.

Contract vendor shall maintain a reasonable stock on hand of the books and media offered in order to ensure quick delivery.

Our unmatched nationwide inventory of over **17,000,000 books** ensures the highest fill rates in the industry.

H.

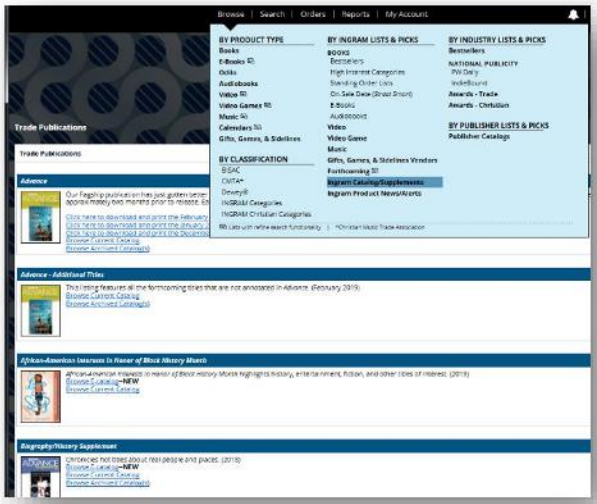
Contract vendor shall maintain a catalog or listing of materials. Catalog or listing shall include title, edition, ISBN, price, and other information pertinent to ordering library books and media.

Due to the size of our inventory and publishers represented, Ingram does not publish one all-inclusive catalog. With an ipage subscription, available at no charge to Ingram customers, libraries have access

to our most current inventory, including real time stock check. We consider ipage to be our online catalog and print catalog prices should be checked against ipage for the current price at time of order. ipage is updated nightly.

Catalogs

Ingram's comprehensive family of trade catalogs showcases forthcoming and recently published titles in an attractive and easy-to-follow layout. Our catalogs also feature relevant and timely editorial content including author interviews, merchandising tips, and product news to help librarians stay abreast of trends in the book world. For those who like to shop from their computer, online access to catalog content is available to all ipage subscribers. E-Catalogs transform existing print publications into enhanced web versions with multiple browsing options and interactive features including keyword search, zoom and magnifier functions, sticky notes, e-mail options, and easy ordering. Simply click any of the E-Catalog links on ipage to start browsing.



I.

Contract vendor shall deliver materials promptly. The City of Peoria prefers that materials be delivered from stock. ***Backorders will be permitted with approval from the member***.

After receiving an order, Ingram will ship all titles currently in stock. Any remaining titles normally available through Ingram will then be placed on backorder for a period of time specified by the Library. Continuations and Standing Order Programs require a backorder period, as titles are ordered on a pre-publication basis to allow Program customers to be the first to get these titles.

One of the parameters set at the account level is Backorder Cancellation Date. This is the number of days to wait for a backorder to be filled, and if it has not been filled by that date, Ingram cancels the order. For titles not yet published, the Library has a choice to either have these items cancel at the end of the account's established backorder period, or for the backorder clock to start only after the titles is first received by Ingram. The first option may result in a lower fill rate.

We recommend that the Library set this cancellation date to be the same on their automation system so the backorders will cancel automatically at the same time. It is up to the local automation system to delete any bibliographic records that are associated with order records that are canceled.

While we can set your accounts to not receive backorders, we do not recommend this as this setting will lessen overall fill rate.

J.

Rush delivery may be offered. "Rush" is defined as "overnight" (24-hour) delivery. Any additional charge for rush delivery shall be indicated in the offeror's proposal.

Rush Orders
Ingram defines a "rush" order as one that requires immediate turnaround and special shipping. These orders differ from a regular order in that they do not receive processing or cataloging services, are generally very small orders, and are placed with no backorders accepted.
Ingram can accept "rush" orders via toll-free telephone. All orders receive immediate online order entry, as well as instant title and stock verification. Rush orders will be shipped via UPS or other Ingram selected freight method.

Ingram does not charge additional freight for orders that ship with your regularly scheduled shipments via standard transportation. Only rush orders that require next day delivery will incur a freight charge.

It is our experience that the need for next day delivery is extremely rare with our customers. Should the Library require expedited services for an account, such as minimal processing and no cataloging on titles that require a faster turn time, we are happy to discuss your requirements and work to profile accounts as needed.

Items placed on a separate Rush account will be invoiced as shipped. If the Library profiles the account to receive no backorders, then the items in stock would ship and all other items cancel. The Library would then receive one invoice for the purchase order. Rush orders would ship from a single distribution center exclusively.
If the Library has a different definition for Rush Orders, such as items that receive cataloging and processing but that have a faster turn timer than your stated standard 30 days, we are happy to discuss how we can profile your account(s) to meet your requirements.

K.

Contract vendor shall maintain and error rate of two percent (2%) or less in filling orders, following a sixty (60) day familiarity period.

Ingram Acknowledges.

L.

Libraries in the State of Arizona are exempt from Arizona Transaction Privilege Tax (State Sales Tax) and Arizona use tax on purchase of books, electronic information and audio/visual materials. Arizona contract vendors may only charge an applicable local transaction privilege tax (city sales tax).

Ingram Acknowledges.

M.

The City of Peoria Library System typically will retain a minimum of four (4) copies for high volume titles.

Ingram Acknowledges.

N.

Multiple contracts may be awarded. The City of Peoria has the right to choose the contractor that best meets their requirements for any purchase.

Ingram Acknowledges.

O.

Leasing may be included in this request for proposal.

Ingram does not offer a traditional lease plan. Our observation is that the offer and use of lease plans by public libraries is in decline. Ingram has chosen to focus our offerings on the services and functionalities that support libraries in the most cost-effective manner, which in our experience does not include lease plans.

Libraries have found using Ingram's standing order programs in conjunction with our partnership with Better World Books is an efficient, cost effective and eco-friendly alternative to a traditional lease program. The Library could purchase multiple copies as required of all the most popular/best-selling titles and once they are no longer circulating, donate them to Better World Books (BWB) in exchange for credit with Ingram that can be used to purchase new materials. Even better, there are no commitments with this process – no monthly fees and no minimums required.

Founded in 2002, Better World Books sells the surplus books of more than 3,000 libraries and 500 bookstores on a consignment basis. A portion of each book sold funds high-impact literacy projects in the United States and around the world. In the process, Better World Books has generated millions of dollars in unrestricted funding for libraries and literacy.

With Better World Books:

- The Library collects and boxes discards and donations
- BWB supplies shipping cartons and coordinates pickup of materials
- BWB scans, inventories, and prices materials and lists them for sale

- Books are sold on BetterWorldBooks.com and 52 additional channels
- A percentage of each sale is remitted to a non-profit literacy agency selected by each library.
- A percentage of each sale is remitted to Ingram, and the proceeds of the sale are credited to individual library accounts by Ingram for use on new materials
- Unsalable items are donated or recycled – nothing gets thrown away.

With libraries facing limited physical space and reduced budgets, donating books and receiving credits for the purchase of new materials means that the Library is able to meet its goal of providing current content to its patrons. By participating in Ingram's partnership with Better World Books, the Library can serve not only their local patrons, but their donations will help promote literacy programs world-wide.

BUYING	LEASING
Utilize Ingram Standing Order Programs to automatically receive (or obtain pre-pub notification of) newly published best-sellers and, if desired, add your own title selections. No contracts required.	Enter into an annual contract for book leasing services. Receive a monthly selection list of upcoming popular, best-seller titles. Choose the desired titles from that list and order.
Receive books in shelf-ready condition based on your specifications. Pay invoices as books arrive or place funds on deposit as an annual purchase plan.	Receive books in shelf-ready condition based on your specifications – some limitations apply. Pay the book leasing contract fee (monthly, quarterly, or annually).
When circulation declines, contact BWB for shipping supplies and to coordinate the pickup of materials. BWB scans, inventories, prices materials and lists them for sale.	When circulation declines, prepare paperwork, pack and ship books to your book leasing vendor.
The returned books are sold on BetterWorldBooks.com and other channels. A percentage of each sale is remitted to a non-profit literacy agency selected by the library and a percentage of each sale is remitted to Ingram as a credit to the library for future purchases. Unsalable items are donated or recycled – nothing gets thrown away.	The returned books are used for other libraries' starter lease collections, sold in bulk, or destroyed.
The library buys more materials to make patrons happy.	The library orders more materials to make patrons happy.

P.

OCLC Subscription Service: If vendor offers this option, then the final agreement between the City and the vendor shall contain the cataloging and processing specifications as required by the City at that time.

- The bibliographic record shall be compatible in structure and content with the Resource Description and Access (RDA) standard for descriptive cataloguing designed for the digital world.
- Genre headings with tag 655 based on Library of Congress Genre/Form Terms (LCGFT).
- Item linking to bibliographic record and RFID.
- Project Management Support

- Barcode Labels
- FRID Theft Detection
- Spine Label
- J Label
- Large Print Label
- Reference Label
- Branch Label
- Teen Label
- Property Labeling
- Mylar Jacket Label Protectors
- Spine Tape Quality Trade Paperbacks

Processing

Our expertly trained processing team provides the ultimate in flexibility with more than 100 different components and unlimited customized options for books, audiobooks, DVDs, and music CDs. All processing is done in accordance with the Library's specifications, and quality control measures are in place to ensure that Library expectations are met.

Processing options include, but are not limited to:

- AR/SRC Label
- Barcode
- Branch Label
- Date Due Slip
- Genre Label
- Label Protector
- Laminated Paperback Cover
- MARC Record
- Mylar Jacket
- Pocket
- Preprogrammed RFID/Barcode Set
- Property Stamp
- RFID Tag
- Spine Label
- Spine/Pocket Label
- Spine Tape
- Audiovisual Cases
- Theft

To add processing and cataloging services, Ingram offers online enrollment through our OnBoarding portal. Our Manager of Client Integration is available to guide the Library though the portal and to answer any questions throughout the process to ensure consistency of book appearance. Included in the OnBoarding portal are questions related to both physical processing and/or MARC record needs for both books and A/V materials. Included details are physical processing rules such as label location, taping requirements, and jacketing needs. Adult and Juvenile materials can have different processing profiles if the Library prefers. We can further refine the Library's profiles based on binding of book. Using the Library's OnBoarding portal responses, our team will create a BookMARC profile for any account requiring certain kinds of labels, e.g., spine labels, or full cataloging records. Cataloging profiles can be refined by type - fiction or non-fiction - by collection - Adult, Young Adult, Juvenile,

and Easy - and by genre – Graphic Novel, Fantasy, etc. – to ensure that the Library's materials are all cataloged in accordance with what is already in the Library's ILS system.

Processing and/or cataloging is profiled on an account level, and any item ordered on an individual account will receive the appropriate processing services. We are able to change your account profile upon written notification.

BookMARC® Cataloging

Ingram provides access to full-level MARC records through BookMARC, the proprietary Ingram cataloging database. BookMARC includes the complete LC MARC database, as well as tens of thousands of entries created by Ingram's MLS-degreed catalogers.

Ingram is a trading partner with OCLC, wherein our CIP upgrades and MARC record originals are accepted by OCLC for inclusion in WorldCat.

Ingram cataloging is in accordance with the latest editions and versions of the Anglo-American Cataloging Rules/RDA, MARC21 Format, OCLC Bibliographic Formats and Standards, Library of Congress Classification Schedules, Dewey Decimal Classification, Sears List of Subject Headings, and Library of Congress Subject Headings. Ingram cataloging is consistent with LC rule interpretations and cataloging practices.

Ingram Catalogers are experienced in working with Library Technical Services and Cataloging staff to ensure that the cataloging services we perform accurately reflect the library's local standards and conventions. With Ingram, your project will be given top priority by our cataloging staff.

Ingram Library Services will send and receive samples at the beginning of the project, plus continue discussion via conference calls and email between Ingram Cataloging specialists and library staff throughout the projects to assure compliance with specifications.

If standard BookMARC cataloging does not meet the Library's needs, Ingram offers a full array of custom cataloging options. Services include:

- Searching for added copy in the Library's ILS utilizing Z39.50 protocol.
- CIP, OCLC, or other Level 5/7 records can be brought up to FULL AACR2 / RDA / MARC 21 standards to correspond with book in hand by an MLS-degreed cataloger.
- Where existing or derived records are not available, an original cataloging record can be created with book in hand by an MLS-degreed cataloger.
- Should the Library require OCLC Holdings Updates, Ingram can provide this service at no charge, utilizing OCLC Batch Load Services. Please note that OCLC charges a one-time project set-up fee, which will be the responsibility of the Library.

In addition to standard MARC records, Ingram's MLS-degreed catalogers can review and update records to meet local practice requirements. Examples include applying local exceptions to LC or Dewey classification; adding contents, summary, target audience, or local notes; and applying local subject headings or local exceptions to standard subject headings lists.

Pricing for these customized services can be provided upon receipt of the Library's technical services specifications and will be reflective of the complexity of the Library's requirements.

Q.

Media information:

- Customized artwork including but not limited to barcode, library name and call number.
- Library quality containers.
- Hub label with barcode on all discs.

In addition to the above:

Digital Processing for Audiovisual
Ingram makes digital processing easier with our exclusive one surface printing that combines all customizable labels on a single reformatted reprint. Options include library logo, spine label, barcode, branch name, special alert, contents label, and platform to name a few. This accommodating printing stimulates patrons' interest and increases circulation by featuring your library's logo and brand identity. We print to the exact size of the designated casing then trim and insert the single printed piece to match your custom profile.

R.

The City may request the vendor to provide samples of items or services offered by the vendor for further evaluation. If requested, samples will be provided at no cost to the City.

Ingram will be happy to provide processing samples upon request.

2.1 GENERAL REQUIREMENTS

2.1.01

Ingram does not require a minimum quantity for order placement.

2.1.02

Ingram can accommodate single copy order shipments.

2.1.03

Ingram's unmatched inventory allows for large quantity orders of both single titles and multiple titles.

2.1.04

Returns Policy
Ingram's Returns Policies provide for prompt and efficient resolution for reporting and returning materials that are received damaged, defective, or shipped in error.

- Ingram Customer Service associates are happy to assist with issues including shortages, damages, or defects, and to provide returns authorizations as required.

- Customer Service hours of operation are Monday through Friday, 7:00 a.m. – 7:00 p.m. (Central Time.)
- Through ipage, the Library may create Hassle-Free returns, report shortages, track status of a return, and view credit memos. ipage is available 24 hours a day, 7 days a week.

Unprocessed Print Material

Any unprocessed book ordered in good faith that is found to be damaged or unsuitable, whether it is due to Ingram's error or the Library's error, may be returned under the Hassle-Free Returns Policy.

- Unprocessed materials may be returned up to **60 days** after the invoice date.
- A copy of the Hassle-Free Returns form (the back of your packing slip or printed from ipage) should be included in each carton shipped to Ingram.
- **A return authorization number is not required for unprocessed print material.**
- Ingram will not charge a restocking fee for items returned in accordance with our Hassle-Free Returns Policy.

Product with Defects

Ingram understands that defects inside a book may not be detected until it has circulated, so there is **no timeframe for returning product with publisher defects,** including the following:

- Missing pages
- Contents out of sequence
- Book bound upside down
- Contents different than the cover/title
- Ink or printing issues
- Crooked pages
- Blank pages
- Disc does not play
- Item is received with missing or incorrect disc(s)

Please note that due to the wear and tear caused by circulation, we will only accept defective books where the binding is falling apart up to 60 days after the invoice date.

Processed Materials

Items that have received cataloging or processing per the Library's specifications are no longer in resalable condition, and therefore can only be returned due to an Ingram error or if defective or damaged.

- The Library is asked to report any cataloging and processing errors as soon as they are noticed, so that Ingram can research and resolve the issue in a timely manner.
- Processed material returns require return authorization from our Customer Care Department. To request authorization, please call **(800) 937-5300 Ext.27665**

Audiovisual Materials

Unprocessed audiovisual materials that are damaged, defective, or shipped due to Ingram error may be returned up to **60 days** after the invoice date.

- Audiovisual returns require return authorization from our Customer Care Department. To report defective or damaged product and request authorization, please call (**800) 937-5300 Ext.27665.**
- Playaway® accepts return of defective products within one year of the invoice date. The Library should contact Playaway directly.

Ingram will issue a credit for audiovisual titles received damaged or defective, including damage or defects to individual discs in a multi-disc set. If the title is currently in stock, we also offer the option to replace the entire product, rather than just the damaged discs, as Ingram does not stock individual replacement discs in our inventory.

Ingram recognizes that individual discs in a multi-disc title may be lost or damaged once the title is in circulation. Replacements for discs lost or damaged after receipt from Ingram may be available directly from the title's publisher. For example, Brilliance Audio Library Edition audiobooks have a guarantee of free disc and vinyl case replacements. Publisher contact information for every title is easily obtained on ipage at the Library' convenience, 24/7.

Non-Returnable Materials
Each publisher decides if their product is non-returnable. This may be on a product-by-product or binding-by-binding basis, or as items go out of print. Therefore, Ingram does not assign a non-returnable status to a publisher.

- Non-returnable items are indicated as such on ipage.
- Ingram cannot accept return of any product that we do not stock or items that were not originally purchased from Ingram.

Items Damaged in Shipping
For materials damaged in transit, the Library is asked to always accept delivery of materials. Damage should be noted on the carrier delivery receipt, and the Library should call our Customer Care Department for instructions on making a return.

Overstock Returns
Return of unprocessed materials sent after the 60-day window will be handled as Overstock Returns.

- Overstock returns for libraries may not exceed 10% of purchases made during the preceding 12 months.
- Overstock returns will have a 10% restocking fee applied.
- All product returned to Ingram must be in a condition that it could be resold. Therefore, we cannot accept return of processed items as overstock returns.
- Ingram reserves the right to send back, at the Library's expense, all products returned to us that is not in resalable condition.

Hard to Find Books Alibris Returns Policy
If the Library is dissatisfied for any reason with a book purchased through our Hard-to-Find Book program, you may return your purchase to the Alibris distribution center within 30 days for a full refund of purchase. Ingram reimburses shipping costs for returns only if the condition of the book is not as described on ipage.

Credit Memo
When returns meet the Hassle-free requirements and upon proper notification and receipt of the returned titles in our distribution center (if required by Ingram), the Library will be credited for the full invoiced amount for the item(s). Overstock returns will be credited at 50.0% credit. A credit memo can be emailed listing the item(s), dollar amount, and purchase order number credited. Open credits will also be reflected on the monthly statement with reference to the purchase order number.

Additional terms for credits for items with an Ingram error or that were received damaged or defective:

- Customer Care will advise the Library whether the physical product should be disposed of or returned to Ingram.
- If Ingram requires the Library to return product to our distribution center, a Call Tag will be issued to cover the freight charges for the return.
- If the Library was invoiced for freight on the original order, we will also credit freight charges, calculated at the standard UPS rate for the weight of the items returned.
- The Library is responsible for shipping and carrying charges for returned items that are not damaged, defective, or shipped with Ingram error.

Items, including EDI purchases, which are credited through our hassle-free, or overstock return process are posted as credit memos to the account. Credits can be applied on your payment, or you may reach out to your Credit Representative and have it applied directly to a specific invoice.

No Charge Replacement

As an alternate to a credit for an item that is damaged, defective, or shipped with Ingram error, libraries may call our Customer Care Department to request a No Charge Replacement (NCR)

- If a replacement title is in stock, the Customer Care Representative will either email or fax a No Charge Replacement Return Authorization form to your library.
- The Library must mail this form along with the returned item and the original packing slip for a replacement copy.
- If the Library requests a No Charge Replacement but the title is temporarily out of stock at the Library's assigned distribution centers or requires backorder, Ingram will suggest the Library receive a credit rather than an NCR and reorder the title.
- Important: For Libraries that provide enriched data as part of their orders, e.g., data that guides cataloging and processing, Ingram will issue a credit. The Library would be responsible for submitting the reorder via whatever method was used for placing the original order, such as EDI or ipage grids.

Claims

Please notify Ingram if you have not received an anticipated publication or if an order is short shipped. If an order is shipped but not delivered, claims will be directed to Customer Care to ensure tracking and credit, or replacements are handled as quickly as possible. Anticipated publications may have a delayed release; is so, it will be reflected on ipage.

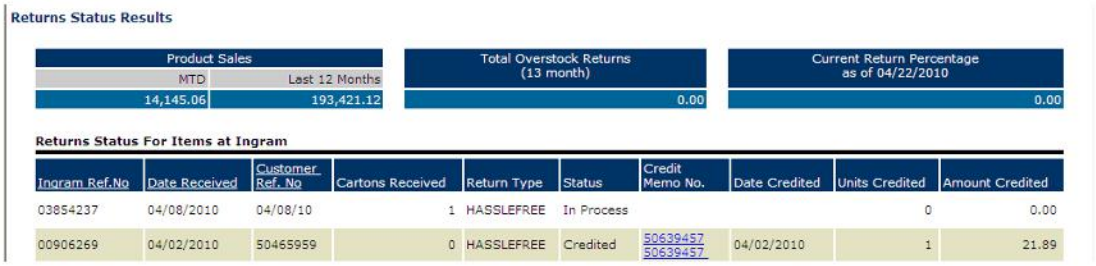
Cancellations

Ingram can currently accept cancelations through phone, mail, or fax request. The Library can also cancel individual open line items through ipage. If an entire purchase order is open and no line items have been filled, the Library may request that Customer Care cancel the purchase order in its entirety rather than the Library cancelling each title individually. This will be done at no charge to the Library.

Returns Reporting

ipage features the following returns reporting options. You can:

- Report shortages.
- Determine the date your return was received.
- See whether a return is in process.
- View credit memo information.



Returns Status Results

Product Sales		Total Overstock Returns (13 month)	Current Return Percentage as of 04/22/2010
MTD	Last 12 Months		
14,145.06	193,421.12	0.00	0.00

Returns Status For Items at Ingram

Ingram Ref.No	Date Received	Customer Ref. No	Cartons Received	Return Type	Status	Credit Memo No.	Date Credited	Units Credited	Amount Credited
03854237	04/08/2010	04/08/10	1	HASSLEFREE	In Process			0	0.00
00906269	04/02/2010	50465959	0	HASSLEFREE	Credited	50639457 50639457	04/02/2010	1	21.89

2.1.05

Ingram recognizes that individual discs in a multi-disc title may be lost or damaged once the title is in circulation. Replacements for discs lost or damaged after receipt from Ingram may be available directly from the title's publisher. For example, Brilliance Audio Library Edition audiobooks have a guarantee of free disc and vinyl case replacements. Publisher contact information for every title is easily obtained on ipage at the Library' convenience, 24/7.

2.1.06

Ingram supplies books as ordered by the Library. Binding provided is determined by the ISBN, UPC, or Ingram Title Code provided by the Library with their order. Ingram does not substitute titles unless an ISBN has been forwarded to a new edition. Only those items ordered will be shipped. When checking titles on ipage, the librarian will have access to search for alternate bindings of a title. Through ipage, the Library can also check real-time stock status of any title and get immediate information on availability.

2.1.07

Invoices

Ingram can provide multiple copies of invoices; they can be e-mailed or included with the shipment.

Ingram can provide multiple copies of invoices. Invoices can be e-mailed or included with the shipment. Ingram can mail invoices is requested. As part of Ingram's Green Initiative our preference is an electronic transmission.

Title data on invoices is listed in the following order: (1) quantity ordered and shipped, (2) author, (3) title, (4) publisher, (5) ISBN/EAN, (6) unit list price, (7) discount, (8) unit net price, and (9) extended price. Items on invoices are listed alphabetically by either the author or the title per the Library's request. All invoices have an invoice number and date, order entry number, and Ingram's Federal ID number. Library name, ship to and billing account addresses and numbers, and purchase order number (can be up to 22 characters in length) are all listed on the invoice. Order data includes shipping warehouse and location, carrier, ship date, number of cartons, and total weight of order.

Also included on the invoice is a code for each binding type. If a title is a Library Binding, it may be designated as such by the notation LIB after the title.

Ingram can invoice for cataloging and processing on the same invoice as materials or on a separate invoice, per request of the Library. Processing and cataloging charges appear as separate line items when billed on the same invoice as materials. Processing and cataloging are invoiced as accumulated charges, not individual line items per each title.

2.2 ORDERING

2.2.01

Fill Rate

Ingram's senior and executive leadership constantly monitor fill rate reports across all market segments. Ingram Library Services is proud to state initial fill rates are usually 85-90%, with a fill rate of 95 to 100% shipped or reported within 90 days, on items in Ingram's database. Fill rates for certain specific libraries are monitored periodically and we have programming in place to accurately calculate fill rate for any customer upon request. Note that our fill rate includes over **17,000,000** available titles.

Specific Numbers for Print

91.78 % shipped at time of initial order
98.92 % shipped in 60 days
99.02 % shipped in 90 days

Specific Numbers for Spoken Word

92.53 % shipped at time of initial order
99.30 % shipped in 60 days
99.44 % shipped in 90 days

Specific Numbers for DVD/Blu-ray

77.85 % shipped at time of initial order*
97.25 % shipped in 60 days
97.60 % shipped in 90 days

Ingram's average fulfillment rates listed above are for in-print library material. Fill rates were calculated for Ingram public library customers for items available through Ingram at the time of order, excluding items not yet available or not currently available from the publisher.

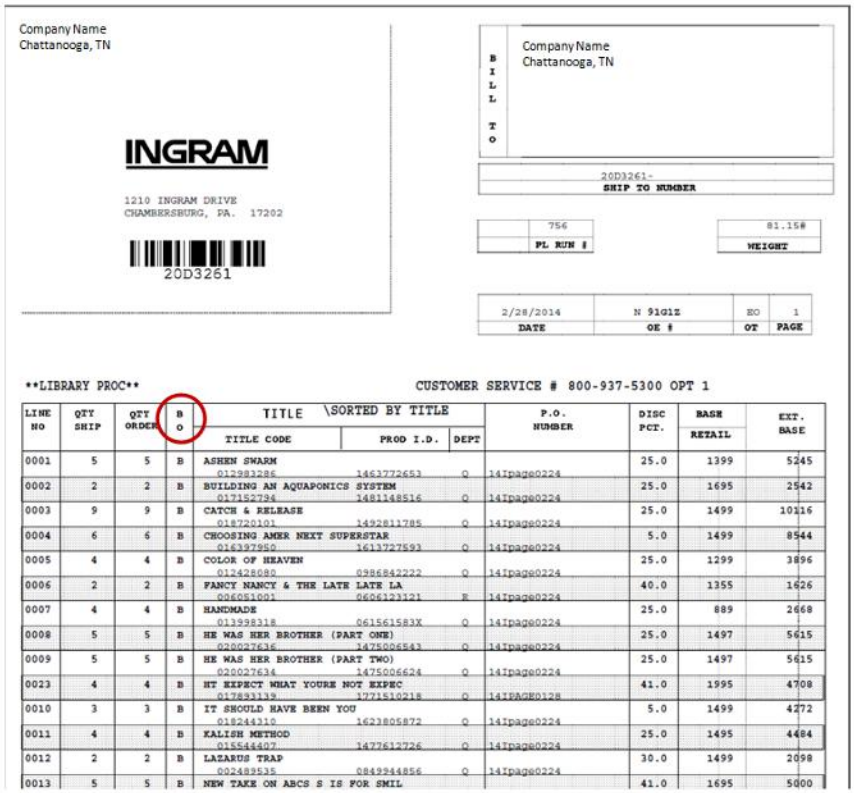
*Note that "On Order" stock for DVD titles shown on ipage reflects the inventory level in the Ingram Entertainment distribution center. Upon order, they are received in our distribution center in 24 hours.

2.2.02

Status Reports

Status Reports provided by Ingram include our Packing Slip and our Title Status Report.

The packing slip will supply you with the status of any book shipped, backordered, or is out of print. The packing slip will be alphabetized by title. Titles that were not included in the initial shipment will have a "B" in the "BO" column if they have been backordered. An "S/W" will identify those titles that will be shipped from your secondary distribution center.



Company Name
Chattanooga, TN

INGRAM

1210 INGRAM DRIVE
CHAMBERSBURG, PA. 17202

20D3261

BILL TO
Company Name
Chattanooga, TN

20D3261-
SHIP TO NUMBER

756
PL RUN #

81.15#
WEIGHT

2/28/2014 | N 91G1Z | EO | 1
DATE | OE # | OT | PAGE

LIBRARY PROC CUSTOMER SERVICE # 800-937-5300 OPT 1

LINE NO	QTY SHIP	QTY ORDER	B O	TITLE \SORTED BY TITLE / TITLE CODE	PROD I.D.	DEPT	P.O. NUMBER	DISC PCT.	BASE RETAIL	EXT. BASE
0001	5	5	B	ASHEN SWARM	012983286 1463772653	Q	14Ipage0224	25.0	1399	5245
0002	2	2	B	BUILDING AN AQUAPONICS SYSTEM	017152794 1481148516	Q	14Ipage0224	25.0	1695	2542
0003	9	9	B	CATCH & RELEASE	018720101 1492811785	Q	14Ipage0224	25.0	1499	10116
0004	6	6	B	CHOOSING AMER NEXT SUPERSTAR	016397950 1613727593	Q	14Ipage0224	5.0	1499	8544
0005	4	4	B	COLOR OF HEAVEN	012428080 0986842222	Q	14Ipage0224	25.0	1299	3896
0006	2	2	B	FANCY NANCY & THE LATE LATE LA	006051001 0606123121	E	14Ipage0224	40.0	1355	1626
0007	4	4	B	HANDMADE	013998318 061561583X	Q	14Ipage0224	25.0	889	2668
0008	5	5	B	HE WAS HER BROTHER (PART ONE)	020027636 1475006543	Q	14Ipage0224	25.0	1497	5615
0009	5	5	B	HE WAS HER BROTHER (PART TWO)	020027634 1475006624	Q	14Ipage0224	25.0	1497	5615
0023	4	4	B	HT EXPECT WHAT YOURE NOT EXPEC	017893139 1771510218	Q	14IPAGE0128	41.0	1995	4708
0010	3	3	B	IT SHOULD HAVE BEEN YOU	018244310 1623805872	Q	14Ipage0224	5.0	1499	4272
0011	4	4	B	KALISH METHOD	015644407 1477612726	Q	14Ipage0224	25.0	1495	4484
0012	2	2	B	LAZARUS TRAP	002489535 0849944856	Q	14Ipage0224	30.0	1499	2098
0013	5	5	B	NEW TAKE ON ABCS S IS FOR SMIL				41.0	1695	5000

The Title Status Report is sent to customers monthly. This report will provide you with current backorder status information as well as indicate which titles could not be supplied within your normal backorder period. Listed below are the most frequently used stock abbreviations that will appear on the Title Status Report:

B/O	=	Out of stock at this time and on backorder for you
NLS	=	Title is no longer stocked by Ingram
NYR	=	Title is not yet received by Ingram into the distribution center
OSI	=	Out of stock indefinitely by the publisher
PPD	=	Title has been postponed by the publisher
OP	=	Title is now out of print at the publisher
CANC	=	Title has been cancelled at this time by the publisher

Sample Ingram Title Status Report

INGRAM
INGRAM LIBRARY SERVICES INC.

TITLE STATUS REPORT

Anywhere Library
123 Your Street
Happy Town, TN 12345

Date 02/01/2019 ****
Page 1

BILLTO/SHIPTO 20v1234 / 20u5678

This monthly report advises on the status of items that are backordered. Backordered items listed below will remain backordered until the cancellation date, or shown as cancelled. NYR (Not Yet Received) items will remain on backorder for the period of the account's established backordered period beyond the date of first receipt by Ingram.

QTY ORD	Title	Author	ISBN	Publisher	Customer PO Number	Line Item PO Number	List Price	Prod Type	Whse Location	Status	Cancel Date
	THE FOLLOWING ITEMS HAVE BEEN CANCELLED:										
1	BRAVE LEARNER	BOGART JULIE	0143133225	PUTNAM	ING181018-LF-1	ING181018-LF-1	17.00	TPAP	IN	NYR	01/21/2019
1	DARWIN DEVOLVES	BEHE MICHAEL J	0062842617	HARPER C	ING181018-LF-1	ING181018-LF-1	28.99	HARD	IN	NYR	01/21/2019
1	LIQUID RULES	MIODOWNIK MARK	054485019X	HOUGHTON	ING181018-LF-1	ING181018-LF-1	26.00	HARD	IN	NYR	01/21/2019
1	RED STAR OVER THE PACIFIC 2ND	YOSHIHARA TOSHI	1682472183	U S NAVA	ING181018-LF-1	ING181018-LF-1	36.95	HARD	IN	NYR	01/21/2019
	THE FOLLOWING ITEMS WILL REMAIN ON BACKORDER UNTIL CANCELLATION DATE:										
1	LEGEND OF ZELDA BREATH OF THE	PIGGYBACK	1911015486	SIMON DI	ING181204-LM-1	ING181204-LM-1	39.99	HARD	IN	OS	03/12/2019
1	I THINK YOURE WRONG (BUT IM I	HOLLAND SARAH S	1400208416	THOMAS N	ING181228-RR-1	ING181228-RR-1	24.99	HARD	IN	NYR	
1	PAULA DEENS AIR FRYER CKBK	DEEN PAULA H	1943016070	PAULA DE	ING190110-LM-1	ING190110-LM-1	24.95	HARD	IN	BO	04/15/2019
1	WELDING COMP 2ND /E REV/E 2/E	REISSER MICHAEL	159186491X	MOTORBOO	ING190110-LM-1	ING190110-LM-1	30.00	HARD	IN	BO	04/15/2019
1	WHAT TO EAT WHEN	ROIZEN MICHAEL	1426220111	NATL GEO	ING190110-LM-1	ING190110-LM-1	28.00	HARD	IN	BO	04/15/2019

Reverse side of Title Status Report:

PRODUCT TYPE LEGEND:

TPAP - Trade paper
MPAP - Mass market paper
HARD - Hardcover
AUD - Audio
MUS - Music
MULT - Multimedia
MAPS - Maps, Calendars, Board Games

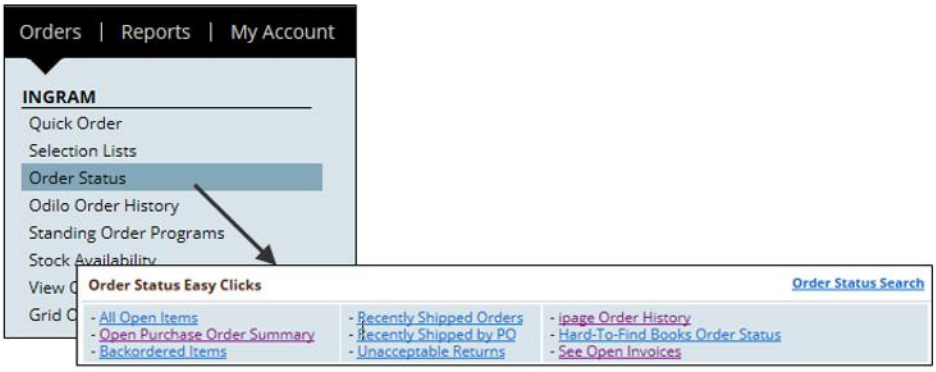
STATUS CODE LEGEND:

BO - Backordered
CANC - Cancelled
CAN1 - Cancelled: ISBN incorrect/unknown
CAN2 - Cancelled: Publisher cancelled
CAN3 - Cancelled: Out of stock
CAN4 - Cancelled: Out of stock indefinitely
CAN5 - Cancelled: Out of print
CAN6 - Cancelled: Not yet available
CAN7 - Cancelled: Not our publication
CAN8 - Cancelled: Delay in publication
CAN9 - Cancelled: Apply direct - Not available
CAN10 - Cancelled: Publisher did not respond
CAN11 - Cancelled: Via OE60 screen
IR - In research
NAI - Product unavailable through Ingram
NOP - Publisher has indicated "not our publication"
NYR - Not yet received
OS - Out of stock; Backordered
OSI - Publisher and Ingram out of stock indefinitely
OP - Cancelled; Out of print
PPD - Publisher postponed publication
PEND - Pending Alibris availability

2.2.03

Order Status Information on ipage

Order Status information is available on ipage. Under the Order drop down menu, simply click Order Status for a listing of Order Easy Clicks:



- **All Open Items -** This report shows the line items that are currently backordered or being processed and therefore have not yet been invoiced.
- **Open Purchase Order Summary -** This report shows a summary by PO Number that includes the date ordered, total units open, units in process, and units backordered. The PO Number can be clicked on to receive title-specific information.
- **Backordered Items -** This report includes the titles currently on backorder with the date ordered, the backorder cancel date, EAN, title, format, publication date, PO number, quantity, and the distribution center. You can also cancel a backordered item.
- **Recently Shipped Orders -** This report shows orders shipped within the last 14 days, with the option to view the last 90 days, including the date shipped, order entry number, and shipping tracking number. Order details can be viewed by clicking the order entry number, and delivery status can be viewed by clicking the shipping tracking number.
- **Recently Shipped by PO -** like the Recently Shipped Orders, this report shows orders shipped within the last 14 or 90 days. It is sorted by PO Number and includes the date shipped, order entry number, and shipping tracking number. Order details can be viewed by clicking the order entry number, and delivery status can be viewed by clicking the shipping tracking number.
- **Unacceptable Returns -** This report shows returns sent that were outside of Ingram's return policies.
- **ipage Order History -** This feature shows the order date and time, PO number, and the name of the person whose account login placed the order. It also provides a link to an Order Confirmation which gives a detailed summary of the order, including title, author, ISBN, whether the item is shipped or backordered, and retail price.
- **Hard-To-Find Books Order Status -** This report shows the status of any books ordered through the optional Hard-To-Find Books function on ipage.

Note: The Shipped/Invoiced Items under Order Status Search will only appear in ipage for 90 days, UNLESS the Purchase Order is still open, e.g., there are still titles on backorder or in processing. Then you may be able to search for older invoiced items.

Order Status Search
Using Order Status Search, customers can refine their search for the status of an open Purchase Order by order date range, product code, control number, invoice number, order entry number, PO number, title, or warehouse code.



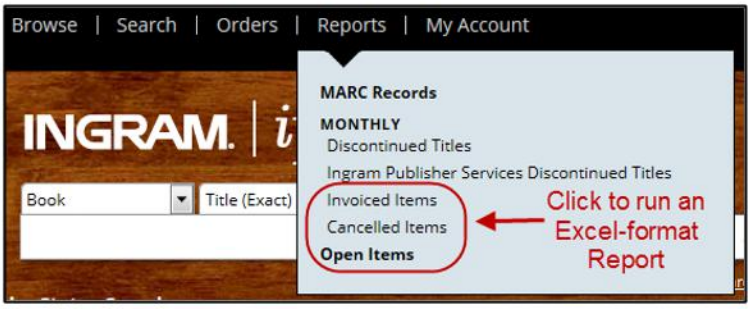
Excel Reports in ipage

ipage offers three headquarters-level reports, downloadable in Excel format for easy searching and sorting. The reports cover:

- Cancelled Items (items cancelled during the previous month)
- Invoiced Items (items invoiced during the previous month)
- Open Items (all items, refreshed nightly)

The Excel reports may include columns for the following information, as appropriate to each specific report: Account numbers; Library name and address; Order Date; PO; EAN; Author; Title; Pub Date; Units Ordered; Committed Units; Backordered Units; Backorder Cancel Date; Invoice Date; Invoice Number; Units Invoiced; List Price; Customer Discount; Unit Discount Amount; and Extended Discount Amount.

These reports can be accessed from the main Reports menu tab on ipage. Simply click on any of these three links, and report will automatically generate. This Excel-format report can be opened or saved and is easily searched and sorted.



2.2.04

ipage is Ingram's online collection development and ordering tool for librarians, combining the industry's largest inventory with complete title information, collection development resources, reviews, and real-time stock check. Customers with a current, active Ingram account are eligible for a free subscription to ipage, which offers libraries easy-to-use ordering capabilities and other features **at no cost for unlimited concurrent users**.

ipage can be accessed at https://ipage.ingramcontent.com. Through ipage, your Library account specific information is available and accessible at your convenience, **24 hours a day, 7 days a week**.

New Title Notification/Standing Order Programs
Ingram has a wide array of no-commitment New Title Notification/Standing Order Programs for our library customers. These Programs allow libraries to keep important portions of their collections up-to-date automatically and to more fully develop parts of the collection to meet community needs. Each Program is specially designed to provide the latest releases with full customization, minimum hassle, and standard discounts. There is no extra charge for participating in our Programs.

Ingram provides a build-your-own, customizable New Title Notification/Standing Order Programs called iSelect®. The iSelect Program is based on Ingram's buying level of pre-publication titles, which reflects predicted popularity of the titles.

We also provide many other New Title Notification/Standing Order Programs focused on Adult and Youth titles:

- Fiction – Adult, Inspirational, Paperback Original, Mass Market Genre
- Author – Adult, Teen, Children (which includes Illustrators)
- Popular Series – Adult, Youth
- Continuations – Travel, Adult, Non fiction
- Nonfiction – Nonfiction Series Adult, Forthcoming Popular Nonfiction Adult, Popular Nonfiction Youth
- ReviewALERT/ ReviewALERT Reference – Adult, Youth
- Easy Reader
- Picture and Board Books
- Graphic Novel – Adult & Youth
- Awards, Book Clubs, State Lists
- Popular Video (Adult & Youth)

With the options of enrolling as "Report Only" or "Auto-Ship", **Ingram New Title Notification/Standing Order Programs are designed to provide the ultimate flexibility.** Libraries enrolled under the Auto-Ship option have two weeks to edit quantities or delete titles before the list is automatically ordered. Customers have the option of modifying quantities or canceling any order before the titles are in process to be shipped and may edit program enrollments at any time. **With Ingram, you never receive titles in your library unannounced**.

We recognize that many libraries prefer to place their own orders, either through ipage or their Integrated Library System, and so we offer a Report Only option. The Library can review and edit the Program lists, upload final selections to the ILS and place orders solely at their convenience. With this Report Only option, **our programs serve as a new title notification system**.

New titles are added to Ingram's database several months in advance of publication. To participate in a New Title Notification/Standing Order Programs, a customer completes an online enrollment form, letting us know the quantity, and in some cases binding type, of the titles they wish to receive. As forthcoming titles are announced, we match them to your profile and a Program (selection) list is created. The timing for titles to show up in New Title Notification/Standing Order Programs selection lists averages 3 months

before publication date. The Program lists will appear in ipage under Lists/All Program Lists each month, and the library will receive email notification that a list has been created.
For customers who select the Auto-Ship feature, major hardcover titles will ship as soon as they are received or by the street date. Otherwise, titles will consolidate with your next shipment or ship within 15 days of receipt, whichever comes first. Report Only customers can place their order at any time.

Training
Peoria Public Library System staff are familiar with using ipage, so there is no transition time in learning a new vendor system, though Ingram will continue to **offer training at no charge** as new updates become available, or for library staff who are unfamiliar with ipage or who would like a review of ipage functions.

This training is available for as many staff as the library specifies. Your Ingram Senior Sales Representative will provide the onsite ipage training.

Excellent, remote delivery "WebEx" training can be provided for refresher and update training and is also **free of charge**. WebEx provides very flexible, user-friendly training, allowing libraries to request training sessions for individual library staff or for groups. Your Inside Sales Representative will provide remote training.

2.2.05
Ingram Contact List
The Library has toll-free telephone access to any Ingram point of contact. To reach Ingram Library Services dial **(800) 937-5300.** Your call will be answered by an automated voice system that will offer several prompts to assist you in reaching the correct department, or you may contact your Sales Representative directly at:

- Senior Sales Representative ..... (615) 593-4056
- Inside Sales Team..... Ext. 35774
- Customer Care..... Press Option 1, then 1
  Email: ILSCustomer.service@ingramcontent.com
  To discuss concerns or issues regarding your account
- Account Services..... Ext.
  Email: requirements@ingramcontent.com
  To Set Up / Update an Account
- To Place an Order ..... Press Option 1, then 2
- To Check Stock Status..... Press Option 1, then 4
- Toll-Free FAX Ordering 800-677-5116
- Credit Department..... 800-937-8100

2.2.06
ipage®
ipage is Ingram's online collection development and ordering tool for librarians, combining the industry's largest inventory with complete title information, collection development resources, reviews, and real-time stock check. Customers with a current, active Ingram account are eligible for a free subscription to ipage, which offers libraries easy-to-use ordering capabilities and other features **at no cost for unlimited concurrent users**.

ipage can be accessed at https://ipage.ingramcontent.com. Through ipage, your Library account specific information is available and accessible at your convenience, **24 hours a day, 7 days a week**.

As a web-based tool, ipage offers 24/7 real-time inventory information, the ability to search by thousands of categories, as well as a robust array of publicity and product news sources. Here are just a few ipage features:

- Simple search by Title, ISBN, Author, Keyword, Series, Dewey®, and more
- Ingram stock information and real-time stock check
- Title descriptions
- Physical Information, LC Subjects, LCCN, Dewey
- Ability to create, edit, download, and/or order lists by clicking titles within ipage, importing a document to ipage, or pasting EANs into ipage.
- Sort by Author, Title, Binding, Dewey, ISBN, Price, Pub Date, Publisher, Standard Retail Price, Ingram Demand, and more
- For video product: additional Information such as Features, View, Number of Units in Package, Awards, Dewey, Based on the Book
- For video product: Advanced search by Directed By, MPAA Rating, and Featuring/Title
- For video product: Sort by Title, Featuring, Product Code, Format, Studio, Release Date, US SRP
- For music: Simple search by Title, Product Code/EAN, Artist, Song Keyword, and more
- For music: Sort by Album Title, Artist, EAN, Media, Label, Release Date, Suggested Retail Price.
- List sharing options
- Download brief MARC order records
- Ordering and order status information
- Account management and reports
- ipage selection lists created by Ingram staff librarians
- Current publicity information
- Online catalogs
- Annotations and citations
- Cover images for selected titles
- Power search
- Boolean search
- Saved search
- Access to search all titles in our Extended database
- Excerpts for selected titles
- Review Citations
- Full text reviews for selected journals for a nominal annual fee

The Library's ipage accounts are created so that an Administrator designated by the Library has oversight capabilities to aggregate lists and manage users. The Administrator can add additional ipage users as required by the Library. Each user will be assigned a unique login and users can set their own password.

ipage is customer-driven and **allows users to individually customize their ipage experience**. Users have even better tools to assist in prioritizing the critical information they need to search, order, and deliver more content to more patrons. ipage focuses on personalization and intuitive functionality. Customizable widgets allow users to design their own homepage with the tools they use most. Users can easily track bestsellers, access online catalogs, view custom lists, and bookmark favorite destinations in and outside of ipage.

Benefits of ipage home page include:

- A simplified menu structure that allows our customers to find what they are looking for faster.
- Roll-over drop-down menu options for each functional area of ipage that enable users to get to content with less effort.
- More suggestions from Ingram product experts in our Ingram Lists & Picks area on the Browse menu.
- More ability to customize the homepage, including the ability to remove widgets and the ability to choose a background theme.
- Enhanced Simple Search options, including the ability to search across multiple product types.





ipage Searching

- **Simple Search** is displayed at the top of every page within ipage and allows for fast and quick search of titles. Among the simple search options for print books are Title Keyword, Start of, Phrase, or Exact Title; Author; ISBN/EAN; Keyword(s); Series; Dewey.
- **Power Search** allows ipage users to focus their search to a much narrower list of titles by using some or all of a specific set of search criteria. Through Power Search, ipage users can look for titles by publisher, subject heading, format, language, and other filters not listed on the simple search feature. Search criteria can be input for up to 25 data points, and the more search criteria added, the fewer results the search will return.
- **Boolean searching** is like power searching, but is mainly focused on criteria for the Title, Contributor, Publisher, BISAC, Ingram Theme, and Series fields and uses Boolean terms. The user may also put search criteria on Language, Age Group, Binding, Publication Date, etc. Under "further criteria", Boolean searching allows the user to select multiple attributes.
- **Predictive Search** is an optional functionality on ipage that allows for more accurate and efficient searches across our entire database. This technology uses our top-demanded product data to offer suggested completions of the search term you are typing into the search bar, including Title (Start of) and Author.
- **Street Smart Titles** list under the Browse tab on ipage enables libraries to view a listing of titles that have a hard street date from the publisher. This Street-Smart list focuses on titles up to 18 months' pre-publication.
- **Search results** can be sorted by the Title, Author, EAN/ISBN, Binding, Publisher, Pub Date, or SRP, and users can quickly jump to specific places in the result set by letter. The Search Result View also contains options at the item level. For each item, the user can perform actions such as Duplicate Check, Add or Edit Grid Information, or Edit other information about the item. ipage combines the robust functionality of Selection Lists with the filter options currently available for Search Results. This means that you can filter the items in your selection list by all the refinement options already available for Search Results.
- **Saved Searches.** This time-saving option is a great way to organize searches a user might perform on a regular basis. Searches can be saved as a new search or as a replacement for an existing search. Saved searches are automatically purged from the user's account 13 months after the last accessed date, which is shown on ipage.

ipage Search Refinements

ipage provides multiple criteria for refining lists of titles from search results or selection lists:

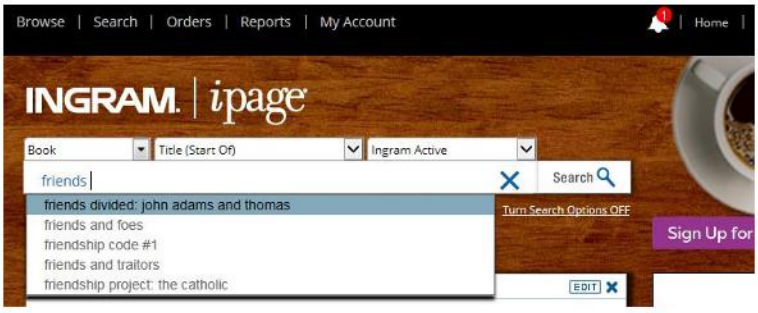
- **Search within Results.** To the left of your results, you will see a box for searching within your results. Enter your search words and click the **Search** button. You can further refine your results as needed using the options and search feature located on the left.
- **Search Filters.** Search Filters provide a better search experience for customers who do not purchase compilations, collections of public information, or reproductions of previously published public domain titles. This filter allows you to hide these product types from your search results.
- **Refine Search Results.** Depending on the list, search refinements might include Age Group, Binding, Publication Date, which may include Forthcoming Titles, Contributor, Price, Format, Awards, Citation Source, BISAC Categories, Dewey Categories, Ingram Categories, Language, and Features. You can collapse and expand field to better meet your search needs by clicking on the up/down arrow to the right of each field. ipage will remember which fields you have collapsed or expanded for the next time you search.

- **Quick Limit -** If the refinement terms you are looking for are in the top three showing under the refinement field, check them off and click 'Update' to quickly limit your results. You can now select multiple terms to drill into your results.
- **Search the Full List -** If you do not see the term, you need immediately in the top three under your refinement option or if you want to exclude terms from your results, click the "More..." link next to any field.
    - **Including and Excluding Search Terms.** After clicking the "More" link under the search refinements, you can further refine your results by selecting or excluding as many terms as you want. Scroll the list of terms by dragging the scrollbar up and down.
    - Search for terms by entering letters and a text filter will quickly reveal matches.
    - Select as many terms as you want to include in your results by checking them off in the 'Include' column.
    - Exclude as many terms as you want by checking them off in the 'Exclude' column.
    - Verify your selection with the intuitive green (include) and red (exclude) bubbles.
    - Remove anything you do not want by clicking on the 'x' on the right side of the bubble or by unchecking it in the 'Include' and 'Exclude' columns.
    - Click the 'Update' button to apply your refinements or 'Cancel' to go back to your results.
    - For each refinement you apply, a breadcrumb will appear at the top of your search results, making it easy and intuitive to also remove any limiters you have applied.

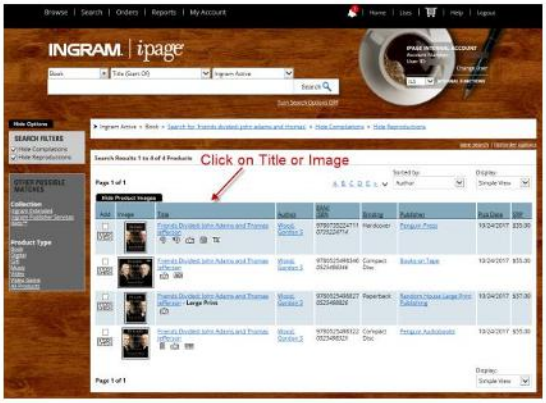
A Title Detail page on ipage includes title, contributor (author, illustrator, editor, etc.), ISBN/EAN, publisher or studio, suggested retail price, binding or format, pub date or release date, and copyright date. Details may also include any of the following as provided in the publisher metadata: cover image, BISAC categories, LC subjects, themes, OCLC number, Dewey, LC subjects, series, awards, features (Index, Price on Product, Excerpt, Illustrated, Maps), initial print run, target age group, physical information (dimensions, weight, number of pages), carton quantity, annotation, description, publisher marketing, review citations, review quotes, biographical notes, and full text reviews. Children's titles may include Accelerated Reader®, Scholastic Reading Counts! ™, and Guided Reading Level information. ipage Title Detail screen shows alternate bindings/formats for a title, when available. iPage title details are updated daily, providing the most current and up to date information available from the publishers to our customers.

Finding title details on ipage is as easy as 1, 2, 3:

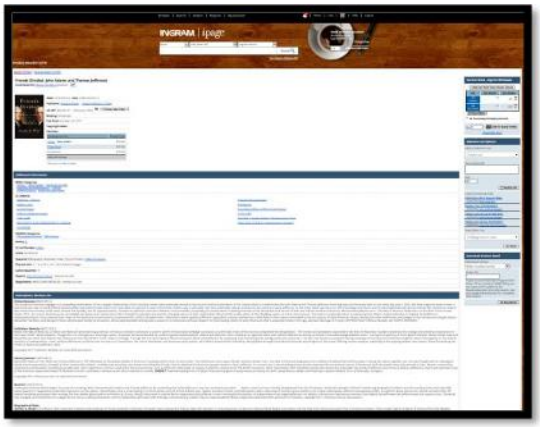
Step 1: Enter Search Terms:

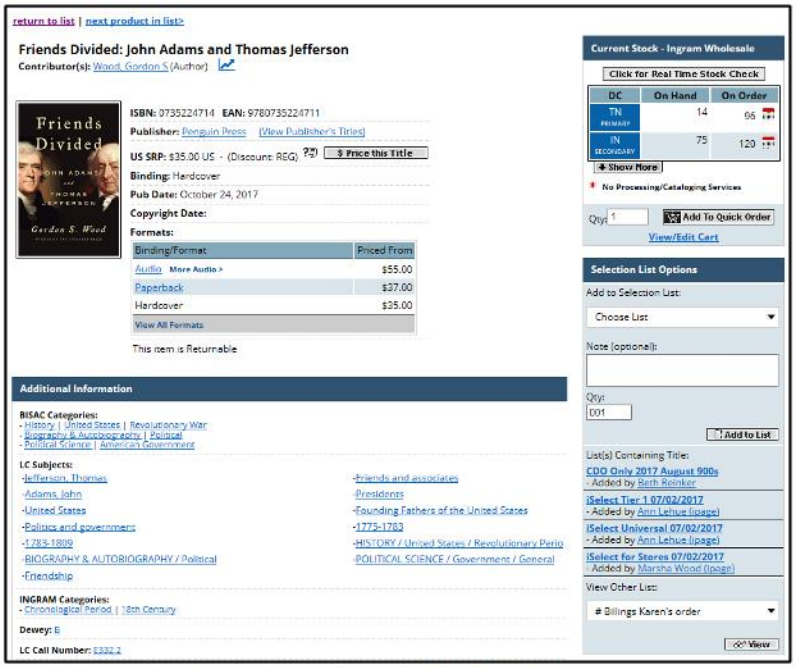


Step 2: Choose Title from Search Results:



Step 3: Title Details:





Enhanced View of Title Detail Page

ipage Selection Lists

ipage selection lists, similar to the shopping cart functionality found in other Internet sites, are among the most versatile features on ipage. They are the starting points for using ipage for ordering. Once you create a list, you may add products, delete products, move products to other selection lists, or send it as an online order.

Ordering online using our selection list functionality enables the Library to create multiple title lists. These can be downloaded in a variety of formats such as BISAC, FlashBack®, or brief MARC order records for import into your ordering or library automation system, provided that one or more of these formats is compatible.

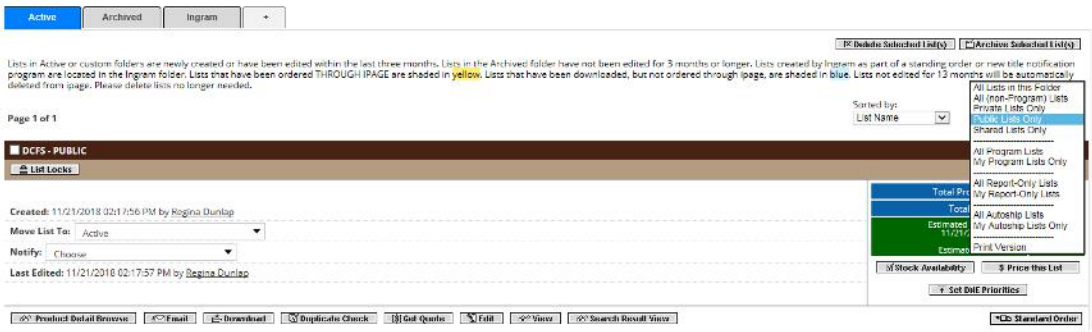
Users can create a selection list by uploading a file of EAN's and, optionally, quantities, including using an upload source document (.xls, .xlxs, .csv) where EAN's are stored as text.

Selection lists can be easily accessed in ipage in two ways: via the **Lists** drop down menu, or via the **Selection Lists** link under the **Order** drop down menu.



The Active Selection List(s) page is the starting place for you to navigate to your selection lists or orders, or to manage your selection lists. You can:

- create a new list
- merge up to ten different lists into one new list
- recover deleted lists (within a specified timeframe)
- view or edit lists
- check stock availability
- utilize the *Price this List* feature
- E-mail lists
- download lists
- check for duplicates
- delete or archive selected list



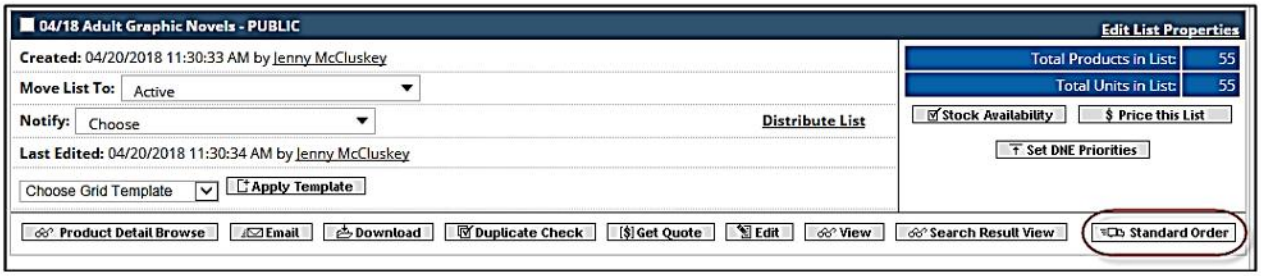
Clicking the **View** button displays all titles on a selection list. To change the sort order, click the arrow in the **Sorted By** box and then click the sort option you want. Users can sort by title, author, ISBN or product code, binding, publisher, pub date, and US SRP (U.S. suggested retail price).

ipage allows you to create the following types of selection lists:

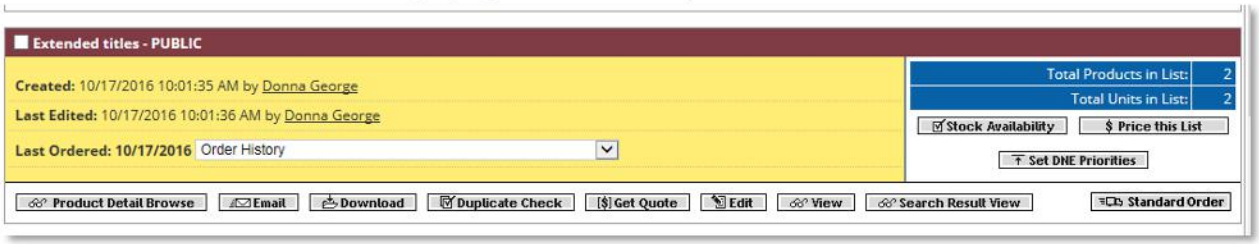
- **Private List** - only the user who created the list and the user's ipage Administrator can view or edit.
- **Public List** - only users who are in the same ipage account as the user who created the list can view or edit.
- **Shared List**, only users who are in the same Ship to account as the user who created the list can view or edit.
- **List Lock** - The creator of a list can lock to prevent others in the account from making changes.

Placing Orders Through ipage

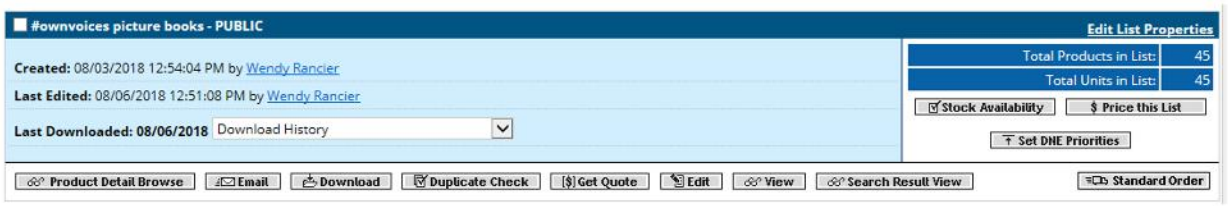
When the selection list is ready to be ordered, the Library can simply click the Standard Order button for that list. The user will then be prompted to fill out additional order details such as: shipping instructions, warehouse selection, backorder instructions, PO Number, and so forth.



Lists that have been ordered through ipage are shaded in yellow.



Lists that have been downloaded, but not ordered through ipage, are shaded in blue.



Folders

ipage includes the ability to sort selection lists into folders. Users automatically have the following pre-built folders available, and by default, your selection lists will go into the folders as follows:

- **Active** - active selection lists, regardless of Public/Shared/Private status
- **Archived** - any lists you have opted to archive or that have been archived automatically due to lack of activity, regardless of Public/Shared/Private status.
- **Ingram Lists** - the default destination for any selection lists you receive tied to a New Title Notification/Standing Order Programs enrollment (either report only or auto ship).

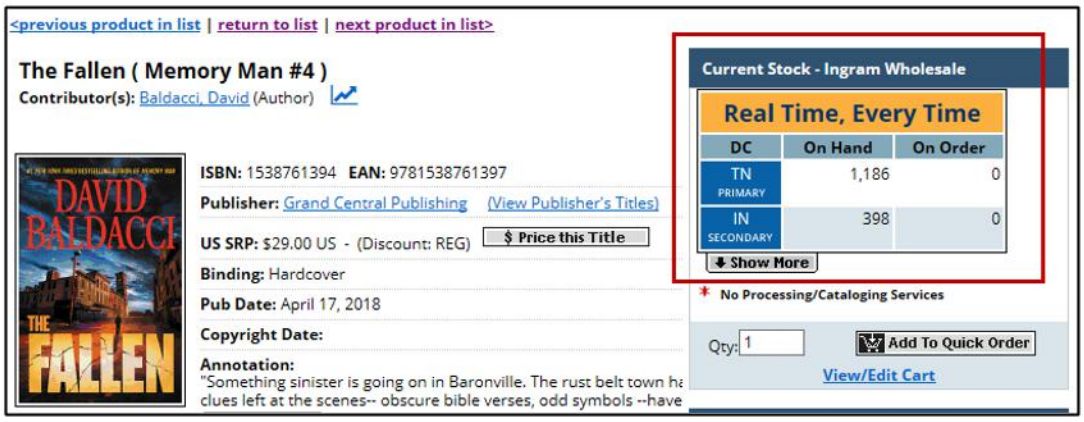
In addition to these default folders, users can create up to 25 custom folders.



As you are creating a new Selection List in ipage, you have the option to specify a folder to place the list into rather than the default Active folder. Others in the user's account cannot see or affect those custom folders and cannot place a selection list into another user's folders. A Public selection list, viewable by all users in the ipage account, may be "foldered" by different users

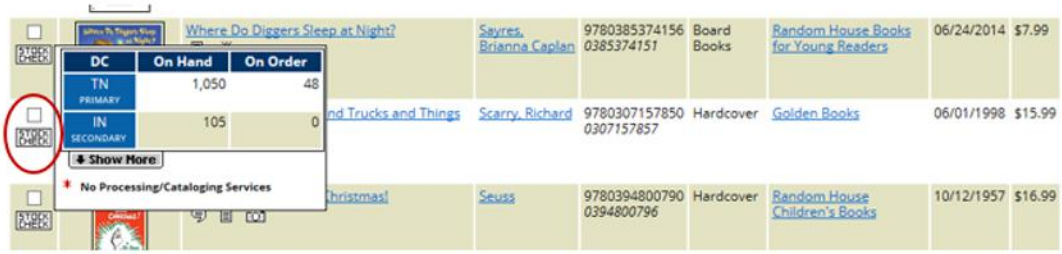
Real Time Stock Check

ipage provides a real time stock check of Ingram inventory directly on the Title Detail screen. The Library's assigned primary and secondary distribution centers will be displayed. ipage shows both on hand inventory and number of copies on order with the publisher, and for titles on order, may include the estimated arrival date at Ingram.

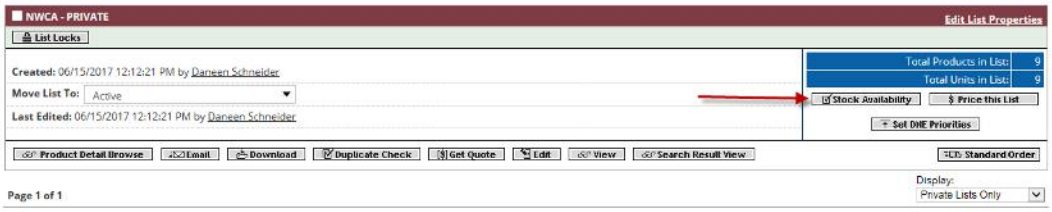


Note that "On Order" stock for DVD titles shown on ipage reflects the inventory level in the Ingram Entertainment distribution center. Upon order, they are received in our distribution center in 24 hours.

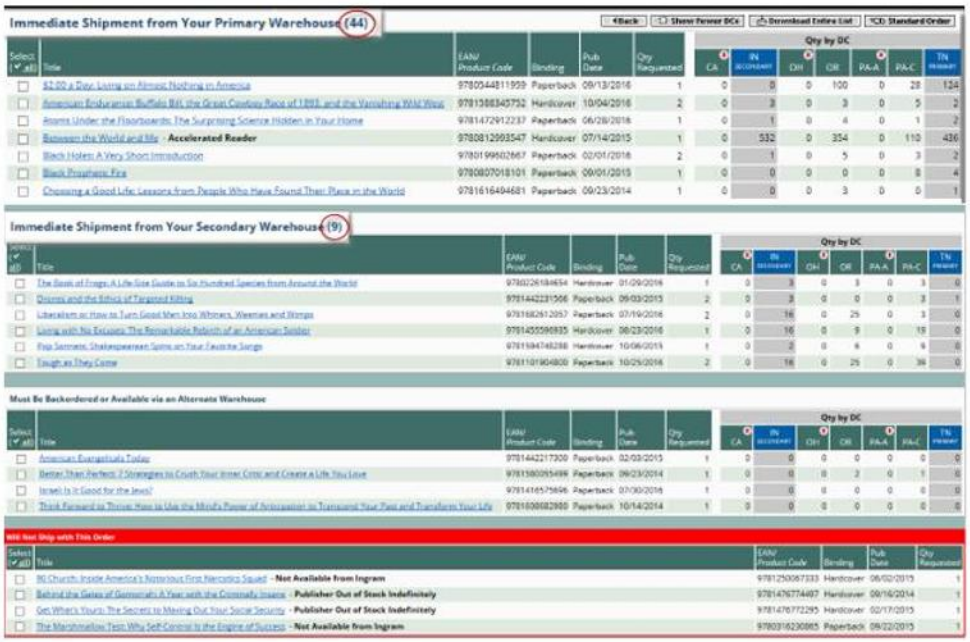
In addition, stock check is available when looking at lists of titles either through search results or on selection lists, without having to go to the detail page for individual titles.



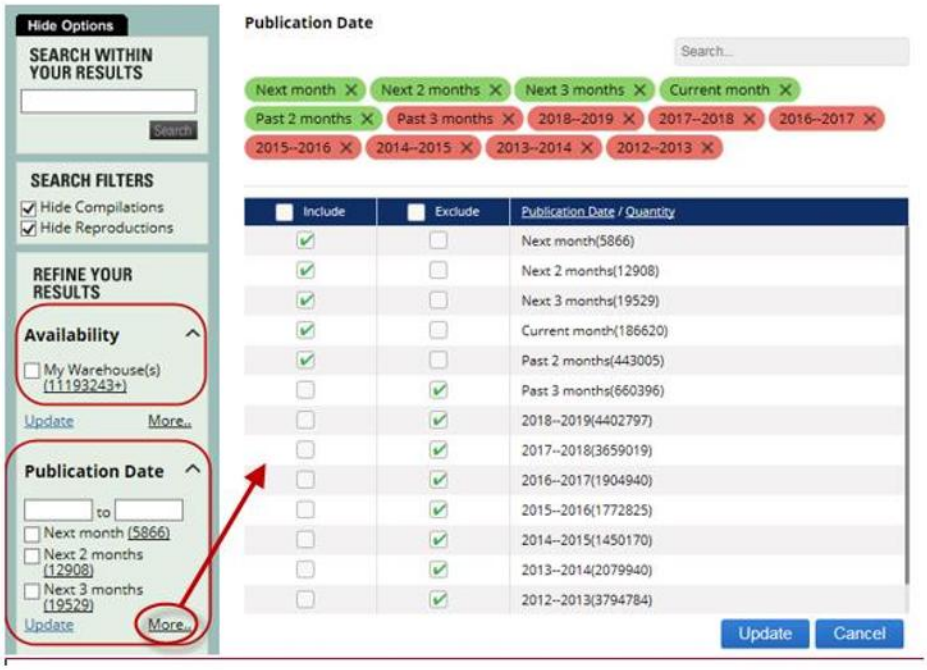
The Library can view stock levels in each distribution center for each item in your selection list by clicking on the *Stock Availability* link.



This gives a snapshot of current availability of titles from the designated Primary and Secondary distribution centers and indicates if titles are not currently in stock and must be backordered, or if the title is not available from Ingram. The resulting report has been updated to include a total number of units available for immediate shipment from both the primary and secondary warehouses.



ipage allows you to limit your search results to only those titles currently available through your designated Ingram distribution centers. You can also limit your search to only forthcoming titles:



Additional Collection Development Tools offered at no charge:

- E-Communications: free electronic newsletters designed to inform, entertain, and offer ideas and resources for collection development. Examples of these newsletters are Adult Librarian News & Reviews, News and Reviews for the Youth Librarian, and our Collection Development newsletter including important information on Ingram's New Title Notification/Standing Order Programs.
- E-Catalogs: trade catalogs that showcase forthcoming and recently published titles, editorial content including author interviews, merchandising tips, and product news to help librarians stay abreast of trends in the book world.
- Ingram Wire: desktop app that provides stock news on fast-moving products specific to their assigned distribution center, alerts on top awards and breaking events, as well as "backorder now" messages to ensure they are among the first for allocations.
- Marketing Materials on ipage: free publisher marketing materials including shelf talkers, author photos, Q&As, book trailers, reading group guides, printable giveaways, teacher guides, and more.

2.3 SHIPPING

2.3.01

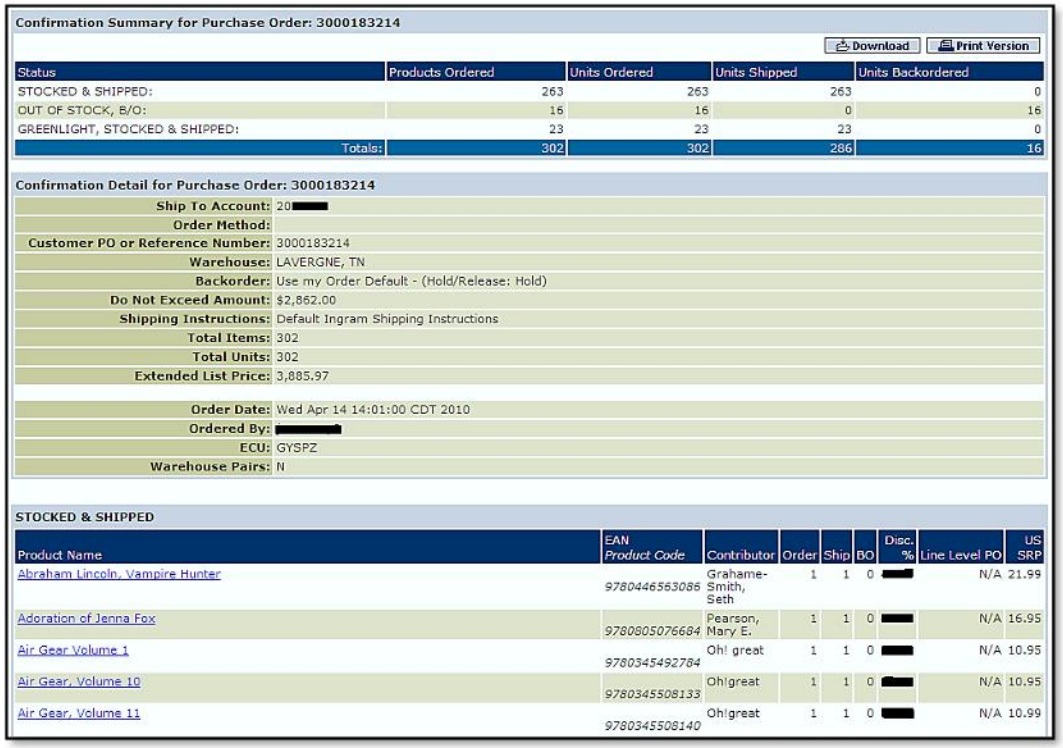
Accounts can be profiled to receive No Partial Shipments. With this account setting, if the entire quantity of a title is not in stock at the time of order, Ingram backorders that title and ships it when the entire quantity is received from the publisher. Please note that this profile option may lessen initial fill rate of an order. We are happy to discuss with the Library to determine the best option to meet your workflows.

2.3.02

Order Confirmation

For orders placed via **Polaris,** Ingram sends full order acknowledgements in text format via email to user-specified email address. The order acknowledgement includes: ISBN/EAN; Title; Author; Publisher; List Price Line Item; Order Units; Ship Units; B/O or Cancelled Binding; Status Code; and Shipping DC. Order acknowledgements are sent within two to four hours of order placement. Most acknowledgments fall within the two-hour window.

ipage provides immediate order confirmation, which can be printed. The ipage order confirmation includes titles that have shipped, as well as backordered titles. The order confirmation gives a detailed summary of the order, including title, author, EAN, whether the item is shipped or backordered, discount, and retail price.



Confirmation Summary for Purchase Order: 3000183214

Download | Print Version

Status	Products Ordered	Units Ordered	Units Shipped	Units Backordered
STOCKED & SHIPPED:	263	263	263	0
OUT OF STOCK, B/O:	16	16	0	16
GREENLIGHT, STOCKED & SHIPPED:	23	23	23	0
Totals:	302	302	286	16

Confirmation Detail for Purchase Order: 3000183214

Ship To Account:	20[redacted]
Order Method:	
Customer PO or Reference Number:	3000183214
Warehouse:	LAVERGNE, TN
Backorder:	Use my Order Default - (Hold/Release: Hold)
Do Not Exceed Amount:	$2,862.00
Shipping Instructions:	Default Ingram Shipping Instructions
Total Items:	302
Total Units:	302
Extended List Price:	3,885.97
Order Date:	Wed Apr 14 14:01:00 CDT 2010
Ordered By:	[redacted]
ECU:	GYSPZ
Warehouse Pairs:	N

STOCKED & SHIPPED

Product Name	EAN *Product Code*	Contributor	Order	Ship	BO	Disc. %	Line Level PO	US SRP
Abraham Lincoln, Vampire Hunter	*9780446563086*	Grahame-Smith, Seth	1	1	0	[redacted]	N/A	21.99
Adoration of Jenna Fox	*9780805076684*	Pearson, Mary E.	1	1	0	[redacted]	N/A	16.95
Air Gear Volume 1	*9780345492784*	Oh! great	1	1	0	[redacted]	N/A	10.95
Air Gear, Volume 10	*9780345508133*	Oh!great	1	1	0	[redacted]	N/A	10.95
Air Gear, Volume 11	*9780345508140*	Oh!great	1	1	0	[redacted]	N/A	10.99

2.3.03

Inventory Control

Ingram's Operations Department has several warehouse systems in place to ensure that inventory is received into our distribution centers in a timely manner. Currently Ingram is the only vendor with a warehouse on the west coast. Keeping stock levels up to date is an ongoing part of the warehousing process. RF (Radio Frequency) units are updated by our systems to indicate what should be available in a specific location. A check is made to be sure all that stock is accurate and in the assigned location, so orders can be picked with efficiency, speed, and accuracy. Ingram's Product Department is responsible for placing orders with the publishers and for following up on outstanding orders. These systems working in tandem fuel real-time inventory information for our distribution centers and customers.

Packing Slip

For libraries that do not require invoice in the box, Ingram will include a packing slip with each shipment which can be cross-referenced to the invoice. The packing slip is enclosed in the last box of a multi-carton shipment that crosses the shipping manifest, and the box containing the packing slip is marked.

Ingram's Packing Slip contains the following information:

- Library shipping and billing address
- Date
- Quantity ordered
- Quantity shipped
- Title
- ISBN
- Binding Code
- Purchase Order Number
- Discount Percentage
- Unit List Price
- Extended Price after Discount

Packing slips can be sorted by title or purchase order number.

2.3.04

Ingram will make every available effort to meet or exceed the 98% accuracy rate. Ingram asks that the Library report errors immediately, so that they may be resolved in a timely manner, and to avoid any possible re-occurrence of the same error.

Ingram uses the Manhattan Associates PkMS package as our warehouse management system. Ingram has designed our outbound PkMS processes to ensure quality throughout the operation, and makes use of scan confirmation, "blind counts" and random audits to ensure accuracy. We are currently achieving a 99.6% overall error-free rate.

Ingram has always specialized in loose-pick order processing and has developed customized processes for handling single-book and small multi-book orders in an efficient, accurate fashion. Additionally, the case-level inventory tracking provided by PkMS gives us the enhanced capabilities for full-case picking and shipping.

2.3.05

Delivery and Shipping

After receiving an order, Ingram will ship all titles currently in stock. Any remaining titles normally available through Ingram will then be placed on backorder for a period specified by you. At the end of the backorder period, all unfilled titles will automatically cancel, except for titles Not Yet Received from the publisher.

Each box in a shipment will be plainly marked with the number of boxes in shipment, the library address, and a Control Number (including Order Entry number) which can be used to cross reference the invoice when it is received. The carton containing the packing slip is marked.

The shipping label on the carton includes the customer's name, address, and customer purchase order number.



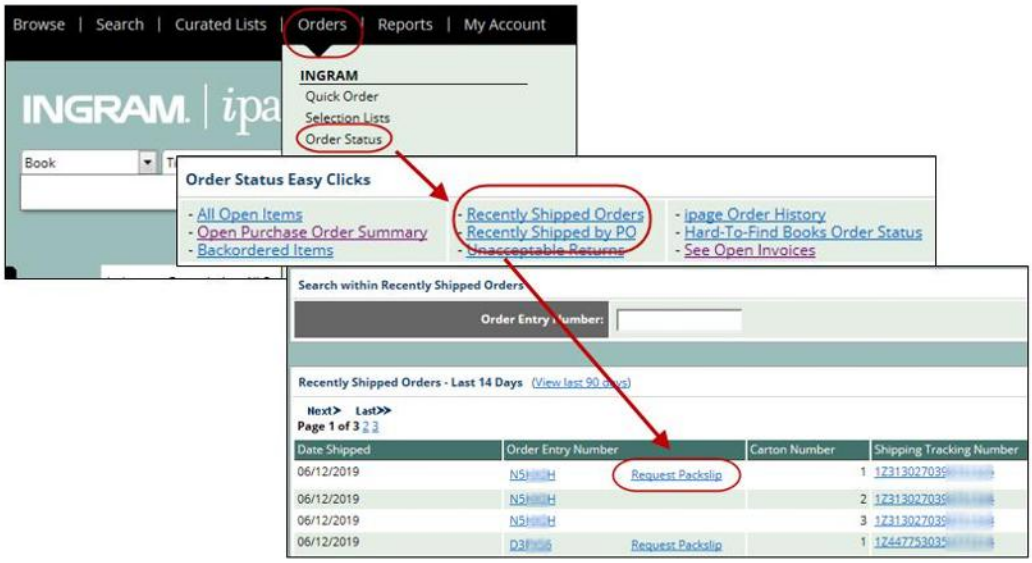
Each carton shipped from Ingram will also have a 4" x 6" Carton Contents label. The Carton Contents label lists the titles contained in the box, their ISBNs, and quantities. This label allows your library staff to see what is in each box before the carton is opened.



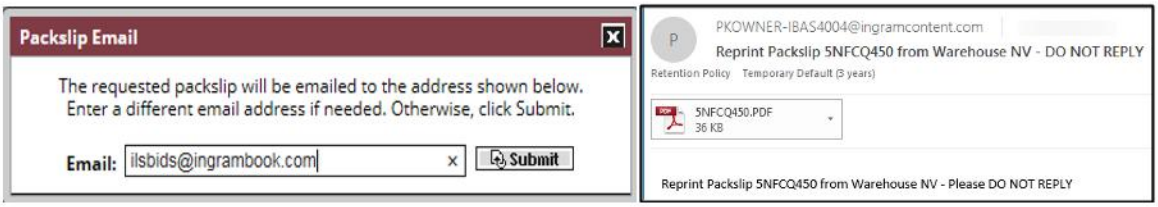
ipage Request Packing Slip

Libraries who receive a packing slip with their shipments can now request a copy of a packing slip through ipage. This service is applicable for shipments from the past 30 days. The packing slip will be emailed to the address sent with the request.

To request a packing slip, the Library should open the Orders tab on ipage, choose Order Status, and then either the link for Recently Shipped Orders or Recently Shipped by PO.



Clicking the "Request Packslip" link will open a small window where the user can verify or overwrite the email address for delivery and submit the request.



2.4 BINDINGS

2.4.01

Ingram is a distributor, not a publisher. Ingram will supply books as ordered by the Library. Binding provided is determined by the ISBN, UPC, or Ingram Title Code provided by the Library with their order.

2.4.02

Ingram is a distributor, not a publisher. Publishers determine the standard binding of their publications. Ingram will supply books as ordered by the Library. Binding provided is determined by the ISBN, UPC, or Ingram Title Code provided by the Library with their order.

2.4.03

Reinforced Bindings

Ingram offers multiple options for the purchase of reinforced books.

Library Bindings:

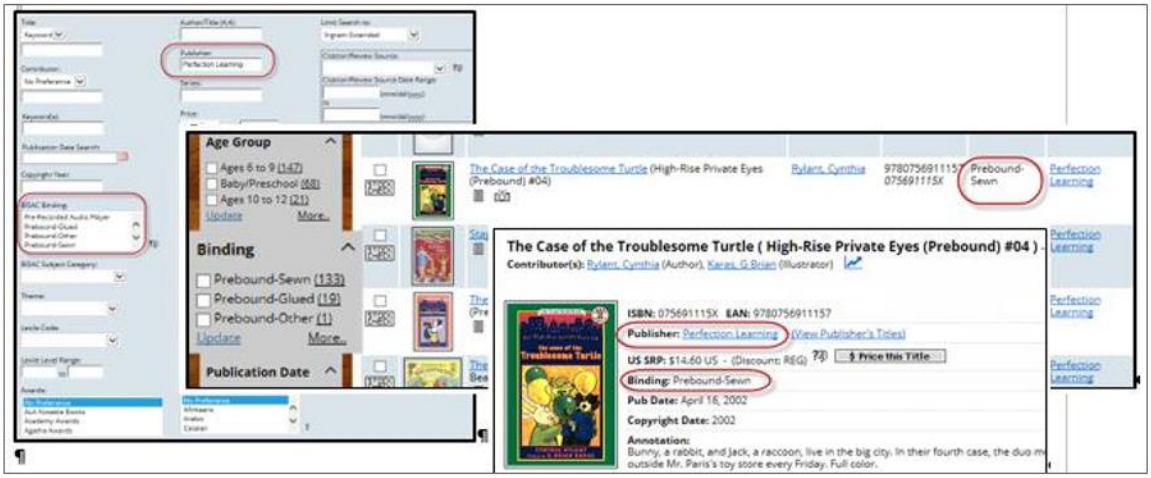
These books are of higher quality publisher binding, usually fanned and glued, and may also be sewn. Books may be identified as Library Bindings on ipage.



Prebound Titles

Our inventory includes over 19,500 prebound titles from Perfection Learning and San Val (Turtleback Books). These editions are searchable by publisher or binding through ipage Power Search, and are also identified on ipage as Prebound-Sewn or Prebound-Glued, on both the title list page and title details screen:

Turtleback Books have a double-fan adhesive binding and durable spine, and the quality and workmanship of the binding is guaranteed for the life of the book. Original artwork is scanned and then digitally printed on durable paper stock to fit the new binding. Books are laminated in a polyester film that easily wipes clean.



Physical Processing to Reinforce Paperbacks

Spine Tape – Ingram currently uses Kapco EB2 Easy Bind II Gloss Clear Poly Repair tape to apply to the outside of the spine. We carry three sizes – 2-inch, 3-inch, or 4-inch - depending on size of book spine to be taped. Ingram also offers inside spine tape.

Paperback Laminate - Ingram offers a choice of 15-mil or 5 mil clear polyester, applied to front and back cover. The 2-mil spine ensures the book remains flexible. The covers are crystal clear and will not yellow with age. The laminate is acid free and made from environmentally friendly materials using solvent free adhesives.

DigiCover Books

Ingram also offers pre-binding services for paperback books purchased through Ingram, converting paperbacks to hardback while maintaining the appeal of the original cover graphics. Paperback pre-

binding services are offered through Ingram's partnership with The HF Group (formerly Heckman Bindery).

- Color reproductions will be made of the cover of a volume, approximately 3% larger than the original, and a matching color is used to eliminate any white borders.
- The graphic reproduction will be covered in a durable film lamination and the cover will be cased on the original text block.
- Unlike many original covers, DigiCovers are fully archival and non-acidic
  DigiCover Books are bound per ANSI/NISO/LBI Z39.78-2000 Standard for Library Binding.
- These volumes are inspected for completeness and correct order of leaves.
- DigiCovers are much more attractive than original covers mounted on buckram

2.5 OTHER

2.5.01

Ingram provides books, spoken word audio materials, music, and DVD, and a full range of library value added services customized to the library's individual needs. Please see the Additional Information section of our proposal below for details on services not otherwise discussed in our proposal.

SUBMITTAL REQUIREMENTS

IV. PROPOSAL CONTENT

A. FIRM & STAFF EXPERIENCE

- Provide a brief company history and experience including specific expertise in providing services to other libraries.
- Key personnel – indicate the assignment of a dedicated account manager who will work with the City of Peoria. Include their experience and qualifications.
- List three (3) references with projects similar in scope and size within the last five (5) years utilizing the Questionnaire sheet.

Company History

Ingram Content Group LLC is part of the long tradition of successful companies built by the Ingram family of Nashville, Tennessee. Dedicated to helping content reach its destination by providing a broad range of physical and digital services to the book industry, Ingram Content Group has been a partner to librarians, educators, publishers, and booksellers for over five decades.

Publishers rely on Ingram Content Group as a key provider of demand-driven print, digital, and marketing solutions. We provide reliable, cutting-edge responses to the questions our publisher partners have about the ever-changing opportunities in the book industry. No single source other than Ingram has the comparable experience, expertise, and connectivity in bringing supply chain management, and print and digital solutions to the market.

Ingram is a privately held, family-owned corporation **operating under the same ownership since our inception.** The Ingram family is actively involved in the day-to-day operations of our company and has a vested interest in our customers' satisfaction.

The Ingram Content Group is led by **John Ingram,** Chairman of Ingram Content Group LLC, and Chairman of the Board for Ingram Industries Inc.

A tremendous advantage of being a family-owned company is the history and stability of ownership backing our long-term plans to remain the number one book vendor and service provider in the library market.

The Ingram vision is to be the premier services provider in and around the distribution, production, storage, creation, discovery, and assembly of content. To bring that vision into reality, Ingram Content Group has multiple operating units, each focused on a specific area of the book industry, including retailers, publishers, educators, and libraries. Those operating units are Ingram Book Group LLC including Ingram International and Spring Arbor Distributors®, Lightning Source LLC, Ingram Library Services LLC, Ingram Publisher Services LLC, and Tennessee Book Company LLC. All Ingram Content Group companies operate under a single mission of helping content reach its destination and follow the same 5 values: to be Credible, Performance Driven, Agile, Innovative, and most importantly, Customer Focused.

Ingram Library Services LLC

To better support the unique needs of libraries, Ingram Library Services grew from a specialized department of Ingram Book Company in 1970 to a full-service library vendor. Because of our growth and success, Ingram Library Services incorporated in 1998 as a subsidiary of Ingram Industries Inc. Today we offer "one-stop shopping" for our library customers. Ingram provides librarians with immediate access to the largest selection of books, spoken word audio, DVD/Blu-ray titles, music CDs and other book-related products in the industry. Our full range of library value-added services includes comprehensive Collection Development support, Standing Order and Continuations programs, as well as shelf-ready cataloging and processing services customized to the library's specifications.

Distribution Centers

Ingram Library Services enjoys the benefit of being part of one of the largest wholesale distributors of book-related product in the world, including physical book distribution and print on demand solutions. As such, we have established publisher relationships, inventory, and infrastructure in place to provide our customers with an unparalleled speed of delivery.

Ingram operates four regional distribution centers, totaling more than **1.7 million square feet** and employing over **3,600** associates. We ship over **146,000,000** units across the nation annually. Having multiple distribution centers allows us to maintain the on-hand inventory required to meet fill rates, and to provide fast turn times - as little as 24 hours from order placement to delivery.



Ingram Library Services LLC is headquartered in La Vergne, Tennessee, where our Inside Sales, Customer Care, Collection Development, Custom Cataloging and Processing, and Executive and Sales staffs are located.

Name and address of firm:
Ingram Library Services LLC
One Ingram Blvd.
P.O. Box 3006
La Vergne, TN 37086-1986
Telephone No.: (800) 937-5300
Fax: 615-213-5196
Email: ilsbids@ingramcontent.com

URL: http://www.ingramcontent.com/pages/libraries.aspx
ipage: www.ipage.ingramcontent.com

Official Representative: Pamela R. Smith, Vice President and General Manager

Ingram Library Services LLC is a Tennessee Corporation, owned wholly by Ingram Industries Inc. based in Nashville, Tennessee. Ingram Library Services operates as part of the Ingram Content Group.

Ingram Staff
Ingram is a knowledge-based service company, and while we recognize that our investment in modern technology is of great value to our customers, the majority of the company's assets are vested in our employees. Every commitment, skill, feature and benefit we offer is dependent on the quality of our staff. Ingram believes that the single most important task of a company manager is to hire, train and retain the best people.

Ingram has built a talented, experienced staff of Associates dedicated to library service, including Collection Development and Technical Services Associates. Ingram Content has a staff of nearly 3,600 Associates who may be involved in providing service under this contract, including Customer Care, Product, Operations, Transportation and Shipping, and Warehouse Associates who pick and pack orders.

Ingram has many **professional 'librarians on staff**, with 37 holding a Master's Degree in Library and Information Science. They all have years of experience working in and with libraries.

Our blend of library experience, along with a continuing infusion of new staff with fresh outlooks, enables Ingram to design innovative solutions with fundamental expertise in areas such as automation, collection development, cataloging, processing, all the way through to transportation. Ingram Library Services will give the highest priority to your needs by assigning key Ingram professionals to work with the Library to meet and exceed all goals and standards set forth in this proposal.

Any of the staff assigned to the project may be reached at the following address:

Ingram Library Services LLC
One Ingram Blvd.
PO Box 3006
La Vergne, TN 37086-1986
Telephone: (800) 937-5300

The Ingram Team works closely with library staff during set-up and throughout the contract to maintain open lines of communication.

Ingram Senior Management Staff
Ingram Library Services' Senior Staff members will serve in both advisory and hands-on capacities to ensure that the contract runs smoothly from start to finish. Titles and brief job descriptions of key positions are included.

Vice President and General Manager of Ingram Library Services – Oversees and leads Sales, Marketing, Technical and Value-added Services along with our Collection Development Team with a unique 360-degree library perspective for the Public and K-12 Libraries.

Director of Sales Operations. Managing the Bids and Contracts, Sales Analysis and Collection Development teams understanding and delivering your needs within this space is at the heart of this role.

Manager of Credit for Libraries. Upon notification of award and establishing any required accounts for the Library, the Manager of Credit will assign a Credit Representative for your account.
Vice President of Customer Care. Based in our Tennessee headquarters, with immediate access to all Executive Staff for any service issues that require escalation and further research and discussion. Together with the Supervisor of Customer Care, the Customer Care team will handle any issues that may arise with the Library's accounts.

Sales Support
Director, Sales. Cultivates business and sales teams in the K-12, public and academic library markets. Understands the complexities of selling content and technical services to libraries from his sales management roles at IXL Learning, Gale/Cengage, Innovative Interfaces and Follett.

Library Sales and Services Manager will be instrumental in the Big Picture of your account setup.

Senior Sales Representative for libraries in the State of Colorado. This position will serve as the main contact for all services Ingram provides. They will provide an on-site relationship to monitor progress and trouble-shoot potential issues, making selection, ordering, and receiving materials smooth and simple.

Inside Sales Representative – This position will also be assigned to the Library, providing an additional level of sales support.

Inside Sales Team Supervisor has 30+ years of experience in Customer Care and Sales and will support the Inside Sales Representative role.

Library Technical Services and EDI Staff

Director, Technical Services. This position oversees the Library Account Services and Client Integration teams.

Manager, Library Client Integration. Serves as the primary contact and project manager for all customer integration projects and manages all aspects of customer integration from an account profile setup and operations standpoint. They work closely with all internal stakeholders to help move projects forward to a successful implementation.

Account Services Manager. This position oversees the Account Services team responsible for establishing and maintaining all accounts, including ensuring customers' cataloging and processing profiles are correctly and promptly entered into our BookMARC cataloging system. Once the Library's accounts are established and orders are successfully flowing, they will assume the role of the Library's contact from the Manager, Library Client Integration for cataloging and processing matters.

Cataloging Services Manager. Serves as the central cataloging expert for Ingram Library Services, and coordinates with the Sales, Account Services, EDI, and Client Integration teams to help translate customers cataloging requirements into Ingram processes.

Ingram's Cataloging Department is comprised of professional MLS-degreed catalogers and paraprofessional staff experienced in working with all major integrated library systems. Ingram's staff of professional and para-professional catalogers work only on cataloging, so that they have increased efficiency and expertise.

Manager of ILS Systems will be the point of contact for setting up your ILS System connections and all our EDI Service offerings.

EDI Support Specialist. Assists in setting up and maintaining EDI ordering streams, as well as helping to resolve customer issues involving EDI, ipage, and interfacing with library automation systems.

Collection Development Staff

Sr. Manager, Collection Development, Oversees the department of 11 MLS-degreed librarians, a data manager and 4 administrators.

Collection Development Analysis Manager, This position supports the Collection Development team through managing and analyzing data, as well as report creation and processing customer holdings data and pulling relevant product metadata for ODC lists. They also manage the iCurate *inClusive* service.

Manager, Collection Development Curation, Manages a staff of eight librarians responsible for creating lists for ipage, Opening Day Collections, iCurate *Coming Soon*, iCurate *Core*, iCurate *inClusive*, the hand-selected New Title Notification/Standing Order Programs, ongoing custom lists, and more.

Manager, Collection Development Programs, Manages a staff of four Library Administrators who research and administer Ingram's New Title Notification/Standing Order Programs and perform customer service and other departmental work. Manages the iCurate *Coming Soon* and iCurate *Core* customer communication and service, along with the department's publisher meetings, edits the newsletter and writes for Ingram's blog.

Librarian

Collection Development Librarian II, Youth Fiction selector.
Collection Development Librarian II, Adult Nonfiction, Video, Video Games, and Music selector.
Collection Development Librarian II, Adult Fiction selector.
Collection Development Librarian II, Graphic Novels selector.
Collection Development Librarian II, Youth Nonfiction selector.
Collection Development Librarian II, Adult Fiction selector.
Collection Development Librarian II, Board Books, Picture Books, Easy Readers, and Beginning Chapter Books selector.
Collection Development Librarian II, Adult Nonfiction selector.

Administrators

Collection Development Administrator, Manages the list of titles for the Easy Reader, Popular Youth Fiction Series, and ReviewALERT New Title Notification/Standing Order Programs. Organizes and posts all the Collection Development Curated Lists content to ipage and loads the iCurate *Coming Soon* content into ipage each month.

Collection Development Administrator, Manages the lists of titles that make up the Adult Fiction Series New Title Notification/Standing Order Programs. The role also serves as a Customer Service Representative for the team.

Collection Development Administrator, Manages the lists of titles that make up the Adult and Youth Nonfiction Series New Title Notification/Standing Order Programs. The role also serves as a Customer Service Representative for the team.

Collection Development Administrator, Manages the lists of titles that make up the Nonfiction and Travel Continuations Programs, as well as managing the Awards*Book Clubs*State Lists New Title Notification/Standing Order Programs.
References are included on the Peoria supplied Reference form included with our response.

B. METHOD OF APPROACH

- Provide a description of services including order processing, inventory and speed of delivery.
- Demonstrate customer service showing company's approach to care for the customer and resolve any issues that may arise (e.g. backorders, discontinued items and customer credits).
- Complete Requirements Checklist indicating compliance or deviation.

General Ordering Details

Ingram can accept orders by toll-free phone, toll-free fax, mail, electronically, (via email attachment and/or EDI – Electronic Data Interchange), or through ipage. All orders receive immediate online order entry; phone and electronic orders receive title and stock verification. For ease and efficiency, we can confidently claim to be the best in the business in order entry.

Mail orders should be sent to:

Ingram Library Services LLC
Attention Order Entry
One Ingram Blvd.
PO Box 3006
La Vergne, TN 37086-1986

The toll-free number for FAX ordering is 800-677-5116. The toll-free number for telephone orders is 800-937-5300.

Emails with attached orders should be sent to ILS.orders@ingramcontent.com.

EDI

Ingram supports EDI Transaction types and formats based on the capabilities of the library automation system. Ingram EDI offerings include:

- Electronic ordering using the X12 format and FTP for communications.
- Enriched EDI ordering.
- Text format full order confirmation via email from Ingram email to user-specified email address.

EDIFACT Order, Order Response, and Invoice

- Purchase orders are created in acquisitions and sent to Ingram via FTP.
- Ingram processes the orders and places electronic confirmation files on the Ingram FTP server for customer retrieval.
- For customers opting to receive electronic invoices, Ingram places electronic invoice files on the Ingram FTP for customer retrieval. E-invoices streamline workflow and greatly reduce the amount of effort used in the manual posting of invoices. Ingram continues to provide paper invoices to e-invoice users.

Enriched Edifact Order

This enhanced order transaction allows users to send additional distribution information in the EDI order record that provides Ingram with all the information necessary to create complete holdings records to match the items shipped. The holdings records are loaded with MARC bibliographic records and overlay the on-order items. When the materials arrive from Ingram, they are shelf and circulating ready. Also, with Enriched EDI we offer the ability to drop ship to branches as well as simplify account management through ordering on a single account and having Ingram separate orders based upon the enriched data that allows us to process orders per the library's specifications and route them to the correct branch.

Ingram is pleased to present the City of Peoria the following discounts for library materials. Discounts apply to adult, young adult, and juvenile titles.

Currently the Library places enriched EDI orders with Ingram using your Polaris system.

Inventory

Ingram leads the industry in maintaining an **on-hand inventory of over 17,000,000 unique titles, representing over 30,000+ book publishers and 57,000 imprints.** Our unmatched nationwide inventory of over **35,000,000 books** ensures the highest fill rates in the industry.

- Ingram's on-hand inventory represents the largest range of publishers in the wholesale distribution business today including all binding types and formats.
- Ingram provides reference, scientific, medical, technical, legal, and other academic and non-trade titles, including materials from University and association presses, small press, and specialty publishing houses.
- Ingram stocks not only new best-sellers and award-winning titles, but also the deepest inventory of midlist and backlist titles of any vendor.
- Ingram can provide adult, young adult, and juvenile fiction and nonfiction titles in all subjects in a variety of bindings, including trade hardcover, trade paper, mass market paper, large print, short discount and small press, university press, single library editions, publisher's library editions, graphic novels, board books, easy readers, picture books, pre-bound books, and big books.

Our spoken word audio inventory includes **140,000+ titles**, including abridged and unabridged editions including CD, MP3, and pre-recorded audio player formats. We also inventory more than **700,000 music titles** on Compact Disc, from classical to popular titles.

With **70,000+ DVD** and **18,000+ Blu-ray titles**, Ingram offers one of the most comprehensive inventories of DVDs in the country. Ingram represents more than **500** video suppliers with titles in categories such as popular box office, foreign and independent films, and family films. We also provide an extensive line of nonfiction and children's titles. Through our supplier, Ingram Entertainment, we provide access to nearly **1,000,000 DVD volumes**.

Our video game inventory includes nearly **2,000 titles** from the following platforms: PlayStation®2 (PS2), PlayStation 3 (PS3), PlayStation 4 (PS4), PlayStation Vita, Xbox 360®, Xbox One, Nintendo® Wii™, Nintendo Wii Universe, Nintendo Dual Screen™ (Nintendo DS), Nintendo 3DS, and PlayStation®Portable (PSP).

While other book distributors may also be able to provide best-selling and popular titles, through our sister companies, Ingram offers these additional inventory services:

Ingram Publisher Services LLC
Ingram Publisher Services LLC, an Ingram Content Group company, represents more than **625** publisher clients from around the world, which agree to allow Ingram to be the exclusive distributor of their product. Built on a longstanding tradition of Ingram quality, IPS provides our customers with a wide variety of books and book related product from an outstanding roster of publishers, with easy ordering options, fast delivery, and excellent service. The advantage this brings to our library customers is the guaranteed availability of current titles from these publishers at Ingram distribution centers. **As the exclusive distributor of these publishers, even other vendors source these purchases from Ingram.**

Print on Demand through Lightning Source
With national and international facilities, Lightning Source LLC, an Ingram Content Group company, has a **virtual inventory of over 16,600,000 titles representing more than 155,000+ Publishing Partners**. We print only what is needed to meet our customers' current demand-whether that's a single book order or 10,000. We not only give you access to content that was once out of print or hard-to-find, but also make it possible for low-volume titles to stay in print and for new titles to be

released. All this translates into wider title selection and better customer service for your patrons and your community.

Once an order is placed, we have all the electronic data necessary to print and deliver the book to its intended destination. The distance between bookmaker and book-reader has never been shorter. Print on demand allows for a book to be printed in order in a range of formats within 24 hours, even if the order is for one book. On average, we print over **4,000,000** books per month.

Lightning Source and Ingram Publisher Services titles are listed on ipage and are ordered through the same methods you usually use with Ingram - by telephone, fax, mail, or electronically. There is no need to use a separate account or purchase order. Lightning Source titles will be printed especially for you once the order is placed.

Spanish and World Language Titles
Ingram currently inventories over **500,000** Spanish titles in our distribution centers, including adult and children's titles.

Ingram offers over **3,100,000** titles in world languages ranging from Afrikaans to Yiddish. An additional benefit of our Lightning Source inventory of millions of print-on-demand titles is that many of these world language titles are available on an on-demand basis.

To view a list of all available International language materials in our database, the ipage Power Search option tab offers a language filter. From here, the search can be refined by additional filters such as keyword(s), author, title, and age group. When looking at a list of titles in ipage, you also have filters for language available on the left of the screen.

Turnaround Time
In-stock, non-processed and non-cataloged book orders are shipped within 24 hours or on the same business day if placed before local cut-off time at your designated Ingram distribution center. In-stock processed books not requiring custom cataloging services will ship within two to five days of receipt of order. No other vendor can attain this level of service. Our turnaround time for in-stock, shelf-ready, custom cataloging orders is 7-10 working days from receipt of order to shipment.

Continuations and New Title Notification/Standing Order Programs require a backorder period, as titles are ordered on a pre-publication basis to allow Program customers to be the first to get these titles. Items that do not require cataloging services will ship within 24 – 48 hours after the title is received into the designated Ingram distribution center.

For titles inventoried by Ingram that are temporarily not in stock, Ingram will attempt to place an order with the publishers within three (3) business days of receipt of order. Our ability to obtain out of stock titles is based upon the item's continued availability from the publisher with whom Ingram buyers have an established relationship.

Ingram does not substitute titles unless the ISBN/EAN has been forwarded to a new edition. Only those items ordered will be shipped.

Should the Library order books not currently inventoried by Ingram, we will attempt to order the book if available on the open market through normal U.S. wholesale channels. Turnaround time will be dependent upon publisher availability, however, due to our long-standing relationships with publishers, we estimate one to three weeks on available items and sixty to ninety days on special order items not currently in stock at the publisher.

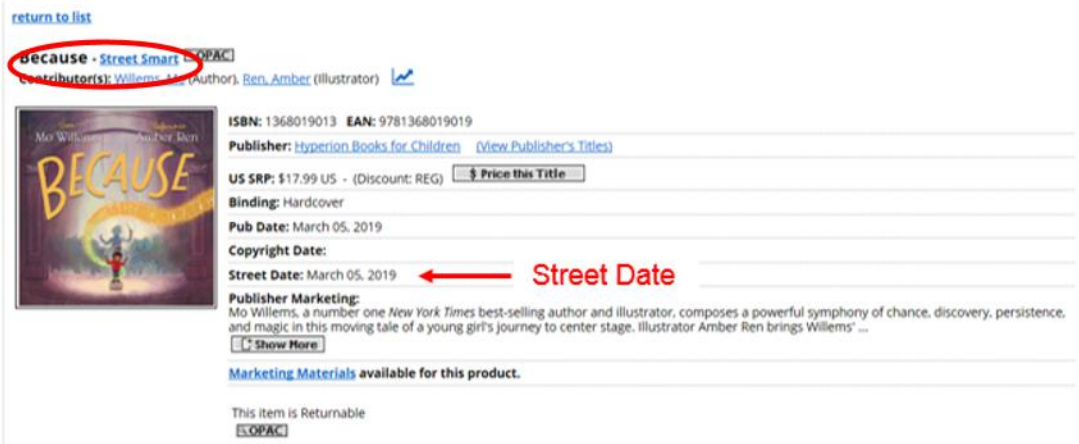
Ingram can provide titles that are in print and available from the publisher. Some publishers choose to sell only directly to end users such as schools or libraries. These direct-only publishers are defined as those publishers whose titles are not available on the open market to distributors.

Street Smart

Ingram understands the importance of getting high-visibility titles in the hands of Library patrons as soon those titles appear in local bookstores. Titles designated as part of the **Street-Smart** program include any upcoming new releases with a publisher-assigned on-sale date. Working within the publishers' parameters, Ingram profiles the Library's account so Street Smart titles shipped from the primary distribution center are received on or before the on-sale date.

To receive Street Smart designated titles on or before the on-sale date, the Library is required to complete a signed affidavit in which you agree not to display, sell, or loan for advanced reading any title before the publisher-assigned on-sale date. Without this agreement, Ingram cannot ship Street Smart titles until one day before the published on-sale date. All wholesale distributors are held to these standards, and Ingram is dedicated to ensuring that we do not violate our agreements with publishers.

Occasionally, the publisher may designate a title as having stricter on-sale date parameters. Ingram designates these types of titles as **Street Smart Select.** These are usually major releases that typically have large print runs and major publicity scheduled. Similar to a standard street date, a title specific signed affidavit is required to receive advance delivery. Ingram will provide advance notification of these titles, including any order deadlines or minimum order quantities required to participate in the early delivery program. Per the publisher specific guidelines, Distributors may not be allowed to deliver Street Smart Select titles until one day before the on-sale date.



Ingram does not control publishers' street dates or their specialized parameters. We work closely with publishers to obtain news of publishing date changes or unexpected releases are added with limited advance notice of publication. We provide updated information through ipage as soon as it is available from the publisher. The Library can check any title as the scheduled street date approaches to ensure no change has been made.

Ingram will make every available effort to ship titles to arrive before the street date for those libraries having a Street-Smart affidavit on file; however, we cannot guarantee arrival on or before street date. Delivery within the allotted time frame is contingent upon the publisher providing books to Ingram in a timely manner. Occasionally, our ability to comply may be compromised on a title due to circumstances outside of our control such as weather delays or delay in receipt from the publisher. In such instances, the level of custom processing or cataloging profiled on a Library account may cause the title to be delivered after street date.

Customer Care

Customer Care is based in our Tennessee headquarters, where representatives have immediate access to all Executive Staff for any service issues that require escalation and further research and discussion. By combining our Library Customer Care team under the overall Ingram Content umbrella, we can best utilize our systems, training, and experience. From a Customer Service perspective, the team has a full support infrastructure, whereby other Customer Service Representatives within the team can cover for each other as required, i.e., during vacations.

Ingram's team of Customer Care Support Specialists trained specifically on the requirements of library contracts are available five days a week. Customer Service hours of operation are Monday through Friday, 11:00 a.m. to 3:00 p.m. EST / 10:00 a.m. to 2:00 p.m. CST / 8:00 a.m. to 12:00 p.m. PST. Every attempt will be made to respond within 24 hours (during normal working hours) from phone call or receipt of correspondence. However, some issues may necessitate additional research in order to provide the best service and most complete response to the Library.

Ingram has completed and included the **Requirements Checklist** indicating compliance or deviation with our response.

C. COST CONSIDERATIONS

- Offeror is to submit pricing (in their own format). Include sufficient detail and identify any inclusions, exclusions or limitations that may apply.
- Product listing including material type and corresponding discount off list price;
- Processing pricing;
- Cataloging pricing, standard and/or optional customization. Indicate if pricing is per title or per item.
- Additional products/services available including but not limited to bundling options, lease program, conversions, etc.

Ingram has included a full discount and pricing section below.

D. CONFORMANCE TO RFP

- Failure to provide all requested information may result in firm's proposal being rejected as non-responsive.

- Complete and return all City forms.
- Exceptions – Any exceptions to any part of the RFP must be clearly noted and identified.

Ingram Acknowledges

PRICING

Ingram is pleased to present the City of Peoria the following discounts for library materials. Discounts apply to adult, young adult, and juvenile titles.

Discounts:

	Trade Hardcover	43.0%
	Trade Quality Paperback	42.0%
	Mass Market Paperback	42.0%
*	Short Discount/Non-Trade Titles	8.0 - 35.0%
	Library Bindings	18.0%
	University Press	16.0%
	Spoken Word Audio CD (Trade)	46.0%
	Spoken Word (non-Trade)	8.0%
	DVD/Blu-ray	28.0%
	Music	26.0%
	Video Games	5.0%
	Playaway	20.0%
	Net Titles	0.0%

Short Discount/Non-Trade: Lower demand, small print-run books in various bindings, and includes medical titles, legal, technical, reference, scientific, and graphic novels as defined by Ingram subject categories. Titles are generally published by small or university presses. Also included are print and audiobook titles purchased at lower than full trade discount; titles with limited sales volume; and/or titles from publishers not in compliance with Ingram's purchasing requirements. Ingram is pleased to make this broad base of titles available to our customers with no service charges.

Cataloging and Processing:

Cataloging and processing components are available at the current standard pricing in place at the time the option is added to your account profile. The pricing is based on the use of Ingram's standard supplies. Any non-standard supplies would need to be provided by the library. Pricing for processing of non-standard supplies would be established when added. Standard pricing is subject to change with notice. Ingram will review this offer with the library annually.

Ingram will continue to offer the current bundle pricing as noted below:

Shelf-Ready Pricing (Books)

Books will be processed and cataloged for a fee of $5.05 per book, to include the following items and services, based on our understanding of the Library's requirements and as appropriate to the specific account profile.

- Search for Added Copy and Item linking in the Library ILS utilizing Z39.50 Protocol
- BookMARC or OCLC Record via electronic delivery

- Record Upgrade
- MARC Customizations, as required
- Mylar Jacket, Attached
- Spine Label
- Spine Label Protector
- Spine Tape, Outside (Quality Paperbacks)
- Preprogrammed RFID/Barcode Set
- Property Stamp
- J Label
- Large Print Label
- Reference Label
- Branch Label
- Teen Label

This pricing is based on the use of Ingram standard processing components. Should the Library choose alternative solutions for your project, we will be happy to provide revised pricing based on your final specifications. For this multi-year contract, Ingram reserves the right to review shelf-ready pricing on an annual basis.

This pricing is based on the use of Ingram's standard supplies. Any additional processing components are available at the current standard pricing in place at the time the option is added to your account profile. Ingram will review these terms and prices with the Library on an annual basis.

Collection Development Services Pricing:

Complimentary Curation Services: Ingram offers a variety of curated selection lists and collection development tools through iCurate® *Complimentary* on ipage. Regularly updated, Librarian-curated selection lists and New Title Notification/Standing Order Programs, are provided **free of charge.**

Custom Collection Development: Fees associated with uniquely customized lists will be quoted on a list-by-list basis and based on the Library's specifications including level of customization, number of lists required annually, and whether it is for a special project or an ongoing list requiring regular updates. Standard charges will apply to any future programs we may develop and offer for customized collection development services.

iCurate® *Custom*:

Ad Hoc Lists
Complimentary when purchased solely from Ingram

Opening Day Collections
Complimentary if Ingram-created lists are purchased solely from Ingram.

Ongoing Curation
Based on requirements and estimate of time spent; Ingram will develop an agreement with the specs and pricing detailed and partner with the customer to find the best solution.

iCurate® *inClusive*: Diversity Audits Made Easy
$1,500 each for Adult, Children's, or Teens, or $4,200 All Ages

iCurate® Core: One-Time Gap Analysis
$1,000 each for Adult, Children's, or Teen, or $2,800 for All Ages

iCurate® Coming Soon *
Annual Pricing: $775 Adult, $775 Children's, $775 Teen, or $2,100 for All Ages

Definitions of Binding Types and Presses
Discounts are applied to the publisher's current list price. Prior to placing an order, the Library can determine estimated discounted pricing for an entire list by utilizing the *Price this List* feature on ipage.

In determining which titles receive less than full trade discounts, Ingram has utilized its best efforts to categorize books for pricing purposes by considering the binding, cost of acquisition, general marketing categories, publisher's discount, and other factors as defined by the Definitions of Binding Types and Presses provided. Ingram reserves the right to be the sole and final determinant of the pricing category.

Trade Hardcover: High demand fiction and nonfiction books published with a glued binding and a hardcover. These titles are typically for the general consumer and produced by widely distributed publishers. Trade bindings may also be referred to as retail trade editions, trade books, hardbound books, hardback books, cloth bound books or cloth cover books. Publishers normally produce these titles in larger print runs. *

Quality Paperback: High demand fiction and nonfiction books with paper covers and generally no size restriction. Any illustrations or graphics may be placed throughout the book; both paper and printing are high quality. These titles are typically for the general consumer and produced by widely distributed publishers. This binding may also be referred to as trade paper or trade paperback. *

Mass Market Paperback: High demand books with paper covers that are produced in a size to fit a standard retail store display and generally deal with subjects of mass appeal. Any illustrations are grouped together in one section of the book. *

Library Bindings: Books of higher quality publisher bindings, usually fanned and glued, and may also be sewn. Books may be identified as Library Bindings on ipage.

University Press: The binding types may vary for these titles (i.e., Hardcover and/or Paperback), but all are published by a University Press.

Short Discount/Non-Trade: Lower demand, small print-run books in various bindings, and includes legal, technical, reference, scientific, medical, and graphic novel titles as defined by Ingram subject categories. Titles are generally published by small or university presses. Also included are print and audiobook titles purchased at lower than full trade discount; titles with limited sales volume; and/or titles from publishers not in compliance with Ingram's purchasing requirements. Ingram is pleased to make this broad base of titles available to our customers with no service charges.

Large Print: Ingram does not recognize the large print title as a separate binding type for discount purposes. Large print titles will receive discounts according to the binding/press assigned to the ISBN ordered as outlined above.

Graphic Novels: A narrative work in which the story is conveyed to the reader using comic form. The term is employed in a broad manner, encompassing nonfiction works and thematically linked short stories as well as fictional stories across a number of genres.

Picture Books, Board Books, Easy Readers, and Big Books: These juvenile genre categories are not discounting categories used by Ingram. These books will receive the discount appropriate to the specific binding/press ordered as outlined above. We estimate that at least 80% would receive the full trade discount.

Prebound Books: Paperback books bound into a hardback edition. Our inventory also includes over 17,500 prebound titles from Perfection Learning and San Val (Turtleback Books), and are identified on ipage as Prebound-Sewn or Prebound-Glued

World Language Materials: Ingram does not recognize Spanish language (or any world languages) as a discounting category. These books will receive the discount appropriate to the specific binding/press ordered as outlined above.

Spoken Word Audio: Audiobooks produced for the general consumer and dealing with subjects of mass appeal. Spoken Word audio may be abridged or unabridged and are generally sold by publishers at full trade discounts, however some titles may be short discounted by the publisher. Ingram does not differentiate between MP3 CD and Audio CD formats for discounting purposes.

Book and spoken word audio kits will receive discounts based upon classification of the title, typically by the publisher, as a book or as a spoken word audio. If classified as a book, it will receive the discount appropriate to the specific binding/press assigned to the ISBN ordered.

DVD and Blu-ray: Currently, Ingram provides pre-recorded titles in these categories under a single discount. However, should a new format of DVD emerge in the industry for which studios apply different purchasing terms, Ingram will notify the Library of the discount applicable to that new format.

Net: Low demand, small print run books in various binds and categories upon which Ingram receives minimal or no purchase discount. This category of book will receive a 0% discount. Ingram is pleased to make this broad base of titles available to our customers with **no service charges**.

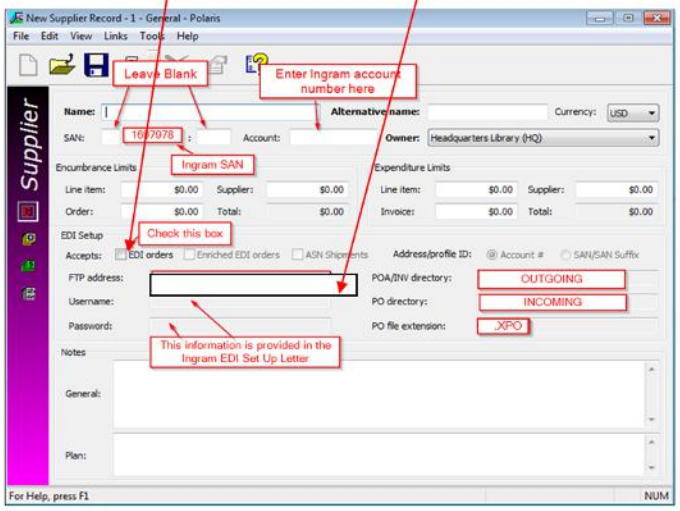
**See Short Discount for explanation on titles that may fall outside of this discount category.*

ADDITIONAL INFORMATION

9XX

The Custom MARC feature allows the user to create a list in ipage, and then add local data (like fund, location, collection code, requestor, etc.) in 9xx tags and subfields per the specifications of their ILS for each title to be exported in a brief MARC record. The list is then exported in brief MARC format, and the ILS system loader is used to load the records to the ILS. Upon loading to the ILS, an order record and a brief cataloging record are created. These records can be overlaid with the full MARC records in the Library's ILS system.

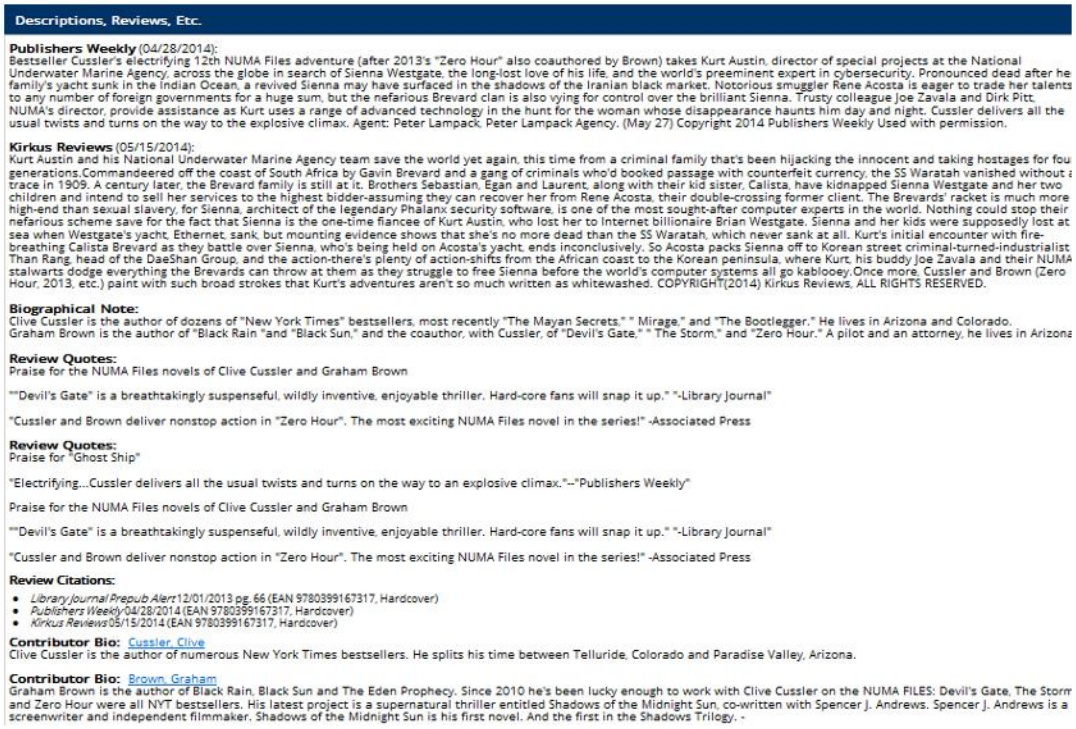
For Production Order – FTP address is: ftp.ingramcontent.com
EDI Setup – check EDI orders



Reviews on ipage

ipage includes review citations and full text reviews from:

- *Booklist*
- *The Bulletin of the Center for Children's Books*
- *Foreword Magazine*
- *Hornbook Guide*
- *Hornbook Magazine*
- *Library Journal*
- *Kirkus*
- *School Library Journal*
- *Publishers Weekly*
- *VOYA*
- *Shelf Awareness*
- *BookPage*
- *BlueInk Review*



Descriptions, Reviews, Etc.

Publishers Weekly (04/28/2014):
Bestseller Cussler's electrifying 12th NUMA Files adventure (after 2013's "Zero Hour" also coauthored by Brown) takes Kurt Austin, director of special projects at the National Underwater Marine Agency, across the globe in search of Sienna Westgate, the long-lost love of his life, and the world's preeminent expert in cybersecurity. Pronounced dead after he family's yacht sunk in the Indian Ocean, a revived Sienna may have surfaced in the shadows of the Iranian black market. Notorious smuggler Rene Acosta is eager to trade her talents to any number of foreign governments for a huge sum, but the nefarious Brevard clan is also vying for control over the brilliant Sienna. Trusty colleague Joe Zavala and Dirk Pitt, NUMA's director, provide assistance as Kurt uses a range of advanced technology in the hunt for the woman whose disappearance haunts him day and night. Cussler delivers all the usual twists and turns on the way to the explosive climax. Agent: Peter Lampack, Peter Lampack Agency. (May 27) Copyright 2014 Publishers Weekly Used with permission.

Kirkus Reviews (05/15/2014):
Kurt Austin and his National Underwater Marine Agency team save the world yet again, this time from a criminal family that's been hijacking the innocent and taking hostages for fou generations.Commandeered off the coast of South Africa by Gavin Brevard and a gang of criminals who'd booked passage with counterfeit currency, the SS Waratah vanished without a trace in 1909. A century later, the Brevard family is still at it. Brothers Sebastian, Egan and Laurent, along with their kid sister, Calista, have kidnapped Sienna Westgate and her two children and intend to sell her services to the highest bidder-assuming they can recover her from Rene Acosta, their double-crossing former client. The Brevards' racket is much more high-end than sexual slavery, for Sienna, architect of the legendary Phalanx security software, is one of the most sought-after computer experts in the world. Nothing could stop their nefarious scheme save for the fact that Sienna is the one-time fiancee of Kurt Austin, who lost her to Internet billionaire Brian Westgate. Sienna and her kids were supposedly lost at sea when Westgate's yacht, Ethernet, sank, but mounting evidence shows that she's no more dead than the SS Waratah, which never sank at all. Kurt's initial encounter with fire-breathing Calista Brevard as they battle over Sienna, who's being held on Acosta's yacht, ends inconclusively. So Acosta packs Sienna off to Korean street criminal-turned-industrialist Than Rang, head of the DaeShan Group, and the action-there's plenty of action-shifts from the African coast to the Korean peninsula, where Kurt, his buddy Joe Zavala and their NUMA stalwarts dodge everything the Brevards can throw at them as they struggle to free Sienna before the world's computer systems all go kablooey.Once more, Cussler and Brown (Zero Hour, 2013, etc.) paint with such broad strokes that Kurt's adventures aren't so much written as whitewashed. COPYRIGHT(2014) Kirkus Reviews, ALL RIGHTS RESERVED.

Biographical Note:
Clive Cussler is the author of dozens of "New York Times" bestsellers, most recently "The Mayan Secrets," " Mirage," and "The Bootlegger." He lives in Arizona and Colorado. Graham Brown is the author of "Black Rain "and "Black Sun," and the coauthor, with Cussler, of "Devil's Gate," " The Storm," and "Zero Hour." A pilot and an attorney, he lives in Arizona

Review Quotes:
Praise for the NUMA Files novels of Clive Cussler and Graham Brown

""Devil's Gate" is a breathtakingly suspenseful, wildly inventive, enjoyable thriller. Hard-core fans will snap it up." "-Library Journal"

"Cussler and Brown deliver nonstop action in "Zero Hour". The most exciting NUMA Files novel in the series!" -Associated Press

Review Quotes:
Praise for "Ghost Ship"

"Electrifying...Cussler delivers all the usual twists and turns on the way to an explosive climax."--"Publishers Weekly"

Praise for the NUMA Files novels of Clive Cussler and Graham Brown

""Devil's Gate" is a breathtakingly suspenseful, wildly inventive, enjoyable thriller. Hard-core fans will snap it up." "-Library Journal"

"Cussler and Brown deliver nonstop action in "Zero Hour". The most exciting NUMA Files novel in the series!" -Associated Press

Review Citations:
- *Library Journal Prepub Alert* 12/01/2013 pg. 66 (EAN 9780399167317, Hardcover)
- *Publishers Weekly* 04/28/2014 (EAN 9780399167317, Hardcover)
- *Kirkus Reviews* 05/15/2014 (EAN 9780399167317, Hardcover)

Contributor Bio: Cussler, Clive
Clive Cussler is the author of numerous New York Times bestsellers. He splits his time between Telluride, Colorado and Paradise Valley, Arizona.

Contributor Bio: Brown, Graham
Graham Brown is the author of Black Rain, Black Sun and The Eden Prophecy. Since 2010 he's been lucky enough to work with Clive Cussler on the NUMA FILES: Devil's Gate, The Storm and Zero Hour were all NYT bestsellers. His latest project is a supernatural thriller entitled Shadows of the Midnight Sun, co-written with Spencer J. Andrews. Spencer J. Andrews is a screenwriter and independent filmmaker. Shadows of the Midnight Sun is his first novel. And the first in the Shadows Trilogy. -

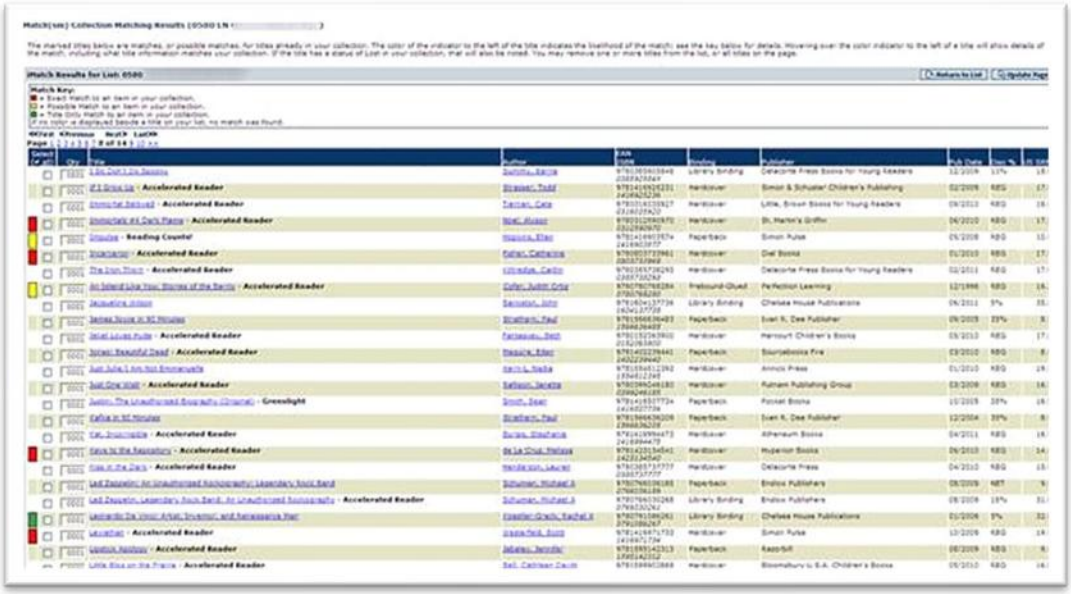
While not all titles on ipage have reviews, we display the review information for print titles where it exists. If a Library wishes to view full-text reviews, there is a nominal fee of **$350.00** per year for that additional service. The Library also has the option of paying in installments of **$35.00** per month. Price of reviews is subject to change on an annual basis.

Duplicate Checking

ipage offers multiple duplicate order checking methods, including iMatch, OPAC View and Selection List Duplicate Checking. With iMatch, the Library can search their entire collection. As described below, Ingram's duplicate order check methods do not automatically prevent duplicate orders. Conversely, they will allow duplicate copies when needed.

iMatch - Ingram's iMatch collection matching service on ipage matches titles in a selection list with the titles already in your library collection, saving you time comparing potential purchases. This powerful tool utilizes the industry standard Z39.50 protocol to access your library's catalog and retrieve your collection information. Then it works with ipage to identify title matches within your selection lists. iMatch matches at the branch level enabling users to check just their collection in a shared database.

Results are color coded to show where matches were found. If no color appears to the left of a title, no match was found. A red bar indicates an exact match, yellow a possible match, and green a title-only match. Hovering over a color bar indicator will display details about the match. The details will include which criteria were matched, and whether the edition matches your collection. For an exact match, the status of the title in your collection will also be shown.



OPAC View - Libraries have a feature that allows them to look into their Online Public Access Catalog (OPAC) from titles within ipage. Like iMatch, this duplicate service also matches against the Library's holdings, but uses EAN/ISBN as the match point.

The OPAC View feature requires a one-time setup by the Library's Administrator of the ipage account. The administrator needs to provide the following information in this setup:

- OPAC web address
- Their vendor's specific ISBN search index
- For some vendors, a search suffix is also required

Once the administrator of the account has set up this feature, users in the ipage account will start to see a button/graphic attached to titles as they search and build lists. Clicking this button will open a new browser window and point to this ISBN within the customer's web based OPAC system. The match can occur for as long as the EAN is still listed in the Library's catalog. Since this feature is ISBN driven, the button will not appear with titles that do not have ISBN's (videos, music, etc.)



Selection List Duplicate Check - The selection list functions in ipage allows the user to check for duplicates. This is customizable so that the user can check for duplicates only within the current list, against the user's Private lists, against Shared lists, or against all lists to which that user has access. The user can set a default for how they want the selection list duplicate check feature to work or can choose this option each time the selection list duplicate check feature is invoked. Additionally, users can check for duplicates as they are adding titles to a selection list. This feature checks for duplicates only within the current list.

Enhanced Duplicate Check and Holdings

Ingram understands that the ability to see duplicate items is of utmost importance to our library customers. In addition to our iMatch and OPAC duplicate check capabilities, ipage duplicate check has been enhanced to create more visibility prior to placing an order. Rather than waiting to check for duplicates as part of selection list finalization, the user can now proactively see duplicate items as they are searching and building lists. This ipage feature is automatically enabled for all Library users.

Holdings

Ingram's ipage platform has the capability to ingest library holdings and make those holdings visible as users are navigating in the ipage site. With this enhancement, your ipage users can quickly spot items that are already owned by the Library and react accordingly when considering purchase of these items. Holdings will appear in traditional search results, Ingram-generated lists (found under the iCurate® tab), as well as Library-created selection lists. This is similar to existing functionality for OPAC lookup and iMatch but is a proactive approach and requires no extra click for your users.

To show Holding's information, we require the library to provide a weekly "MARC out" file of their holdings to Ingram, delivered via ftp. The file should be in either a .mrc or .out format. If you are interested in providing this data to Ingram so that it can be reflected in ipage for users in your account, please have your ipage Administrator contact ics-techsupport@ingramcontent.com.

There is no additional cost for this service, but the Library will be asked to sign a data license.

Duplicate Indicators

Color-coded indicator buttons on the search results page report on different "duplicate" information:



Red indicator:

- This item is in your holdings (if provided to Ingram by the Library)

OR

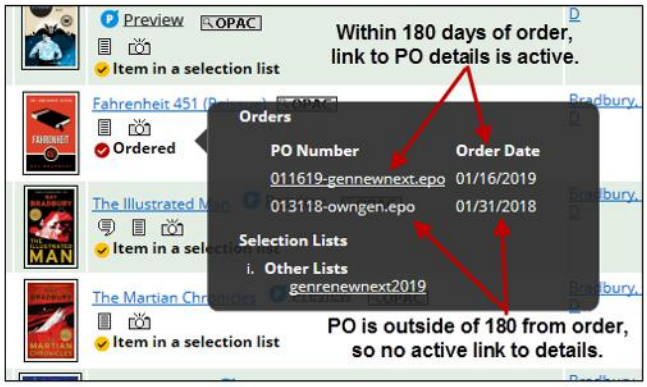
- We found this item in your Ingram order history from the past 180 days. Our System will check for duplicates from orders for any shipping account to which the user has access (per User permissions set by the Library's ipage account Administrator.)

Yellow indicator:

- We found this item in a selection list: **My Lists** (lists I created); **Other Lists** (lists created by other users in my account); and **Ingram Lists** (lists tied to New Title Notification/Standing Order Programs or other Ingram-generated lists).

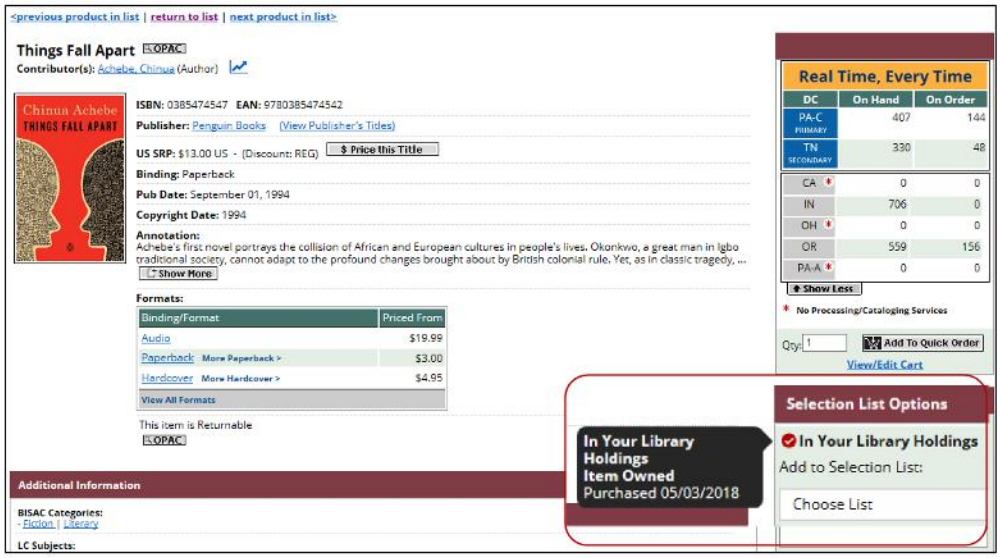
Hovering the cursor over the indicator shows fuller details:

- If the title was found in the Library's order data, you will see the PO number and date of order from Ingram. If the PO is within six months of order, a clickable link to order status details will be enabled.
- A red indicator *could* also contain matches to selection lists (as well as Holdings and/or Order data)



- Selection lists matches against are further sub-divided into the 3 categories of lists as appropriate: **My Lists**, **Other Lists**, and **Ingram Lists**.
- The same selection list rules regarding visibility of public, shared and private lists apply, so that only lists the user is authorized to see and edit will appear in the pop-up box. If the matching item is in a deleted selection list, it will not appear as a duplicate.

For libraries who provide their holdings data to Ingram, an indicator will also appear on the product detail pages, showing the item is owned:



Custom MARC

Ingram's ipage features an option called Custom MARC. Custom MARC gives libraries the ability to create and map a custom MARC record profile for downloading brief order records for loading to their Integrated Library System (ILS).

The Custom MARC feature allows the user to create a list in ipage, and then add local data (like fund, location, collection code, requestor, etc.) in 9xx tags and subfields per the specifications of their ILS for each title to be exported in a brief MARC record. The list is then exported in brief MARC format, and the ILS system loader is used to load the records to the ILS. Upon loading to the ILS, an order record and a brief cataloging record are created.

Grids

Libraries can use grids to allocate multiple copies of an item across their funds, locations, etc. The grid features are an addition to the Custom MARC functionality, with the Custom MARC mapped fields and values feeding the grid.

Once Custom MARC data has been added to an account by the administrator, a user can create a grid template, selecting which Custom MARC mapped data elements to use. After a template is created, it can be applied to an entire selection list or at a line-item level within a list. As a template is applied, quantities for each item are increased as necessary and individual allocations are made across the library's funds and locations. The selection list is then downloaded in Custom MARC format, and subsequently uploaded into the library's acquisition system for order placement via EDI. Unlike other library book vendors, Ingram offers grid creation capabilities free of charge.



MARC Setup

Add Data Mapping

Your selected acquisitions vendor, III Enhanced, has unique requirements for the format of their MARC records. The fields below have been automatically mapped based on your selection of this vendor. Use the Add/Edit Values button to build a list of your library's Locations and Funds. Enter values for these fields exactly as they appear in your acquisition system.

If desired, you can map additional data elements and values into your MARC download using the fields below.

Tag #: Subfield: Data Element: Other--Input customer data element

Add Reset

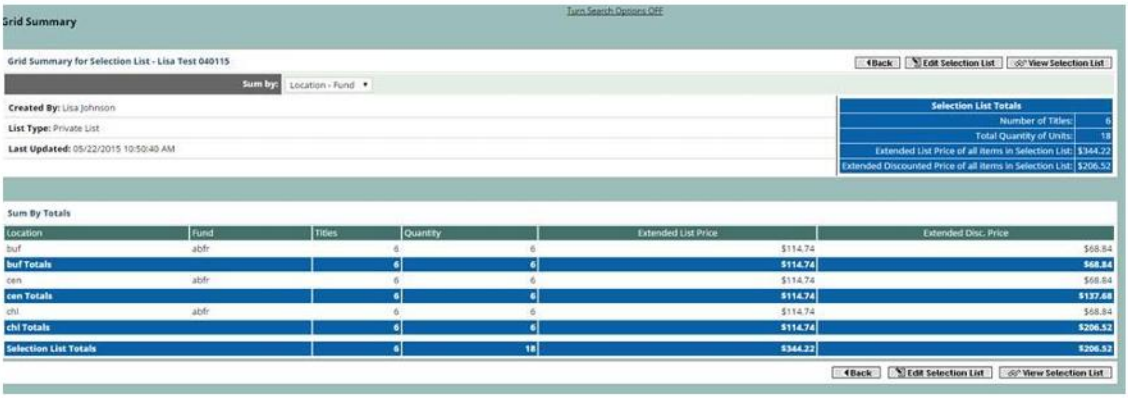
Data Mapping

Tag #	Subfield	Data Element	Action
001		Ingram Control Number	
008		File Created Date	
010	a	Library of Congress Control Number (LCCN)	
020	a	ISBN/EAN (depending on your MARC download format)	
020	c	Price	
024	a	Universal Product Code	
024	d	Universal Product Code (Additional digits)	
035	a	Alternate Control Number	
082	a	Dewey	
100	a	Author	
245	a	Title	
260	b	Publisher	
260	c	Pub Date	
960	o	Copies (Total Quantity)	
960	t	Location	Add/Edit Values
960	t	Copies (Location Quantity)	
960	u	Fund	Add/Edit Values
960	u	Copies (Fund Quantity)	

Complete

Grid Summary

We have a Grid Summary option available for our Library customers who use grids. Users can select two of their Custom MARC (9XX) tags as fields used to sum a "gridded" selection list. After the ipage administrator selects which 9XX tags they want as part of their grid summaries, the Grid Summary button will appear for selection lists that have a grid attached, and when the button is clicked from the List of Lists page, the View Selection List page, or the Edit Selection list page, the user is taken to a page containing quantity, extended list price, and customer discount price totals by the Grid Data elements associated with that selection list.



Grid Summary

Turn Search Options OFF

Grid Summary for Selection List - Lisa Test 040115

Back Edit Selection List View Selection List

Sum by: Location - Fund

Created By: Lisa Johnson
List Type: Private List
Last Updated: 05/22/2015 10:50:40 AM

Selection List Totals	
Number of Titles:	6
Total Quantity of Units:	18
Extended List Price of all items in Selection List:	$344.22
Extended Discounted Price of all items in Selection List:	$206.52

Sum By Totals

Location	Fund	Titles	Quantity	Extended List Price	Extended Disc. Price
buf	abfr	6	6	$114.74	$68.84
buf Totals		6	6	$114.74	$68.84
cen	abfr	6	6	$114.74	$68.84
cen Totals		6	6	$114.74	$137.68
chl	abfr	6	6	$114.74	$68.84
chl Totals		6	6	$114.74	$206.52
Selection List Totals		6	18	$344.22	$206.52

Back Edit Selection List View Selection List

Find and Replace for Grid Data

At a selection list level, users can now perform a 'find and replace' function to update grid data attached to the list or items in the list. This feature is available from the Search Result View of a selection list.

Using this feature will allow the user to quickly update any occurrence of one grid data element with a different option. For example, this is especially helpful as libraries roll to a new fiscal year and need to update a fund value.

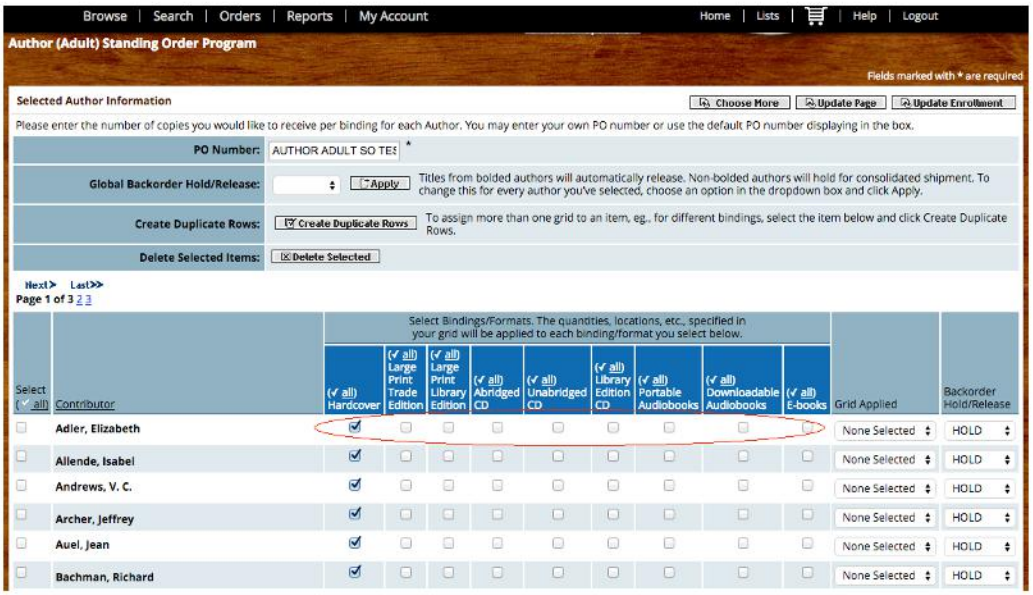
Exporting Grid Information in Excel

Library users can now set their Excel downloads to pull in grid information. Under Template Preferences on the User Settings page, users will see the option as a yes/no toggle. This option is set to No by default. Any user wishing to include grid information in his/her downloads should set this option to Yes.



Applying Grids to New Title Notification/Standing Order Programs

New Title Notification/Standing Order Programs enrollments used to require that customers create an enrollment for each grid template used. For example, if a library wanted to send a certain number of copies of popular titles in our Graphic Novel (Adult & Youth) New Title Notification/Standing Order Programs to its branches but a different number of copies for less popular titles, they would need to establish two grid templates and set up two separate enrollments, one for each grid template. Libraries can now apply multiple grids within a single enrollment, greatly reducing time spent on setting up and managing New Title Notification/Standing Order Programs.



Price This List Feature

ipage shows current list price. Libraries can submit selection lists for product pricing based on the library's

specific discount structure. On the *Orders*, *Selection List* page, the Library will see a button labeled *Price this List*. Clicking this button will send the list as a pseudo-order using the active ship-to account of the ipage user. The total estimated price of product on the selection list will display. This pricing will disappear from the site if the selection list is changed or edited in any way. The Library should note that the list price is set by the publisher and is subject to change without notice in the interim between using the Price This List function, placing an order, and Ingram processing and invoicing that order. To "lock in" the current title pricing for up to 60 days, the Library can use our online Quotation Service available through ipage.



Price This Title

Ingram offers an option to include a *Price This Title* button on the title detail page. Like the *Price This List* function, clicking this button will send the title as a pseudo-order using the active ship-to account of the ipage user. The estimated product price per unit will then be displayed.



Online Quotations

ipage subscribers can set up a selection list of titles and then request a price quotation for that list using the *Get Quote* function. Utilizing the *Get Quote* function will also keep the current title pricing firm for up to 60 days, if the quoted order is then placed through ipage.



ipage will display the quote within the *Order* section under a function labeled *View Quotes*.



From the *View Quotes* area, all ipage users on an account can review existing quotes and print the quote. Those users who have ordering capability on ipage can delete the quote if desired or release it as an order. Quotes are valid for 60 days. To revise a list (including changing quantities) and request that it be re-quoted, simply return to the *Selection List* function, edit the list they want quoted, and resubmit it for quotation.

Packaging
In preparing books for shipment, our standard procedure is to stack the books on a cardboard base as a tight cube shape. The books are then wrapped in plastic and placed in a high test-weight box. Ingram is known for using the best boxes in the industry with the highest test weights. Paper and/or air pillows as dunnage are placed as needed in the carton before the box is closed and sealed. The shipping cartons Ingram uses have the highest recycled content allowed to maintain burst strength.

Inside Delivery
When requested by a customer, and if the carrier's operating conditions permit, the carrier may perform inside delivery. Please note that the carrier's only obligation is to get the freight inside the door or onto a dock. It is the Library's responsibility to transfer the material to other desired destinations. If inside delivery is desired, the Library must specify this when establishing/updating their account(s). Where inside delivery is not provided, the carrier's only obligation is to move the freight to the back of the truck. Inside delivery will be clearly designated on the shipper's bill of lading but not on the Ingram shipping label.

No Partial Shipments
Accounts can be profiled to receive No Partial Shipments. With this account setting, if the entire quantity of a title is not in stock at the time of order, Ingram backorders that title and ships it when the entire quantity is received from the publisher. Please note that this profile option may lessen initial fill rate of an order. We are happy to discuss with the Library to determine the best option to meet your workflows.

Drop Shipments
With orders place both through iPage and Enriched EDI we offer the ability to drop ship to branches as well as simplify account management. iPage orders are shipped to branch locations based on account number. Enriched EDI orders are place on a single account and Ingram separates the orders based on the enriched data that allows us to process orders per the library's specifications and route them to the correct branch.

"What Shipped Yesterday" Email Alert
ipage users can now receive a personalized email alerting them when a shipment is on its way! The "What Shipped Yesterday" electronic notification is a **proactive communication** to our customers. An email is sent the morning after an order has shipped, to let the user know that their shipments left the Ingram warehouse(s) the previous day, and to expect delivery soon. The email contains the shipment tracking number, plus an order entry number used to identify the warehouse the shipment is coming from and all the items in a single shipment. This service works regardless of the method used for placing orders, e.g., phone, ipage, EDI.


INGRAM

HOORAY!!

Your Shipment Is *On* Its Way

Hello [first name or default to Name of Organization],

Thanks so much for your order! The processed shipments below are headed your way.

Shipment Tracking # [xxxxxxxxxxxxxxxxxx] Order Entry # [xxxxxxxxxxxxxxxxxx]

Shipment Tracking # [xxxxxxxxxxxxxxxxxx] Order Entry # [xxxxxxxxxxxxxxxxxx]

Shipment Tracking # [xxxxxxxxxxxxxxxxxx] Order Entry # [xxxxxxxxxxxxxxxxxx]

Order Entry Numbers are used to identify all the items in a single shipment. The first character of the Order Entry Number can be used to tell which warehouse the shipment is coming from:

C = Pennsylvania; D = Indiana; E = Oregon; H = Tennessee; N = Tennessee

You should receive these shipments in the next few days.

Remember, sometimes orders are received in multiple shipments so keep an eye out for separate parcels.

Questions?

View additional order details or request a packslip on ipage [here].
Reach out to us anytime via email [customer service link]

If you are not interested in receiving shipment notification emails please unsubscribe by emailing ics-tsi.ftsupport@ingramcontent.com.

The "What Shipped Yesterday" notification is an opt-in service for the Library's Primary ipage Administrator(s.) The Administrator can enable this feature for one, some, or all the shipping accounts within the Library's ipage account, can assign access rights to additional users in the account, and can limit access only to specific Library shipping accounts. This is especially helpful if the Library's ipage account contains multiple shipping accounts to different branches, and the specific user is only interested in receiving notification of shipments to their branch. Please note that the desired email address must exist in ipage to enable this feature, i.e., the person assigned to receive notifications must be set up as an ipage user under the Library's account.

Tracking Orders

ipage allows users to track shipments under the Order tab. To track a standard shipment, click Order Status, then Recently Shipped Orders. This opens a table displaying all recent shipments. Click the shipping tracking number for the shipment you want to track. This links you to a page where you can view tracking information.

"Invoice in the Box"

Ingram has the option available to libraries to have their invoice put inside the box of shipped items. This invoice is in a modified, easy to read format. With "Invoice in the Box", libraries can check in items against the invoice and do not have to wait for the invoice to arrive in the mail. The library still has the option to have multiple copies of the invoice. Please note that if invoices are included with the shipment, they cannot be mailed separately.

ipage Invoices

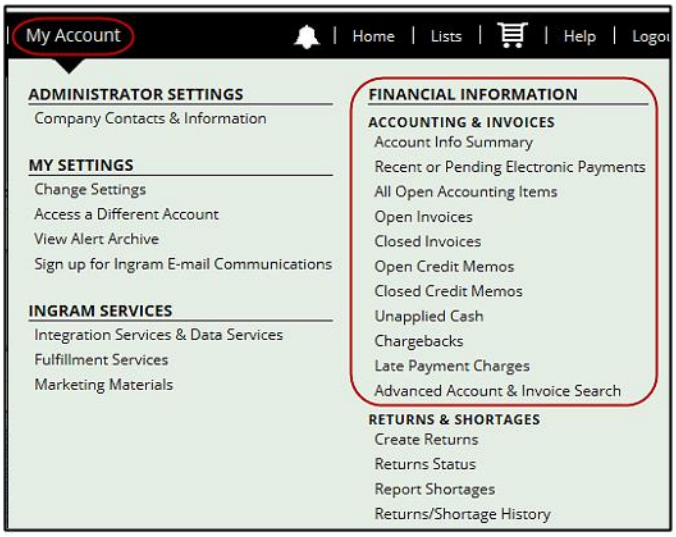
Ingram offers the convenience of having invoices available to our customers online via ipage our web-based selection, ordering, and account management tool. With ipage, invoices are available to view and print on demand the moment they become available.

Financial Information on ipage

The Library's ipage Administrator can designate which staff members have access to view account-specific accounting items such All Open Accounting Items, Open Invoices, and Open Credit Memos. Using the Advanced Search feature, the Library can further refine their search results for these accounting items by

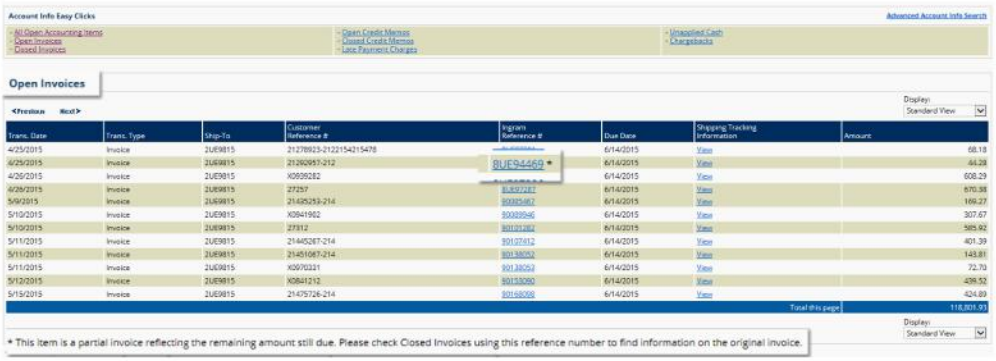
entering one or a combination of Customer or Ingram Reference Number, Purchase Order, Product Code, and Transaction or Due Date Ranges. Closed invoices and credit memos are available for viewing for 90 days.

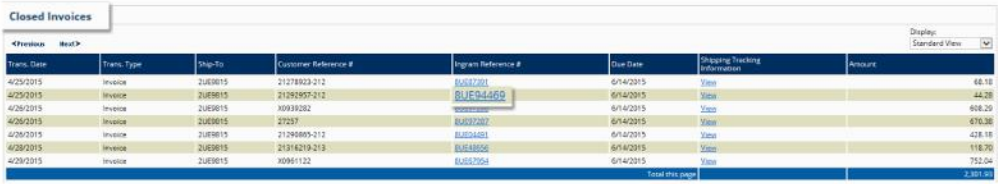
Through ipage, the Library can also look at its last statement and view the last six payments received by Ingram plus review recent and pending electronic payments.



Partial Invoices

Partial invoices are indicated on ipage by an asterisk after the Ingram Reference Number. The remaining amount still due is listed under Open Invoices. The original invoice is accessible under Closed Invoices by searching using the same reference number.





PUBLIC LIBRARY

Value-Added Services



Fulfill Your Library Mission. Our Comprehensive Suite of Services.

No matter the size, location, or niche, Ingram's tailor-made treatment helps all kinds of libraries get the right books fast so they can get back to what matters most – their communities.

Meet Your Patrons' Needs. Our Top-Shelf Service.

Combining unparalleled inventory, reliable resources, and one easy-to-use ordering platform, librarians can confidently search, select, and shelve for circulation success.

- 19+ million books, music, movies, & more
- 2-day delivery to 91% of the country*
- Cost-effective, reliable shipping**
- Free ordering access through ipage®
- No platform fees; Unlimited users
- $350 full text reviews

TAKE ADVANTAGE getstarted.ingramcontent.com

* In-stock, non-processed, and non-cataloged book orders ship within 24 hours at your designated Ingram distribution center. For more information, visit **ingramcontent.com/delivery**.

** Shipping terms may vary by customer and are based on state contracts or local agreements. All shipments are based on the most efficient method for damage-free delivery. Libraries can easily manage their order status, shipping notifications, and more in ipage®.

MEET YOUR REP ilssalessupport@ingramcontent.com | 800.937.5300 x 23182

Reclaim Your Time. Our Shelf-Ready Services.

Remove backroom stress and go from box to stacks with reliable cataloging and precise processing, tailored to your specific collection needs.

Customizable Cataloging & Processing Packages

$ Basic

Simplified Setup · Two-Week Timeline*
Restricted Customization

Offering limited but common configurations and filtered encoding preferences, **Basic** allows libraries to quickly and inexpensively receive shelf-ready materials to meet patron demand.

$$ Enhanced

Personalized Setup · Contingent Timeline*
Expanded Customization

Meet local practice requirements with an **Enhanced** setup that expands configuration and encoding preferences to personalize call numbers, circulation item data, local MARC-formatted records, and more.

**Timeline and pricing are contingent on the Library's response, requirements, and onboarding queue.*

Automated Cataloging & Processing Package

Book Jacket or Label Protector, Spine Label, Barcode, & Best Locally Available MARC-Formatted Record ..... **$ 1.19**

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INGRAM Library Services

Circulation-Ready Materials

Cataloging	Unit Price
Brief On-Order Record	**FREE**
Best Locally Available MARC-Formatted Record	**$0.35**
Upgrades & Customizations	**contingent on specs**
Original	**contingent on specs**

Book Processing	Unit Price
Book Cover Hardcover: Dust Jacket, attached	**$0.72**
Book Cover Hardcover: Dust Jacket, unattached	**$0.69**
Book Cover Paperback: Prebinding	**$5.70**
Book Cover Paperback: Laminate, 5 mil	**$1.99**
Book Cover Paperback: Laminate, 15 mil	**$1.85**
Label Barcode	**$0.25**
Label Bibliographic	**$0.45**
Label Reading: AR, Scholastic, & Lexile	**$0.25**
Label Spine	**$0.20**
Label Other, per application	**$0.25**
Label Protector	**$0.25**
Pocket Paper	**$0.35**
Pocket Vinyl	**$0.65**
Spine Tape: Outside	**$0.99**
Spine Tape: Inside	**$1.69**
Stamp Ownership, per impression	**$0.20**

Audiovisual Processing	Unit Price
Bundle Digital Media, up to 6 labels	**$2.95**
Audio Case ClamShell: Small, up to 12 discs	**$3.80**
Audio Case ClamShell: Medium, up to 20 discs	**$4.75**
Audio Case ClamShell: Large, up to 30 discs	**$6.00**
Audio Case MediaSAFE: Small, up to 14 discs	**$4.95**
Audio Case MediaSAFE: Large, up to 26 discs	**$5.30**
DVD Case Poly-Box: Single	**$1.99**
DVD Case Locking: Single	**$2.59**
DVD Case Locking: Multi, up to 6 discs	**$3.50**
Music Case Locking: Single	**$3.00**
Music Case Locking: Double	**$3.50**
Label Hub, per application	**$0.30**
Cellophane Wrap, removal	**$0.55**

Inventory Control	Unit Price
RFID Linkage: Pre-Programmed, 1 barcode	**$0.80**
RFID Linkage: Pre-Programmed, 2 barcodes	**$0.85**
RFID Universal: Programmed, applied	**$0.99**
RFID StingRay: Full Disc Overlay	**$1.29**

Customer Supplied Items, per application **$0.05**

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- 22 ready-made new title alert programs

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Adult, Teen, OR Children's	**$775 each**
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- Author/Title match with your holdings to identify gaps

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Effective **December 1, 2021**. Pricing subject to change.

INGRAM Library Services

City of Peoria, AZ
Cooperative Purchasing Clause

Libraries in Arizona – Eligible with approval from Ingram VP

Ingram Library Services LLC is contracted with the City of Peoria, Arizona for the supply of Library Materials and Processing, under Contract P22-0029(D). Under the contract's Cooperative Purchasing clause, other public agencies may utilize this contract with the approval of the contractor. Please accept this letter as notification that Ingram agrees to allow your Library to utilize Contract P22-0029(D) for your purchases from Ingram.

EFFECTIVE DATES: February 1, 2025 through January 31, 2026

Ingram pricing is based upon several factors including dollar value of commitment, actual expenditure, number of accounts and shipping locations. Ingram reserves the right to offer pricing, delivery terms, and other services to other Ingram customers based solely on Ingram management criteria. Ingram will allow Cooperative Purchasing under this contract on a case-by-case basis.

DISCOUNTS:

	Trade Hardcover	43.0%
	Trade Quality Paperbacks	42.0%
	Mass Market Paperbacks	42.0%
	Library Bindings	18.0%
*	Short Discounted Titles	8.0 – 35.0%
	University Press	16.0%
**	Spoken Word Audio CD (Trade)	46.0%
***	DVD/Blu-ray *(Discount based on List Price of item)*:	
	< $14.99	35.0%
	$15.00-$19.99	30.0%
	$20.00 +	25.0%
	Music	26.0%
	Video Games	5.0%
	Playaway	20.0%
	Net Titles	0.0%

* *Short Discount/Non-Trade: Lower demand, small print-run books in various bindings, and includes graphic novels, legal, technical, reference, scientific, and medical titles as defined by Ingram subject categories. Titles are generally published by small or university presses. Also included are print and audiobook titles purchased at lower than full trade discount; titles with limited sales volume; and/or titles from publishers not in compliance with Ingram's purchasing requirements. Ingram is pleased to make this broad base of titles available to our customers with no service charges.*

** *Eighty to eighty-five percent of all Spoken Word Audio is at the 45% discount; however, some Spoken Word Audio is short discounted by the publisher.*

*** *Although the majority of Ingram's DVD inventory is eligible for the maximum discounts, some titles receive smaller discounts.*

Processing and Cataloging:

Processing and cataloging components are available at the current standard pricing in place at the time the option is added to your account profile. Standard pricing is subject to change with notice. Ingram will review this offer with the library annually.

Cooperative Purchasing Freight Terms
Ingram offers Ingram-paid freight from your primary and secondary distribution centers. Orders of 15 or more units from both your primary and secondary distribution center will ship with Ingram Paid Freight. Shipments of less than 15 units will be charged a flat $6.00 shipping fee. The qualifying unit quantity is subject to change with notice. Items picked, packed, and shipped together count as an individual shipment. Distribution center designation is subject to change by Ingram to provide the best service for your Library.

UPS ground service is used to transport the majority of Ingram's goods. Ingram will choose the most cost-effective shipping method. Ingram has the right to adjust distribution center designations in order to provide the greatest service to your Library. Orders will ship FOB Destination. Ingram defines FOB Destination as Ingram being responsible for the products until they are delivered to the library. Once the items have been delivered, liability lies with the receiving agency. When freight charges on an individual account surpass 2.5% of the account's expenditures, Ingram reserves the right to change the shipping settings under this offer. Changes to account settings such as one warehouse for shipments or shipment timetables and order consolidation levels are examples of such alterations. We will work closely with the Library to ensure if changes are made, they are in the best interests of both parties. Ingram reserves the right to adjust freight terms on an account-by-account basis.

Due to the impact of rising oil prices, Ingram has instituted a $2.50 fuel surcharge. This charge is subject to change with notice. These charges will appear as a Shipping and Handling charge on your invoice.

Payment Terms:
Payment terms under this offer shall be Net 30 Days. Payment is required for invoices within these terms even when a purchase order has not been completed. Ingram does not invoice for items until they have been shipped.

While other vendors demand payment from invoice date, Ingram's terms are calculated on statement date at the end of each month. With payment due 30 days from statement date, the customer's payment is due an average of 45 days from invoice (30-59 days). Ingram reserves the right to assess a late charge on all past due invoices.

New Account Setup:
Any library wishing to establish a new Ingram account is required to contact our Account Services Department by calling (800) 937-5300. Libraries wishing to establish a new account will be asked to complete an Ingram New Account Application and Terms of Sale Form. When setting up an account under the terms of the offer, the Library will be asked to provide a copy of their tax exemption certificate.

Special Notice:
Ingram does not automatically set up libraries under the City of Peoria offer. It is the responsibility of each ordering agency to inform Ingram's Inside Sales Department that they wish to set up a new account or maintenance an existing account under the terms of this offer. Account Services may be reached by dialing (800) 937-5300, options 1, then 4. Ingram cannot issue credits for accounts failing to follow the proper notification and account set up procedures. Any item ordered prior to the start date of these offer is not eligible to receive the terms. This applies to all backorders,

standing orders, and firm orders placed prior to the enactment of this offer. Should a Library receive a previously ordered item after the offer is in effect, previous discounts will apply.

Ingram Contact List:
The library has toll-free telephone access to any Ingram point of contact at (800) 937-5300. Your call will be answered by an automated voice system that will offer several prompts to assist you in reaching the correct department. You may also reach your Senior Sales Representative directly at:

- Amy Sackett, Senior Sales Representative.....(724) 953-9807
  Email: amy.sackett@ingramcontent.com
- Hannah Jones, Sales Representative .....(801) 999-8404
  Email: hannah.jones@ingramcontent.com
- Brandy Cain, Inside Sales Representative .....(615)-213-5786
  Email: brandy.cain@ingramcontent.com

- Ingram Library Services .....(615) 793-5000
- Credit Department .....(800) 937-8100

  Email: ILSCustomer.service@ingramcontent.com
  To Discuss Concerns or Issues Regarding Your Account
  Email: requirements@ingramcontent.com
  To Set Up / Update an Account

Ingram's team of Customer Care Support Specialists trained specifically on the requirements of library contracts are available five days a week. Customer Service hours of operation are Monday through Friday, 7:00 a.m. – 5:00 p.m. (Central Time.) Every attempt will be made to respond within 24 hours (during normal working hours) from phone call or receipt of correspondence. However, some issues may necessitate additional research in order to provide the best service and most complete response to the Library.

Remittance address:
Ingram Library Services LLC
P.O. Box 277616
Atlanta, GA 30394-7616
Please mail only payments to this address.

AF 775800

City of Peoria

FINANCE DEPARTMENT
MATERIALS MANAGEMENT

CONTRACT AUTHORIZATION AND SIGNATURE – COVER SHEET

(This cover sheet is for internal City routing only and is not a part of contract)

CONTRACT DETAILS

☐ New Contract ☐ Amendment ☒ Extension ☐ Other:

Purchasing Job Number: P22-0029 (C) **Buyer Name:** Mark Brown / DG

Vendor / Contractor: Ingram Library Services Inc.

Contract Title: Library Materials and Processing

Description: Extension two of three.

Contract Type: ☐ One Time ☒ Term **Initial Term:** 5 **Remaining Term:** 2

FINANCIAL DETAILS

City Department: Arts, Culture and Library Services **Department Rep:** Kathleen Wade

Budget Account #: **CIP#:**

A. This document amount: $

B. Total of all previous executed amounts for this contract: $

C. Total Contract Amount: $

APPROVALS

Council Approval Required?: ☒ No ☐ Yes: Council Date:

Special Instructions: https://peoriaaz.bonfirehub.com/contracts/101219/documents

Department Manager: _____ **Risk Manager:** _____

Department Director: Marylou Stephens **City Manager:** _____

Deputy City Manager: _____ **City Attorney:** Brad K. Keogh for

Materials Manager: Christine Finney **City Clerk:** Agnes Goodwine

CONTRACT NUMBER: ACON03722B **REFERENCE DOCUMENT(S):** _____

CONTRACT AMENDMENT

Solicitation No: P22-0029 (C) Page 1 of 1

Description: Library Materials and Processing

Amendment No: Two (2) Date: 11/25/2024

Materials Management Procurement
9875 N. 85th Ave., 2nd Fl.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118

Buyer: Mark Brown / DG

In accordance with the Contract Special Terms and Conditions, Contract Extension, the above referenced contract shall expire on **01/31/2025** and is hereby extended. **Extension two (2) of three (3).**

The New Contract Term is: **02/01/2025** to **01/31/2026.**

A copy of the current or renewal Certificate of Insurance must be provided to insurancecerts@peoriaaz.gov .

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

Carolyn Morris	12/9/24 08:50 MST	Carolyn Morris, Vice President	Ingram Library Services LLC
Signature	Date	Typed Name and Title	Company Name

One Ingram Blvd	La Vergne	TN	37086
Address	City	State	Zip

Attested by:

Agnes Goodwine

Agnes Goodwine, City Clerk

CC Number

ACON03722B

Contract Number

City Seal
Copyright 2003
City of Peoria, Arizona

Marylou Stephens

Director: Marylou Stephens- Arts, Culture and Library Director

Kathleen M. Wade

Department Rep: Kathleen Wade, Library Systems Administrator

Approved as to Form:

Brad K. Keogh for

Emily Jurmu, City Attorney

The above referenced Contract Amendment is hereby Executed:

12/16/2024 at Peoria, Arizona

Christine Finney

Christine Finney, Materials Manager

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Anja Wendel, Senior Assistant City Attorney AW

Co-Submitter: Justyna Costa

Date: 12/09/2025

Meeting Date: 12/16/2025

TITLE:

Consideration and Approval of Contracts: with Habitat for Humanity of Northern Arizona related to establishing an Affordable Housing Plan for the Habitat at Timber Sky Condominium.

STAFF RECOMMENDED ACTION:

Approve the following documents:

1. Restrictive Covenant Agreement;
2. Special Warranty Deed;
3. Ground Lease for the Habitat at Timber Sky Condominium;
4. Declaration of Condominium and Easements for Habitat at Timber Sky Condominium;
5. Declaration of Annexation and Supplemental Declaration to Declaration of Covenants, Conditions, Restrictions and Easements for Timber Sky;
6. Driveway Maintenance Agreement;
7. Habitat Affordability Plan;
8. Agreement for Subsidy of Association Assessment;
9. Closing Instructions Agreement;

Subject to a partial release of the Arizona Department of Housing lien upon the land, delegating authority to the City Attorney to approve minor modifications to the foregoing documents upon approval of the City Housing Division; and authorizing the City Manager to execute the documents.

Executive Summary:

Habitat is requesting that the City approve the Housing Affordability Plan and related documents now, versus later. Habitat desires to complete transfer of the 3.3 acres of land to the City: (a) prior to selling units to eligible home buyers, and (b) prior to completion of construction of all 40 units, and (c) prior to release of the ADOH grant requirements.

The Arizona Department of Housing (ADOH) issued a forgivable loan of $2.16 million to Habitat for the starter homes. The loan is secured by a lien against the land. The loan is forgivable upon sale of 10 units. Habitat has constructed 10 units. Habitat is requesting that ADOH agree to a partial release of the lien, so that the City is not subject to the lien upon accepting title to the land. ADOH is amenable to this idea but the partial release documents have not yet been approved.

A summary of the Habitat Affordability Plan and responsibilities under the related documents follows:

Habitat's responsibilities:

- Design and construct 40 starter homes, including all infrastructure, on 3.3 acres of land;
- Establish the development as a leasehold condominium;
- Advertise, find, and income-qualify buyers for the condominium units;

- Sell units to eligible home buyers (households with income of up to 100% of the area median income or AMI)(initially only buyers with up to 80% AMI will be considered);
- Operate a savings program wherein homes are owned for up to 10 years, then resold to Habitat, with sellers to receive their net equity upon resale of the unit to Habitat;
- Prepare units for resale (including maintenance);
- Provide oversight of the leasehold condominium for a period of years to allow for the association to become self-sufficient;
- Use $100,000 in funding from VP 66 towards payment of Master Association and Condominium Association assessments over 10 years;
- Approve any subleases to ensure affordable housing goals are met;
- Comply with Arizona Department of Housing (ADOH) grant restrictions related to funding used to build starter homes.

City responsibilities:

- Accept title to the 3.3 acres of land from Habitat;
- Lease the land to all unit owners pursuant to a Ground Lease (initial term is 50 years);
- Agree to annexation of the land into the Timber Sky Community Association (the master association);
- Collect rent of $30 per month from each unit owner;
- Provide periodic maintenance of the driveway and parking spaces within the Condominium (in conjunction with maintenance of adjacent public roads);
- If needed, enforce Ground Lease and restrictive covenants that apply to the Condominium;
- Approve de-annexation of the land from the master association if appropriate to support affordable housing purposes;
- Approve use of beautification funds for a public amenity (such as a community garden) in the open space of the Condominium, if grant eligibility requirements are met and subject to any zoning requirements.

Homeowner responsibilities:

- Purchase home from Habitat;
- Maintain the home in good condition (improvements are restricted to maintain affordability);
- Pay property taxes and insurance on the home;
- Pay all Master Association and Condominium Association fees and assessments (if not otherwise paid by Habitat);
- Resell the home to Habitat within 10 years;
- Comply with all residential use and other restrictions.

Habitat at Timber Sky Community Association (condominium association) responsibilities:

- Enforce residential use and other restrictions;
- Issue and collect assessments to pay for association expenses;
- Approve a license for a public amenity (such as a community garden) in the Condominium open space, if desired.

Timber Sky Community Association (master association) responsibilities:

- Enforce residential use and other restrictions;
- Provide snowplowing and maintenance of driveway and parking for the Condominium not otherwise provided by City;
- Issue and collect special assessments for the foregoing services being provided to the Condominium;
- Allow homeowners to use all Timber Sky amenities (including pickle ball courts).

Financial Impact:
The only costs associated with this project relate to the Driveway Maintenance Agreement. There will be a reduction in property tax revenues associated with transfer of the land to the City. The City will obtain title to

the property (an asset), and will receive monthly rent of $30/month from each unit owner.

Project Name: Habitat at Timber Sky Leasehold Condominium
Cost: Public Works anticipates that no maintenance will be needed for several years, as the pavement is new. Averaged over time the maintenance cost is roughly estimated at $18,000/year in today's dollars.
Account Number Budgeted: None
FY Budgeted Amount: None
Grant Funded: No
Funding Source: General Fund. HURF and dedicated sales tax funds may only be used for public streets.

Policy Impact:
None.

Previous Council Decision or Community Discussion:
In 2022 the City Council approved the 4th Amendment to the Development Agreement for Timber Sky with VP 66, wherein VP 66 agreed to transfer 3.3 acres of land to Habitat for development of 40 affordable housing units.

Options and Alternatives to Recommended Action:
1. Approve documents.
2. Do not approve documents. In this case Habitat will remain as property owner and as the lessor. City would not maintain the driveway unless it approved that as a standalone agreement. City would not be the lessor of the land.
3. Direct staff to take different action.

Background and History:
This affordable housing project is part of a larger master planned development known as Timber Sky. The developer of Timber Sky, VP 66, entered into the following agreements with the City:

- Timber Sky Development Agreement (DA) (2016).
  - The Workforce Housing Provision**:** Timber Sky agreed to deliver 100 ownership units dispersed throughout the community to be sold at or below 100% AMI.
- 2nd Amendment to DA (2018).
  - Workforce Housing Provision: Allowed the 100 ownership units to be sold up to 125% AMI if the units were not selling for an extended period.
- 4th Amendment to DA (20022).
  - Workforce Housing Provision: Allows 90 rental units to be rented to persons with a household income of up to 60% AMI, and requires 40 Habitat ownership units on 3.3 acres of land to be sold at up to 100% AMI. The Habitat ownership units are to be consistent with the existing starter home program on Leroux (400-500 sq.ft units), and placed into the Community Land Trust program. The 4th Amendment was not detailed, and the starter home program differs significantly from the City's Community Land Trust program. The 4th Amendment requires a Habitat Affordability Plan.

City staff will be proposing that the City Council approve a 5th Amendment to the DA at a later date, consistent with the Habitat Affordability Plan being approved by the City. This 5th Amendment will clarify that the Habitat ownership units are not being placed into the Community Land Trust program, and that Habitat will remain responsible for construction of the 40 starter homes after transfer of the land to the City.

Connection to PBB Priorities and Objectives:

- **High Performing Governance**
  - Encourage public trust through transparency, accessibility & use of the City's public participation policy
  - 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
  - Provide alternative responses, resources & programs, inclusive of mental health & other services
- **Inclusive & Engaged Community**
  - Foster community pride & civic engagement by increasing opportunities for public involvement, in line with best practices & legal requirements
  - Advance social equity & social justice in Flagstaff by supporting social services
  - Facilitate & foster diversity & inclusivity, including support of anti-racist policies & practices
  - Enhance community involvement, education & regional partnerships to strengthen the level of public trust
  - Ensure city facilities, services, & programs are accessible for all residents & representative of Flagstaff's diverse community
- **Sustainable, Innovative Infrastructure**
  - Support the community's social infrastructure needs; assist those partner organizations that provide services the City does not
- **Robust Resilient Economy**
  - Support & strengthen a more robust, diverse, & sustainable economy in ways that reflect community values & provides for affordable housing opportunities
  - Enhance understanding between the development community, the City & Flagstaff residents
  - Enhance the community's workforce development programs & improve partnerships with higher education institutions & the private & public sectors
- **Livable Community**
  - Support regional partners which provide equitable & inclusive educational opportunities for Flagstaff residents of all ages
  - 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:

- **Goal NH.1. Foster and maintain healthy and diverse urban, suburban, and rural neighborhoods in the Flagstaff region.**
  - Policy NH.1.1. Preserve and enhance existing neighborhoods.
- **Goal NH.3. Make available a variety of housing types at different price points, to provide housing opportunities for all economic sectors.**
  - Policy 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.
  - Policy NH.3.3. Increase the availability of affordable housing for very low-income persons, through innovative and effective funding mechanisms
- **Goal NH.4. All housing is safe and sanitary.**
  - Policy NH.4.1. Expand the availability of affordable housing throughout the region by preserving existing housing, including housing for very low-income persons. Policy NH.4.2. Reduce substandard housing units by conserving and rehabilitating existing housing stock to minimize impacts on existing residents.
  - Policy NH.4.3. Address accessibility issues and other housing barriers to persons with disabilities or special needs.
  - Policy NH.4.4. Encourage green practices in housing construction and rehabilitation that support durable, healthy, and energy efficient homes.
  - Policy NH.4.5. Renovate the existing housing stock to conserve energy and reduce utility and maintenance costs for owners and occupants.

- Policy NH.4.6. Consider and integrate public transportation, when possible, in planning housing developments, to help reduce a household's transportation costs and minimize impact on the community's roads and transportation system.
- Policy NH.4.7. Enforce compliance with fair housing laws.

- **Goal NH.5. Eliminate homelessness.**
  - Policy NH.5.1. Provide adequate resources for families with children experiencing homelessness.
  - Policy NH.5.2. Provide adequate resources for individuals experiencing homelessness.
  - Policy NH.5.3. Support and expand programs that prevent homelessness.
  - Policy NH.5.4. Make transitional housing resources available to populations experiencing homelessness

Connection to Carbon Neutrality Plan:

- **Community resilience**
  - CR-1: Ensure all mitigation actions improve Flagstaff's ability to adapt to the future.
  - CR-2: Strengthen existing community systems to create resilience to both short-term shocks and long-term change.
- **Equitable systems**
  - ES-2: Proactively engage community members on an ongoing basis
  - ES-4: Actively seek to recognize past harms, repair trust, and build deeper relationships with community members.

Connection to 10-Year Housing Plan:

- **Connect people to equitable housing solutions.**
  - Connect 1: Reduce homelessness in the Flagstaff community and seek creative solutions to foster housing permanency for all.
    - Connect 1.3 Continue to support and develop Coordinated Entry as a meaningful process that provides linkages to healthcare, behavioral health, and housing
  - Connect 2: Implement a framework for centering equity in proposed and existing housing practices, policies, and programs.
    - Connect 2.1 Evaluate housing policies and strategies in City of Flagstaff planning documents through an equity lens.
    - Connect 2.2 Encourage community organizations such as local Continuum of Care to continue to integrate equity into programs and policies.
  - Connect 3: Integrate healthcare into housing programs, and housing into healthcare programs, as appropriate.
    - Connect 3.1 Raise awareness of housing security as a social determinate of health
    - Connect 3.2 Encourage neighborhoods, housing types and building practices that increase health.
    - Connect 3.3 Work in partnership with the community to develop and promote community health measurement data collection into housing services when viable
- **Preserve affordable housing**
  - Preserve 1: Encourage the adaptive reuse of buildings.
    - Preserve 2.2 Acquire and rehabilitate already built properties for affordable housing projects when financially feasible.
- **Protect people from housing discrimination and remove housing barriers.**
  - Protect 1: Continue Flagstaff's commitment to further Federal and Arizona Fair Housing laws in all housing-related services and programs, valuing the efforts of those who seek to reduce barriers to equitable housing opportunities, and providing Fair Housing education and resources to the community.

Connection to Division Specific Plan:

None.

Attachments: Special Warranty Deed
Restrictive Covenant Agreement

Declaration
Association Fees
Affordability Plan
Ground Lease
Driveway Maintenance
Declaration of Annexation
Closing Instructions Letter

When recorded, return to:

Gammage & Burnham
Attn: James Senften
40 North Central Ave., 20th Floor
Phoenix, AZ 85004

EXEMPT FROM AFFIDAVIT OF PROPERTY VALUE
PER A.R.S. 11-1134(A)(3)

SPECIAL WARRANTY DEED

Habitat for Humanity of Northern Arizona, Inc., an Arizona nonprofit corporation ("**Grantor**") hereby conveys to the **City of Flagstaff**, an Arizona municipal corporation, ("**Grantee**"), the following real property legally described on Exhibit A attached hereto and incorporated herein by reference (the "**Property**") together with (a) all buildings, structures, and improvements located thereon, including, but not limited to, irrigation ditches, gates, valves, pumps, tanks, and wells; (b) all appurtenances, hereditaments, easements, rights-of-way, reversions, remainders, development rights, well rights, water rights, and air rights; and (c) all oil, gas, and mineral rights not previously reserved.

SUBJECT TO: current taxes and other assessments, reservations in patents, matters that an accurate survey or physical inspection of the Property would disclose, and all easements, rights-of-way, encumbrances, liens, covenants, conditions, restrictions, obligations and liabilities of record.

FURTHER SUBJECT TO Grantee's agreement that the Grantee shall not voluntarily assign, convey or transfer fee title to the Property to any person or entity whatsoever without Grantor's written consent (which may be given or withheld in its sole and absolute discretion) provided, however Grantee may voluntarily assign, convey or transfer fee title to the Property to another person or entity that is fully exempt from the payment of all real and personal property taxes pursuant to the Constitution of the State of Arizona ("Exempt Entity").

If the Grantee (1) desires to voluntarily assign, convey or transfer the Property to any person other than an Exempt Entity prior to termination of the Habitat at Timber Sky Condominium, a leasehold condominium, or (2) does not use the Property for affordable housing (meaning that the property is used for residential housing where the majority of residents have an income (at the time of lease or purchase) of one hundred percent (100%) of Area Median Income (as adjusted for household size)), then upon written notice from Grantor to Grantee, Grantee will transfer back to Grantor (or Grantor's nominee), fee title to the Property, and Grantee shall promptly execute, acknowledge, and deliver to Grantor a deed in form reasonably requested by

Grantor, which will convey the Property to Grantor free and clear of all liens and encumbrances created by Grantee and which were not consented to or agreed to by Grantor. Nothing herein shall be construed to require Grantee to convey Property free and clear of liens and encumbrances, if any, encumbering the leasehold interests to the Property arising from the activities of the community association for the Habitat at Timber Sky Condominium, a leasehold condominium or activities of unit owners owning residences within the condominium development.

The provisions of this Special Warranty Deed will run with the land and be binding on Grantor's and Grantee's successors and assigns, and any future owner of the Property.

Grantor hereby binds itself, its successors and assigns to warrant and defend title to the real property granted herein against all acts of the Grantor and no other, subject to the matters above set forth.

Dated: December __, 2025

[***Signature Page Follows***]

[SIGNATURE PAGE TO SPECIAL WARRANTY DEED]

HABITAT FOR HUMANITY OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation

By: _____
Name: Eric Wolverton
Its: Chief Executive Officer

STATE OF ARIZONA)
) ss.
County of Coconino)

The foregoing instrument was acknowledged before me this _____ day of December, 2025, by Eric Wolverton, the Chief Executive Officer of Habitat for Humanity of Northern Arizona, Inc., an Arizona nonprofit corporation, for and on behalf of the corporation.

NOTARY SEAL: _____
Notary Public

_____

EXHIBIT "A"

LEGAL DESCRIPTION

LOT 1 OF THE FINAL PLAT FOR TIMBER SKY BLOCK 2, RECORDED ON JANUARY 28, 2025, AS INSTRUMENT NO. 4010656, OFFICIAL RECORDS, COCONINO COUNTY, ARIZONA.

When recorded, return to:

Gammage & Burnham
Attn: James Senften
40 North Central Ave., 20th Floor
Phoenix, AZ 85004

RESTRICTIVE COVENANT AGREEMENT

This Restrictive Covenant Agreement (this "**Agreement**") is made as of this ___ day of December, 2025, by VP 66 & WOODY MOUNTAIN, LLC, an Arizona limited liability company ("**VP 66**") and HABITAT FOR HUMANITY OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation ("**Habitat**").

RECITALS

A. VP 66 previously conveyed to Habitat that certain real property legally described on Exhibit "A" attached hereto and incorporated herein by this reference (the "**Habitat Property**") pursuant to that certain Special Warranty Deed With Restrictive Covenant recorded on December 16, 2022, in the Official Records of the Coconino County Recorder at Instrument No. 3965924 (the "**Vesting Deed**").

B. The Vesting Deed conveyed the Habitat Property to Habitat subject to certain restrictions, covenants and conditions as set forth in paragraphs 1 through 8 of the Vesting Deed (the "**Vesting Deed Covenants**").

C. VP 66 and Habitat now desire to remove the Vesting Deed Covenants set forth in the Vesting Deed and to impose new restrictions, covenants and conditions as further set forth in this Agreement.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

1. Incorporation of Recitals. Each of the foregoing Recitals set forth above are hereby affirmed by the parties as true and correct and are incorporated into this Agreement by this reference and made a part hereof.

2. Restrictive Covenant. The Vesting Deed Covenants set forth in the Vesting Deed are hereby deleted in their entirety and are of no further force or effect. The following restrictions, covenants, and conditions (collectively, the "**Covenants**") shall, except as expressly set forth herein with respect to the City, run with the Habitat Property and be binding on Habitat and all parties having or acquiring any rights, title or interest in the Habitat Property or any part thereof, and their respective successors, successors-in-title and assigns:

(a) Habitat shall develop the Habitat Property with at least forty (40) residential units intended for ownership ("**Affordable Ownership Units**"). This provision shall survive transfer of the Habitat Property to the City or any other successor in interest.

(b) Criteria for the sale of Affordable Ownership Units, once developed by Habitat, will be subject to a program approved by the City and Habitat (the "**Habitat Affordability Plan**"), and shall include the following terms and conditions: (i) Affordable Ownership Units (the improvements exclusive of land) will be sold to purchasers that have an income equal (at the time of purchase, as reported by such households) to or less than one hundred percent (100%) of Area Median Income (the "**Income Restrictions**") and (ii) the Affordable Ownership Units will be restricted for affordability as described in this paragraph, meaning that future purchasers must meet the Income Restrictions; where, the Habitat Affordability Plan, and all terms and conditions thereof, including any restrictive covenant shall continue in perpetuity from the date the Affordable Ownership Units are placed into service, unless otherwise prescribed by State or Federal Law. The terms of the Habitat Affordability Plan may be agreed to and amended by the written consent of Habitat and the City Manager of the City.

(c) The Habitat Property may be annexed and subjected to the Declaration of Covenants, Conditions and Restrictions for Timber Sky recorded as Instrument No. 2019-3859262 in the Official Records of the Coconino County Recorder, as may be amended from time to time (the "Declaration") so that the Habitat Property is subject to the same design review process as the rest of the Timber Sky Project (the property surrounding the Habitat Property).

(d) The Assessments (as defined in the Declaration) payable to the Association (as defined in the Declaration) shall be paid either (i) by Habitat through a payment from the owners of the homes located on the Habitat Property (each, a "Homeowner"), or (ii) directly by a Homeowner, as determined by Habitat and the Homeowner, and that as between Habitat, the City, and the Homeowners, the City is not the responsible party.

(e) Habitat may transfer the Habitat Property to the City and then lease the Habitat Property back from the City in connection with its development of the Affordable Ownership Units (the "Ground Lease"). Notwithstanding anything to the contrary contained herein, for so long as the Ground Lease is in effect, the City will not have any

obligations or liabilities of "Habitat" or the Habitat Property hereunder and the obligations and liabilities will belong to the lessees under the Ground Lease.

3. Covenants Running with the Land. Except as expressly provided herein with respect to the City, the Habitat Property shall be held, transferred, conveyed, leased, occupied or otherwise disposed of and used subject to the restrictions set forth herein, which restrictions shall run with the land and be binding on all persons having or acquiring any right, title or interest in and to the Habitat Property or any portion thereof and their successors and assigns. The benefit of this Agreement shall be for VP 66 and the City of Flagstaff and their respective successors and assigns.

4. Enforceability; Remedies. In the event of a violation of the Covenants by Habitat or occupant of the Habitat Property (a "**Party in Violation**"), the City and VP 66 shall each be entitled to exercise all rights and remedies available to such enforcing party against the Party in Violation, at law or in equity, which will include, without limitation, the right to recover damages, to seek specific performance, or to seek injunctive relief. All right and remedies of the enforcing party against a Party in Violation are cumulative and are not intended to be exclusive.

5. Modification. No modification, amendment, termination or cancellation of this Agreement shall be effective unless it is in writing, is recorded and is signed by VP 66 (for so long as it is the Declarant Control Period under the Declaration has not expired) and the City of Flagstaff and their respective successors and assigns.

6. Attorneys' Fees. In any action or other proceeding to interpret or enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable attorneys' fees, in such amounts as may be determined by the court or arbitrator having jurisdiction thereof.

7. Captions. The captions preceding the text of each paragraph hereof are included only for convenience of reference and shall be disregarded in the construction and interpretation of this Agreement.

8. Waiver. No provision contained in this Agreement is abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

9. Governing Law. This Agreement shall be governed by and construed pursuant to the provisions of the laws of the State of Arizona, without giving any effect to the principles of the conflicts of law.

10. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, together, shall constitute one and the same instrument.

11. Third Party Beneficiary. The City is an intended third-party beneficiary of the terms of these Covenant with the direct right to enforce the Covenants and the other terms of this instrument.

12. Severability. Any determination by any court of competent jurisdiction that any provision of this instrument is invalid or unenforceable shall not affect the validity or enforceability of any of the other provisions hereof.

[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned has executed this Agreement effective as of the date first above written.

VP 66 & WOODY MOUNTAIN, LLC, an Arizona limited liability company

By: Vintage Partners, LLC, an Arizona limited liability company
Its: Manager

By: Edward & Company, LLC, and Arizona limited liability company
Its: Administrative Member

By: _____
Name: _____
Its: Manager

STATE OF ARIZONA)
) ss.
County of MARICOPA)

The foregoing instrument was acknowledged before me this _____ day of December 2025, by _____, the Manager of Edward & Company, LLC, an Arizona limited liability company, the Administrative Member of Vintage Partners, LLC, an Arizona limited liability company, the Manager of VP 66 & Woody Mountain, LLC, an Arizona limited liability company, for and on behalf thereof.

NOTARY SEAL:

_____
Notary Public

_____

IN WITNESS WHEREOF, the undersigned has executed this Agreement effective as of the date first above written.

HABITAT FOR HUMANITY OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation

By: _____
Name: Eric Wolverton
Its: Chief Executive Officer

STATE OF ARIZONA)
) ss.
County of Coconino)

The foregoing instrument was acknowledged before me this _____ day of December, 2025, by Eric Wolverton, the Chief Executive Officer of Habitat for Humanity of Northern Arizona, Inc., an Arizona nonprofit corporation, for and on behalf of the corporation.

NOTARY SEAL: _____
Notary Public

_____

IN WITNESS WHEREOF, the undersigned has executed this Agreement effective as of the date first above written.

CITY OF FLAGSTAFF, an Arizona municipal corporation

_____
Joanne Keene, City Manager

Attest:

_____
City Clerk

Approved as to form:

_____
City Attorney

STATE OF ARIZONA)
) ss
County of Coconino)

On this ___ day of December, 2025, personally appeared before me Joanne Keene, who acknowledged herself to be the **City Manager of the City of Flagstaff**, and being authorized so to do, executed the foregoing instrument in the capacity therein stated, and for the purposes therein contained, by signing the name of the City as such officer.

NOTARY SEAL:

_____
Notary Public

_____

Exhibit "A"
Legal Description of the Property

LOT 1 OF THE FINAL PLAT FOR TIMBER SKY BLOCK 2, RECORDED ON JANUARY 28, 2025, AS INSTRUMENT NO. 4010656, OFFICIAL RECORDS, COCONINO COUNTY, ARIZONA.

WHEN RECORDED, RETURN TO:

Gammage & Burnham, PLC
40 N. Central Avenue, 20th Floor
Phoenix, Arizona 85004
Attn: James Senften

DECLARATION OF CONDOMINIUM AND EASEMENTS
FOR
HABITAT AT TIMBER SKY CONDOMINIUM

(a "Leasehold condominium" per A.R.S. § 33-1216)

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DECLARATION OF CONDOMINIUM AND EASEMENTS
FOR
HABITAT AT TIMBER SKY CONDOMINIUM

This Declaration of Condominium and Easements for Habitat at Timber Sky Condominium (this "**Declaration**") is made as of this ___ day of December, 2025 by Habitat for Humanity of Northern Arizona, Inc., an Arizona nonprofit corporation ("**Declarant**" or "**Habitat**") as lessee of the Land pursuant to the Ground Lease, with the consent and approval of VP 66 & WOODY MOUNTAIN, LLC, an Arizona limited liability company ("**Master Declarant**"), in its capacity as the "Declarant" under the Timber Sky Declaration, and with the consent and approval of the City of Flagstaff, an Arizona municipal corporation ("**City**"), in its capacity as the owner of fee title to the Land.

RECITALS

A. City is the owner of fee title to certain 3.3 acres of real property situated in the Coconino County, Arizona, and legally described on **Exhibit A** attached hereto ("**Land**").

B. City, as lessor, and Declarant, as lessee, have entered into that certain Ground Lease for Habitat at Timber Sky Condominium to be Recorded on December __, 2025 in the County Recorder's Office, Coconino County, Arizona ("**Coconino County Recorder**") at Instrument No. _____ (as amended, supplemented or otherwise modified from time to time, "**Ground Lease**").

C. City is a third-party beneficiary of a Special Warranty Deed with Restrictive Covenant, Recorded on December 16, 2022, in the Coconino County Recorder at Instrument No. 3965924 (with a corrected legal description recorded on January 18, 2023 in Instrument No. 39667399) which requires development of the Land for affordable housing and an Affordability Plan, among other things, as amended by a Restrictive Covenant Agreement to be recorded concurrently herewith in the Coconino County Recorder (the "**Affordable Housing Restriction**")

D. Declarant desires to submit the Land to a leasehold condominium form of ownership in accordance with the Condominium Act, this Declaration, and the Affordable Housing Restriction.

E. Declarant intends that all Owners, Occupants, First Mortgagees and other Persons acquiring a leasehold interest in the Condominium shall at all times enjoy the benefits of, and shall hold their interest subject to this Declaration, which is Recorded in furtherance of establishing a general plan of condominium ownership for the Condominium, and for establishing rules for the use, occupancy, management, and enjoyment thereof, all for the purpose of enhancing and protecting the value, desirability and attractiveness of the Condominium and the quality of life for the Owners, Occupants and Sublessees.

F. The Land has or will be annexed into a master planned community known as "Timber Sky" pursuant to a Declaration of Annexation and Supplemental Declaration to Declaration of Covenants, Conditions, Restrictions and Easements for Timber Sky to be recorded concurrently herewith in the Coconino County Recorder.

G. Upon such annexation, the Land will be subject to that certain Declaration of Covenants, Conditions and Restrictions for Timber Sky, Recorded on November 27, 2019, in the Coconino County Recorder at Instrument No. 3859262 (as amended, supplemented or otherwise modified from time to time, "**Timber Sky Declaration**"). Pursuant to **Section 2.6** of the Timber Sky Declaration, the Master Declarant must provide its written consent to the Recording of this Declaration, and Master Declarant desires to provide its consent.

H. City has or will enter into a Driveway Maintenance Agreement with Habitat for certain maintenance of portions of the Condominium, to be recorded concurrently herewith in the Coconino County Recorder (the "**Driveway Maintenance Agreement**").

ARTICLE 1
DEFINITIONS

As used in this Declaration, the following defined terms shall apply. Capitalized terms used in this Declaration but not otherwise defined in this Declaration shall have the meanings specified for such terms in the Arizona Condominium Act, A.R.S. § 33-1201, *et seq.*, as amended from time to time.

"Affiliate of Declarant" means any Person who controls, is controlled by or is under common control with a Declarant.

"Allocated Interest" means an equal undivided interest in the Common Elements, the Common Expenses Liability and the votes in the Association allocated to each Unit by this Declaration.

"Articles" means the Articles of Incorporation of the Association, as amended from time to time.

"Assessments" means (i) the various charges levied and assessed for the payment of Common Expenses pursuant to **Article 7,** including, Regular Assessments, Special Assessments, Reserve Contributions, initial working capital funds, transfer fees, (ii) any other charge in the nature of an assessment or that is designated as an "Assessment" against each Unit under the Condominium Documents, (iii) charges for late payment of Assessments, and (iv) reasonable collection of fees and costs incurred or applied by the Association and reasonable attorney fees and costs that are incurred by the Association, with respect to those Assessments.

"Assessment Lien" means the lien granted to the Association by the Condominium Act to secure the payment of Assessments, monetary penalties and other fees and charges owed to the Association.

"Association" means Habitat at Timber Sky Condominium Association, an Arizona nonprofit corporation, its successors and assigns.

"Board of Directors" means the Board of Directors of the Association.

"Bylaws" means the Bylaws of the Association, as amended from time to time.

"City" means the City of Flagstaff, Arizona.

"Collection Costs" means all costs, fees, charges and expenditures (including, without limitation, demand fees, lien fees, attorneys' fees, court costs, filing fees and recording fees) incurred by the Association in collecting and/or enforcing payment of Assessments, monetary penalties, late fees, interest or other amounts payable to the Association pursuant to this Declaration.

"Common Elements" means all portions of the Condominium other than the Units, including but not limited to the driveway, Parking Spaces, and Tract A of the Plat. Any Patios, spaces, interior partitions and other fixtures or improvements which may be constructed in the future and are located within the boundaries of a Unit but which serve more than one Unit are part of the Common Elements.

"Common Expenses" means the actual or estimated costs or expenses incurred or to be incurred by the Association or financial liabilities of the Association including, but not limited to, the following:

(a) the cost of maintenance, management, operation, repair and replacement of the Common Elements and all other areas within the Condominium maintained by the Association;

(b) the cost of management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys, architects and employees;

(c) the cost of any utilities, trash pickup and disposal, landscaping, basic cable television and other services benefiting the Unit Owners and their Units to the extent such services are paid for by the Association;

(d) the cost of fire, casualty, liability, worker's compensation and other insurance maintained by the Association as provided in this Declaration;

(e) reasonable reserves as deemed appropriate by the Board or required by the Condominium Documents;

(f) the cost of bonding of the directors, officers and employees of the Association, any professional managing agent or any other person handling the funds of the Association;

(g) all real property taxes or assessments levied against the Condominium as a whole or separately against the Common Elements (but not any such taxes or assessments levied against the Units);

(h) amounts paid by the Association for the discharge of any lien or encumbrance levied against the Common Elements or portions thereof;

(i) any cost incurred by the Association in exercising any powers or rights of the Association or fulfilling any obligations of the Association, under the Condominium Documents or the Condominium Act.

(j) Any fees or expenses incurred by the Association to the Timber Sky Community Association under or pursuant to the Timber Sky Declaration

"Common Expense Liability" means the percentage of undivided interests in the Common Expenses allocated to each Unit by **Section 2.6**.

"Common Expense Lien" means the lien for Assessments as provided in this Declaration.

"Condominium" means the leasehold condominium created by the Recording of the Plat and this Declaration.

"Condominium Act" means the Arizona Condominium Act, A.R.S. §33-1201, et seq., as amended from time to time, or any successor statute which governs the creation and management of condominiums.

"Condominium Documents" means this Declaration (which includes the Plat), and the Articles, Bylaws, and Rules.

"Condominium Property" means the Land, together with the Units and all other Improvements located thereon.

"County" means Coconino County, Arizona.

"Declarant" means Habitat for Humanity of Northern Arizona, Inc., an Arizona nonprofit corporation, and its successors and any Person to whom it may transfer any Special Declarant Right by a Recorded instrument.

"Declaration" means this Declaration of Condominium and Easements for Habitat at Timber Sky Condominium, as amended and supplemented from time to time.

"Development Rights" means any right or combination of rights to do any of the following, provided it is consistent with the provisions of the Ground Lease:

(a) Add real estate to the Condominium;

(b) Create easements, Units, Common Elements or Limited Common Elements within the Condominium;

(c) Subdivide Units, convert Units into Common Elements or convert Common Elements into Units;

(d) Make the Condominium part of a larger condominium or planned community;

(e) Amend the Declaration during the Period of Declarant Control to comply with the Condominium Act or any other applicable law or to correct any error or inconsistency in the Declaration if the amendment does not adversely affect the rights of any Unit Owner;

(f) Amend the Declaration during the Period of Declarant Control to comply with the rules or guidelines, in effect from time to time, of any governmental or quasi-governmental entity or federal corporation guaranteeing or insuring mortgage loans or governing transactions involving mortgage instruments.

"First Mortgage" means any mortgage or deed of trust on a Unit with first priority over any other mortgage or deed of trust on the same Unit.

"First Mortgagee" means the holder of any First Mortgage.

"Ground Lease" is the Lease stated in the Recitals, and any subsequently recorded amendments thereto.

"**Ground Lessor**" means the holder, at the time in question, of the lessor's interest under the Ground Lease.

"Ground Lessee" means each Unit Owner of a Unit that may exist from time to time now or in the future.

"Identifying Number" means the number or symbol shown on the Plat that identifies a particular Unit.

"Improvement" means any physical structure, fixture or facility existing or constructed, placed, erected or installed on the land included in the Condominium, including, but not limited to, buildings, private drives, paving, fences, walls, sculptures, signs, landscaping, hedges, plants, trees and shrubs of every type and kind, lighting fixtures, sprinkler and irrigation systems, parking areas and sidewalks.

"Invitee" means any person whose presence within the Condominium is approved by or is at the request of the Association, or a particular Owner, Sublessee or Occupant, including, without limitation, family members, guests, employees and contractors.

"Land" means the land described on **Exhibit A** attached hereto and all easements and rights appurtenant thereto.

"Limited Common Elements" means a portion of the Common Elements specifically designated in this Declaration as a Limited Common Element and allocated by this Declaration (including, **Section 2.8**) or by operation of the Condominium Act for the exclusive use of one or more but fewer than all of the Units.

"Member" means a Person who is or becomes a member of the Association.

Occupant" means a person, other than an Owner, in possession of a Unit at the request or consent of the Owner.

"Owner" or "Unit Owner" means the owner of beneficial or equitable title (and legal title if the same has merged with the beneficial or equitable title) to a Unit. The City will not be considered the Owner or Unit Owner unless the City also acquires fee title in and to the Residence. Unit Owner shall not include Persons having an interest in a Unit merely as security for the performance of an obligation, or a Sublessee of a Unit pursuant to a Sublease with a Unit Owner. In the case of Units for which title is vested in a trustee pursuant to A.R.S. § 33-801, et seq., the Trustor shall be deemed to be the Unit Owner.

"Parking Space" means a portion of the Common Elements intended for the parking of a single motor vehicle.

"Period of Declarant Control" means the time period commencing on the date this Declaration is Recorded and ending on the earlier of: (a) ninety (90) days after the date by which seventy-five percent (75%) of the Units have been conveyed to Unit Owners other than Declarant; or (b) four (4) years after all Declarants have ceased to offer Units for sale in the ordinary course of business.

"Period of Habitat Oversight" means the period of time commencing on the date that the first Unit is conveyed to a Purchaser and expiring on the earlier of: (a) ten (10) years after Habitat no longer has a right of first refusal to acquire a Unit or the right or option to repurchase any Unit from a Unit Owner, as evidenced by a Recorded agreement against a Unit or (b) the date that Habitat executes and Records an instrument terminating the Period of Habitat Oversight.

"Person" means a natural person, corporation, limited liability company, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or other legal or commercial entity.

"Plat" means the condominium plat for Habitat at Timber Sky Condominium, a Leasehold Condominium, recorded on December __, 2025, as Instrument No. _____, in the records of the County Recorder of Coconino County, Arizona, and any amendments, supplements or corrections thereto.

"Purchaser" means any Person (other than the Declarant) who becomes a Unit Owner.

"Qualified Homebuyer" means any person that has an income (at time of purchase of a Unit, as reported by such households) equal to or less than one hundred percent (100%) of Area Median Income.

"Recording" or **"Records"** means placing an instrument of public record in the office of the County Recorder of Coconino County, Arizona and **"Recorded"** means having been so placed of public record.

"Regular Assessment" means the assessment levied against the Units pursuant to **Section 7.2**.

"Residence" means an individual single-family home and related structures, fixtures, landscaping and other improvements, situated upon a Unit. The Residence includes all patios, spaces, interior partitions and other fixtures and improvements (including, but not limited to, chutes, flues, wires, conduits, heating and air conditioning units, hot water heaters and gas, cable television, water and electric pipes, lines or meters) within the boundaries of a Unit, and which serve only the Unit.

"Rules" means the rules and regulations adopted by the Board of Directors, as amended from time to time.

"Sublease" means any agreement whatsoever for the use, occupancy, rental, or lease of all or any portion of a Unit, including, but not limited to, agreements for any of the foregoing purposes through services such as Airbnb or VRBO (or other similar services), subleases, and licenses. A sublease may be written, oral, or arise from allowing occupancy to continue.

"Sublessee" means any Person who is subleasing or occupying all or any portion of the Unit with consent of a Unit Owner.

"Special Declarant Rights" means any right or combination of rights to do any of the following, provided it is consistent with the provisions of the Ground Lease:

(a) Construct Improvements provided for in this Declaration or shown on the Plat;

(b) Exercise any Development Right;

(c) Maintain sales offices, management offices, models, and signs advertising the Condominium;

(d) Use easements through the Common Elements for the purpose of making Improvements within the Condominium;

(e) Appoint or remove any officer of the Association or any member of the Board of Directors during the Period of Declarant Control;

(f) Exercise the rights described in **Section 3.4**.

"Timber Sky Association" means Timber Sky Community Association, an Arizona nonprofit corporation, its successors and assigns, which is the homeowners association under the Timber Sky Declaration organized under A.R.S. § 33-1801 et seq.

"Timber Sky Declaration" has the meaning provided in the Recitals.

"Unit" means the leasehold interest created by the Ground Lease in all the land contained within each such unit (as each such unit is designated on the Plat), the fee title to the Residence (once constructed) on such unit, the undivided leasehold interest in the Common Elements and Limited Common Elements created by the Ground Lease, and all rights under the Condominium. The boundaries of each Unit are described in **Section 2.5**.

"Unit Owner Expenses" means fees, charges, late charges and monetary penalties or interest that is imposed pursuant to A.R.S. § 33-1242(A)(10), (11), (12), but excludes any amount that is included in a Common Expense Lien.

ARTICLE 2
SUBMISSION OF PROPERTY; UNIT BOUNDARIES; ALLOCATION OF PERCENTAGE INTERESTS, VOTES AND COMMON EXPENSE LIABILITIES

2.1 Submission of Property . The Declarant hereby submits the Condominium Property to the provisions of the Condominium Act for the purpose of creating a condominium in accordance with the provisions of the Condominium Act and hereby declares that the Condominium Property shall be held and conveyed subject to the terms, covenants, conditions and restrictions set forth in this Declaration. The Declarant designates each Unit for separate ownership or occupancy. Declarant further declares that all of the easements, restrictions, conditions and covenants in this Declaration shall run with the Condominium Property and shall be binding upon and inure to the benefit of the Declarant and all Unit Owners, Sublessees and Occupants and all other Persons having or acquiring any right, title or interest in the Condominium Property or any part thereof, their heirs, successors, successors in title and assigns. Each Person who acquires any right, title or interest in the Condominium Property, or any part thereof, agrees to abide by all of the provisions of the Condominium Documents. This Declaration shall be binding upon and shall be for the benefit of and enforceable by the Association. Declarant makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of the Condominium Documents, or as to the compliance of any of the provisions of the Condominium Documents with public laws, ordinances and regulations applicable thereto.

2.2 Name of Condominium . The name of the Condominium created by this Declaration is Habitat at Timber Sky Condominium.

2.3 Name of Association . The name of the Association is Habitat at Timber Sky Condominium Association, an Arizona nonprofit corporation.

2.4 Identifying Numbers of Units . The Identifying Numbers of the Units are shown on the Plat.

2.5 Unit and Common Element Boundaries .

(a) Each Unit is a "land condominium" and the boundaries of each Unit are as delineated on the Plat. Each Unit is an individual parcel of land as delineated on the Plat, including all rights above and below the surface of the land to the extent permitted by law.

(b) The Common Elements borders as shown on the Plat are approximate. The actual borders may vary from those shown on the Plat.

(c) Declarant reserves the right to relocate the boundaries between adjoining Units owned by the Declarant and to reallocate each such Unit's Common Element interest, votes in the Association and Common Expense Liabilities subject to and in accordance with A.R.S. § 33-1222.

(d) In the event of any inconsistency or conflict between the provisions of this Section and the Plat regarding the description of the boundaries of the Unit, this Section shall control.

2.6 Allocation of Common Element Interest and Common Expense Liabilities .

(a) Allocation. Each Unit is hereby allocated an equal (1/40) undivided leasehold interest in the Common Elements (pursuant to the Ground Lease) as tenants in common and in the Common Expenses. If Declarant reduces or increases the number of Units shown on the plat pursuant to its rights under this Declaration, then each Unit shall automatically be assigned a new equal undivided interest.

(b) No Severance. A Unit shall at all times include ownership of the equal undivided interest in the Common Elements. The undivided fraction of interest in the Common Elements allocated to any Unit shall always be deemed conveyed or encumbered along with any conveyance or encumbrance of that Unit, even if the conveyance or encumbrance makes no reference thereto. Except as permitted by the Condominium Act, the Common Elements are not subject to partition, and any purported conveyance, encumbrance, judicial sale or other voluntary or involuntary transfer of an undivided interest in the Common Elements made without the Unit to which that interest is allocated is void.

2.7 Allocation of Votes in the Association . The total votes in the Association shall be equal to the number of Units subject to this Declaration. The votes in the Association shall be allocated equally among all Units with each Unit having one (1) vote.

2.8 Allocation of Limited Common Elements .

(a) If and to the extent applicable, the following portions of the Common Elements are Limited Common Elements allocated to the exclusive use of one or more, but less than all, of the Units as follows:

(1) Any chute, flue, pipe, duct, wire, conduit or other fixture (including, but not limited to, hot water heaters, heating and air conditioning units and related equipment, solar energy systems or devices and natural gas, cable television, water and electric pipes, lines or meters), located outside of the boundaries of a Unit, which serve only one Unit are a Limited Common Element allocated solely to the Unit served; and

(2) If a chute, flue, pipe, duct, wire, conduit or other fixture (including, but not limited to, hot water heaters, heating and air conditioning units and related equipment and natural gas, cable television, water and electric pipes, lines or meters) lies partially within and partially outside the designated boundaries of a Unit, the portion outside the boundaries of the Unit which serve only the Unit is a Limited Common Element allocated solely to the Unit, the use of which is limited to the Unit served.

(b) Use of Limited Common Elements. Each Owner shall have the right to the exclusive use and possession of the Limited Common Elements (if any) allocated to the Unit, subject to the

rights granted to the Declarant or the Association by the Condominium Documents. All Limited Common Elements must be used in accordance with the Declaration and the Rules.

(c) Reallocation By Unit Owners. A Limited Common Element may be reallocated by an amendment to this Declaration. The amendment shall be executed by the Owners between or among whose Units the allocation is made, shall provide how the Limited Common Elements are to be reallocated and, before recording the amendment, shall be submitted to the Board of Directors. Unless the Board of Directors determines within thirty (30) days that the proposed amendment is unreasonable, which determination shall be in writing and specifically state the reasons for disapproval, the Association shall execute its approval and record the amendment.

(d) Reallocation By Declarant. Declarant shall have the right to allocate as a Limited Common Element any part of the Common Elements (including, but not limited to, Parking Spaces) which has not previously been allocated as a Limited Common Element. Any such allocation shall be made by an amendment to this Declaration executed by the Declarant. The Association and all Owners acknowledge and agree the Declarant shall have the right to charge a fee for making an allocation of a Parking Space as a Limited Common Element and that all such fees shall be the sole property of the Declarant and neither the Association nor any Owner shall have any right or claim to such fees.

2.9 Liability for Master Planned Community Assessments . Each Unit Owner acknowledges and agrees that it is also subject to the Timber Sky Declaration and that it will be obligated to pay various assessments, fees, and other charges as provided in the Timber Sky Declaration to the Timber Sky Association.

ARTICLE 3
EASEMENTS AND DEVELOPMENT RIGHTS

3.1 Construction and Maintenance Easement . There is hereby granted and created an easement upon, across, over and under the Land and all improvements located thereon, for the Declarant (during the Period of Declarant Control) and to Habitat (during the Period of Habitat Oversight) and to the Ground Lessor (if Ground Lessor deems it necessary and the same is approved by Habitat during the Period of Habitat Oversight) for completion of construction and maintenance of Units, Common Elements, and Limited Common Elements. All such work shall be done so as to minimize any inconvenience to the Owner and Occupants of any Unit. The easements in this Section shall in no way affect any other Recorded easements on the Common Elements.

3.2 Utility Easement . There is hereby granted and created an easement upon, across, over and under the Land and all improvements located thereon for the installation, replacement, repair or maintenance of utility lines and systems, including, but not limited to, natural gas, water, sewer, telephone and electric wires, pipes, lines, conduit and fixtures, heating and air conditioning equipment, lines and fixtures, chutes, and cable television or other communication lines and systems ("**Utility Systems**"). By virtue of this easement, it shall be expressly permissible for the providing utility or service company, the Association or the Declarant to install and maintain, repair and replace Utility Systems on the Common Elements and in the Units to serve the Common Elements or to serve one or more other Units, but no Utility Systems may be installed or located on the Common Elements or the Units except as initially designed and constructed by the Declarant or as approved by the Declarant so long as the Declarant owns any Unit or thereafter, by the Board of Directors. The maintenance, repair or replacement of Utility Systems located within a Unit that serve the Common Elements or one or more other Units by the Declarant, the Association or a Unit Owner shall be done so as to minimize any inconvenience to the Owner and Occupants of the Unit in which such Utility Systems are located, and except in the case of an emergency, neither the Association, the Declarant nor any Unit Owner shall enter a Unit for the purpose of the maintenance, repair or

replacement of Utility Systems without at least 48 hours prior written notice to the Unit Owner. The easements in this Section shall in no way affect any other Recorded easements on the Common Elements.

3.3 Easements for Ingress and Egress . There is hereby granted and created easements for ingress and egress for pedestrian traffic over, through and across sidewalks, paths, walks, and lanes that from time to time may exist upon the Common Elements. There is also granted and created an easement for ingress and egress for pedestrian and vehicular traffic over, through and across such driveways as from time to time may be paved and intended for such purposes, except that such easements shall not extend to any Limited Common Elements. Such easements shall run in favor of and be for the benefit of the Owners, Sublessees, Occupants, and Invitees.

3.4 Right to Peaceful Enjoyment .

(a) Every Owner, Sublessee, Occupant shall have a right to peaceful enjoyment and use of the Common Elements, subject to the following provisions:

(1) The right of the Association to adopt reasonable rules and regulations governing the use of the Common Elements;

(2) The right of the Association, with the consent of Habitat during the Period of Habitat Oversight, to convey the Common Elements or subject the Common Elements to a mortgage, deed of trust, or other security interest, if such action is approved by Owners entitled to cast at least eighty percent (80%) of the votes in the Association. Any such action by the Association shall be done in the manner and subject to the limitations set forth in the Condominium Act;

(3) The right of the Association, with the consent of Habitat during the Period of Habitat Oversight, and with the consent of Lessor, to grant non-exclusive easements in, under, or over all or a portion of the Common Elements if the Board of Directors determines that the granting of the easement is necessary for the development or maintenance of the Common Elements or beneficial to the Owners, Sublessees and Occupants;

(4) All rights and easements set forth in this Declaration including, but not limited to, the rights and easements granted to the Declarant by Section 3.4; and

(5) The right of the Association to suspend the right of an Owner, Sublessee or Occupant to use the Common Elements (except for access to and from its Unit) for any period during which the Owner, Sublessee or Occupant is in violation of any provision of the Condominium Documents.

(b) Each Owner's undivided interest in and to the Common Elements shall not be conveyed, transferred, alienated or encumbered separately and apart from a Unit. Such right and easement of enjoyment in and to the Common Elements shall be deemed to be conveyed, transferred, alienated or encumbered upon the sale of any Unit, notwithstanding that the description in the instrument of conveyance, transfer, alienation or encumbrance may not refer to such right and easement.

(c) Notwithstanding the provisions of this **Section 3.3**, no Owner, Sublessee or Occupant of a Unit or their guests or invitees shall have the right to use any Limited Common Elements not allocated to the exclusive use of their Unit.

3.5 Declarants' Rights and Easements .

(a) So long as the Declarant is constructing or marketing Units for sale or lease, Declarant and its employees and agents shall have the right and an exclusive easement to construct, locate, relocate and maintain sales and/or leasing offices, construction trailers and storage areas and related facilities on the Common Elements. This shall include the right to enclose and lock portions of the Common Elements upon which these rights are being exercised. Declarant reserves the right to maintain model Units, management offices, storage areas and sales and leasing offices in any Units owned or leased by Declarant and on any portion of the Common Elements in such number, of such size and in such locations as Declarant deems appropriate. Declarant may store materials and equipment in any Parking Spaces allocated as Limited Common Elements to Units owned or leased by the Declarant or in any Parking Spaces which have not been allocated as Limited Common Elements. Declarant and its employees and agents shall have the right and an easement to install or post advertising, marketing or directional signs, other signs, flags, awnings, lights and banners on the Common Elements in connection with its marketing of Units for sale or lease or to host events on the Common Elements designed to attract prospective tenants and/or purchasers to the Condominium.

(b) So long as the Declarant is marketing Units in the Condominium for sale or lease, Declarant shall have the right to restrict the use of the Parking Spaces which are not allocated as Limited Common Elements. Such right shall include reserving such Parking Spaces for use by prospective Unit purchasers, Declarant's employees and others engaged in sales, leasing, maintenance, construction or management activities. Declarant shall have the right to lease to an Owner, Sublessee or Occupant or any other Person any Parking Spaces which have not been allocated as a Limited Common Element.

(c) Declarant reserves the right to retain all personal property and equipment used in the sales, management, construction and maintenance of the Condominium that has not been represented to the Association as property of the Association. Declarant reserves the right to remove from the Condominium any and all goods and improvements used in development, marketing and construction, whether or not they have become fixtures.

(d) Declarant and its employees, agents, contractors and subcontractors shall have the right and an easement on, over and across the Common Elements and the Units to erect and construct the Common Elements and the Units shown on the Plat and all other Improvements Declarant may deem appropriate and to use the Common Elements and any Units owned by Declarant for construction or renovation related purposes including the storage of tools, machinery, equipment, building materials, appliances, supplies and fixtures, and the performance of work in the Condominium.

(e) The Declarant and its employees, agents, contractors and subcontractors shall have an easement through the Common Elements and the Units for the purpose of assessing, testing (including invasive testing), inspecting and evaluating any potential construction defect or need for maintenance on the Condominium, and completing any renovations, warranty work or modifications to the Common Elements or Units which Declarant deems necessary or desirable.

(f) The Declarant and its employees, agents, contractors and subcontractors shall have the right and an easement on, over, and through the Common Elements as may be reasonably necessary for the purpose of performing the Declarant's obligations under the Condominium Act and the Condominium Documents and for the purpose of exercising Special Declarant Rights whether arising under the

Condominium Act or reserved in this Declaration. The rights granted to or reserved by the Declarant in this **Section 3.4** are in addition to any rights granted to or reserved by the Declarant elsewhere in the Condominium Documents.

(g) To the extent not expressly reserved by or granted to Declarant by other provisions of this Declaration, Declarant reserves all Development Rights and Special Declarant Rights. Except as expressly set forth in this Declaration, there is no time limit within which any Development Right or Special Declarant Right must be exercised or will lapse, and there are no conditions or limitations on the exercise of any Development Right or Special Declarant Right, except for all conditions and limitations set forth in the Ground Lease.

(h) In the event of any conflict or inconsistency between this **Section 3.4** and any other provision of the Condominium Documents, this **Section 3.4** shall control and prevail over such other provisions. The rights of the Declarant set forth in this **Section 3.4** shall be enforceable by injunction, by any other remedy available at law or in equity (including, but not limited to, the right to sue for damages) and/or by any means provided in this Declaration.

3.6 Easement for Support . There is hereby granted and reserved to each Unit a non-exclusive easement for structural support over every other Unit to which the Unit is adjoined, the Common Elements and the Limited Common Elements, and each Unit and the Common Elements shall be subject to a non-exclusive easement for structural support in favor of every other Unit to which the Unit is adjoined, the Common Elements and the Limited Common Elements.

3.7 Easements and Rights of the Association for Pest Control . Each Unit shall be subject to an easement in favor of the Association and the agents, employees and contractors of the Association for the purpose of performing such pest control activities as the Association may deem necessary to control or prevent the infestation of the Condominium by insects, rodents or other pests or to eradicate insects, rodents or other pests from the Condominium. The Association may cause the temporary removal of any Owner, Sublessee or Occupant for such periods and at such times as necessary for prompt, effective treatment of wood-destroying pests or organisms. The cost of the temporary relocation is to be borne by the Owner of the Unit affected. Not less than seven (7) days nor more than thirty (30) days notice of the need to temporarily vacate shall be given to the Owners, Sublessees and Occupants of the Units affected. The notice shall state: (a) the reason for the temporary relocation; (b) the date and time of the beginning of the treatment; (c) the anticipated date and time of termination of treatment; and (d) that the Owners, Sublessees or Occupants will be responsible for their own accommodations during the temporary relocation.

3.8 Common Elements Easement in Favor of Unit Owners .

(a) The Common Elements shall be subject to the following easements in favor of the Units benefited:

(1) For the installation, repair, maintenance, use, removal or replacement of pipes, ducts, heating and air conditioning systems, electrical, telephone, cable television and other communication wiring and cables and all other utility lines and conduits which are a part of or serve any Unit and which pass across or through a portion of the Common Elements.

(2) For the installation, repair, maintenance, use, removal or replacement of lighting fixtures, electrical receptacles, panel boards and

other electrical installations which are a part of or serve any Unit but which encroach into a part of a Common Element; provided that the installation, repair, maintenance, use, removal or replacement of any such item does not unreasonably interfere with the common use of any part of the Common Elements, adversely affect either the thermal or acoustical character of the Units or impair or structurally weaken the Units.

(3) For the performance of the Unit Owner's obligation to maintain, repair, replace and restore those portions of the Limited Common Elements that the Unit Owner is obligated to maintain under Section 5.2.

(b) The exercise of the easements created by Section 3.7(a) shall be subject to the other provisions of this Declaration and the Rules. Notwithstanding any other provision of this Declaration to the contrary, no Owner, Sublessee or Occupant or any other Person (except for the Association) shall penetrate, alter or damage any part of the Common Elements. Penetrating the perimeter building walls or any party wall between Units could damage the soundproofing of the Units, cause water intrusion into the Common Elements or the Units or damage the insulation in such walls.

3.9 Units and Limited Common Elements Easement in Favor of Association .

(a) The Units and the Limited Common Elements are hereby made subject to the following easements in favor of the Association and Declarant and their respective directors, officers, agents, employees and independent contractors:

(1) For inspection of the Units and Limited Common Elements in order to verify the performance by Unit Owners of all items of maintenance and repair for which they are responsible and in order to verify that the provisions of the Condominium Documents are being complied with by the Unit Owners, Sublessees and Occupants of the Unit;

(2) For inspection, maintenance, repair and replacement of the Common Elements or the Limited Common Elements situated in or accessible from such Units or Limited Common Elements;

(3) For correction of conditions (including, without limitation, broken or leaking water pipes, broken hot water heaters or obstructed sewer lines) in one or more Units or Limited Common Elements which have damaged or if left uncorrected could damage, the Common Elements, the Limited Common Elements or other Units; and

(4) For the purpose of enabling the Declarant, the Association, the Board of Directors or any other committees appointed by the Board of Directors to exercise and discharge their respective rights, powers and duties under the Condominium Documents.

(b) Except in case of emergency, the Declarant and the Association shall only enter a Unit at reasonable times and upon reasonable notice to the Unit Owner or, if the Unit is leased, to the Sublessee. In the event of an emergency, the Declarant and Association may enter a Unit without prior notice to the Unit Owner or the Sublessee, but promptly following the Declarant's or Association's entry into the Unit, the Declarant or Association, as applicable, shall notify the Unit Owner or the Sublessee of

the nature of the emergency condition which required entry without notice. The Declarant or Association, as applicable, shall be responsible for the repair of any damage to a Unit or the Common Elements caused by the Declarant's or Association's, as applicable, exercise of its rights under this Section.

3.10 Easement for Unintended Encroachments . To the extent that any Unit or Common Element encroaches on any other Unit or Common Element as a result of original construction, reconstruction, shifting, settlement or movement of any improvement or alteration or restoration authorized by this Declaration or any reason other than an encroachment created by the intentional conduct of gross negligence of a Unit Owner, a valid easement for the encroachment, and for the maintenance thereof, is hereby granted and created.

3.11 Easements for Utilities and Maintenance . On behalf of all Owners, the Association may create and dedicate easements over the Common Elements: (a) for the benefit of all service providers for the installation, repair, replacement and maintenance of sanitary sewers, water, electric, gas and telephone lines and facilities, heating and air-conditioning facilities, cable, telephone or master television antenna or satellite lines or cables, and drainage facilities, and for ingress to and egress from the Condominium in connection therewith, and (b) for ingress to and egress from the Condominium for the benefit of all municipal, state and federal vehicles, including, without limitation, all emergency and service type vehicles as may be required from time to time to service the Condominium and the Owners, Sublessees and Occupants including, without limitation, for U.S. Mail distribution and collection and private or municipal refuse collection, without the joinder or consent of any First Mortgagee or other Person.

ARTICLE 4
USE AND OCCUPANCY RESTRICTIONS

4.1 In General . So long as the Condominium remains annexed into the Timber Sky Association, all Units shall be subject to the use and occupancy restrictions set forth in *ARTICLE 8* of the Timber Sky Declaration in addition to the use and occupancy restrictions set forth in this *ARTICLE 4*. The Timber Sky Association shall have the right and power to adopt rules and regulations governing and further restricting the use and occupancy of the Condominium. In the event of any conflict between the Condominium use and occupancy restrictions, or Condominium rules and regulations vis-a-vis any Timber Sky use and occupancy restrictions, or Timber Sky Association rules and regulations the more restrictive provision shall control. In the event the Condominium is de-annexed from the Timber Sky Association, this Section 4.1 shall have no further force or effect from and after the date of de-annexation.

4.2 Residential Use . All Units and Residences shall be used, improved and devoted exclusively to residential use. No trade or business may be conducted on any Unit or in or from any Residence, except that the Owner or Occupant of a Residence may conduct a business activity within the Residence so long as: (1) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Residence; (2) the business activity is a legal activity and conforms to all applicable zoning ordinances or requirements for the Land; (3) the business activity does not involve persons coming to the Residence to purchase goods or services or the door-to-door solicitation of Owners or Occupants in Timber Sky; (4) the use of the Residence for trade or business in no way destroys or is incompatible with the residential character of the Residence or the surrounding neighborhood; (5) the trade or business is conducted only inside the Residence, and does not involve the viewing, purchasing or taking delivery of goods or merchandise at, to, from or in any Residence; (6) the trade or business is conducted by an Occupant of the Residence with no employee working in or from such Residence who is not an Occupant thereof; (7) the volume of vehicular or pedestrian traffic or parking generated by such trade or business does not result in congestion or be in excess of what is customary in a residential neighborhood; (8) the trade or business does not utilize flammable liquids or hazardous materials in quantities not customary to a residential use; and (9) the use of the Residence for a trade or business does not violate any other provision of the Condominium Documents.

The terms "business" and "trade" as used in this Section shall be construed to have ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation or other form of consideration, regardless of whether: (1) such activity is engaged in full or part time; (2) such activity is intended or does generate a profit; or (3) a license is required for such activity. Subleases shall not be considered a trade or business within the meaning of this Section.

4.3 Improvements and Alterations .

(a) No Owner, Sublessee, Occupant or other Person shall construct or install any Improvements on the Common Elements or alter, modify or remove any Common Elements without the prior written approval of Habitat (during the Period of Habitat Oversight) and the Board of Directors (after the Period of Habitat Oversight) and any approvals required under the Timber Sky Declaration.

(b) No Owner, Sublessee or Occupant shall make any additions, alterations or improvements to its Unit (except for interior painting and decorating of a Unit that does not impair the structure integrity or mechanical systems of the Unit), unless prior to the commencement of each addition, alteration or improvement, the Owner, Sublessee or Occupant receives the prior written approval of Habitat (during the Period of Habitat Oversight) and the Board of Directors (after the Period of Habitat Oversight) and any additional approvals required under the Timber Sky Declaration. All additions, alterations or improvements to a Unit must be performed by contractors licensed by the Arizona Registrar of Contractors. Any Owner making any additions, alterations or improvements within his Unit shall be responsible for any damage to other Units and to the Common Elements which results from any such alterations, additions or improvements.

(c) No Owner, Sublessee or Occupant shall overload the electric wiring in the Units, or operate machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board of Directors, an unreasonable disturbance to others or connect any machines, appliances, accessories or equipment to the heating or plumbing system, without the prior consent of the Board of Directors, acting in accord with the direction of the Board of Directors.

(d) Habitat (during the Period of Habitat Oversight) and the Board of Directors (after the Period of Habitat Oversight) may condition any proposed additions, alterations or improvements to a Unit or the Common Elements in any reasonable manner, including, without limitation: (1) retaining approval rights of the contractor to perform the work; (2) restricting the time during which such work may be performed or the length of time during which the work must be completed; (3) requiring the placement of a security deposit; (4) receipt of plans and specifications prepared and sealed by a professional engineer or architect duly licensed by the State of Arizona; and (5) requiring that the Owner requesting the change obtain, prior to commencing any work, and maintain until completion of such work, comprehensive general liability insurance in such amounts as may be required by Habitat (during the Period of Habitat Oversight) and the Board of Directors (after the Period of Habitat Oversight).

(e) Proposed additions, alterations and improvements to a Unit or the Common Elements shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction, may only be made once all required permits have been obtained and must be in compliance with any conditions imposed by the Association with respect to design, structural integrity, sound attenuation, water-proofing, construction details, lien protection or otherwise. The Owner of a Unit to which additions, alterations or improvements are made shall defend, indemnify and hold harmless the Association and its directors, officers, employees and agents, the Declarant and all other Owners, Sublessees or Occupants for, from and against any and all liability, loss or damage resulting from such

additions, alterations or improvements and shall be solely responsible for the maintenance, repair and insurance of such additions, alterations and improvements.

(f) In addition to all other remedies provided in the Condominium Documents or at law or in equity, the Habitat (during the Period of Habitat Oversight) and the Board of Directors (after the Period of Habitat Oversight) shall have the right to (1) stop any work that is not in compliance with the terms contained in this **Section 4.3** or applicable law, (2) deny access to contractors performing such work, and (3) levy reasonable monetary penalties against the Owner or Occupant who caused such work to be performed. Neither Habitat, Declarant, the Association nor any of their respective officers, directors, employees, agents, contractors, consultants or attorneys shall be liable to any Owner or any other Person by reason of mistake in judgment, failure to point out or correct deficiencies in any plans or other submissions, negligence, or any other misfeasance, malfeasance or nonfeasance arising out of or in connection with the approval or disapproval of any plans or submissions.

4.4 Trash Containers and Collection . No garbage or trash shall be placed or kept on the Common Elements except in covered containers of a type, size and style, approved by the Board of Directors. The Board of Directors shall have the right to subscribe to a trash service for the use and benefit of the Association and all Unit Owners, and to adopt and promulgate rules and regulations regarding garbage, trash, trash containers and collection. The Board of Directors shall have the right to require all Owners to place trash and garbage in containers located in areas designated by the Board of Directors. No incinerators shall be kept or maintained in any Unit. All trash, garbage or rubbish must be kept in sanitary containers and must be bagged and deposited in designated trash chutes or receptacles. No rubbish, trash or garbage shall be kept on any Unit. The Rules may contain provisions governing the disposal of trash, garbage and rubbish in the Condominium. The Association shall endeavor to provide Unit Owners and Occupants with an opportunity for recycling and shall not prohibit recycling.

4.5 Machinery and Equipment . No machinery or equipment of any kind shall be placed, operated or maintained upon the Condominium except such machinery or equipment as is usual and customary in connection with the uses permitted by this Declaration, and except that which Declarant or the Association may require for the construction, operation and maintenance of the Common Elements.

4.6 Animals .

(a) Except as expressly permitted by this Section, no animals, birds, reptiles, fish, fowl, poultry or livestock shall be maintained or kept in any Unit or on any other portion of the Condominium. For purposes of this Section, a "**Permitted Pet**" shall mean a dog, cat, fish or small bird of a variety commonly kept as a household pet. Permitted Pets may be kept in a Unit if they are kept, bred or raised solely as domestic pets and not for commercial purposes. Permitted Pets may include an emotional support animal or service animal as may be allowed under the Americans with Disabilities Act. Not more than a total of two (2) dogs or two (2) domestic cats, or a combination thereof (but not to exceed two (2) total) shall be kept or maintained in a Unit.

(b) No Permitted Pet shall be allowed to make an unreasonable amount of noise, cause an odor which is detectable outside the Unit, or be an annoyance to a person of ordinary sensibilities. No Permitted Pet shall be allowed to run loose on any part of the Common Elements. All dogs shall be kept on a leash when outside a Unit and all dogs shall be directly under the control of the Owner, Sublessee or Occupant at all times. Any Person bringing a Permitted Pet onto the Common Elements shall immediately remove any feces or urine deposited on the Common Elements by the Permitted Pet, and such Person shall be liable to the Association for the cost of any cleaning of the Common Elements or the repair of any damage to the Common Elements caused or required by the Permitted Pet. Any Unit where a Permitted Pet is kept or maintained shall at all times be kept in a neat and clean condition. No structure for the care,

housing, confinement, or training of any Permitted Pet shall be maintained on any portion of the Common Elements or in any Unit so as to be visible from the exterior of the Unit or any other Unit. Each Owner, Sublessee, Occupant or other Person bringing or keeping a Permitted Pet within the Condominium shall be absolutely liable to other Owners, Sublessees, and Occupants and their invitees for any damage to Persons or Condominium Property caused by such Permitted Pet.

(c) Upon the written request of any Owner, the Board of Directors shall determine whether, for the purposes of this Section, a Permitted Pet makes an unreasonable amount of noise, causes an odor which is detectable outside the Unit or is an annoyance to a person of ordinary sensibilities. Notwithstanding any other provision of this Section, no Permitted Pet which the Board of Directors determines, in its sole discretion, is of a breed which has a propensity to attack persons or other animals or otherwise constitutes a threat to the safety of persons or other animals shall be kept in a Unit or on any other portion of the Condominium. Any Permitted Pet which has bitten or attacked a person or other animal or any Permitted Pet which the Board of Directors, in its sole discretion, determines has a propensity to attack persons or other animals or otherwise constitutes a threat to the safety of persons or other animals in the Condominium Property or which because of incessant barking or other behavior constitutes an unreasonable annoyance or nuisance to Owners, Sublessees or Occupants or their guests shall be removed from the Condominium by the owner of the Permitted Pet within five (5) days after written demand for removal of the Permitted Pet is given to the owner by the Board of Directors. Each Owner and Occupant acknowledges and agrees that the Association must report any instance of a Permitted Pet or any other animal attacking or biting any person or other animal to the appropriate governmental agencies.

4.7 Diseases and Insects . No Unit Owner shall permit any condition to exist upon the Condominium, which could induce, breed or harbor infectious plant or animal diseases or noxious insects. Each Unit Owner shall perform such pest control activities in his Unit as may be necessary to prevent insects, rodents, and other pests from being present in the Unit.

4.8 Parking Spaces; Motor Vehicles .

(a) As of the dated of this Declaration, all Parking Spaces are Common Elements and none have been allocated as Limited Common Elements to particular Units. During the Period of Declarant Control, Declarant may allocate Parking Spaces as Limited Common Elements as set forth in Section 2.8(d).

(b) No Parking Spaces may be used by any Person who is not an Owner, Sublessee, Occupant, or Invitee.

(c) As used in this Section, the term "**Authorized Vehicles**" means motorized land vehicles designed and used primarily for non-commercial passenger transport, such as automobiles, sport utility vehicles, passenger vans designed to accommodate ten (10) or fewer people, two-wheel motorcycles, electric bicycles, and pickup trucks having a manufacturers rating or payload capacity of one ton or less, all of which shall not exceed (7) feet in height. Authorized Vehicles may be parked only in Parking Spaces. No Authorized Vehicle of an Owner, Sublessee or Occupant of a Unit shall be parked in a Parking Space other than a Parking Space allocated to such Unit as a Limited Common Element. No vehicles of any kind other than Authorized Vehicles shall be parked, stored or kept on any other part of the Common Elements.

(d) No Authorized Vehicle shall be parked in a Parking Space if such vehicle does not completely and clearly fit within the painted parking lines designated for the Parking Space or otherwise physically fit wholly in the Parking Space. Parking Spaces shall be used solely for the parking of Authorized Vehicles and shall not be used for storage. No maintenance, repair, restoration or construction of any Authorized Vehicle should be conducted in the Parking Spaces or any other part of the Common Elements.

(e) No mobile home, travel trailer, tent trailer, trailer, camper shell, detached camper, recreational vehicle, boat, boat trailer, or other similar equipment or vehicle may be parked, kept, maintained, constructed, reconstructed, or repaired on any part of the Condominium.

(f) The Board of Directors shall have the right to have any automobile, sport utility vehicle, van, truck, recreational vehicle, motorcycle, motorbike, or other motor vehicle parked, kept, maintained, constructed, reconstructed or repaired in violation of the Condominium Documents towed away at the sole cost and expense of the owner of the vehicle. Any expense incurred by the Association in connection with the towing of any vehicle shall be paid to the Association upon demand by the owner of the vehicle.

4.9 Signs . Except for signs which under applicable law the Association may not prohibit, no signs shall be permitted on the exterior of a Unit or in the interior of a Unit if the signs would be visible from the exterior of the Unit, or on any other portion of the Condominium without the prior written approval of the Board of Directors.

4.10 Lawful Use . No immoral, improper, offensive, or unlawful use shall be made of any part of the Condominium. All laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction over the Condominium shall be observed. Any violation of such laws, zoning ordinances or regulations shall be a violation of this Declaration.

4.11 Nuisances and Offensive Activity . No nuisance shall be permitted to exist or operate upon the Condominium, and no activity shall be conducted upon the Condominium which is offensive or detrimental to any portion of the Condominium or to any Owner, Sublessee or Occupant or is an annoyance to any Owner, Sublessee or Occupant or which interferes with the quiet enjoyment of a Unit by the Owner, Sublessee or Occupant thereof, including any criminal or illegal activity by any Owner, Sublessee or Occupant or their guests. Except as part of a security system, no exterior speakers, horns, whistles, bells or other sound devices shall be located, used or placed on the Condominium without the prior written approval of the Board of Directors.

4.12 Window Coverings . No reflective materials, including, but without limitation, aluminum foil, reflective screens or glass, mirrors or similar items, shall be installed or placed upon the outside or inside of any windows of a Unit without the prior written approval of the Board of Directors. The exterior side of drapes, blinds, shades, screens or other window coverings must be white or beige. No enclosures, drapes, blinds, shades, screens or other items affecting the exterior appearance of a Unit shall be constructed or installed without the prior written consent of the Board of Directors. The Board of Directors may establish a "Condominium Standard" window treatment plan to ensure uniformity that will be complied with by all Owners. No tinting or film may be installed on any windows of a Unit without the prior written approval of the Board of Directors.

4.13 Outdoor Spaces within Units . No furniture, furnishings, umbrellas, pots, plants or other improvements may be kept and maintained on any outdoor space within any Unit except for a customary amount of furniture, furnishings, umbrellas, pots, plants and other improvements that are in good working order, are kept in a clean and neat condition, and otherwise comply with any Rules. No outdoor space within any Unit shall be used as a storage area for items or materials.

4.14 Unit Sales, Subleases and Occupancy Restrictions.

(a) Sales. To provide affordable housing and to create homeownership opportunities for the workforce of the community who otherwise would be denied such opportunities because of limited

financial resources, Units shall only be sold to Qualified Homebuyers, or to Habitat or City for the purposes of providing affordable housing.

(b) Subleases. To provide affordable housing and to create homeownership opportunities for the workforce of the community who otherwise would be denied such opportunities because of limited financial resources, (1) no Unit may be leased in part or whole by a Unit Owner, pursuant to a Sublease or otherwise and (2) no Persons, other than the Unit Owners and their children and other immediate family members or dependents, may occupy a Unit, (collectively, the "**Lease and Occupancy Restrictions**"), unless Habitat (during the Period of Habitat Oversight) and the City in their sole and absolute discretion, approve a Sublease (a "**Sublease Approval").** No Sublease shall be approved for a period of longer than 60 days unless the Occupant has an income (as reported by such household) equal to or less than one hundred percent (100%) of Area Median Income.

(c) A Sublease Approval, is contingent upon the following: (1) Subleases must be in writing and shall state that any violation of this Declaration or the Rules by the Sublessee or the other Occupants shall be a default under the Sublease; (2) there shall be no further subleasing or assignment of a Sublease; (3) at least ten (10) days before executing a Sublease, the Unit Owner shall provide Habitat and the City with the following information: (i) the commencement date and expiration date of the lease term; (ii) the name and contact information for any adults occupying the Unit during the lease term; and (iii) a description and license plate numbers of the Sublessee's vehicles; (4) a Unit Owner who enters into a Sublease must provide the Sublessee with copies of this Declaration and the Rules; (5) a Unit Owner shall be liable for any violation of this Declaration or the Rules by the Sublessees or other Occupants of the Unit and their Invitees and, in the event of any such violation, the Unit Owner shall immediately take all necessary steps to correct any such violations or, if demanded by Habitat or the City, immediately take all necessary action (including, but not limited to, legal action) to remove from the Unit the s and all Occupants residing in the Unit pursuant to the lease; and (6) any other terms and conditions required by Habitat (during the Period of Habitat Oversight) and the City.

(d) The provisions of Section 4.14(b) shall not apply to the leasing or subleasing of a Unit by the Declarant or Ground Lessor

4.15 Time Sharing . No Unit shall be divided or conveyed on a time increment basis or measurable chronological periods or pursuant to any agreement, plan, program or arrangement under which the right to use, occupy or possess a Unit, or any portion thereof, rotates among various Persons on a periodically recurring basis for value exchanged, whether monetary or like-kind use privileges, according to a fixed or floating interval or period of time one hundred eighty (180) consecutive calendar days or less.

4.16 Hazardous Materials . No Owner, Sublessee or Occupant shall use or keep in a Unit or any Limited Common Element allocated to the Unit any kerosene, gasoline, or inflammable or combustible fluid or material or other hazardous materials, other than those required, in limited quantities, for normal cleaning of the Unit and the Limited Common Element.

4.17 Ground Lease Restrictions . Each Unit shall be subject to the use, occupancy and all other restrictions set forth in the Ground Lease as well as such other restrictions set forth in *ARTICLE 14* of this Declaration. In the event of any conflict or inconsistency between *ARTICLE 4* of this Declaration and any provision of the Ground Lease, the more restrictive provision shall control.

4.18 The Association . The Association shall not have the power or authority to amend this *ARTICLE 4* without the written consent of Habitat (during the Period of Habitat Oversight) and the City.

ARTICLE 5
MAINTENANCE AND REPAIR OF COMMON ELEMENTS AND UNITS

5.1 Duties of the Association .

(a) Maintenance. The Association shall maintain, repair and replace all Common Elements, except for (1) the Limited Common Elements which the Unit Owners are obligated to maintain, repair and replace pursuant to **Section 5.2**, (2) any part of the Common Elements to be maintained, repaired and replaced by the City pursuant to the Driveway Maintenance Agreement, (3) any part of the Common Elements to be maintained, repaired and replaced by the Timber Sky Association pursuant to an agreement with the Timber Sky Association, and (4) any part of the Common Elements to be maintained as otherwise agreed to by any other governmental body or agency. The City of Flagstaff has agreed to provide scheduled maintenance and striping of the driveway and parking ("the Driveway") pursuant to the terms and conditions set forth in a Driveway Maintenance Agreement. The Association shall be responsible for routine maintenance and all other maintenance of the driveway and parking spaces in the Condominium, including but not limited to snow plowing, curb and sidewalk repairs, and pothole repairs.

(b) When Maintenance is Required. Habitat (during the Period of Habitat Oversight) and the Board of Directors (after the Period of Habitat Oversight) shall be the sole judge as to the appropriate maintenance, repair, and replacement of all Common Elements to be performed by the Association, but all Common Elements shall be maintained in good condition and repair at all times. No Owner, Sublessee, Occupant or other Person shall obstruct or interfere with the maintenance, repair and replacement of the Common Elements. Except as may be provided in the Ground Lease, the Driveway Maintenance Agreement (while City is Ground Lessor), or any future agreement with the Ground Lessor, the Ground Lessor is not responsible for any maintenance.

(c) Notice of Water Leaks. Owners, Sublessees and Occupants shall immediately notify Habitat and the Association of any broken or leaking water pipes, toilets, clothes washers or hot water heaters and any water intrusion into the Units from the roofs or windows, and any Owner, Sublessee or Occupant who fails to provide such notification shall be liable to the Habitat and Association and the other Owners, Sublessees and Occupants for any damages that may be caused by such failure.

(d) Easement for Plumbing. In the event any plumbing pipes or fixtures serving a Unit are located within the boundaries of another Unit, then the Owner of the Unit served shall have an easement over, upon and through such other Unit for the maintenance, repair and replacement of such plumbing pipes and fixtures; provided, however, that except in case of emergency, the Owner of the Unit served shall give the Owner or Sublessee of the other Unit at least forty-eight hours' notice prior to entering the other Unit.

(e) Inspections by Association. The Association shall (1) regularly inspect the parts of the Condominium that the Association is obligated to maintain, and which are visible and accessible without having to first remove building components or conduct invasive testing, for the existence of mold, mildew, and/or water intrusion (except when the water intrusion is part of the normal functioning of improvements and appliances such as showers, sinks, dishwashers, and other similar appliances and improvements) and/or water damage; (2) upon discovery, immediately repair in a good and workmanlike condition the source of any water intrusion in the parts of the Condominium that the Association is obligated to maintain; (3) remediate or replace, in accordance with the current industry accepted methods, any building material located in the parts of the Condominium that the Association is obligated to maintain that has absorbed water or moisture as a result of water intrusion; and (4) promptly and regularly remediate in accordance with current industry-accepted methods all mold and/or mildew discovered in the parts of the Condominium that the Association is obligated to maintain.

5.2 Duties of Unit Owners .

(a) Maintenance. Each Owner shall maintain, repair and replace, at his own expense, all portions of the Owner's Unit in a good, clean and sanitary condition. In addition, each Owner shall be responsible for the maintenance, repair and replacement of the Limited Common Elements allocated to his Unit, if any.

(b) Inspections by Owners. Each Unit Owner shall (1) regularly inspect the Owner's Unit and any part of the Common Elements that the Owner is obligated to maintain (if any), and which are visible and accessible without having to first remove building components or conduct invasive testing, for the existence of mold, mildew, and/or water intrusion (except when the water intrusion is part of the normal functioning of improvements and appliances such as showers, sinks, dishwashers, and other similar appliances and improvements) and/or water damage; (2) upon discovery, immediately repair in a good and workmanlike condition the source of any water intrusion in the Owner's Unit and any part of the Common Elements that the Owner is obligated to maintain (if any); (3) remediate or replace, in accordance with the current industry accepted methods, any building material located in the Owner's Unit and any part of the Common Elements that the Owner is obligated to maintain (if any) that has absorbed water or moisture as a result of water intrusion; and (4) promptly and regularly remediate in accordance with current industry-accepted methods all mold and/or mildew discovered in the Owner's Unit and any part of the Common Elements that the Owner is obligated to maintain (if any).

5.3 Repair or Restoration Necessitated by Owner . Each Owner shall be liable to the Association for any damage to the Common Elements or the Improvements, landscaping or equipment thereon which results from the negligence or willful misconduct of the Owner or of the Owner's Sublessees, Occupants or Invitees or from any violation of this Declaration or the Rules by an Owner or by the Owner's Sublessees, Occupants or Invitees. The cost to the Association of any such repair, maintenance or replacements required by such act of an Owner or of the Owner's Sublessees, Occupants or Invitees shall be assessed against the Owner as provided in **Subsection 7.2.4**. In addition, each Owner shall be liable to the other Unit Owners for any damage caused to such Owner's Unit which results from the negligence or willful misconduct of the Owner or the Owner's Sublessees, Occupants or Invitees.

5.4 Owner's Failure to Maintain . If an Owner fails to maintain in good condition and repair his Unit or any Common Element which he is obligated to maintain under this Declaration (if any) and the required maintenance, repair or replacement is not performed within fifteen (15) days after written notice has been given to the Owner by the Association, the Association shall have the right, but not the obligation, to perform the required maintenance, repair or replacement. The cost of any such maintenance, repair or replacement, plus an administrative fee equal to fifteen percent (15%) of such costs, shall be assessed against the nonperforming unit Owner pursuant to **Subsection 7.2.4**.

5.5 Community Garden . Habitat (during the Period of Habitat Oversight) or Association may establish a community garden or other public amenity within various portions of the Common Elements and may grant a revocable license(s) to the public to have access to and use the community garden or public amenity, subject to local land use regulations. Habitat (during the Period of Habitat Oversight) or the Association may promulgate rules and regulations for the management and use of the community garden or public amenity, including, without limitation, when the same may be used and how any produce from such garden may be allocated. The Association and each Unit Owner, Sublessee, Occupant, and Invitee will be subject to such rules and regulations. Each Unit Owner, by accepting title to its Unit, acknowledges and agrees that the community garden or public amenity may be established and that members of the public may have the right to use the community garden or public amenity, and that no Unit Owner, may prevent, restrict, or impede the operation or use of the community garden. Association reserves the right to revoke any such revocable license granted by Habitat or Association to the public; provided, however, that the Association

as a condition of such revocation reimburses the City for any amounts previously provided by the City for such community garden or public amenity.

5.6 Habitat Maintenance Obligations; Association's Duty to Take Over Habitat Maintenance Obligations . Notwithstanding anything to the contrary contained herein, and until Habitat provides a written notice to the Association electing to stop the Habitat Maintenance Obligations (defined below) (the "**Association Takeover Notice**"), Habitat agrees to be responsible, at its expense, for (1) repairing and replacing, as and when determined by Habitat in its sole discretion, the roof, any solar panels and solar equipment, and the outside siding (including exterior paint) of each Residence, to the extent repair or replacement arises from ordinary wear and tear and (2) replacing any appliances that are unable to be repaired in a commercially reasonable manner as determined by Habitat in its sole discretion, to the extent arising from ordinary wear and tear (collectively, the "**Habitat Maintenance Obligations**"). For the avoidance of doubt, each Owner will be required to repair all appliances to the extent Habitat determines, in its sole discretion, it is commercially reasonable to do so. Notwithstanding the provisions of this Section 5.6, if any Habitat Maintenance Obligations are caused other than through ordinary wear and tear, including, without limitation, due to the negligence or willful misconduct of an Owner or its residents, guests, invitees, or contractors, then such Owner will be liable for all costs and expenses incurred by Habitat (if it elects to perform) to perform the applicable Habitat Maintenance Obligations. Notwithstanding the foregoing or anything to the contrary contained herein, if at any time Habitat provides an Association Takeover Notice to the Association (which may be given by Habitat in its sole discretion), then from and after the date the Association receives such Association Takeover Notice the Association will be obligated to perform the Habitat Maintenance Obligations that arise or accrue from and after the date of the Association Takeover Notice. From and after the date Habitat sends an Association Takeover Notice to the Association, the Association shall levy a separate assessment against each Owner, which will be treated as an Assessment for all purposes hereunder and paid at the same time as each Regular Assessment, for the estimated costs and expenses to be incurred by the Association in any given year to perform the Habitat Maintenance Obligations (the "**Additional Maintenance Assessment**"). The amount of the Additional Maintenance Assessment will be determined, in good faith, by the Board, after the preparation of a budget containing the estimated costs and expenses.

ARTICLE 6
THE ASSOCIATION

6.1 Rights, Powers and Duties of the Association . No later than the date on which the first Unit is conveyed to a Purchaser, the Association shall be organized as a nonprofit Arizona corporation. The Association shall be the entity through which the Unit Owners shall act. The Association shall have such rights, powers and duties as are prescribed by law and as are set forth in the Condominium Documents together with such rights, powers and duties as may be reasonably necessary in order to effectuate the objectives and purposes of the Association as set forth in this Declaration and the Condominium Act. The Association shall have the right to finance capital improvements in the Condominium by encumbering future Assessments if such action is approved by the affirmative vote of Unit Owners holding more than two-thirds (2/3) of the votes in the Association. Unless the Condominium Documents or the Condominium Act specifically require a vote of the Members, the Board of Directors may act in all instances on behalf of the Association.

6.2 Directors and Officers . During the Period of Declarant Control, the Declarant shall have the right to appoint and remove the members of the Board of Directors and the officers of the Association, and such directors and officers do not have to be Unit Owners. The initial directors and officers of the Association shall be designated in the Articles, and such designation shall constitute the appointment of such directors and officers by the Declarant. When the Period of Declarant Control expires, the Unit Owners

shall elect the Board of Directors which shall consist of at least three but not more than five members, all of whom must be Unit Owners. The Board of Directors elected by the Unit Owners shall then elect the officers of the Association. For the limited purpose of determining whether a natural person is a Unit Owner and therefore eligible to serve on the Board of Directors, the spouse of a natural person who is a Unit Owner and any member, manager, shareholder, partner, director, officer or other authorized representative of a corporation, general partnership, limited partnership, limited liability company, limited liability partnership or other legal entity that is a Unit Owner shall be considered a Unit Owner. The Declarant may voluntarily surrender the right to appoint and remove the members of the Board of Directors and the officers of the Association before the expiration of the Period of Declarant Control, and in that event the Declarant may require, for the duration of the Period of Declarant Control, that specified actions of the Association or the Board of Directors, as described in a Recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

6.3 Rules . The Board of Directors, from time to time and subject to the provisions of this Declaration and the Condominium Act, may adopt, amend, and repeal rules and regulations. The Rules may, among other things, restrict and govern the use of the Units and the Common Elements.

6.4 Identity of Members . Each Unit Owner shall be a Member of the Association. The membership of the Association at all times shall consist exclusively of the Unit Owners. Membership in the Association shall be mandatory. An Owner shall automatically, upon becoming an Owner, be a Member of the Association and shall remain a Member of the Association until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. Membership in the Association shall be appurtenant to each Unit and may not be separately assigned, transferred, or conveyed. The Ground Lessor is not a Member of the Association unless it acquires fee title to a Residence.

6.5 Personal Liability . No director or officer of the Association, no member of any committee of the Association, no managing agent of the Association or such managing agent's employees and no other person acting on behalf of the Board of Directors shall be personally liable to any Member or to any other Person other than the Association for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence in the discharge of such person's duties and responsibilities under the Condominium Documents provided such person acted in good faith and without intentional misconduct.

ARTICLE 7
ASSESSMENTS

7.1 Preparation of Budget.

(a) At least thirty (30) days before the beginning of each fiscal year of the Association commencing with the fiscal year in which the first Unit is conveyed to a Purchaser, the Board of Directors shall adopt a budget for the Association containing an estimate of the total amount of funds which the Board of Directors believes will be required during the ensuing fiscal year to pay all Common Expenses including, but not limited, to: (1) the amount required to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units, if any, which the Association has the responsibility of maintaining, repairing and replacing; (2) the cost of wages, materials, insurance premiums, services, supplies and other expenses required for the administration, operation, maintenance and repair of the Condominium; (3) the amount required to render to the Unit Owners all services required to be rendered by the Association under the Condominium Documents; and (4) such amounts as may be necessary to provide reserves for contingencies and replacements. The budget shall separately reflect any Limited Common Element Expenses to be assessed against the benefited Units. The Board of Directors is

expressly authorized to adopt and amend budgets for the Association, and no ratification of any budget by the Unit Owners shall be required.

(b) Within fifteen (15) days after the adoption of the budget for each fiscal year of the Association (except for the first fiscal year), the Board of Directors shall send to each Owner a summary of the budget and a statement of the amount of the Regular Assessment assessed against the Owner's Unit in accordance with **Section 7.2**. The failure or delay of the Board of Directors to adopt a budget for any fiscal year or to send each Owner a summary of the budget or a notice of the amount of the Regular Assessment for any fiscal year as required by this Subsection shall not constitute a waiver or release in any manner of an Owner's obligation to pay his allocable share of the Common Expenses as provided in **Section 7.2**, and each Owner shall continue to pay the Regular Assessment for his Unit as established for the previous fiscal year until notice of the Regular Assessment for the new fiscal year has been given to the Owners by the Board of Directors.

7.2 Regular Assessment .

(a) For each fiscal year of the Association commencing with the fiscal year in which the first Unit is conveyed to a Purchaser, the total amount of the estimated Common Expenses set forth in the budget adopted by the Board of Directors (except for the Common Expenses which are to be assessed against less than all of the Units pursuant to this Declaration) shall be assessed against each Unit in proportion to the Unit's Common Expense Liability as set forth in **Section 2.6**. If the Board of Directors determines during any fiscal year that its funds budgeted or available for that fiscal year are, or will become, inadequate to meet all Common Expenses for any reason, including, without limitation, nonpayment of Assessments by Members, the Board of Directors may increase the Regular Assessment for that fiscal year and the revised Regular Assessment shall commence on the date designated by the Board of Directors.

(b) The Regular Assessments shall commence as to all Units on the day that the first Unit is conveyed to a Purchaser. The first Regular Assessment shall be adjusted according to the number of months remaining in the fiscal year of the Association. The Board of Directors may require that the Regular Assessments or Special Assessments be paid in installments.

(c) Except as otherwise expressly provided for in **Section 5.1** or elsewhere in this Declaration, all Common Expenses including, but not limited to, Common Expenses associated with the maintenance, repair and replacement of a Limited Common Element, shall be assessed against all of the Units in accordance with **Section 7.2(a)**.

(d) If any Common Expense is caused by the misconduct of any Owner, the Association shall assess that Common Expense exclusively against such Owner's Unit. Assessments to pay a judgment against the Association may be made only against the Units in the Condominium at the time the judgment was entered, in proportion to their Common Expense Liabilities. If the use of any Unit increases the cost to the Association of the insurance maintained by the Association pursuant to *ARTICLE 8*, the increased cost shall be assessed solely to such Unit.

(e) All Assessments, monetary penalties and other fees and charges levied against a Unit shall be the personal obligation of the Owner of the Unit at the time the Assessments became due. The personal obligation of an Owner for Assessments levied against his Unit shall not pass to the Owner's successors in title unless expressly assumed by them.

(f) The Association shall acquire and pay for the following: (1) water, sewer, electric, and other utility service for the Common Elements; (2) refuse and rubbish collection for the Common Elements and the Units, including an opportunity for recycling; and (3) water and sewer service for the

Units. Each Unit will be separately metered for electric service, and all charges for electric service to a Unit shall be billed directly to the Unit Owner by the electric company and shall be paid by the Unit Owner. The Units are not separately metered for water service.

7.3 Special Assessments . The Association may levy a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement of the Common Elements, including fixtures and personal property related thereto, or for any other lawful Association purpose, provided that any Special Assessment (other than a Special Assessment levied pursuant to **Section 9.1** as a result of the damage or destruction of all or part of the Common Elements) shall have first been approved by Owners representing two-thirds (2/3) of the votes in the Association who are voting in person or by proxy at a meeting duly called for such purpose. Unless otherwise specified by the Board of Directors, Special Assessments shall be due thirty (30) days after they are levied by the Association and notice of the Special Assessment is given to the Owners.

7.4 Purposes for which Association's Funds May be Used. The Association may use the funds and property collected and received by the Association (including, but not limited to, all Assessments, fees, loan proceeds, surplus funds and all funds and property received from any other source) for the purpose of: (a) discharging and performing the Association's duties and obligations under the Condominium Documents or applicable law; (b) exercising the rights and powers granted to the Association by the Condominium Documents or applicable law; (c) providing or promoting activities and services the Board of Directors deems appropriate, necessary or desirable to foster or promote the common good and general welfare of the Condominium and the Owners, Sublessees and Occupants; (d) contracting for services (including, without limitation, recycling, trash collection or cable television) to be provided to Owners, Sublessees and Occupants; and (e) taking such other action as the Board of Directors deems necessary, appropriate or desirable for the management and administration of the Association or the benefit of the Association or the Condominium.

7.5 Effect of Nonpayment of Assessments; Remedies of the Association .

(a) Any Assessment, or any installment of an Assessment, which is not paid within fifteen (15) days after the Assessment first became due shall be deemed delinquent and shall bear interest from the date of delinquency at the rate of interest established from time to time by the Board of Directors. If any Assessment, or any installment thereof, is not paid within fifteen (15) days after the Assessment first became due, the Association may assess against the delinquent Unit Owner a late fee in the amount established from time to time by the Board of Directors.

(b) Subject to A.R.S. §§ 33-1202 and 33-1256 and other applicable law, the Association shall have a Common Expense Lien on each Unit for any Assessment levied against that Unit from the time the Assessment becomes due. The Association shall have the right, at its option, to enforce collection of any delinquent Assessments and any other sums due to the Association in any manner allowed by law including, but not limited to: (1) bringing an action at law against the Unit Owner personally obligated to pay the delinquent amounts and such action may be brought without waiving the Common Expense Lien securing any such delinquent amounts; or (2) bringing an action to foreclose the Common Expense Lien in the manner provided by law for the foreclosure of a realty mortgage. The Association's Common Expense Lien may be foreclosed in the same manner as a mortgage on real estate but only if the Unit Owner has been and remains delinquent in payment of Assessments for a period of one year or in the amount of $1,200 or more, whichever occurs first, as determine on the date the foreclosure action is filed. The Association's Board of Directors shall exercise reasonable efforts to community with the Unit Owner and offer a reasonable payment plan before filing a foreclosure action. If an Assessment is payable in installments, the full amount of the Assessment is a lien from the time the first installment of the Assessment becomes due. Notwithstanding any provision in the Condominium Documents, Unit Owner Expenses are

not enforceable as Common Expense Liens under this Section. The Association has a lien for Unit Owner Expenses after the entry of a judgment in a civil suit for those Unit Owner Expenses from a court of competent jurisdiction and the Recording of that judgment as otherwise provided by law. The Association's judgment lien for Unit Owner Expenses may not be foreclosed and is effective only on conveyance of any interest in the real property.

(c) Subject to A.R.S. §§ 33-1202 and 33-1256 and other applicable law, The Common Expense Lien shall have priority over all liens, other interests and encumbrances except for: (1) liens and encumbrances Recorded before the recording of this Declaration; (2) liens for real estate taxes and other governmental assessments and charges; and (3) the lien of any First Mortgage or seller's interest in a first contract for sale Recorded prior to the Common Expense Lien or a Recorded first deed of trust on the Unit. Any First Mortgagee or any other Person acquiring title or coming into possession of a Unit through foreclosure of the First Mortgage, purchase at a foreclosure sale or trustee's sale, or through any equivalent proceedings, such as, but not limited to, the taking of a deed in lieu of foreclosure shall acquire title free and clear of any claims for unpaid Assessments and charges against the Unit which became payable prior to the acquisition of such Unit by the First Mortgagee or other Person. Any assessments and charges against the Unit which accrue prior to such sale or transfer shall remain the obligation of the defaulting Unit Owner. The Association may not transfer ownership or control of debt for Common Expense Liens or Unit Owner Expenses.

7.6 Certificate of Payment. The Association or the Association's managing agent, upon receipt of a written request, shall furnish to a lienholder, Unit Owner or Person designated by a Unit Owner a recordable statement setting forth the amount of unpaid Assessments against his Unit. The statement shall be furnished within fifteen (15) days after receipt of the request and is binding on the Association, the Board of Directors, and every Unit Owner. The Association or the Association's managing agent may charge a reasonable fee in an amount established by the Board of Directors for each such statement.

7.7 No Exemption or Offsets . No Owner may exempt himself from liability for payment of Assessments, monetary penalties and other fees and charges levied pursuant to the Condominium Documents by waiver and nonuse of any of the Common Elements and facilities or by the abandonment of his Unit. All Assessments, monetary penalties and other fees and charges shall be payable in accordance with the provisions of this Declaration, and no offsets against such Assessments, monetary penalties and other fees and charges shall be permitted for any reason, including, without limitation, a claim that the Association is not properly exercising its duties and powers as provided in the Condominium Documents or the Condominium Act.

7.8 Initial Working Capital Fund . To provide the Association with initial operating funds, each Purchaser shall pay to the Association, immediately upon becoming the Owner of the Unit, a sum equal to 1/6th of the annual Regular Assessment for the Unit (unless Habitat (during the Habitat Oversight Period) or the Board (after the Habitat Oversight Period) sets a different amount) (the "**Working Capital Fee**"). The Working Capital Fee shall be non-refundable and shall not be considered as an advance payment of any Assessments levied by the Association pursuant to this Declaration. Notwithstanding the foregoing, Habitat and the City shall be exempt from the payment of any Working Capital Fee. The amounts paid to the Association pursuant to this Section may be used for any purpose for which Association funds may be used pursuant to **Section 7.6**.

7.9 Reserve Contribution .

(a) Initial Contribution. To provide for additional reserves of the Association, each Purchaser shall pay to the Association, immediately upon becoming the Owner of the Unit, a contribution (the "**Reserve Contribution**") to the reserves to be established pursuant to **Section 7.11**.

(b) No Reserve Contribution shall be payable with respect to: (1) the transfer or conveyance of a Unit by devise or intestate succession; (2) a transfer or conveyance of a Unit to a family trust, family limited partnership or other Person for bona fide estate planning purposes; (3) a transfer or conveyance of a Unit to a corporation, partnership or other entity in which the grantor owns a majority interest unless the Board determines, in its sole discretion, that a material purpose of the transfer or conveyance was to avoid payment of the Reserve Contribution in which event a Reserve Contribution shall be payable with respect to such transfer or conveyance; (4) the conveyance of a Unit by a trustee's deed following a trustee's sale under a deed of trust; or (5) a conveyance of a Unit as a result of the foreclosure of a realty mortgage or the forfeiture or foreclosure of a purchaser's interest under a Recorded contract for the conveyance of real property subject to A.R.S. § 33-741, et seq.

(c) Nonrefundable. All Reserve Contributions shall be deposited in the Reserve Account established pursuant to **Section 7.11**. Reserve Contributions shall be non-refundable and shall not be considered as an advance payment of Assessments.

7.10 Transfer Fee . Each Purchaser shall pay to the Association, or, at the option of the Association, to the Association's managing agent, immediately upon becoming the Owner of the Unit a transfer fee in the amount set from time to time by Habitat (during the Habitat Oversight Period) or the Board (after the Habitat Oversight Period) to compensate the Association for the administrative cost resulting from the transfer of a Unit. The transfer fee is not intended to compensate the Association for the costs incurred in the preparation of the statement which the Association is required to mail or deliver to a purchaser under A.R.S. § 33-1260A and, therefore, the transfer fee shall be in addition to the fee which the Association is entitled to charge pursuant to A.R.S. § 33-1260C.

7.11 Reserves .

(a) Reserves Account; Reserve Study. Habitat (during the Habitat Oversight Period) and the Board (after the Habitat Oversight Period) shall establish reserves for the future periodic maintenance, repair or replacement of the major components of the Common Elements which the Association is obligated to maintain, repair and replace. The reserves may be funded from Regular Assessments, the Reserve Contributions paid pursuant to **Section 7.9**, the Initial Working Capital Fund payments paid pursuant to **Section 7.8** or any other revenue of the Association. All amounts designated as reserves shall be deposited by the Board of Directors in a separate bank account (the "Reserve Account") to be held for the purposes for which they are collected and are to be segregated from and not commingled with any other funds of the Association. The Board of Directors periodically shall obtain a reserve study, which study shall at a minimum include (1) identification of the major components of the Common Elements which the Association is obligated to repair, replace, restore or maintain which, as of the date of the study, have a remaining useful life of less than thirty (30) years; (2) identification of the probable remaining useful life of the identified major components as of the date of the study; (3) an estimate of the cost of repair, replacement, restoration, or maintenance of the identified major components during and at the end of their useful life; (4) an estimate of the total annual contribution necessary to defray the cost to repair, replace, restore, or maintain the identified major components during and at the end of their useful life, after subtracting total reserve funds as of the date of the study.

(b) Accounting. Unless the Association is exempt from Federal or State taxes, all reserves shall be accounted for as contributions to the capital of the Association and as trust funds segregated from the regular income of the Association or in any other manner authorized by law or regulation of the Internal Revenue Service that will prevent such funds from being taxed as income of the Association.

ARTICLE 8

INSURANCE

8.1 Scope of Coverage.

(a) The Association may maintain, to the extent reasonably available, the following insurance coverage:

(1) A special form policy of property insurance with sprinkler leakage, debris removal and water damage endorsements, insuring the Common Elements. Such property insurance shall cover the interests of the Association, the Board of Directors and all Unit Owners and their mortgagees, as their interests may appear (subject, however, to the loss payment adjustment provisions in favor of an Insurance Trustee), in an amount equal to one hundred percent (100%) of the then current replacement cost of the Common Elements (exclusive of the land, excavations, foundations and other items normally excluded from such coverage), without deduction for depreciation. Such policy must be consistent with state and local insurance laws and at least equal to such coverage as is commonly required by prudent institutional mortgage investors in the area in which the Condominium is located. The Board of Directors shall also obtain and maintain such coverage on all personal property owned by the Association.

(2) Broad form comprehensive general liability insurance, for a limit to be determined by the Board, but not less than $1,000,000 for any single occurrence and $2,000,000 in aggregate for the policy term insuring the Association, the Board of Directors, the manager or management agent and their respective agents and employees, and the Unit Owners from liability arising out of or in connection with the use, ownership, maintenance or operation of the Common Elements. Such insurance shall cover all occurrences commonly insured against resulting in death, bodily injury, property damage and/or personal and advertising injury. Such policy shall include (i) a cross liability clause to cover liabilities of the Owners as a group to an Owner; (ii) medical payments insurance; (iii) blanket contractual liability coverage; and (iv) contingent liability coverage arising out of the use of hired and nonowned automobiles.

(3) Worker's compensation insurance to the extent necessary to meet the requirements of the laws of Arizona and, if the Association has any employees, a policy of employer's liability insurance with coverage limits determined by the Board of Directors, but not less than the limits required for excess coverage under the Umbrella Liability Policy.

(4) Directors' and officers' liability insurance in an amount not less than $1,000,000 covering all the directors and officers of the Association and naming the managing agent of the Association as an additional insured.

(5) Such other insurance as the Association shall determine from time to time to be appropriate to protect the Association, the members of the Board of Directors, the members of any committee or the Unit Owners.

(6) The insurance policies purchased by the Association shall, to the extent reasonably available, contain the following provisions:

(i) Each Unit Owner shall be an insured under the policy with respect to liability arising out of his ownership of an undivided interest in the Common Elements or his membership in the Association.

(ii) There shall be no subrogation with respect to the Association, its agents, servants, and employees against Unit Owners and members of their household, except for claims against Unit Owners by members of their households for employee dishonesty or forgery.

(iii) No act or omission by any Unit Owner, unless acting within the scope of his authority on behalf of the Association, shall void the policy or be a condition to recovery on the policy.

(iv) The coverage afforded by such policy shall be primary and shall not be brought into contribution or proration with any insurance which may be purchased by Unit Owners or their mortgagees or beneficiaries under deeds of trust.

(v) A "severability of interest" endorsement which shall preclude the insurer from denying the claim of a Unit Owner because of the negligent acts of the Association or other Unit Owners.

(vi) The Association shall be the insured for use and benefit of the individual Unit Owners (designated by name if required by the insurer).

(vii) A standard mortgagee clause providing that the insurance carrier shall notify the Association and each First Mortgagee named in the policy at least ten (10) days in advance of the effective date of any substantial change in coverage or cancellation of the policy.

(viii) Any Insurance Trust Agreement will be recognized by the insurer.

(ix) An "Agreed Amount Endorsement" and "Inflation Guard Endorsement" if such endorsements are available and are commonly required by prudent institutional mortgage investors in the area in which the Condominium is located.

(7) If required by any governmental or quasi-governmental agency (including, without limitation, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation) flood insurance in accordance with the applicable regulations of such agency.

(b) If, at the time of a loss insured under an insurance policy purchased by the Association, the loss is also insured under an insurance policy purchased by a Unit Owner, the Association's policy shall provide primary coverage.

(c) The Board of Directors may select deductibles applicable to the insurance coverage to be maintained by the Association pursuant to this **Section 8.1** in order to reduce the premiums payable for such insurance. The deductible, if any, on any insurance policy obtained by the Association shall be a Common Expense, but the Association may assess to a Unit Owner any deductible amount necessitated by the negligence, misuse or neglect for which such Unit Owner is responsible.

(d) Notwithstanding any of the other provisions of this *ARTICLE 8* to the contrary, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any Insurance Trust Agreement or any successor to such trustee who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish such purpose. Each Unit Owner appoints the Association, or any insurance trustee or substitute insurance trustee designated by the Association, as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: (1) the collection and appropriate disposition of the proceeds thereof; (2) the negotiation of losses and execution of releases of liability; (3) the execution of all documents; and (4) the performance of all other acts necessary to accomplish such purpose.

(e) The Association and its directors and officers shall have no liability to any Owner or First Mortgagee or other Person having a lien on a Unit if, after a good faith effort, (1) the Association is unable to obtain insurance required hereunder because the insurance is no longer available; (2) if available, the insurance can be obtained only at a cost that the Board, in its sole discretion, determines is unreasonable under the circumstances; or (3) the Members fail to approve any increase in the Regular Assessment needed to pay the insurance premiums.

(f) The Board of Directors shall determine annually whether the amounts and types of insurance the Association has obtained provide adequate coverage in light of increased construction costs, inflation, practice in the area in which the Condominium is located, or any other factor which tends to indicate that either additional insurance policies or increased coverage under existing policies are necessary or desirable to protect the interests of the Owners and of the Association.

(g) All insurance policies obtained by the Association pursuant to this *ARTICLE 8* shall be obtained from generally acceptable insurance carriers.

8.2 General Requirements. All insurance provided for in this *ARTICLE 8* shall be written under valid and enforceable policies issued by insurance companies authorized and licensed to transact business in the State of Arizona with a financial strength rating of A-VIII or better from A.M. Best Company and/or A- or better from Standard & Poor's. All such policies shall provide for a minimum of thirty (30) days advance written notice to the Association prior to the cancellation or material change of any insurance coverage under the policy.

8.3 Payment of Premiums . Premiums for all insurance obtained by the Association pursuant to this Article shall be Common Expenses and shall be paid for by the Association.

8.4 Insurance Obtained by Unit Owners . Each Unit Owner shall obtain and maintain property insurance covering full replacement cost of its Unit.

8.5 Payment of Insurance Proceeds . Any loss covered by property insurance obtained by the Association in accordance with this **Article 8** shall be adjusted with the Association and the insurance proceeds shall be payable to the Association and not to any mortgagee or beneficiary under a deed of trust. The Board shall have the right to negotiate a settlement of the loss with the insurer and shall be entitled to receive all insurance proceeds paid by the insurer with respect to such loss. The Association or any Trustee under an Insurance Trust Agreement executed pursuant to **Subsection 8.1.4** shall hold any insurance proceeds in trust for the Unit Owners and lienholders as their interests may appear, and the proceeds shall be disbursed and applied as provided for in the Condominium Act.

8.6 Certificate of Insurance . An insurer that has issued an insurance policy pursuant to this *ARTICLE 8* shall issue certificates or memoranda of insurance to the Association and, on written request, to any Unit Owner, mortgagee, or beneficiary under a deed of trust. The insurer issuing the policy shall not cancel or refuse to renew it until thirty (30) days after notice of the proposed cancellation or nonrenewal has been mailed to the Association, each Unit Owner, and each mortgagee or beneficiary under a deed of trust to whom a certificate or memorandum of insurance has been issued at their respective last known addresses.

ARTICLE 9
DESTRUCTION OF IMPROVEMENTS

9.1 Automatic Reconstruction . Any portion of the Condominium for which insurance is maintained by the Association which is damaged or destroyed shall be repaired or replaced promptly by the Association unless: (a) the Condominium is terminated; (b) repair or replacement would be illegal under any state or local health or safety statute or ordinance; or (c) eighty percent (80%) of the Unit Owners, including every Owner of a Unit or allocated Limited Common Element which will not be rebuilt, vote not to rebuild. The cost of repair or replacement of the damaged or destroyed portion of the Condominium in excess of insurance proceeds and reserves shall be a Common Expense and shall be assessed to the Members as a Special Assessment pursuant to **Section 7.3**.

9.2 Determination Not to Reconstruct Without Termination . If eighty percent (80%) of the Unit Owners (including every Owner of a Unit or an allocated Limited Common Element which will not be rebuilt) vote not to rebuild, and the Condominium is not terminated in accordance with the Condominium Act, the insurance proceeds shall be distributed in proportion to their interests in the Common Elements to the Owners of those Units and the Owners to which those Limited Common Elements were allocated, or to lienholders as their interests may appear. The remainder of the proceeds shall be distributed to all Unit Owners or lienholders as their interests may appear in proportion to Common Element interests of all the Units. If the Unit Owners vote not to rebuild any Unit, that Unit's Allocated Interests in the Common Elements and in the Common Expenses shall be automatically reallocated as if the Unit had been condemned under A.R.S. § 33-1206A, and the Association shall prepare, execute and record an amendment to this Declaration reflecting the reallocation.

9.3 Distribution of Insurance Proceeds in the Event of Termination of the Condominium . Notwithstanding any provisions of this **Article 9** to the contrary, in the event of termination of the Condominium, the distribution of insurance proceeds resulting from the damage or destruction of all or any part of the Common Elements shall be distributed as provided in the Condominium Act.

9.4 Negotiations with Insurer . The Association shall have full authority to negotiate in good faith with representatives of the insurer of any totally or partially destroyed building or any other portion of the Common Elements, and to make settlements with the insurer for less than full insurance coverage on the damage to such building or any other portion of the Common Elements. Any settlement made by the Association in good faith shall be binding upon all Owners and First Mortgagees. Insurance

proceeds for any damage or destruction of any part of the Condominium covered by property insurance maintained by the Association shall be paid to the Association and not to any First Mortgagee or other lienholder. The Association shall hold any proceeds in trust for the Unit Owners and lienholders as their interests may appear. Except as otherwise provided in **Sections 9.1** and **9.2**, all insurance proceeds shall be disbursed first for the repair or restoration of the damaged Common Elements, and Unit Owners and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the damaged or destroyed Common Elements have been completely repaired or restored or the Condominium is terminated.

9.5 Repair of Units . Installation of improvements to, and repair of any damage to, the interior of a Unit not covered by property insurance maintained by the Association shall be made by and at the individual expense of the Owner of that Unit and shall be completed as promptly as practicable and in a lawful and workmanlike manner. Any installation or repair of improvements by an Owner shall be subject to the provisions of **Section 4.3**.

9.6 Priority . Nothing contained in this Article shall entitle an Owner to priority over any lender under a lien encumbering his Unit as to any portion of insurance proceeds allocated to such Unit.

ARTICLE 10
EMINENT DOMAIN

10.1 Total Taking of a Unit . If a Unit is acquired by eminent domain, or if part of a Unit is acquired by eminent domain leaving the Owner with a remnant which may not be practically or lawfully used for any purpose permitted by this Declaration, the award must compensate the Owner for his Unit and interest in the Common Elements, regardless of whether any Common Elements are taken. Upon such a taking, unless the decree otherwise provides, that Unit's Allocated Interests in the Common Elements and in the Common Expenses shall automatically be reallocated to the remaining Units in proportion to their respective Allocated Interests immediately before the taking. Upon such a taking, the Association shall prepare, execute and record an amendment to the Declaration in compliance with the Condominium Act. Any remnant of a Unit remaining after part of a Unit is taken becomes a Common Element.

10.2 Partial Taking of a Unit . Except as provided in **Section 10.1**, if part of a Unit is acquired by eminent domain, the award must compensate the Owner for the reduction in the value of his Unit and interest in the Common Elements, regardless of whether any Common Elements are taken. On acquisition, unless the decree otherwise provides, that Unit's Allocated Interests in the Common Elements and in the Common Expenses shall be reduced in proportion to the reduction in size of the Unit and the portion of the Allocated Interests divested from the partially acquired Unit shall automatically be reallocated to that Unit and the remaining Units in proportion to their respective interests immediately before the taking, with the partially acquired Unit participating in the reallocation on the basis of its reduced interest.

10.3 Taking of Common Elements . If part of the Common Elements is acquired by eminent domain, the portion of the award attributable to the Owners' equal undivided interests in the Common Elements taken shall be paid to the Association for the benefit of the Unit Owners, and any portion of the award attributable to the acquisition of a Limited Common Element shall be equally divided among the Owners of the Units to which that Limited Common Element was allocated at the time of the acquisition. The portion of the award attributable to the Ground Lessor's interest in the Land shall be allocated to Ground Lessor.

10.4 Taking of Entire Condominium . In the event the Condominium in its entirety is acquired by eminent domain, the Condominium is terminated and the provisions of A.R.S. § 33-1228 apply.

10.5 Priority and Power of Attorney . Nothing contained in this *ARTICLE 10* shall entitle an Owner to priority over any First Mortgagee under a lien encumbering his Unit as to any portion of any condemnation award allocated to such Unit. Each Owner hereby appoints the Association as attorney-in-fact for the purpose of negotiations and settlement with the condemning authority for the acquisition of the Common Elements, or any part thereof. This power of attorney is coupled with an interest, shall be irrevocable, and shall be binding on any heirs, personal representatives, successors or assigns of an Owner.

ARTICLE 11

DISPUTE RESOLUTION

11.1 Defined Terms . As used in this *ARTICLE 11*, the following terms shall have the meaning set forth below:

(1) **"Alleged Defect"** means any alleged defect or deficiency in the planning, design, engineering, grading, construction or development of the Common Elements or any Unit by a Declarant Party including, without limitation, any failure to comply with applicable building codes or federal, state or local laws, ordinances or regulations or any failure to comply with any express or implied warranty or standard of workmanship.

(2) **"Declarant Party"** means: (i) the Declarant and Habitat and their respective members, managers, officers and employees; (ii) an Affiliate of Declarant; (iii) any general contractors, subcontractors, material suppliers, labor suppliers, architects, engineers, surveyors, consultants or other Persons who furnished labor or services or supplied materials in connection with the initial design, development and/or construction of the Units and other Improvements in the Condominium or in connection with any addition, renovation, repair or reconstruction of the Units or other Improvements in the Condominium; or (iii) any employee or other representative of the Declarant who serves as a director or officer of the Association.

(3) **"Claim"** means: (i) any claim or cause of action by a Claimant against a Declarant Party arising out of or related in any way to an Alleged Defect (including, without limitation, any claim or cause of action for breach of express or implied warranties, strict liability, negligence or consumer fraud) or that a Declarant Party was negligent in the planning, design, engineering, grading, construction or development of the Condominium; or (ii) any claim or cause of action against a Declarant Party arising out of or in any way related to the development of the Condominium or the management or operation of the Association, including, without limitation, any claim for negligence, fraud, intentional misconduct or breach of fiduciary duty.

11.2 Agreement to Resolve Certain Disputes Without Litigation . The Association, all Unit Owners and all Declarant Parties agree that it is in the best interests of the Association, the Unit Owners and the Declarant Parties to encourage the amicable resolution of Claims and to resolve Claims without the emotional and financial costs of litigation. Therefore, the Association, all Unit Owners and all Declarant Parties agree that all Claims shall be resolved exclusively in accordance with the dispute resolution procedures set forth in this *ARTICLE 11*. The Association, all Owners and all Declarant Parties waive their right to have Claims resolved in court and to have a jury trial. Declarant and each Owner acknowledges and

agrees that the provisions of this *ARTICLE 11* shall be binding upon current and future Owners and upon the Association, whether acting for itself or on behalf of any Owner or Owners.

11.3 Notice of Claim . The Association or any Owner who contends or alleges to have a Claim (a "**Claimant**") against any Declarant Party shall notify each applicable Declarant Party (a "**Respondent**") in writing of the Claim (the "**Claim Notice**"), stating plainly and concisely: (a) the nature of Claim, including, date, time, location, Persons involved, and Respondent's role in the Claim; (b) the factual and legal basis of the Claim; and (c) what Claimant wants Respondent to do or not do to resolve the Claim. If the Claim involves an Alleged Defect, the Claim Notice shall state plainly and concisely: (a) the nature and location of the Alleged Defect; (b) the date on which the Association or Owner giving the Notice of Claim first became aware of the Alleged Defect; and (c) whether the Alleged Defect has caused any damage to any persons or property. If the Alleged Defect is alleged to be the result of an act or omission of a person licensed by the State of Arizona under Title 20 or Title 32 of the Arizona Revised Statutes (a "**Licensed Professional**"), then the Claim Notice from the Association must be accompanied by an affidavit from a Licensed Professional in the same discipline as the Licensed Professional alleged to be responsible for the Alleged Defect. The affidavit must contain the information required to be contained in a preliminary expert opinion affidavit submitted pursuant to Section 12-2602B of the Arizona Revised Statutes. Within a reasonable period of time after receipt of the Notice of Claim, which period shall not exceed sixty (60) days, the Respondent and the Claimant shall meet at a mutually acceptable place within the Condominium to discuss the Claim and attempt to reach a resolution.

11.4 Right to Enter, Inspect, Repair and/or Replace . To the extent a Notice of Claim relates to or arises out of an Alleged Defect (a "**Construction Dispute**"), the provisions and procedures of this **Section 11.4** shall apply. At any time after the delivery of the Notice of Claim, the Respondent and its representatives shall have full access to the property that is the subject of the Notice of Claim and shall have the right, but not the obligation, to conduct inspections, testing and/or destructive and invasive testing in a manner deemed appropriate by the Respondent (provided the Respondent shall repair or replace any property damaged or destroyed during such inspection or testing), which rights shall continue until such time as the Claim is resolved. If the Respondent elects to take any corrective action, it shall do so in a prompt manner considering the circumstances and the Respondent and its representatives and contractors shall be provided access to the Condominium and the property that is the subject of the Notice of Claim to take and complete such corrective action. Nothing set forth in this **Section 11.4** shall be construed to impose any obligation on any Declarant Party to inspect, test, repair, or replace any item of the Condominium subject to a Construction Dispute. The right of a Declarant Party and its employees, agents, contractors and consultants to enter, inspect, test, repair and/or replace reserved in this Section shall be irrevocable and may not be waived or otherwise terminated except by a written document, in recordable form, executed and Recorded by the Declarant Party.

11.5 Binding Arbitration .

(a) In the event a Claim is not resolved by direct negotiations between the Claimant and the Respondent, the Claimant, if the Claimant desires to pursue the Claim further shall submit the Claim to binding arbitration in accordance with this **Section 11.5**. If the Claimant fails to timely submit the Claim to arbitration pursuant to the Federal Arbitration Act (9 U.S.C. §1, et. seq.). The Arbitration shall be initiated and conducted in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association as modified or as otherwise provided in this **Section 11.5**, unless the Notice of Claim involves a Construction Dispute by an Owner against a Declarant Party, in which case the arbitration shall be conducted in accordance with the Construction Industry Arbitration Rules and the Supplementary Consumer/Residential Construction Rules of the American Arbitration Association as modified or as otherwise provided in this **Section 11.5**. In no event shall the demand for arbitration be made after the date

when institution of legal or equitable proceedings based on the Notice of Claim would be barred by the applicable statutes of limitations or repose.

(b) A Person with any Claim may only submit such Claim in arbitration on such Person's own behalf. No Person may submit a Claim in arbitration as a representative or member of a class, and no Claim may be arbitrated as a class action.

(c) Any arbitration proceeding may not be joined or consolidated with the Claims of the Association or any other Owner unless specifically agree to in writing by all parties to the Claim.

(d) The Declarant Parties, the Association and the Owners agree that any arbitration of a Claim is a private proceeding whose results shall be binding only on the parties to the arbitration and shall not be afforded binding effect as to any issue or result by any non-party to the arbitration.

(e) To the extent any Construction Dispute relates to or involves the conduct or work of any contractor, subcontractor, or supplier, any such contractors, subcontractors, or suppliers may be joined in the arbitration.

(f) The Association, each Owner and the Declarant acknowledge that arbitration involves certain expenses (including payment of fees to the American Arbitration Association and compensation of the arbitrator or arbitrators) depending on the nature of and amount of claims asserted which may be substantial and in excess of court fees for filing of a lawsuit. The payment of such arbitration related expenses shall be governed by the Rules of the American Arbitration Association. The American Arbitration Association fee schedule and rules may be found at www.adr.org.

(g) The arbitrator may award the prevailing party in the proceeding all or a part of such party's reasonable attorneys' fees and expert witness fees, that such fees bear to percentage of success achieved by the prevailing party measured as an amount recovered in excess of the amount offered, taking into consideration the final result of arbitration or other relevant factors. The arbitrator shall not award any punitive damages. The arbitrator shall not award indirect, consequential or special damages regardless of whether the possibility of such damage or loss was disclosed to, or reasonably foreseen by, the party against whom the claim is made. The arbitrator shall assess the costs of the proceedings (including the fees of the arbitrator) against the non-prevailing party.

(h) The filing of a proper demand for arbitration in accordance with this **Section 11.5** and the rules of the American Arbitration Association shall act to toll any applicable statutes of limitation or repose.

11.6 Use of Funds . Any judgment, award or settlement received by a Claimant in connection with a Claim involving an Alleged Defect shall first be used to correct and/or repair such Alleged Defect or to reimburse the Claimant for any costs actually incurred by such Claimant in correcting and/or repairing the Alleged Defect. If the Claimant receiving the judgment, award or settlement is the Association, any excess funds remaining after repair of such Alleged Defect shall be paid into the Association's reserve fund.

11.7 Approval of Arbitration or Litigation . The Association shall not deliver a Claim Notice to any Declarant Party or commence any legal action or arbitration proceeding or incur legal expenses (including without limitation, attorneys' fees) in connection with any Claim without the written approval of Owners entitled to cast more than seventy-five percent (75%) of the total votes in the Association, excluding the votes of any Owner who would be a defendant in such proceedings. Before requesting the approval of the Owners required by this **Section 11.7**, the Association must provide written notice to all Owners, which notice shall (at a minimum) include the following: (1) a description of the nature of the

Claim; (2) a description of the attempts of the Respondent to resolve the Claim; (3) the name and professional background of the attorney proposed to be retained by the Association to pursue the Claim and a description of the relationship between such attorney and any member of the Board of Directors; (4) a description of the fee arrangement between such attorney and the Association; (5) the estimated attorneys' fees and expert fees and costs necessary to pursue the Claim and the source of funds that will be used to pay such fees and expenses; (6) the estimated time necessary to conclude the action or proceeding; and (7) an affirmative statement from the Board of Directors that the action or proceeding is in the best interest of the Association and its Members. The Association shall not borrow money or use reserve funds to pay the fees and costs of the arbitration or litigation. In the event that the Association commences any legal action or arbitration proceeding involving a Claim, all Owners must notify prospective purchasers of their Lot of such legal action or arbitration proceeding and must provide such prospective purchasers with a copy of the notice received from the Association in accordance with this **Section 11.7**.

11.8 Conflicts . In the event of any conflict between this *ARTICLE 11* and any other provision of the Condominium Documents, this *ARTICLE 11* shall control. In the event of any conflict between the provisions of this *ARTICLE 11* and the terms of any express warranty provided to a Purchaser by a Declarant or any third party home warranty company in connection with the purchase of a Unit from a Declarant, the provisions of the express warranty shall control; provided, however, that if the Claim is being asserted by the Association, the approval of the members of the Association required by **Section 11.6** must be obtained prior to the Association demanding arbitration of the Claim or filing any legal action with respect to the Claim.

BY ACCEPTANCE OF A DEED OR BY ACQUIRING A UNIT, EACH PERSON, FOR HIMSELF, HIS HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS, TRANSFEREES AND ASSIGNS, AGREES TO HAVE ANY CLAIM RESOLVED ACCORDING TO THE FEDERAL ARBITRATION ACT, THE ARIZONA REVISED STATUTES PERTAINING TO THE ARBITRATION OF DISPUTES TO THE EXTENT NOT INCONSISTENT WITH THE FEDERAL ARBITRATION ACT AND THE PROVISIONS OF THIS *ARTICLE 11* AND WAIVES THE RIGHT TO PURSUE ANY DECLARANT PARTY IN ANY MANNER OTHER THAN AS PROVIDED IN *ARTICLE 11*. THE ASSOCIATION, EACH UNIT OWNER AND DECLARANT AND CITY ACKNOWLEDGE THAT BY AGREEING TO RESOLVE ALL CLAIMS AS PROVIDED IN THIS *ARTICLE 11*, THEY ARE GIVING UP THEIR RESPECTIVE RIGHTS TO HAVE SUCH CLAIM TRIED BEFORE A JURY. THE ASSOCIATION, EACH UNIT OWNER AND DECLARANT FURTHER WAIVE THEIR RESPECTIVE RIGHTS TO AN AWARD OF PUNITIVE AND CONSEQUENTIAL DAMAGES RELATING TO A CLAIM. BY ACCEPTANCE OF A DEED OR BY ACQUIRING A UNIT, EACH UNIT OWNER VOLUNTARILY ACKNOWLEDGES THAT HE IS WAIVING ANY RIGHTS HE MAY POSSESS TO PUNITIVE AND CONSEQUENTIAL DAMAGES OR OTHER EXEMPLARY RELIEF OR THE RIGHT TO A TRIAL BEFORE A JURY RELATING TO A CLAIM.

IF A UNIT OWNER OR THE ASSOCIATION FILES A CIVIL ACTION ASSERTING ANY CLAIM AGAINST DECLARANT OR CITY INSTEAD OF COMPLYING WITH THE DISPUTE RESOLUTION PROVISIONS OF THIS *ARTICLE 11* (OR THE OTHER DISPUTE RESOLUTION PROVISIONS, AS APPLICABLE), THE PARTY AGGRIEVED BY THE FILING MAY APPLY TO THE COCONINO COUNTY SUPERIOR COURT FOR AN ORDER DISMISSING THE CIVIL ACTION AND COMPELLING THE FILING PARTY TO SUBMIT THE CLAIM TO THE DISPUTE RESOLUTION PROVISIONS APPLICABLE THERETO. THE APPLYING PARTY SHALL BE ENTITLED TO IMMEDIATE ENTRY OF AN ORDER OF DISMISSAL AND A MANDATORY AWARD OF ATTORNEY'S FEES AND TAXABLE COSTS INCURRED IN COMPELLING COMPLIANCE WITH THE APPLICABLE DISPUTE RESOLUTION PROVISION.

IN THE EVENT THE ARBITRATION PROVISIONS OF THIS *ARTICLE 11* ARE HELD NOT TO APPLY OR ARE HELD INVALID OR UNENFORCEABLE FOR ANY REASON, ALL DISPUTES SHALL BE TRIED BEFORE A JUDGE IN A COURT OF COMPETENT JURISDICTION WITHOUT A JURY. EACH OWNER IN THE ASSOCIATION, BY ACCEPTING A DEED TO ANY PORTION OF THE PROPERTY, HEREBY WAIVE AND COVENANT NOT TO ASSERT THEIR CONSTITUTIONAL RIGHT TO TRIAL BY JURY OF ANY DISPUTES, INCLUDING, BUT NOT LIMITED TO, DISPUTES RELATING TO CONSTRUCTION DEFECTS, MISREPRESENTATION OR DECLARANT'S FAILURE TO DISCLOSE MATERIAL FACTS. THIS MUTUAL WAIVER OF JURY TRIAL SHALL BE BINDING UPON THE RESPECTIVE SUCCESSORS AND ASSIGNS OF SUCH PARTIES AND UPON ALL PERSONS AND ENTITIES ASSERTING RIGHTS OR CLAIMS OR OTHERWISE ACTING ON BEHALF OF DECLARANT, ANY OWNER, THE ASSOCIATION OR THE RESPECTIVE SUCCESSORS AND ASSIGNS.

ARTICLE 12
RIGHTS OF FIRST MORTGAGEES

12.1 Notification to First Mortgagees . The Association shall provide each Mortgagee or guarantor of the Mortgage on any Unit with timely written notice of the following:

(a) Any condemnation loss or any casualty loss which affects either a material portion of the Condominium or the Unit securing its Mortgage;

(b) Any 60-day delinquency in the payment of Assessments or charges owed by the Owner of any Unit on which it holds the Mortgage;

(c) Any lapse, cancellation or material modification of any insurance policy maintained by the Association; and

(d) Any proposed action which requires the consent of a specified percentage Mortgagees as set forth in **Section 12.2**.

12.2 Approval Required for Amendment to Declaration, Articles or Bylaws . Subject to Habitat's oversight rights and other restrictions set forth in *ARTICLE 14*:

(a) Any amendments to the Condominium Documents of a material adverse nature to Mortgagees must be agreed to by Mortgagees that represent at least fifty-one percent (51%) of the votes in the Association allocated to Units that are subject to Mortgages.

(b) Any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs or for other reasons must be agreed to Mortgagees that represent at least fifty-one percent (51%) of the votes of Units subject to Mortgages.

(b) Any Mortgagee who receives a written proposal for an amendment to the Condominium Documents who fails to submit a response to the proposal within sixty (60) days after the Mortgagee receives proper notice of the proposal shall be deemed to have approved the proposed amendment, provided the notice was delivered by certified or registered mail, with a "return receipt" requested.

12.3 Prior Written Approval of First Mortgagees . Except as provided by statute in case of condemnation or substantial loss to the Units or the Common Elements, or as provided in this Declaration or the Condominium Act, unless at least two-thirds (2/3) of all First Mortgagees (based upon one vote for

each First Mortgage owned) or Unit Owners (other than the Declarant or other sponsor, developer or builder of the Condominium) of the Units have given their prior written approval, the Association shall not be entitled to:

(1) By act or omission, seek to abandon or terminate this Declaration or the Condominium;

(2) Change the pro rata interest or obligations of any individual Unit for the purpose of: (i) levying Assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the pro rata share of ownership of each Unit in the Common Elements;

(3) Partition or subdivide any Unit;

(4) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements shall not be deemed a transfer within the meaning of this Subsection;

(5) Use Hazard insurance proceeds for losses to any Units or the Common Elements for any purpose other than the repair, replacement or reconstruction of such Units or the Common Elements.

Nothing contained in this Section or any other provisions of this Declaration shall be deemed to grant the Association the right to partition any Unit without the consent of the Unit Owners thereof. Any partition of a Unit shall be subject to such limitations and prohibitions as may be set forth elsewhere in this Declaration or as provided under Arizona law.

12.4 Prohibition Against Right of First Refusal . Any right of first refusal in the Condominium Documents will not apply to/adversely impact the rights of a Mortgagee or its assignee to: (a) foreclose or take title to a Unit pursuant to the remedies in the Mortgage; (b) accept a deed or assignment in lieu of foreclosure in the event of default by a mortgagor; or (c) sell or lease a Unit acquired by the Mortgage or its assignee.

12.5 Insurance Proceeds and Condemnation Awards . No Unit Owner or any other party shall have priority over any rights of any First Mortgagee of the Unit pursuant to its mortgage in the case of a distribution to such Unit Owner of insurance proceeds or condemnation awards for losses to or a taking of Units and/or Common Elements.

ARTICLE 13
GENERAL PROVISIONS

13.1 Enforcement .

(a) The Association may enforce the Condominium Documents in any manner provided for in the Condominium Documents or by law or in equity, including, but not limited to:

(1) imposing reasonable monetary penalties after notice and an opportunity to be heard is given to the Unit Owner or other violator. A Unit Owner shall be responsible for payment of any fine levied or imposed against a Sublessee

or Occupant of the Owner's Unit or by any Invitee of the Unit Owner or any Sublessee or Occupant;

(2) suspending a Unit Owner's right to vote;

(3) suspending any Person's right to use any facilities within the Common Elements; provided, however, nothing herein shall authorize the Board to limit ingress or egress to or from a Unit;

(4) suspending any services provided by the Association to a Unit Owner or the Owner's Unit if the Unit Owner is more than fifteen (15) days delinquent in paying any assessment or other charge owed to the Association;

(5) exercising self-help or taking action to abate any violation of the Condominium Documents provided, however, that judicial proceedings must be instituted before any items of construction can be altered or demolished;

(6) requiring a Unit Owner, at the Unit Owner's expense, to remove any Improvement installed or constructed in such Owner's Unit or in any Limited Common Element allocated to the Owner's Unit in violation of this Declaration and to restore the Unit or the Limited Common Element to its previous condition and, upon failure of the Unit Owner to do so, the Board of Directors or its designee shall have the right to enter the property, remove the violation and restore the property to substantially the same condition as previously existed and any such action shall not be deemed a trespass and all costs incurred by the Association shall be paid to the Association by the Unit Owner upon demand by the Association;

(7) without liability to any person, prohibiting any contractor, subcontractor, agent, employee or other invitee of a Unit Owner who fails to comply with the terms and provisions of the Condominium Documents from continuing or performing any further activities of the Condominium;

(8) towing vehicles which are parked in violation of this Declaration or the Rules;

(9) filing a suit at law or in equity to enjoin a violation of the Condominium Documents, to compel compliance with the Condominium Documents, to recover monetary penalties or money damages or to obtain such other relief as to which the Association may be entitled;

(10) recording a written notice of a violation of any restriction or provision of the Condominium Documents. The notice shall be executed and acknowledged by an officer of the Association and shall contain substantially the following information: (i) the legal description of the Unit against which the notice is being recorded; (ii) a brief description of the nature of the violation; and (iii) a statement of the specific steps which must be taken by the Unit Owner to cure the violation. Recordation of a Notice of Violation shall serve as a notice to the Unit Owner and to any subsequent purchaser of the Unit that there is a violation of the provisions of the Condominium Documents.

(b) The Association shall not be obligated to take any enforcement action if the Board of Directors determines, in its sole discretion, that because of the strength of possible defenses, the time and expense of litigation or other enforcement action, the likelihood of a result favorable to the Association, and other facts deemed relevant by the Board of Directors, enforcement action would not be appropriate or in the best interests of the Association.

(c) Any Unit Owner may enforce the Condominium Documents in any manner provided for in this Declaration or at law or in equity, except that a Unit Owner may not exercise any remedy provided to the Association by this Declaration or enforce payment of any Assessments or other amounts payable to the Association pursuant to the Condominium Documents.

(d) All rights and remedies of the Association under the Condominium Documents or at law or in equity are cumulative, and the exercise of one right or remedy shall not waive the Association's right to exercise another right or remedy. The failure of the Association or an Owner to take enforcement action with respect to a violation of the Condominium Documents shall not constitute or be deemed a waiver of the right of the Association or any Owner to enforce the Condominium Documents in the future. If any lawsuit is filed by the Association or any Owner to enforce the provisions of the Condominium Documents or otherwise arising out of the Condominium Documents or the operations of the Association, the prevailing party in such action shall be entitled to recover from the other party all attorney fees incurred by the prevailing party in the action.

13.2 Severability . Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

13.3 Duration . The covenants and restrictions of this Declaration, as amended from time to time, shall run with and bind the Condominium in perpetuity unless the Condominium is terminated as provided in **Section 13.4**.

13.4 Termination of Condominium . Except in the case of a taking of all the Units by eminent domain, the Condominium may be terminated only by the agreement of Unit Owners of Units to which at least one hundred percent (100%) of the votes in the Association are allocated together with the consent of Habitat during the Period of Habitat Oversight (and the City after the Period of Habitat Oversight). An agreement to terminate the Condominium must be evidenced by the execution or ratifications of a termination agreement, in the same manner as a deed by the requisite number of Unit Owners. Notwithstanding the foregoing, upon any termination of the Ground Lease, the Condominium will automatically terminate and the provisions of **Section 3.5** of the Ground Lease will apply. Termination of the Condominium shall not result in termination of the Affordable Housing Restriction.

13.5 Amendment .

(a) Except in cases of amendments that may be executed by a Declarant in the exercise of its Development Rights or under A.R.S. §33-1220, by the Association under A.R.S. § 33-1206 or A.R.S. § 33-1216(D), or by certain Unit Owners under A.R.S. § 33-1218(B), A.R.S. § 33-1222, A.R.S. §33-1223 or A.R.S. § 33-1228(B), and subject to Habitat's oversight rights and other restrictions set forth in *ARTICLE 14*, the Declaration, including the Plat, may be amended only by a vote of the Unit Owners to which at least sixty-seven percent (67%) of the votes in the Association are allocated.

(b) Except to the extent expressly permitted or required by the Condominium Act, an amendment to this Declaration shall not create or increase Special Declarant Rights, increase the number of Units or change the boundaries of any Unit, the Allocated Interest of a Unit, or the use as to which any Unit is restricted, in the absence of unanimous consent of the Unit Owners. Any amendment to this

Declaration adopted by the Unit Owners during the Period of Declarant Control must be approved in writing by the Declarant. After the expiration of the Period of Declarant Control, an amendment to this Declaration shall not amend or delete any provisions of *ARTICLE 12* or this **Section 13.5.(b)** in the absence of the unanimous consent of the Unit Owners.

(c) An amendment to the Declaration shall not terminate or decrease any unexpired Development Right, Special Declarant Right or Period of Declarant Control unless the Declarant approves the amendment in writing. No amendment to *ARTICLE 11*, **Section 13.5(b)** or this **Section 13.5(c)** shall be effective unless the Declarant approves the amendment in writing even if the Declarant no longer owns any Unit at the time of such amendment.

(d) During the Period of Declarant Control, the Declarant shall have the right to amend the Declaration, including the Plat, to: (1) comply with the Condominium Act or any other applicable law if the amendment does not adversely affect the rights of any Unit Owner; (2) correct any error or inconsistency in the Declaration if the amendment does not adversely affect the rights of any Unit Owner; or (3) comply with the rules or guidelines in effect from time to time of any governmental or quasi-governmental entity or federal corporation guaranteeing or insuring mortgage loans or governing transactions involving mortgage instruments, including without limitation, the Department of Veterans Affairs, the Federal Housing Administration, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.

(e) During the Period of Habitat Oversight, any amendment adopted by the Unit Owners pursuant to **Section 13.5(a)** must be approved by Habitat, as evidenced by Habitat's consent and acknowledged on such Recorded amendment.

(f) Any amendment adopted by the Unit Owners pursuant to **Section 13.5(a)** shall be signed by the President or Vice President of the Association and shall be Recorded within thirty (30) days after the adoption of the amendment. Any amendment made by the Declarant pursuant to **Section 13.5(d)** or the Condominium Act shall be executed by the Declarant and shall be Recorded.

(g) Notwithstanding anything to the contrary contained herein, and to the extent permitted by applicable law, this Declaration may be amended at any time by the City and Habitat without the consent of any other Unit Owners and such amendment will become effective upon recording; provided, however, that no person who was a Unit Owner at the time the amendment was recorded will be bound by such amendment unless such Unit Owner provides its written approval of such amendment, which approval will not be unreasonably withheld, conditioned or delayed and which written approval will be deemed given if such Unit Owner does not object to the amendment within thirty (30) days after receipt of a copy of such amendment. For the avoidance of doubt, any person that becomes a Unit Owner after the date an amendment is recorded will be bound by such amendment and deemed to have approved of such amendment.

13.6 Notices. All notices, demands, statements or other communications required to be given or served under this Declaration shall be in writing and shall be deemed to have been duly given and served if delivered personally, sent by Federal Express or other overnight delivery service, sent by United States mail, postage prepaid or sent by fax, electronic mail or other form of wireless communication, as follows: (a) if to an Owner, at the mailing address, email address or fax number which the Owner provides to the Secretary of the Association for the purpose of notice or, if no such mailing address, email address or fax number is provided, at the street address of the Unit of such Owner or; (b) if to the Association, at the principal place of business of the Association as shown on the records of the Arizona Corporation Commission or at such other mailing address, email address or fax number as may be designated by the Association in a written notice to the Owners pursuant to this Section. Notice given by personal delivery, overnight delivery service, fax, electronic mail or other form of wireless communication shall be deemed

to have been received by the Person to whom the notice was addressed when the notice is actually received. A notice given by United States mail shall be deemed to have been received by the Person to whom the notice was addressed on the earlier of the date the notice is actually received or three days after the notice is mailed. If a Unit is owned by more than one Person, notice to one of the Owners shall constitute notice to all Owners of the same Unit.

13.7 Gender. The singular, wherever used in this Declaration, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions of this Declaration apply either to corporations or individuals, or men or women, shall in all cases be assumed as though in each case fully expressed.

13.8 Topic Headings . The marginal or topical headings of the sections contained in this Declaration are for convenience only and do not define, limit or construe the contents of the sections or of this Declaration. Unless otherwise specified, all references in this Declaration to Articles or Sections refer to Articles or Sections of this Declaration.

13.9 Survival of Liability . The termination of membership in the Association shall not relieve or release any former Owner or Member from any liability or obligation incurred under, or in any way connected with, the Association during the period of such ownership or membership, or impair any rights or remedies which the Association may have against such former Owner or Member arising out of, or in any way connected with, such ownership or membership and the covenants and obligations incident thereto.

13.10 Construction . In the event of any discrepancies, inconsistencies or conflicts between the provisions of this Declaration and the Articles, Bylaws or the Association Rules, the provisions of this Declaration shall prevail.

13.11 Joint and Several Liability . In the case of joint ownership of a Unit, the liabilities and obligations of each of the joint Unit Owners set forth in, or imposed by, the Condominium Documents shall be joint and several.

13.12 Guests and Tenants . Each Unit Owner shall be responsible for compliance by his agents, tenants, guests, invitees, licensees and their respective servants, agents, and employees with the provisions of the Condominium Documents. A Unit Owner's failure to insure compliance by such Persons shall be grounds for the same action available to the Association or any other Unit Owner by reason of such Unit Owner's own noncompliance.

13.13 Attorneys' Fees . In the event the Declarant, the Association or any Unit Owner employs an attorney or attorneys to enforce a lien or to collect any amounts due from a Unit Owner or to enforce compliance with or recover damages for any violation or noncompliance with the Condominium Documents, the prevailing party in any such action shall be entitled to recover from the other party his reasonable attorneys' fees incurred in the action.

13.14 Number of Days . In computing the number of days for purposes of any provision of the Condominium Documents, all days shall be counted including Saturdays, Sundays and holidays; provided, however, that if the final day of any time period falls on a Saturday, Sunday or holiday, then the next day shall be deemed to be the next day which is not a Saturday, Sunday or holiday.

ARTICLE 14
HABITAT OVERSIGHT RIGHTS; GROUND LEASE; CITY RIGHTS

14.1 Habitat Oversight . During the Period of Habitat Oversight, Habitat shall have the following rights and obligations:

(a) To approve or disapprove any amendments to this Declaration;

(b) To enforce each Unit Owner's compliance with this Declaration (including, without limitation the use and occupancy restrictions set forth in *ARTICLE 4*) and the Ground Lease, pursuant to all remedies available at law or in equity;

(c) To work with the Association to provide oversight to ensure the Association's compliance with the Condominium Act, Condominium Documents, Ground Lease, and any other applicable law or restriction upon the Condominium;

(d) To access to each Unit (by means of duplicate or master keys or other similar technology) upon reasonable prior oral or written notice to the Unit Owner of a particular Unit, or without such notice in case of a bona fide emergency, for the purpose of inspecting such Unit to assure compliance by such Unit Owner with the provisions of the Ground Lease and of this Declaration.

(e) To otherwise exercise all rights and remedies of the Declarant under the Condominium Documents to the extent permitted by applicable law.

(f) To otherwise exercise all rights and remedies of Habitat under the Condominium Documents to the extent permitted by applicable law.

(g) To exercise all of the rights and remedies of the Association and the Board of Directors to the extent that the Association and the Board of Directors fails to perform the same, to the extent permitted by applicable law.

14.2 Ground Lease .

(a) Each Unit Owner, upon acquisition of its Unit, hereby agrees to be bound by the Ground Lease and to have assumed and agreed to perform all obligations of "lessee" under the Ground Lease, but solely with respect to its Unit.

(b) The following summary information pertaining to the Ground Lease is included herein, for reference purposes, pursuant to Section 33-1216 of the Condominium Act

(1) The Recording data for the Ground Lease is listed in the Recitals above;

(2) The initial term of the Ground Lease will expire fifty (50) years after the Effective Date of the Ground Lease (which is December __, 2075);

(3) The Land subject to the Ground Lease is LOT 1 OF THE FINAL PLAT FOR TIMBER SKY BLOCK 2, RECORDED ON JANUARY 28, 2025, AS INSTRUMENT NO. 4010656, IN THE OFFICIAL RECORDS, COCONINO COUNTY, ARIZONA.

(4) The Unit Owners do not have any right to acquire fee title to the Land or the right to acquire title to their Units free of the Ground Lease.

(5) No Unit Owner has any right to remove any buildings or other improvements that is part of a Unit, or is located on, under, or within the Common Elements or the Land, following the termination of the Ground Lease;

(6) The term of the Ground Lease may be extended for an additional forty-nine (49) year term as provided in the Ground Lease (and no Unit Owner has the right to extend the term, which decision whether or not to renew will be made by Habitat and the City);

(7) All rights of the Unit Owners upon the expiration or termination of the Ground Lease are as set forth in the Ground Lease (and without limiting the foregoing, upon expiration of termination of the Ground Lease title to each Unit will automatically vest in the Lessor under the Ground Lease); and

(8) Any sale of the Condominium Property as a whole, or any removal of the Condominium Property from the provisions of the Condominium Act, pursuant to this Declaration or the Act, are subject to the provisions of the Ground Lease, notwithstanding anything contained herein to the contrary.

14.3 Ground Lessor Rights . Ground Lessor shall be a third-party beneficiary of this Declaration and shall have the following rights:

(a) To approve or disapprove any amendments to this Declaration in its sole discretion;

(b) To enforce each Unit Owner's compliance with this Declaration and the Ground Lease, if Habitat fails to cause such Unit Owner to comply within thirty (30) days after receipt of written notice from Ground Lessor; and

(c) To pursue all remedies available at law or in equity related to the foregoing.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the day and year first above written.

HABITAT FOR HUMANITY OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation

By:_____
Name: Eric Wolverton
Its: Chief Executive Officer

STATE OF ARIZONA)
) ss.
County of Coconino)

The foregoing instrument was acknowledged before me this _____ day of December, 2025, by Eric Wolverton, the Chief Executive Officer of Habitat for Humanity of Northern Arizona, Inc., an Arizona nonprofit corporation, for and on behalf of the corporation.

NOTARY SEAL: _____
Notary Public

_____

MASTER DECLARANT CONSENT TO DECLARATION OF CONDOMINIUM AND EASEMENTS FOR HABITAT AT TIMBER SKY CONDOMINIUM

VP 66 & Woody Mountain, LLC, the "Declarant" under the Declaration of Covenants, Conditions and Restrictions for Timber Sky, recorded on November 27, 2019 in the County Recorder's Office, Coconino County, Arizona, Instrument No. 3859262, as amended, supplemented or otherwise modified from time to time, hereby consents to all of the terms and provisions of the foregoing Declaration of Condominium and Easements for Habitat at Timber Sky Condominium and the recordation thereof. The undersigned further ratifies and consents to all of the terms and provisions of the Plat, whether recorded prior to or after the date hereof.

VP 66 & WOODY MOUNTAIN, LLC, an Arizona limited liability company

By: Vintage Partners, LLC, an Arizona limited liability company
Its: Manager

By: Edward & Company, LLC, and Arizona limited liability company
Its: Administrative Member

By: _____
Name: _____
Its: Manager

STATE OF ARIZONA)
) ss.
County of MARICOPA)

The foregoing instrument was acknowledged before me this _____ day of December 2025, by _____. _____, the Manager of Edward & Company, LLC, an Arizona limited liability company, the Administrative Member of Vintage Partners, LLC, an Arizona limited liability company, the Manager of VP 66 & Woody Mountain, LLC, an Arizona limited liability company, for and on behalf thereof.

NOTARY SEAL: _____
Notary Public

_____

CITY CONSENT TO DECLARATION OF CONDOMINIUM AND EASEMENTS FOR HABITAT AT TIMBER SKY CONDOMINIUM

City of Flagstaff, an Arizona municipal corporation, as fee owner of the real property legally described in Exhibit A attached hereto, hereby consents to all of the terms and provisions of the foregoing Declaration of Condominium and Easements for Habitat at Timber Sky Condominium and the recordation thereof.

CITY OF FLAGSTAFF, an Arizona municipal corporation

_____
Joanne Keene, City Manager

Attest:

_____
City Clerk

Approved as to form:

_____
City Attorney

STATE OF ARIZONA)
) ss
County of Coconino)

On this ___ day of December, 2025, personally appeared before me Joanne Keene, who acknowledged herself to be the **City Manager of the City of Flagstaff**, and being authorized so to do, executed the foregoing instrument in the capacity therein stated, and for the purposes therein contained, by signing the name of the City as such officer.

NOTARY SEAL:

_____
Notary Public

_____

EXHIBIT A

LEGAL DESCRIPTION

UNIT 1 THROUGH 40, INCLUSIVE, AND TRACT A OF HABITAT AT TIMBER SKY CONDOMINIUM, A LEASEHOLD CONDOMINIUM, (1) ACCORDING TO THIS DECLARATION OF CONDOMINIUM AND EASEMENTS FOR HABITAT AT TIMBER SKY CONDOMINIUM, A LEASEHOLD CONDOMINIUM, AND (2) AS ESTABLISHED BY THAT CERTAIN FINAL PLAT FOR HABITAT AT TIMBER SKY CONDOMINIUM, A LEASEHOLD CONDOMINIUM, RECORDED CONCURRENTLY HEREWITH IN THE OFFICAL RECORDS OF THE COCONINO COUNTY RECORDER, AS AMENDED.

TOGETHER WITH AN UNDIVIDED INTEREST IN THE COMMON ELEMENTS, AS SET FORTH IN THE FOREGOING DECLARATION AND PLAT.

SUCH CONDOMINIUM BEING ESTABLISHED ON LOT 1 OF THE FINAL PLAT FOR TIMBER SKY BLOCK 2, RECORDED ON JANUARY 28, 2025, AS INSTRUMENT NO. 4010656, IN THE OFFICIAL RECORDS, COCONINO COUNTY, ARIZONA.

AGREEMENT FOR SUBSIDY OF ASSOCIATION ASSESSMENTS

HABITAT AT TIMBER SKY CONDOMINIUM

This Agreement for Subsidy of Association Assessments ("Agreement") is entered into this __ day of December, 2025 ("Effective Date") by and between the Habitat for Humanity of Northern Arizona, Inc, an Arizona nonprofit corporation ("Habitat") and the City of Flagstaff, an Arizona municipal corporation ("City").

RECITALS:

WHEREAS, Habitat is developing a 40-unit affordable housing leasehold condominium project on 3.3 acres of land current designated as Coconino County Assessor Parcel Number 11201157A (the "Land");

WHEREAS, the Land will be part of both: (1) the Habitat at Timber Sky Condominium Association (the "Condominium Association") and the Declaration of Condominium and Easements for Habitat at Timber Sky Condominium, a leasehold condominium to be executed and recorded (as amended, the "Condominium Declaration") and (2) Timber Sky Community Association (the "Master Association") and the Declaration of Covenants, Conditions and Restrictions for Timber Sky, Recorded on November 27, 2019, in the Coconino County Recorder at Document No. 3859262 (the "Master Declaration").

WHEREAS, Owners of condominium units on the Land will be required to pay (1) various fees, assessments and other charges to the Condominium Association pursuant to the Condominium Declaration and related documents (collectively, the "Condominium Assessments") and (2) various fees, assessments and other charges to the Master Association pursuant to the Master Declaration and related documents (collectively, the "Master Development Assessments").

WHEREAS, Habitat has set aside the amount of $100,000 (the "Habitat HOA Funds") to help fund the Condominium Association and to pay for Condominium Assessments and Master Development Assessments (the "Permitted Use").

WHEREAS, the City desires assurances from Habitat that the Habitat HOA Funds will be used solely for the Permitted Use.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties agree as follow:

1. TERM AND TERMINATION. This Agreement shall commence on the Effective Date and continue until the Habitat HOA Funds have been used for the Permitted Use.

2. COSTS. Each party shall be responsible for each party's own costs for performance of its respective obligations. The parties do not currently anticipate the need for a budget but will create one should the needs arise.

3. USE OF HABITAT HOA FUNDS. Until used for the Permitted Use, Habitat will keep the Habitat HOA Funds in a separate interest-bearing account, with any interest to be added to the Habitat HOA Funds. Habitat agrees that the Habitat HOA Funds will be used solely for the Permitted Use. As of the Effective Date, Habitat plans to contribute $50,000 of the Habitat HOA Funds to help fund the Condominium Association and to use the remaining $50,000 to help subsidize payment of a portion of the Master Development Assessments for a period of ten (10) years. Notwithstanding the foregoing, Habitat shall have the right to reallocate use of the Habitat HOA Funds so long as the same are used for the Permitted Use.

4. TIMELINE FOR USE OF HABITAT HOA FUNDS. Habitat agrees to use good faith efforts to cause all of the Habitat HOA Funds to be used and/or donated to the Condominium Association within ten (10) years.

5. 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, including but not limited to acts of God, epidemics, pandemics, known or suspected threats of illness, war, civil disturbance, terrorism, disaster, fire, earthquakes, hurricanes, or government regulation. However, once the condition delaying or preventing performance is removed, such party will then be required to perform as required by this Agreement.

6. ARBITRATION. Pursuant to A.R.S. §12-1518, the parties acknowledge and agree that both parties 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.

7. 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.

8. GOVERNING LAW AND TERMS. 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. All amendments or modifications of this Agreement shall be in writing and approved by the parties.

9. 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 Agreement, the CITY may cancel the Contract within three years after its execution, without penalty or further liability to Habitat.

10. ASSIGNMENT. This Agreement shall not be assigned by either party, without the consent of the other. Any request for assignment hereunder shall not be unreasonably withheld,

conditioned, or delayed. Any assignee shall assume all rights and obligations of the assignor.

[SIGNATURE PAGES FOLLOW]

[SIGNATURE PAGE TO AGREEMENT FOR SUBSIDY OF ASSOCIATION ASSESSMENTS]

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, an Arizona municipal corporation

_____
Joanne Keene, City Manager

Attest:

_____
City Clerk

Approved as to form:

_____
City Attorney

[SIGNATURE PAGE TO AGREEMENT FOR SUBSIDY OF ASSOCIATION ASSESSMENTS]

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.

HABITAT FOR HUMANITY OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation

By: _____
Name: Eric Wolverton
Its: Chief Executive Officer

Affordability Plan – Habitat for Humanity Starter Homes at Timber Sky

Adopted December _, 2025

This Affordability Plan is established this _____, day of December, 2025 by and between the Habitat for Humanity of Northern Arizona, Inc., an Arizona nonprofit corporation and the City of Flagstaff, an Arizona municipal corporation ("**City**").

1. **Purpose**.

The purpose of the Affordability Plan is to establish an affordable housing program and to define roles and responsibilities of the parties for the Habitat for Humanity Starter Homes at Timber Sky, a 100% affordable development.

2. **Property Information.**

Project: Habitat for Humanity Starter Homes at Timber Sky (also known as "Habitat at Timber Sky Condominiums").

Developer: Habitat for Humanity of Northern Arizona, Inc., an Arizona nonprofit corporation ("**Habitat**" or "**HFHNA**").

Address: 2410 South Alvan Clark Way (see Exhibit 1 for site map)

Current APN#: 112-01-157A (New APNs will be assigned for each Unit)

Property area ("**Land**"): 3.3 acres

Zoning: High Density Residential (HR) / RPO overlay

Number of individual condominium units (referred to herein as "**Starter Homes**" or "**Units**"): Forty (40)

Type plat: Leasehold condominium

Building design: Approximately 400 - 500 sq. ft. standalone units.

Master Association / Timber Sky HOA: Timber Sky Community Association

Condominium Association / Starter Home HOA: Habitat at Timber Sky Condominium Association

Ground Lease: The Land will be owned by the City and leased pursuant to a Ground Lease that covers the entire property. Each Homeowner of a Starter Home will automatically be subject to the Ground Lease, will be a lessee under the Ground Lease, and have a leasehold interest for the land underlying its Starter Home.

Unit Owner / Homeowner: The then current owner of a Unit/Starter Home.

3. **Affordable Housing Deed Restriction**. (Document #3965924, para. 2)

- The terms of the Habitat Affordability Plan may be agreed to and amended by the written consent of Habitat and City Manager of the City. The Habitat Affordability Plan is subject to the provisions of the that certain Special Warranty Deed With Restrictive Covenant recorded on December 16,

2022, in the Official Records of the Coconino County Recorder at Instrument No. 3965924, as amended by the Restrictive Covenant Agreement *(#_____)*.

- The parties hereby agree that implementation of this Affordability Plan sufficiently harmonizes and satisfies the requirements that the starter homes be in alignment with Habitat's existing starter home program with the City (at 215 & 217 S. O'Leary Street) and that they be placed in the City's Community Land Trust program.

4. **HFHNA's Responsibilities**.

- Construct all Units and improvements of the Condominium necessary for public sale.
- Manage the Starter Homes program (Exhibit 2).
- Collect the monthly payments from the Unit Owners and disburse funds as intended, or direct Unit Owners to pay monthly payments directly to the applicable third parties.
- Assessments payable to the Timber Sky HOA and the Starter Home HOA will either (i) be paid by Unit Owners directly to the Timber Sky HOA or Starter Home HOA or (ii) be paid by the Unit Owners to HFHNA, who will in turn remit such payments to the Timber Sky HOA and/or the Starter Home HOA. As between Habitat, the City, and the Homeowners, the City is not the responsible party. (#3965924, para.5)
- Pay property taxes owed, if any, with respect to Units owned by HFHNA from time to time. Each Unit Owner will be liable for the property taxes for its own Unit.

5. **HFHNA Reporting Requirements**.

- Prior to the sale of each Starter Home, provide the City Housing Division with proof of each purchaser's eligibility, per the Starter Home Program requirements.
- Provide a copy of each recorded Resale Agreement to City (recorded at time of each sale).
- Provide annual reports to the City of Flagstaff Housing Division. Reports must identify the tenure of each Unit Owner's residency and provide an accounting of each Unit Net Equity. The report may also include community service hours completed by Unit Owners, if required.

6. **City Responsibilities**.

- Review the HFHNA legal documents and forms, for compliance with the Starter Homes program.
- Monitor the Starter Homes program, enforce Affordable Housing Deed Restriction in its discretion.
- Include the 40 units in its inventory of affordable housing.
- "[T]he City is not the responsible party [for HOA assessments]." (#3965924, para. 5)
- "Title to the Habitat Property shall be transferred to the City or its assignee, if construction of the 40 Affordable Ownership Units is not substantially complete as determined in the sole and absolute discretion of the City within five (5) years following the date that the Habitat Property is conveyed to Habitat. Upon request of City, Habitat shall transfer and convey to City all rights, title and interest . . ." (#3965924, para. 3)
- Provide scheduled maintenance of the Condominium driveway and parking areas upon the conditions and for the time periods set forth in the separately recorded Driveway Maintenance Agreement.

7. **Master Association – Timber Sky Community Association Responsibilities.**

- Manage the master development as set forth in the Timber Sky CC&RS (#3859262) and in that certain Declaration of Annexation and Supplemental Declaration to Declaration of Covenants, Conditions, Restrictions and Easements for Timber Sky ***(#_____)***.
- Enforce the Timber Sky CC&Rs, including design guidelines.

8. **Starter Home HOA – Habitat at Timber Sky Condominium Association Responsibilities.**

- Manage the development as set forth in the Declaration Of Condominium And Easements For Habitat At Timber Sky Condominium ***(#_____)*** (the "Condo CC&Rs")
- Enforce the Condo CC&Rs
- Maintain all common elements of the Project as set forth in the CC&Rs, subject to any obligations of the City or the Master Association, if any, to maintain portions of the common elements.

9. **Homeowner Responsibilities**.

- Upon purchase and sale of a Unit, pay all Regular Assessments, Special Assessments, Reserve Contributions, Transfer Fees, and Contributions to Working Capital to the Timber Sky HOA and/or the Starter Homes HOA, as applicable.
- Comply with Starter Homes program requirements.
- Make monthly payments on Starter Home to HFHNA, as lender. Payments will include the mortgage payment, all property taxes and insurance, and certain other the fees and assessments, including amounts payable to the Timber Sky HOA and the Starter Home HOA. Monthly payments will be deposited into escrow account to be established by HFHNA and Unit Owner.
- Insure, repair, and maintain Starter Home in good condition.
- Comply with provisions of Key Documents.

10. **Project Background.**

The City and VP 66 & Woody Mountain, LLC ("**Vintage**") entered into a Timber Sky Annexation and Development Agreement in 2019 ("the DA") related to development of residential land located in Flagstaff. Vintage received certain development rights from the City in exchange for making affordable housing commitments. The DA was amended four times. Under the 4th Amendment to the Timber Sky Annexation and Development Agreement ("the 4th Amendment") approved in 2022, the City and Vintage agreed to a new affordable housing development obligation wherein Vintage deeded 3.3 acres of land to HFHNA for development of 40 affordable ownership units.

11. **Key Documents**.

- ***4th Amendment to the Timber Sky Annexation and Development Agreement (#3963636)***
  - Provides for transfer of Land to HFHNA for development of affordable housing.
- ***Special Warranty Deed with Restrictive Covenant (#3965924), Correction (#3967319) and Restrictive Covenant Agreement (#_____).***
  - Transfers 3.3 acres of land to HFHNA for development with affordable housing
  - Allows City to enforce restriction.
- ***Ground Lease (Habitat at Timber Sky Condominium) (#_____).***
  - Agreement through which the City leases the 3.3 acres of Land back to HFHNA.
  - Sets forth other obligations of the lessor and the lessees.

- ***Final Plat for Habitat for Humanity Condominiums, Lot 1 of the Final Plat for Timber Sky Block 2 (#4017089), replaced by (#_____)("Starter Homes Plat")***
    - Establishes 40 individual leasehold condominium units, together with associated common elements.
- ***Declaration of Covenants, Conditions and Restrictions for Timber Sky (#3859262)("Timber Sky CC&Rs") and Supplemental Declaration (#_____)***
    - Establishes rules for management of the master development and an HOA.
    - Requires Unit Owners to pay regular assessments, special assessments, a transfer fee, reserve contribution, and a contribution to working capital.
    - Imposes design guidelines.
- ***Driveway Maintenance Agreement for Habitat at Timber Sky (#_____)***
    - Commits City to performing scheduled maintenance of driveway and parking areas upon the conditions and for the time periods set forth therein.
- ***Declaration of Condominium and Easements for Habitat at Timber Sky Condominium (#_____) (Starter Homes CC&Rs")***
    - Establishes rules for management of the Project and the Starter Home HOA.
    - Requires Unit Owners to pay regular assessments, special assessments, a transfer fee, reserve contribution, and a contribution to working capital
    - Establishes the condominium form of ownership and rights and responsibilities pertaining to the use of the common elements.

12. <u>Community Garden Option</u>.

- Per the Condo CC&Rs and the Ground Lease, HFHNA may establish a public amenity such as community garden within the Project and provide for a revocable license for public use.
- HFHNA may apply for City Beautification, Arts & Sciences grant funding for a public amenity such as a community garden. Use of such grant money requires that the amenity be accessible to the public. A public access license will be required. The Starter Home HOA and City may develop guidance documents for management of the public amenity or community garden (including compliance with any applicable land use regulations). The license may be revocable by the Starter Home HOA, however, the Starter Home HOA would need to refund all or a portion of the City grant funds if so specified in the license.

The undersigned parties hereby agree and consent to compliance with the terms and conditions of this Affordability Plan for the Habitat for Humanity Starter Homes at Timber Sky. Any amendments to this Affordability Plan must be approved in writing by the undersigned parties, and no provision of this document may be waived by conduct or verbal discussion, but only in writing. This Affordability Plan may be enforced pursuant to the terms and conditions of the Ground Lease after good faith discussions and efforts of the parties to resolve any issues of concern.

[SIGNATURE PAGE FOLLOWS]

HABITAT FOR HUMANITY OF NORTHERN ARIZONA, INC, an Arizona nonprofit corporation

By: _____

Name: Eric Wolverton

Its: Chief Executive Officer

CITY OF FLAGSTAFF, an Arizona municipal corporation

_____

Joanne Keene, City Manager

EXHIBIT 1
SITE MAP



EXHIBIT 2

HABITAT FOR HUMANITY STARTER HOMES AT TIMBER SKY PROGRAM
The goal of the Starter Home Program at Timber Sky is to provide a low-barrier entry to homeownership by constructing efficient, affordable homes that allow homeowners to build equity.
Program Details

- The Starter Homes are approximately 400 – 500 square feet in size and sell for the appraised value of the home per appraisals obtained by HFHNA.
- Eligible homeowners qualify for a 0% interest mortgage from HFHNA, with a minimum $1,000 payment required which is applied against closing costs.
- Each homeowner will pay a monthly mortgage payment for purchase of a Starter Home, property taxes, insurance, ground lease rent (currently $30/month), and assessments owed to the various homeowners associations, which amounts will vary.
- Upon resale of the Starter Home, HFHNA will pay seller the amount equal to the seller's Net Equity (as defined in the Resale Agreement that HFHNA enters into with each homebuyer), unless the Starter Home is sold within 36 months of the original purchase, in which case there is no payment of Net Equity
- The intention is that homeowners will use their Net Equity for a down payment on a new home or housing.
- Homeowners automatically will be subject to the Ground Lease with respect to their Unit.
- Homeowners are required to resell the home back to HFHNA within 10 years from when it was purchased for the original purchase price. Subject to the Repayment Limitations, a seller's Net Equity is paid to them at resale.
- HFHNA buys back each Unit, makes necessary repairs and 'recycles' the Unit to allow other qualified buyers the opportunity to build equity through an affordable 0% interest mortgage.
- Starter Homes must be owner-occupied, but immediate family members may also reside on the premises.
- There are various restrictions on use of the Starter Home, as set forth in the Starter Home CC&Rs,

Homebuyer eligibility requirements

- U.S. citizen or a legal permanent resident
- Continuous resident of Flagstaff for 12 months immediately prior to application
- Inability to qualify for a mortgage from a conventional lending institution
- Homebuyers shall have an income equal to or less than one hundred percent (100%) of Area Median Income (AMI) at the time of purchase.
- Pass a background and criminal history check
- Agree to perform at least 20 hours of unpaid community service per year (up to 200 hours)

Priority is given to applicants who demonstrate the greatest housing need. Considerations include current living situations that are unsafe, unsanitary, overcrowded, inaccessible, or if the applicant's current rent and utilities are more than 30% of gross household income.

Homebuyer Responsibilities

- Upon purchase and sale of a Unit, pay all Regular Assessments, Special Assessments, Reserve Contributions, Transfer Fees, and Contributions to Working Capital to the Timber Sky HOA and/or the Starter Homes HOA, as applicable.
- Comply with Starter Homes program requirements.

- Make monthly payments on Starter Home to HFHNA, as lender. Payments will include the mortgage payment, all property taxes and insurance, and certain other the fees and assessments, including amounts payable to the Master Association and the Starter Home HOA. Monthly payments will be deposited into escrow account to be established by HFHNA and Unit Owner.
- Insure, repair, and maintain Starter Home in good condition in accordance with agreements with HFHNA.
- Comply with provisions of Key Documents.

Workforce Development

Starter Homes are constructed in partnership with Coconino Community College's Sustainable Building Program. CCC has developed curriculum in which students build panelized wall systems. The Starter Home Program promotes workforce development and job creation in the effort to grow and retain a local workforce.

For more information about the Starter Home Program, visit HFHNA's website:
https://www.habitatflagstaff.org/our-homes
Eric Wolverton, Executive Director
Habitat for Humanity of Northern Arizona
Eric@h4hnaz.org
928-814-9368

Starter Home architectural plans were designed and donated by Karl Eberhard, www.KarlEberhard.com

When recorded, return to:

Gammage & Burnham, PLC
40 N. Central Avenue, 20th Floor
Phoenix, Arizona 85004
Attn: James Senften

GROUND LEASE
(Habitat at Timber Sky Condominium)

THIS GROUND LEASE (this "Lease") is made and entered into this ___ day of December, 2025 (the "Effective Date"), by and between **CITY OF FLAGSTAFF**, an Arizona municipal corporation (the "CITY") as the "Lessor") and **Habitat for Humanity of Northern Arizona, Inc.**, an Arizona nonprofit corporation (together with any successor of the same, "HABITAT") and any subsequent Unit Owners within the Habitat at Timber Sky Condominium, a leasehold condominium, each a "Lessee" of the real property described in Exhibit "A" hereto (the "Land")

RECITALS

A. The CITY is a municipal corporation formed under the laws of the State of Arizona with various powers to further and protect the health and welfare of the citizens of Flagstaff, including the power to develop and preserve decent, affordable housing and to create homeownership opportunities for the workforce of the community who otherwise would be denied such opportunities because of limited financial resources.

B. HABITAT is a nonprofit organization based in Flagstaff that helps low to moderate income families become homeowners and break the cycle of poverty. Part of HABITAT's purpose is to create home ownership opportunities for low to moderate income families to build stability and financial empowerment through home equity savings.

C. The City has various powers to further and protect the health and welfare of the citizens of Flagstaff, including the power to develop and preserve decent, affordable housing and to create homeownership opportunities for the workforce of the community who otherwise would be denied such opportunities because of limited financial resources.

D. A goal of the CITY is to stimulate the conveyance of decent, affordable housing to the community's workforce by providing access to housing for such persons at affordable prices through the use of long-term ground leases.

E. Pursuant to the terms of that certain Fourth Amendment to Timber Sky Annexation and Development Agreement by and between the CITY and VP 66 & Woody Mountain, L.L.C. ("VP 66") dated October 25, 2022, and recorded in the Official Records of the Coconino County Recorder at Instrument No. 3963636 (the "Timber Sky 4th Amendment"), VP 66 conveyed the Land to HABITAT pursuant to that certain Special Warranty Deed with Restrictive Covenant recorded on December 16, 2022 at Instrument No. 3965924 (the "Habitat Vesting Deed") for the development of forty (40) affordable housing residential units intended for ownership.

F. Concurrently with the execution of this Lease, HABITAT is creating a leasehold condominium to be known as Habitat at Timber Sky Condominium, a leasehold condominium established under A.R.S. Section 33-1216 by the execution and recording of (i) a Declaration of Condominium and Easements for Habitat at Timber Sky Condominium, a leasehold condominium (as amended, the "Condominium Declaration") and (ii) the Final Plat for Habitat at Timber Sky Condominium, a leasehold condominium (as amended, the "Condominium Plat", and together with the Condominium Declaration, the "Condominium").

G. The Condominium will contain a total of forty (40) units, upon which may be constructed individual single-family homes and related buildings, structures, fixtures, landscaping, and other improvements (collectively, each a "Residence") Such Residence, together with (1) the leasehold interest (as established by this Lease) of each such unit in and to the Land within its unit, and (2) all of its rights under the Condominium, collectively, each a "Unit"). As further provided in this Lease, Habitat will convey each Unit to eligible persons (each a "Unit Owner") in accordance with the Habitat Affordability Plan which may be agreed upon by HABITAT and City from time to time. As further set forth in the Condominium, each Unit Owner will be allocated a fraction or percentage of the undivided interests in the common elements of the Condominium, together with all buildings, structures, fixtures, landscaping, and other improvements located on the common elements from time to time (collectively, the "Common Elements")

H. The Land is being leased by Lessor under this Lease in furtherance of these public purposes.

I. Lessor and Lessee recognize the special nature of the terms and conditions of this Lease, and each of them, with the independent and informed advice of legal counsel, freely accepts the terms and conditions, including terms and conditions that may affect the marketing and resale price of any Unit.

J. It is mutually understood and accepted by Lessor and Lessee that the terms and conditions of this Lease further their shared goals over an extended period of time and through a succession of owners.

NOW THEREFORE, in consideration of the foregoing recitals, of mutual promises of Lessor and Lessee, and of other good and valuable consideration, Lessor and Lessee agree as follows:

1. **Affordable Housing Restriction**. Each Lessee understands that the Land is subject to a restrictive covenant for affordable housing, and each Unit is intended to be owned by a person with an income (at time of purchase of a Unit, as reported by such households) equal to

or less than one hundred percent (100%) of Area Median Income ("a Qualified Homebuyer") To help further affordable housing goals and implement this Affordable Housing Restriction, HABITAT may require resale of the Unit to HABITAT or Lessor (as provided for in the Resale Agreement for each Unit), and HABITAT and Lessor reserve the right to approve occupancy of the Unit by any persons other than the Unit Owner as set forth in the Condominium Declaration.

2. **Lease of Land; Each Unit Owner as Lessee**.

2.1 LEASE. The Lessor, in consideration of the rents to be received, and the terms and conditions of this Lease, does hereby lease to Lessee, and Lessee does hereby lease from Lessor, the Land. Each Lessee hereby accepts the Land in its encumbered and "as is" condition at the time a Unit Owner purchases a Unit.

2.2 LESSEES; AUTOMATIC ASSIGNMENT AND ASSUMPTION. Notwithstanding anything to the contrary contained in this Lease, the parties agree that (1) the term "Lessee" means each Unit Owner of a Unit that may exist from time to time; (2) all rights and obligations of each Lessee under this Lease are separate, and no obligations are joint and several; (3) a default or breach under this Lease by one Lessee shall not apply to or impact another Lessee's rights or obligations under this Lease; (4) upon the sale of a Unit by its then current Unit Owner (each a "Transferor") to a subsequent purchaser or transferee (each a "Transferee"), such Transferee shall become the Lessee hereunder with respect to its Unit and be deemed to have been assigned, and to have assumed, all of the Transferor's rights and obligations hereunder as Lessee with respect to such Unit; and (5) such Transferor shall have no further rights or obligations hereunder as a Lessee with respect to the particular Unit conveyed to a Transferee. For the avoidance of doubt, any rights or obligations that specifically refer to HABITAT or the CITY set forth in this Lease (as opposed to Lessee or Lessor) shall continue to be binding on HABITAT or the CITY as applicable, whether or not HABITAT is then a "Lessee" hereunder or the City is then the "Lessor" hereunder, unless such rights and obligations are specifically assigned to, and assumed by, a third party reasonably acceptable to HABITAT and the CITY.

2.3 CONDOMINIUM HOA; TIMBER SKY HOA. Each Unit Owner will be a member of the Habitat at Timber Sky Condominium Association and have the rights and obligations under the Condominium Declaration. Each Unit Owner will also be a member of the Timber Sky Community Association and have the rights and obligations under the Declaration of Covenants, Conditions and Restrictions for Timber Sky, recorded on November 27, 2019 in the County Recorder's Office, Coconino County, Arizona, Document No. 3859262 (as amended, the "Timber Sky Declaration"), until such time, if any, that the Condominium is de-annexed from the Timber Sky Community Association as may be permitted under the Timber Sky Declaration or in the Declaration of Annexation and Supplemental Declaration to Declaration of Covenants, Conditions, Restrictions and Easements of Timber Sky recorded on or about the date hereof.

3. **Duration of Lease**.

3.1 TERM OF LEASE. The term of this Lease (the "Term") shall commence on the Effective Date and shall, subject to extensions and the other provisions of this Lease, expire on the date that is Fifty (50) years after the Effective Date. At least three (3) years prior to the expiration of the Term, the CITY and HABITAT will meet in good faith to determine whether or

not the Land should be redeveloped into a new affordable housing project or whether the existing affordable housing project is still feasible and should continue in its then current form.

3.2 EXTENSION OF TERM. The initial term shall be automatically extended for one (1) additional period of forty-nine (49) years, subject to all the provisions of this Lease, unless otherwise agreed to by HABITAT and the CITY in writing.

3.3 AMENDMENTS TO LEASE FOR RENEWAL PERIOD. Lessor may amend this Lease with respect to the renewal period described in Section 3.2 above only if (i) changes do not materially and adversely impair a Lessee's rights, or increase a Lessee's obligations, under the Lease, and (ii) Lessor provides at least 180 days' advance written notice of proposed changes to the Lease to HABITAT and the Habitat at Timber Sky Condominium Association, and (iii) HABITAT and said association approve the proposed changes, and (iv) Lessor has received any of Lessee's written objections to the proposed changes and reasons for such objections at least 30 days before the changes are intended to become effective, and (v) such amendments are recorded by Lessor. Nothing herein shall be construed to limit Lessor's rights to amend the Lease under Section 14.12 below.

3.4 MEMORANDUM. If the term of this Lease is extended or renewed, the Lessor shall, upon request, execute a memorandum, in mutually agreeable recordable form, acknowledging the fact that the term of this Lease has been extended or renewed and otherwise complying with the requirements of law for an effective memorandum or notice of lease, and such memorandum or notice of lease shall be recorded in accordance with the requirements of law on or promptly after the commencement of such renewal period of the Lease.

3.5 TERMINATION OF LEASE. Upon expiration of the Term or the earlier termination of this Lease, (1) the Condominium will automatically terminate and (2) subject to any outstanding obligations to pay off the balance of any Permitted Mortgages and to pay to each former Lessee its Net Equity that the Lessee would have received had it sold its Unit, title to all Residences shall automatically transfer and convey to Lessor and the Lessor will retain fee title to the Land.

4. **Use of Land**.

4.1 RESIDENTIAL USE ONLY. Lessee shall use its Unit and the Common Elements only for residential purposes and any incidental activities related to residential use permitted by applicable zoning law and that are not prohibited by the Timber Sky Declaration, the Condominium Declaration, or any other matter of record. Lessee hereby agrees to comply with all residential use restrictions found in the Condominium Declaration, the Timber Sky Declaration, and any other matters of record.

4.2 RESPONSIBLE USE AND COMPLIANCE WITH ALL LAWS. Lessee shall use its Unit and the Common Elements in a manner so as not to cause actual harm to others or create any nuisances, public or private; and shall dispose of any and all waste in a safe and sanitary manner. Lessee shall maintain its Unit in good, safe, and habitable condition in all respects, except for normal wear and tear, in full compliance with all applicable laws and regulations.

4.3 RESPONSIBLE FOR OTHERS. Lessee shall be responsible for the use of its Unit and the Common Elements by each of its family members, friends and visitors and anyone else using the same with Lessee's consent.

4.4 OCCUPANCY. Except for Units owned by HABITAT or Lessor, each Lessee shall occupy its Unit as its principal/primary residence for twelve (12) months of each year of this Lease, unless otherwise agreed by HABITAT and Lessor. Children or other immediate family members or dependents of a Lessee may occupy the Unit, and others may occupy the Unit subject to HABITAT approval, except to the extent restricted or prohibited in the Condominium Declaration, the Timber Sky Declaration, or any other matter of record. HABITAT will determine in good faith whether a Lessee is occupying its Unit as its principal/primary residence.

4.5 INSPECTION. HABITAT or Lessor may inspect any portion of the Land (other than the interior of a Unit) at any reasonable time and in any reasonable manner. In the event of emergency, HABITAT or Lessor may inspect any portion of the Land (other than the interior of a Unit) without notice and will provide notice to Lessee as soon as practicable. Upon at least forty-eight (48) hours' oral or written notice to Lessee, HABITAT may inspect the interior of the Lessee's Unit to confirm that it is being properly maintained.

4.6 LESSEE'S RIGHT TO PEACEFUL ENJOYMENT. Each Lessee has the right to undisturbed enjoyment of the Land within its Unit, subject to the terms, covenants, conditions, provisions, restrictions or reservations of this Lease.

5. **Ground Lease Fee**.

5.1 GROUND LEASE FEE. In consideration of the possession, use, and occupancy of the Land within its Unit, each Lessee shall pay to Lessor a monthly ground lease fee (the "Ground Lease Fee"). The initial Ground Lease Fee shall equal $30.00 monthly, but may be increased by Lessor by up to 25% commencing January 1, 2030, and up to 25% every five (5) years thereafter, in Lessor's sole discretion upon at least thirty (30) days advance written notice to Lessee and the Timber Sky Condominium Association.

5.2 PAYMENT OF GROUND LEASE FEE. The Ground Lease Fee shall be payable to Lessor, at the address specified in this Lease as Lessor's address, on the first day of each month for as long as this Lease remains in effect, unless the Ground Lease Fee is to be escrowed by a Permitted Mortgagee, in which case payment shall be made on a yearly basis as specified by that Permitted Mortgagee and will be paid within thirty (30) days after receipt of an invoice from the Lessor. If the Lease commences on a day other than the first of the month, a pro-rata portion of the Ground Lease Fee shall be paid for the balance of the month at the time the Lease is executed.

5.2.1 Late Payment. All amounts due from each Lessee to Lessor that are not paid by such Lessee within ten (10) days after the date the same is due shall bear interest at the rate of ten percent (10%) per annum until paid.

5.2.2 In the event that any amount of payable Ground Lease Fee remains unpaid when a Unit is sold to another party, the amount of payable Ground Lease Fee shall be paid to Lessor out of any proceeds from the sale of the Unit otherwise due to Lessee at the time of such sale.

5.3 REDUCTION, DELAY OR WAIVER OF GROUND LEASE FEE. Lessor may reduce, delay or waive entirely the Ground Lease Fee for any Lessee at any time and from time to time for the purpose of ensuring affordable monthly housing costs for such Lessee. Any such reduction, delay, or waiver must be in writing and signed by Lessor before being effective, and shall not be construed to modify Lessor's rights to strictly enforce any other payment of the Ground Lease Fee.

6. Taxes and Assessments

6.1 PAYMENT OF TAXES AND ASSESSMENTS. Each Lessee shall pay all applicable real and personal property taxes and assessments (the "Taxes"), if any, charged to its Unit, as and when due. The estimated amount of the Taxes for each Unit may be escrowed by a Permitted Mortgagee, in which case payment of the Taxes shall be made as specified by that Permitted Mortgagee. To the extent permitted by applicable law, Lessee shall not be entitled to any interest on the payments made to a Permitted Mortgagee for the Taxes. To the extent there are any Taxes charged on the Lessor's interest in the Land, Lessor will pay all such real property taxes and assessments.

6.2 LESSEE'S RIGHT TO CONTEST. Each Lessee shall have the right to contest the amount or validity of any of its Taxes. Lessor shall, upon written request by a Lessee, join in any such proceedings if such Lessee reasonably determines that it is necessary or convenient for Lessor to do so. All other costs and expenses of such proceedings shall be paid by such Lessee. Notwithstanding the foregoing, Taxes against or including the Land shall be contested only with the concurrence of Lessor.

6.3 PAYMENTS IN EVENT OF DELINQUENCY. In the event that Lessee fails to pay the Taxes for its Unit, Lessor may increase Lessee's Ground Lease Fee in an amount that will offset the cost of any delinquent and current Taxes. Upon collecting any such amount, Lessor shall pay the amount collected to satisfy the Taxes in a timely manner.

6.4 PROOF OF COMPLIANCE. Upon the request of a party, each party shall furnish evidence satisfactory to the other documenting the payment of Taxes. A photocopy of a receipt for such charges showing payment prior to the due date shall be the usual method of furnishing such evidence.

7. Improvements

7.1 OWNERSHIP. Any Residence purchased by a Lessee or constructed or placed by the Lessee on any part of its Unit at any time during the term of this Lease shall be property of the Lessee. Lessor acknowledges and agrees that Lessor does not own or have title to any Residences, any Common Elements, or any other buildings, structures, fixtures, or other improvements within the Land, except for any public utility facilities which Lessor is the utility provider. No Lessee shall sever or move any Residence from the Land.

7.2 CONSTRUCTION AND ALTERATION OF A UNIT. No Lessee may make any construction or alteration to its Unit without the written consent of HABITAT. Any construction or alteration of a Unit that is approved by HABITAT is subject to the following conditions:

7.2.1 All costs shall be borne and paid for by the Lessee that owns the applicable Unit;

7.2.2 All construction shall be performed in a workmanlike manner and shall comply with all applicable laws and regulations;

7.2.3 All construction shall have been approved by the City of Flagstaff and any other applicable governmental authorities;

7.2.4 The exterior (including height) of a Residence shall not be increased or expanded, and no improvements which affect the affordability of the Residence shall be constructed without the prior written consent of HABITAT and the CITY, which shall not unreasonably withheld, and upon condition that any alterations or improvements shall become part of the Residence subject to the Resale Agreement, and upon such other reasonable conditions as HABITAT or the CITY may require; and

7.2.5 Lessee shall furnish to HABITAT and the City a copy of any plans and all building permits for such construction prior to commencing construction. All work shall be completed by, or under in-person supervision of a contractor licensed with the Arizona Registrar of Contractors and in compliance with applicable laws and codes.

7.2.6 Lessee acknowledges that additional approvals for any construction or alteration of its Unit may be required under the Condominium Declaration, the Timber Sky Declaration, and other matters of record.

7.3 PROHIBITION OF LIENS. No Lessee shall permit any lien of any type, and which lien results from the acts or omissions of such Lessee, to attach to or encumber the Lessor's title to the Land or to Lessor's interest in the Land or to any other property owned by the Lessor (each a "Prohibited Lien"). If any Prohibited Lien remains more than sixty (60) days after it has been filed, the applicable Lessee whose actions or omissions resulting in such Prohibited Lien will cause any such Prohibited Lien to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction, or as otherwise permitted by law. If such Lessee fails to cause such Prohibited Lien to be discharged within the 60-day period, then, in addition to any other right or remedy, Lessor may, but shall not be obligated to, discharge the Prohibited Lien by paying the amount in question. Such Lessee may, at such Lessee's expense, contest the validity of any such asserted Prohibited Lien, provided such Lessee has furnished a bond in an amount sufficient to release the Land from such Prohibited Lien. Any amounts paid by Lessor to discharge such Prohibited Liens, including reasonable attorneys fees and costs, shall be deemed to be an additional Ground Lease Fee payable by the applicable Lessee to Lessor upon demand.

7.4 MAINTENANCE AND SERVICES.

7.4.1 Except for the obligations of HABITAT and the Lessor set forth herein, each Lessee shall, at such Lessee's sole expense, maintain its Unit in good condition and repair, as required by this Lease, and in accordance with all applicable laws, rules, ordinances, orders and regulations of all governmental agencies and entities having jurisdiction and all insurance companies insuring all or any part of the Unit.

7.4.2 Lessees are responsible for furnishing any services or facilities, including but not limited to heat, electricity, air conditioning, water, telecommunications, internet connectivity, or to make any repairs to the Unit, and each Lessee hereby assumes the sole responsibility for furnishing all services or facilities to its Unit and Common Elements (as may be specifically provided for in the Condominium Declaration).

7.4.3 CITY will (1) provide scheduled pavement maintenance of the driveway and parking areas within the Condominium for the Term pursuant to the terms and conditions of a separate Driveway Maintenance Agreement recorded concurrently herewith in the Official Records of the Coconino County Recorder, and (2) maintain the drainage maintenance easement as identified on the Condominium Plat (collectively, the "City Maintenance Obligations").

7.4.4 Notwithstanding the foregoing, if any City Maintenance Obligations are caused due to a Lessee's failure to perform its obligations under this Lease, or the negligence or willful misconduct of such Lessee or its residents, guests, invitees, or contractors, such Lessee will be liable for all costs and expenses incurred by HABITAT or the CITY as applicable, to perform such City Maintenance Obligations.

7.4.5 Lessees, whether individually or as members of the community associations, shall provide all other maintenance as set forth in the Timber Sky Declaration and the Condominium Declaration.

8. **Financing**

8.1 PERMITTED MORTGAGE. The financing for the sale of each Unit is intended to be provided by HABITAT, and if HABITAT provides such financing, then HABITAT will be deemed a Permitted Mortgagee hereunder and its mortgage or deed of trust or similar instruments (each a "Mortgage") will be a Permitted Mortgage. Provided that the Mortgage granted by the Lessee is to HABITAT or is a "Standard Permitted Mortgage" as defined in Exhibit "B", such Mortgage will be deemed a "Permitted Mortgage" under this Lease. Notwithstanding the foregoing, if a Lessee (or a prospective Lessee who has contracted to construct or purchase a Unit) requests Lessor's confirmation that a Mortgage is a Permitted Mortgage, Lessor will provide its confirmation of the same within ten (10) days after receipt of a request from the Lessee, together with sufficient documentation to show that the Mortgage qualifies as a Permitted Mortgage.

8.2 RIGHTS OF PERMITTED MORTGAGEE. Any holder of a Permitted Mortgage ("Permitted Mortgagee") shall without requirement of consent by the Lessor have the rights identified and defined in the attached Exhibit "B".

8.3 AMENDMENTS SUBJECT TO APPROVAL BY PERMITTED MORTGAGEE. Any amendments to this Lease shall be subject to the written approval of each Permitted Mortgagee, which approval shall not be unreasonably withheld or delayed. The passage of thirty (30) days after submittal to a Permitted Mortgagee of a proposed amendment without approval or disapproval by Permitted Mortgagee shall be deemed approval thereof in its capacity as a "Permitted Mortgagee" only.

9. **Liability, Insurance, Damage and Destruction, Eminent Domain**.

9.1 LESSEE'S LIABILITY. Each Lessee assumes sole responsibility and liability to all persons and authorities related to its possession, occupancy, and use of the Land from the date of this Lease.

9.2 INDEMNIFICATION OF LESSOR. Each Lessee shall defend, indemnify, and hold Lessor and HABITAT harmless against all liability and claims of liability for injury or damage to person or property from any cause on or about the Land to the extent caused by such Lessee or its residents and their families, friends and visitors and anyone else using the Land with their consent. Lessor and HABITAT each shall remain liable for injury or damage to the extent caused by the negligent or intentional acts or omissions of such party or its agents or employees.

9.3 PAYMENT BY LESSOR. In the event the Lessor or HABITAT shall be required to pay any sum that is a Lessee's responsibility or liability under this Lease, the applicable Lessee shall reimburse the Lessor or HABITAT, as applicable, for such payment and for reasonable expenses caused thereby.

9.4 INSURANCE.

9.4.1 Casualty Insurance. Each Lessee shall, at such Lessee's sole expense, keep such insurance as may be required by its Permitted Mortgagee, if any.

9.4.2 Certificates of Insurance. Upon request by Lessor, each Lessee shall provide Lessor with a certificate of insurance for all policies and policy renewals. All casualty insurance policies shall provide for any losses to be payable to any Permitted Mortgagee, as its interests may appear, pursuant to a standard mortgagee clause or endorsement. Lessee and Lessor irrevocably authorize and direct the Permitted Mortgagee to accept and hold all casualty insurance proceeds for application in accordance with the provisions of the Permitted Mortgage. Lessor shall be entitled to participate in the settlement or adjustment of any losses covered by such policies of insurance. Any Permitted Mortgagee shall have the right to participate in any adjustment or settlement of any losses for the purpose of protecting its rights under this Lease. No loss shall be adjusted without the prior written consent of any Permitted Mortgage.

9.5 DAMAGE OR DESTRUCTION. In the event of fire or other damage to its Unit, a Lessee shall take all steps necessary to ensure the repair of such damage and the restoration of the Unit to its condition immediately prior to the damage, at its sole cost and expense. All such repairs and restoration shall be completed as promptly as possible. Lessee shall also promptly take all steps necessary to ensure that the Land within its Unit is safe and that the damaged Unit does not constitute a danger to persons or property.

9.6 EMINENT DOMAIN OR PUBLIC DEDICATION.

9.6.1 In the event of a taking of a Unit or the Common Elements by the federal or state governmental authorities, either in its entirety or to such extent that its renders a Unit or the Common Elements unusable, by reason of eminent domain or other action of public authority prior to the expiration of this Lease, the Lease shall terminate with respect to such Unit(s) and Common Elements as of the date of the taking, such Unit(s) and Common Elements will be removed from the Condominium and the Condominium terminated as to such Unit(s) and

Common Elements only, and the entire amount of any award(s) paid shall be allocated as follows: First, to the expenses of collecting the proceeds; Second, to any Permitted Mortgagee(s) so that the Permitted Mortgagee(s) lien is paid in full, or to the extent of available proceeds, before any amount is paid to subsequent liens; Third, to pay any other liens, assessments, or charges under this Ground Lease or any other matter of record; Fourth, to pay Lessee its Net Equity (as defined herein) as of the day prior to the loss; and Fifth, the balance, if any, to Lessor.

9.6.2 In the event of a taking of a portion of the Common Elements that does not fall under Section 9.6.1, then any monetary compensation for such taking shall be paid to the condominium association established for the Condominium, for the benefit of the Unit Owners.

9.6.3 In the event of a taking of a portion of a Unit that does not fall under Section 9.6.1, then any monetary compensation for such taking shall be paid to the Permitted Mortgagee for such Unit, or if there is no Permitted Mortgagee, the Unit Owner.

9.6.4 Any and all proceedings brought by a party in connection with any damages as a result of any taking referred to in this section shall be conducted at the sole expense of such party. If any provision of law requires that such proceedings be brought by or in the name of any owner or lessee of the premises, such party shall join in such proceedings or permit the same to be brought in its name. Each party agrees to do all acts and to execute all documents that may be required to enable the other to maintain such proceedings. If the party required to join in the proceedings incurs any cost or expense in doing so, such party shall be entitled to reasonable reimbursement and this entitlement shall constitute a first charge against any award.

9.7 RELOCATION OF LESSEE. In the event of a termination of this Lease as a result of a taking, Lessor shall take reasonable steps to grant Lessee a leasehold interest, similar to the interest created by this Lease, in another tract that it owns, if such other tract can reasonably be made available. In accepting such a leasehold interest, Lessee agrees to contribute any proceeds or award received by Lessee to purchase or develop improvements on such tract. Lessor's failure to supply such a leasehold interest shall not give rise to any cause of action by Lessee against Lessor.

10. **Transfer, Sale, or Disposition of Units**.

10.1 INTENT. It is the understanding of the parties that the terms of this Lease, and in particular of this Section 10, are intended to permit the free alienation of Lessee's interest in its Unit, subject to certain limitations outlined in this Article, which are designed to implement the public purposes set forth in the Recitals to this Lease; to limit the inflationary effect of any appreciation in the value of each Unit; and to preserve the affordability of the Units for low or moderate income households and expand access to homeownership opportunities for such households.

10.2 RESALE AGREEMENT. Lessor and Lessee agree that HABITAT will require, as a condition to the sale of any Unit by HABITAT to a retail buyer, that the buyer of such Unit enter into a Resale Agreement (or similar agreement) (each a "Resale Agreement") that permits HABITAT to repurchase the Unit upon the terms and conditions set forth in each such

Repurchase Agreement (and which Repurchase Agreement also permits the CITY to repurchase the Unit if HABITAT fails to do so). Notwithstanding anything to the contrary contained herein, the sale of any Unit to HABITAT or the CITY pursuant to the Resale Agreement will not be deemed to be a violation of this Lease or the Habitat Vesting Deed; provided that any future transfer of such Unit must be to Qualified Homebuyer.

10.3 OTHER TRANSFERS. If any Lessee desires to sell, convey or otherwise transfer a Unit, and if HABITAT and the CITY each fail to repurchase a Unit as provided in any Resale Agreement, and if HABITAT and the CITY each fails to purchase the Unit pursuant to the Right of First Refusal established under Section 10.5, then a Lessee may transfer its interest in its Unit to a Qualified Homebuyer provided the same is done in compliance with this Ground Lease, the Condominium Declaration, and any other recorded documents (each a "Unit Owner Sale"). Any purported sale, conveyance or transfer done in violation of the Ground Lease, the Condominium Declaration or any other recorded documents, except in the case of a transfer to a Permitted Mortgagee in lieu of foreclosure, shall be null and void. This Section will not apply to any sale, conveyance or transfer of a Unit to or from HABITAT or the CITY.

10.4 TRANSFER TO LESSEE'S HEIRS. Upon receipt of notice from the Personal Representative of a Unit Owner's estate, Lessor and HABITAT shall, unless for good cause shown, consent to a transfer of the Unit to the spouse of the Lessee; the child or children of the Lessee; or member(s) of the Lessee's household who have resided with Lessee within the Unit for at least one year immediately prior to Lessee's death ("each a "Lessee Heir") so long as the Lessee Heir is a Qualified Homebuyer and assumes all rights and obligations of the deceased Unit Owner's Resale Agreement, and any note, deed of trust, financing documents, and other applicable agreements with HABITAT had with the deceased Unit Owner pertaining to the Unit , or, if unable to do so, shall not be entitled to possession of the Unit but must transfer the Unit pursuant to the Resale Agreement or otherwise in accordance with the provisions of this Section 10.

10.5 RIGHT OF FIRST REFUSAL. If the provisions of any Resale Agreement shall, for any reason become unenforceable, or if HABITAT and the CITY fail to repurchase a Unit as provided in any Resale Agreement, or if a Resale Agreement is not entered into, then if a Lessee desires to sell, convey or otherwise transfer its Unit, HABITAT and CITY shall nevertheless have a right of first refusal to purchase the Unit at the same price and on the same terms and conditions set forth in the Notice of Offer; provided that in no event may Lessee retain any amount realized upon any such sale, conveyance or transfer in excess of Lessee's Net Equity (defined below). Such right shall be as specified in Exhibit "C" "FIRST REFUSAL" of this Lease. Any sale, conveyance or transfer contrary to this section, when applicable, shall be null and void.

10.6 CONVEYANCE OF UNIT AND ASSIGNMENT OF LEASE. Lessor and each Lessee agree, notwithstanding anything to the contrary contained herein, that upon a Lessee's sale, conveyance or transfer of its Unit to another buyer that is done in compliance with this Ground Lease and the Habitat Affordability Plan, that such sale, conveyance or transfer will automatically be deemed an assignment by the selling Lessee of its rights and interests under this Lease with respect to its Unit and an assumption by the buyer of all of such Lessee's obligations under this Lease with respect to such Unit, which arise or accrue from and after the date of such conveyance, and a release of the selling Lessee of any obligations of the Lessee that arise or accrue from and after the date of such conveyance.

10.7 RIGHT TO LESSEE'S NET EQUITY ONLY.

10.7.1 The parties recognize that it would be contrary to the fundamental concept of this Lease, and the development of this project to create affordable housing and to create homeownership opportunities for the workforce of the community who otherwise would be denied such opportunities because of limited financial resources, if a Lessee could realize more than Lessee's Net Equity (as defined herein) in connection with any Unit Owner Sale, or in the event of any foreclosure, trustee's sale, or other enforcement of a Lessee's Loan Documents (each a "Foreclosure").

10.7.2 Accordingly, the proceeds of a Unit Owner Sale or Foreclosure will first be paid to the Mortgagee for payment of all amounts secured by or due pursuant to the Mortgage. Any remaining proceeds will then be paid to HABITAT (or the CITY if CITY has assumed HABITAT's position), who will then, if and to the extent there are any remaining proceeds, pay the Lessee its Net Equity (defined below) for its Unit, with HABITAT (or the CITY if CITY has assumed HABITAT's position) retaining all remaining proceeds, if any.

10.7.3 As used herein, the term "Net Equity" means an amount equal to: (A) the total amount of all payments of principal made by a Lessee under or pursuant to its Mortgage and related promissory note and other loan documents with its lender (collectively, the "Lessee's Loan Documents") minus (B) any "Debts". "Debts" shall mean all of the following, to the extent not previously paid: (i) all rent, costs and fees required to be paid by Lessee under this Lease with respect to its Unit during the period of time Lessee owns the Unit ("Ground Lease Charges"); (ii) all taxes and assessments levied against the Unit for the periods of time Lessee owns the Unit; (iii) all homeowners' and condominium association fees, costs and assessments levied against the Unit for the periods of time Lessee owns the Unit; (iv) any charges or fees due under the Lessee Loan Documents (other than principal payments); (v) any other monetary liens against the Unit that arise from Lessee's acts or omissions; and (vi) the reasonable costs and expenses, as estimated by HABITAT (or the CITY if applicable) and its general contractor, to repair and restore the Unit to good condition and repair (subject to any caps agreed to between HABITAT and the Lessee). The reasonable costs and expenses for repairs shall not include ordinary wear and tear of the roof, any solar panels and solar equipment, or the outside siding of the Unit, nor shall it include the replacement of any appliances that are unable to be repaired in a commercially reasonable manner as determined by HABITAT or the CITY (if applicable). For the avoidance of doubt, principal payments do not include any other costs, charges and fees owed by the Lessee, such as, but not limited to, homeowners' or condominium association fees and assessments, Ground Lease Charges, taxes and assessments levied against its Unit, and any other fees or charges imposed under the loan documents or any other agreements entered into with HABITAT or another Mortgagee (if applicable).

10.7.4 Notwithstanding anything to the contrary contained herein, and to the extent permitted by applicable law, if a Unit Owner Sale or Foreclosure occurs within thirty-six (36) months after the date Lessee initially acquires its Unit, then Lessee will not be entitled to any portion of its Net Equity. This provision will not apply in the event of a termination or the expiration of this Lease and the application of Section 3.5.

10.8 HABITAT AFFORDABILITY PLAN. Notwithstanding anything to the contrary contained herein, no Unit may be sold, conveyed, or otherwise transferred if such sale, conveyance or transfer would violate that certain Affordability Plan – Habitat for Humanity Starter Homes at Timber Sky executed by CITY and HABITAT from time to time (the "Habitat Affordability Plan". Each Lessee may request and obtain a copy of the most current Habitat Affordability Plan from CITY or HABITAT.

11. **Assignment and Sublease**

11.1 APPROVAL REQUIRED. Except as otherwise provided in Section 8 and Section 10, Lessee shall not assign, sublease, sell, or otherwise convey any of Lessee's rights under this Lease without the prior written consent of the Lessor and HABITAT.

11.2 PERMITTED MORTGAGE NOT AN ASSIGNMENT. The execution and delivery of any Permitted Mortgage shall not be deemed to constitute an assignment or transfer of this Lease, nor shall any Permitted Mortgagee be deemed an assignee or transferee of this Lease so as to require the Permitted Mortgagee to assume responsibility for the performance of any agreements on the part of the Lessee to be performed under the Lease.

11.3 ASSIGNMENT BY LESSOR. Lessor shall not voluntarily assign, convey or transfer any of its rights or obligations under this Lease, except to a person or entity who it is permitted to convey fee title to the Land to pursuant to the Special Warranty Deed pursuant to which HABITAT conveyed the Land to the CITY.

12. **Default**

12.1 EVENTS OF DEFAULT. It shall be an event of default if:

12.1.1. A Lessee fails to pay the Ground Lease Fee or other charges required by the terms of this Lease for its Unit and such failure is not cured by such Lessee or its Permitted Mortgagee within thirty (30) days after notice of such failure is given by Lessor to Lessee and Permitted Mortgagee. However, if such Lessee shall make a good faith partial payment of at least two thirds (2/3) of the amount owed during such initial 30-day period, then such period shall be extended one additional 30-day period.

12.1.2 A Lessee fails to abide by any other material term or condition in this Lease with respect to its Unit, and such failure is not cured by such Lessee or its Permitted Mortgagee within sixty (60) days after notice of such failure is given by Lessor to such Lessee and Permitted Mortgagee. However, in the case where such Lessee or Permitted Mortgagee has commenced to cure such default within such 60-day period and is continuing such cure with all due diligence but cannot by the exercise of due diligence cure such default within such period, such period shall be extended for such additional period as may be reasonably required under the circumstances to complete such cure.

12.1.3 The estate hereby created is taken on execution or by other process of law, or if Lessee is judicially declared bankrupt or insolvent according to law, or if any assignment is made of the property of Lessee for the benefit of creditors, or if a receiver, trustee in involuntary bankruptcy or other similar officer is appointed to take

charge of any substantial part of Lessee's property by a court of competent jurisdiction, or if a petition is filed for the reorganization of Lessee under any provisions of the Bankruptcy Act now or hereafter enacted, of if Lessee files a petition for such reorganization, or for arrangements under any provision of the Bankruptcy Act now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for payment of debts.

12.2 NO TERMINATION. In the case of any default by a Lessee hereunder, Lessor may result to any of its rights and remedies available at law or in equity, but may not terminate this Lease and Lessor hereby waives its right to terminate this Lease due to any default by a Lessee.

12.3 DEFAULT BY LESSOR. Lessor shall in no event be in default in the performance of any of its obligations under the Lease unless and until Lessor has failed to perform such obligations within sixty (60) days, or such additional time as is reasonably required to correct any default, after notice by Lessee to Lessor properly specifying Lessor's failure to perform any such obligation.

13. **Mediation**

13.1 The parties recognize the need to resolve disputes in an expeditious, organized and fair manner. The mediation procedures below reflect the parties' understanding that speedy dispute resolution is essential to occupancy and use of the Land. Should any dispute arise between Lessor and Lessee concerning their respective rights and duties under the terms of this Ground Lease Agreement which cannot be resolved in normal interaction, the following mediation procedures shall be use, provided, however, that any dispute involving the legal validity of this Ground Lease Agreement or any portion of the Agreement is specifically excluded from these provisions regarding alternative dispute resolution. Any such dispute shall be subject to judicial resolution, rather than subject to mediation or arbitration.

13.2 MEDIATION. Lessor or Lessee may notify the other by written notice of the desire to enter into mediation of a dispute described in the written notice. Within fifteen (15) days of receipt of the written notice by the other party, Lessor and Lessee will mutually agree upon a disinterested person to mediate their dispute and shall share the expense of paying for such mediation equally. The mediator shall be a person who has served as a mediator in the Alternative Dispute Resolution Program of the Coconino County Superior Court, or such other experienced mediator as the parties may agree upon. Efforts to achieve a resolution through mediation shall end after the mediator determines that, despite good faith efforts, the parties are unable to resolve their dispute. In any event, either Lessor or Lessee shall be free to resort to judicial resolution if the dispute has not been resolved within thirty (30) days of the selection of a mediator or, if the parties are unable to agree upon a mediator, within fifteen (15) days of the receipt of the written notice of a request to mediate.

14. **General Provisions**

14.1 NOTICES. Whenever this Lease requires either party to give notice to the other, the notice shall be given in writing and delivered in person or mailed, by certified or

registered mail, return receipt requested, to the party at the address set forth below, or such other address designated by like written notice:

If to Lessor or City:

Housing Section
City of Flagstaff
211 W. Aspen Avenue
Flagstaff, AZ 86001

Copy to:

Grants and Contracts Administration
City of Flagstaff
211 W. Aspen Avenue
Flagstaff, AZ 86001

If to Lessee:

At the address of each Lessee's Unit

If to HABITAT:

Chief Executive Officer
Habitat for Humanity of Northern Arizona, Inc.
P.O. Box 3783
Flagstaff, Arizona 86003

All notices, demands and requests shall be effective upon being deposited in the United States Mail or, in the case of personal delivery, upon actual receipt.

14.2 NO BROKERAGE. Lessee warrants that it has not dealt with any broker in connection with the consummation of this Lease, and in the event any claim is made against Lessor relative to dealings with brokers, Lessee shall defend the claim against Lessor with counsel of Lessor's selection and save harmless and indemnify Lessor on account of loss, cost or damage which may arise by reason of any such claim.

14.3 INVALID PROVISIONS. If any part of this Lease is unenforceable or invalid, such material shall be read out of this Lease and shall not affect the validity of any other part of this Lease or give rise to any cause of action of Lessee or Lessor against the other, and the remainder of this Lease shall be valid and enforced to the fullest extent permitted by law.

14.4 WAIVER. The waiver by Lessor at any given time of any term or condition of this Lease, or the failure of Lessor to take action with respect to any breach of any such term or condition, shall not be deemed to be a waiver of such term or condition with regard to any subsequent breach of such term or condition, or of any other term or condition of the Lease. Lessor

may grant waivers in the terms of this Lease, but such waivers must be in writing and signed by Lessor before being effective.

14.4.1 The subsequent acceptance of Ground Lease Fee payments by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term or condition of this Lease, other than the failure of the Lessee to pay the particular Ground Lease Fee so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such Ground Lease Fee payment.

14.5 LESSOR'S RIGHT TO PROSECUTE OR DEFEND. Lessor shall have the right, but shall be under no obligation, to prosecute or defend, in its own or the Lessee's name, any actions or proceedings appropriate to the protection of its title to, and Lessee's interest in, the Land. Whenever requested by Lessor, Lessee shall give Lessor all reasonable aid in any such action or proceeding.

14.6 CONSTRUCTION. Whenever in this Lease a pronoun is used it shall be construed to represent either the singular or the plural, masculine or feminine, as the case shall demand.

14.7 CAPTIONS AND TABLE OF CONTENTS. The captions and table of contents appearing in this Lease are for convenience only, and are not a part of this Lease and do not in any way limit or amplify the terms or conditions of this Lease.

14.8 PARTIES BOUND. This Lease sets forth the entire agreement between Lessor and Lessee with respect to the leasing of the Land; it is binding upon and inures to the benefit of these parties and, in accordance with the provisions of this Lease, their respective successors in interest. This Lease may be altered or amended only by written notice executed by Lessor and Lessee or their legal representatives or, in accordance with the provisions of this Lease, their successors in interest.

14.9 GOVERNING LAW. This Lease shall be interpreted in accordance with and governed by the laws of the State of Arizona. The language in all parts of this Lease shall be, in all cases, construed according to its fair meaning and not strictly for or against Lessor or Lessee.

14.10 COMPLIANCE WITH ALL LAWS. Lessee shall not use the Land or permit anything to be done in or about the Land which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Lessee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force.

14.11 RECORDING. The parties may, as an alternative to the recordation of this Lease, execute a Memorandum of Lease in form recordable and complying with applicable law and reasonably satisfactory to Lessor's attorneys.

14.12 AMENDMENTS. Notwithstanding anything to the contrary contained in this Lease, the Lease may be amended at any time by the mutual agreement of CITY and HABITAT

without the consent of any other Lessee and such amendment will become effective upon recording; provided, however, that no person who was a Lessee at the time the amendment was recorded will be bound by such amendment unless such Lessee provides its written approval of such amendment, which approval will not be unreasonably withheld, conditioned or delayed and which written approval will be deemed given if such Lessee does not object to the amendment within thirty (30) days after receipt of a copy of such amendment. For the avoidance of doubt, any person that becomes a Lessee after the date an amendment is recorded will be bound by such amendment and deemed to have approved of such amendment. Nothing herein shall be construed to limit Lessor's rights to amend the Lease for the renewal term as provided for in Section 3.3 above.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have executed this lease effective as of the Effective Date set forth above.

CITY / LESSOR

CITY OF FLAGSTAFF, an Arizona municipal corporation

_____
Joanne Keene, City Manager

Attest:

_____
City Clerk

Approved as to form:

_____
City Attorney

STATE OF ARIZONA)
) ss
County of Coconino)

On this ___ day of December, 2025, personally appeared before me Joanne Keene, who acknowledged herself to be the **City Manager of the City of Flagstaff**, and being authorized so to do, executed the foregoing instrument in the capacity therein stated, and for the purposes therein contained, by signing the name of the City as such officer.

NOTARY SEAL:

_____
Notary Public

_____

IN WITNESS WHEREOF, the parties have executed this lease effective as of the Effective Date set forth above.

HABITAT / LESSEE

HABITAT FOR HUMANITY OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation

By: _____
Name: Eric Wolverton
Its: Chief Executive Officer

STATE OF ARIZONA)
) ss.
County of Coconino)

The foregoing instrument was acknowledged before me this _____ day of December, 2025, by Eric Wolverton, the Chief Executive Officer of Habitat for Humanity of Northern Arizona, Inc., an Arizona nonprofit corporation, for and on behalf of the corporation.

NOTARY SEAL: _____
Notary Public

_____

Exhibit “A”

DESCRIPTION OF LAND

LOT 1 OF THE FINAL PLAT FOR TIMBER SKY BLOCK 2, RECORDED ON JANUARY 28, 2025, AS INSTRUMENT NO. 4010656, IN THE OFFICIAL RECORDS, COCONINO COUNTY, ARIZONA.

Exhibit "B"
PERMITTED MORTGAGES

The provisions set forth in this Exhibit shall be understood to be provisions of Section 8 of the Lease to which the Exhibit is attached and in which the Exhibit is referenced. All terminology used in this Exhibit shall have the meaning assigned to it in the Lease.

1. STANDARD PERMITTED MORTGAGE: A "Standard Permitted Mortgage," as identified in Section 8.1 of the Lease to which this Exhibit is attached, shall be a mortgage that meets the following requirements.

1.1 Such Mortgage shall run in favor of either (a) a so-called institutional lender such as, but not limited to, a federal, state, or local housing finance agency, a bank (including savings and loan association or insured credit union), an insurance company, a pension and/or profit-sharing fund or trust, or any combination of the foregoing, the policies and procedures of which institutional lender are subject to direct governmental supervision, or (b) a "community development financial institution" as certified by the U.S. Department of the Treasury, or similar nonprofit lender to housing projects for low- and moderate-income persons.

1.2 Such Mortgage shall be a first lien on the Unit (the "Security").

1.3 Such Mortgage and related documentation shall provide, among other things, that in the event of a default in any of the mortgagor's obligations thereunder, the holder of such Mortgage shall notify Lessor of such fact and Lessor shall have the right (but shall not have the obligation) within 120 days after its receipt of such notice, to cure such default in the mortgagor's name and on mortgagor's behalf, provided that current payments due the holder during such 120-day period (or such lesser time period as may have been required to cure such default) are made to the holder, and shall further provide that said holder shall not have the right, unless such default shall not have been cured within such time, to accelerate the note secured by such Mortgage or to commence to foreclose under the Mortgage on account of such default.

1.4 Such Mortgage and related documentation shall provide, among other things, that if after such cure period the holder intends to accelerate the note secured by such Mortgage or initiate foreclosure proceedings under the Mortgage, in accordance with the provisions of this Lease, the holder shall first notify Lessor of its intention to do so and Lessor shall have the right, but not the obligation, upon notifying the holder within thirty (30) days of receipt of said notice from said holder, to pay off the indebtedness secured by such Mortgage and to acquire such Mortgage.

1.5 Such Mortgage and related documentation shall provide, among other things, that, in the event of foreclosure sale by a Permitted Mortgagee or the delivery of a deed to a Permitted Mortgagee in lieu of foreclosure, upon acquisition of title to the Unit by the Permitted Mortgagee, the Permitted Mortgagee shall give the Lessor written notice of such acquisition and the Lessor shall have an option to purchase the Unit from the Permitted Mortgagee for the full amount owing to the Permitted Mortgagee under the Permitted

Mortgage; provided, however, that the Lessor gives written notice to the Permitted Mortgagee of the Lessor's intent to purchase the Unit within thirty (30) days following the Lessor's receipt of the Permitted Mortgagee's notice of such acquisition of the Unit; further provided that Lessor shall complete the purchase of the Unit within sixty (60) days of having given written notice of its intent to purchase; and provided that, if the Lessor does not complete the purchase within such period, the Permitted Mortgagee shall be free to sell the Unit to another person;

1.6 Such Mortgage and related documentation shall not contain any provisions other than provisions generally contained in mortgages used for similar transactions in the Flagstaff, Arizona area by institutional mortgagees.

1.7 Such Mortgage and related documentation shall not contain any provisions which could be construed as rendering Lessor or any subsequent holder of the Lessor's interest in and to this Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt evidenced by such note and such Mortgage or any part thereof.

1.8 Such Mortgage and related documentation shall contain provisions to the effect that the holder of such Mortgage shall not look to Lessor or Lessor's interest in the Land, but will look solely to Lessee, Lessee's interest in the Unit, for the payment of the debt secured thereby or any part thereof. (It is the intention of the parties hereto that Lessor's consent to such Mortgage shall be without any liability on the part of Lessor for any deficiency judgment).

1.9 Such Mortgage and related documentation shall provide that in the event any part of the Security is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over to the holder of the Mortgage in accordance with the provisions of section 9 hereof.

1.10 Such Mortgage and related documentation shall contain nothing that obligates Lessor to execute an assignment of the Ground Lease Fee or other rent payable by Lessee under the terms of this Lease.

2. RIGHTS OF PERMITTED MORTGAGEE. The rights of a holder of a Permitted Mortgage ("Permitted Mortgagee") as referenced under Section 8.2 of the Lease to which this Exhibit is attached shall be as set forth below.

2.1 Permitted Mortgagee shall without requirement of consent by the Lessor have the right, but not the obligation, to:

2.1.1. cure any default under this Lease, and perform any obligation required under this Lease, such cure or performance by a Permitted Mortgagee being effective as if it had been undertaken and performed by Lessee;

2.1.2 acquire and convey, assign, transfer, and exercise any right, remedy or privilege granted to Lessee by this Lease or otherwise by law, subject to the provisions, if any, in said Permitted Mortgage, which may limit any exercise of any such right, remedy or privilege; and

2.1.3 rely upon and enforce any provisions of the Lease to the extent that such provisions are for the benefit of Permitted Mortgagee.

2.2 Permitted Mortgagee shall not, as a condition to the exercise of its rights under the Lease, be required to assume personal liability for the payment and performance of the obligations of the Lessee under the Lease. Any such payment or performance or other act by Permitted Mortgagee under the Lease shall not be construed as an agreement by Permitted Mortgagee to assume such personal liability except to the extent Permitted Mortgagee actually takes possession of the Security and the premises. In the event Permitted Mortgagee does take possession of the Security and thereupon transfers the Security, any such transferee shall be required to enter into a written agreement assuming such personal liability and upon any such assumption the Permitted Mortgagee shall automatically be released from personal liability under the Lease.

2.3 In the event that title to the estates of both Lessor and Lessee shall be acquired at any time by the same person or persons, no merger of these estates shall occur without the prior written declaration of merger by Permitted Mortgagee, so long as Permitted Mortgagee owns any interest in the Security or in a Permitted Mortgage. In the event that the estate of Lessor is owned at any time by Lessee (regardless of a merger), or by any person in which Lessee has a direct or indirect interest, Permitted Mortgagee shall not be obligated to cure any default of Lessee under the Lease as condition to the forbearance by Lessor in the exercise of Lessor's remedies as provided in the Lease.

2.4 If the Lease is terminated for any reason, or in the event of the rejection or disaffirmance of the Lease pursuant to bankruptcy law or other law affecting creditors' rights, Lessor shall enter into a new lease of the Land with the Permitted Mortgagee (or with any party designated by the Permitted Mortgagee, subject to Lessor's approval, which approval shall not be unreasonably withheld), not more than thirty (30) days after the request of the Permitted Mortgagee. Such lease shall be for the remainder of the term of the Lease, effective as of the date of such termination, rejection, or disaffirmance, and upon all the terms and provisions contained in the Lease. However, the Permitted Mortgagee shall make a written request to Lessor for such new lease within sixty (60) days after the effective date of such termination, rejection, or disaffirmance, as the case may be. Such written request shall be accompanied by a copy of such new lease, duly executed and acknowledged by the Permitted Mortgagee or the party designated by the Permitted Mortgagee to be the Lessee thereunder, and the Permitted Mortgagee shall have cured all defaults under the Lease which can be cured by the payment of money. Any new lease made pursuant to this section shall have the same priority with respect to other interests in the Premises as the Lease. The provisions of this section shall survive the termination, rejection, or disaffirmance of the Lease and shall continue in full effect thereafter to the same extent as if this section were independent and an independent contract made by Lessor, Lessee, and the Permitted Mortgagee.

2.5 The Lessor shall have no right to terminate the Lease during such time as the Permitted Mortgagee has commenced foreclosure in accordance with the provisions of the Lease and is diligently pursuing the same.

2.6 In the event that Lessor sends a notice of default under the Lease to Lessee, Lessor shall also send a notice of Lessee's default to Permitted Mortgagee. Such notice shall be given in the manner set forth in Section 14.2 of the Lease to the Permitted Mortgagee at the address that has been given by the Permitted Mortgagee to Lessor by a written notice to Lessor sent in the manner set forth in said Section 14.2 of the Lease.

Exhibit "C"
FIRST REFUSAL

Whenever HABITAT or the CITY have a right of first refusal to purchase a Unit pursuant to Section 10.5 of the Ground Lease, the following procedures shall apply. If the owner of the property offering it for sale ("Offering Party") shall within the term of the Ground Lease receive a bona fide, third-party offer to purchase the property that such Offering Party is willing to accept, the holder of the right of first refusal (the "Holder") shall have the following rights:

1. Offering Party shall give written notice of such offer ("the Notice of Offer") to Holder setting forth (a) the name and address of the prospective purchaser of the property, (b) the purchase price offered by the prospective purchaser and (c) all other terms and conditions of the sale. Holder shall have a period of forty-five (45) days after the receipt of the Notice of Offer ("the Election Period") within which to exercise the right of first refusal by giving notice of intent to purchase the property ("the Notice of Intent to Purchase") for the same price and on the same terms and conditions set forth in the Notice of Offer. Such Notice of Intent to Purchase shall be given in writing to the Offering Party within the Election Period.

2. If Holder exercises the right to purchase the property, such purchase shall be completed within sixty (60) days after the Notice of Intent to Purchase is given by Holder (or if the Notice of Offer shall specify a later date for closing, such date) by performance of the terms and conditions of the Notice of Offer, including payment of the purchase price provided therein.

3. Should Holder fail to exercise the right of first refusal within the Election Period, then the Offering Party shall have the right (subject to any other applicable restrictions in the Ground Lease) to go forward with the sale which the Offering Party desires to accept, and to sell the property within one (1) year following the expiration of the Election Period on terms and conditions which are not materially more favorable to the purchaser than those set forth in the Notice. If the sale is not consummated within such one-year period, the Offering Party's right so to sell shall end, and all the foregoing provisions of this section shall be applied again to any future offer, all as aforesaid. If a sale is consummated within such one-year period, the purchaser shall purchase subject to a renewed right of first refusal in said property.

When recorded return to:
City Clerk
211 W. Aspen Avenue
Flagstaff, Arizona 86001

DRIVEWAY MAINTENANCE AGREEMENT
HABITAT AT TIMBER SKY CONDOMINIUM

This Driveway Maintenance Agreement ("Agreement") is entered into this ____ day of December, 2025 ("Effective Date") by and between the Habitat for Humanity of Northern Arizona, Inc, an Arizona nonprofit corporation ("HFHNA") and the City of Flagstaff, an Arizona municipal corporation ("CITY").

RECITALS:

WHEREAS, HFHNA is developing a 40-unit affordable housing leasehold condominium project which is legally described in Exhibit 1 ("the Land") as shown on the Plat recorded on December __, 2025 in the records of Coconino County Recorder at Instrument No. _____ (as amended, supplemented or otherwise modified from time to time) (the "the Condominium"); and

WHEREAS, the Condominium is subject to a certain Ground Lease (Habitat at Timber Sky Condominium) recorded on December __, 2025 in the records of Coconino County Recorder at Instrument No. _____ (as amended, supplemented or otherwise modified from time to time) ("the Ground Lease"); and

WHEREAS, the Condominium will be governed by the Declaration of Condominium and Easements for Habitat at Timber Sky Condominium, recorded on December __, 2025, in the records of Coconino County Recorder at Instrument No. _____ (as amended, supplemented or otherwise modified from time to time)("the Declaration"); and

WHEREAS, HFHNA has requested CITY to maintain driveways and parking in the Condominium to further support the affordable housing project and CITY is willing to do so; and

WHEREAS, the Condominium adjoins a master planned development known as "Timber Sky", as set forth in the Declaration of Covenants, Conditions and Restrictions for Timber Sky, recorded on November 27, 2019, in the Coconino County Recorder at Document No. 3859262 (as amended, supplemented or otherwise modified from time to time)("the Master Planned Development").

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties agree as follow:

1. TERM AND TERMINATION.
This Agreement shall commence on the Effective Date and continue until the expiration or earlier termination of the Ground Lease. The Agreement may be amended or renewed with mutual agreement of the parties.

2. COSTS.
Each party shall be responsible for each party's own costs for performance of its respective obligations. The parties do not currently anticipate the need for a budget but will create one should the needs arise.

3. SCHEDULED MAINTENANCE.

CITY at its expense shall complete Scheduled Maintenance of the driveways and parking areas generally depicted on the attached Exhibit 2 ("the Condominium Driveway"). For purposes of this Agreement "Scheduled Maintenance" shall mean pavement maintenance of the Condominium Driveway when all of the following conditions are met: (a) the CITY has scheduled pavement maintenance of the public streets in the Master Planned Development and the CITY has determined that the Condominium Driveway requires pavement maintenance based on its then-current City of Flagstaff pavement rating system for public streets; (b) CITY is able to complete pavement maintenance of the public streets in the Master Planned Development and the Condominium Driveway as part of one project, so as to avoid additional project mobilization costs; (c) the CITY has received express written permission for the maintenance work from the homeowners' association for the Condominium. If the CITY is including striping (paint) of public streets as part of the one project, then CITY will provide striping (paint) for the Condominium Driveway in the same manner as part of Scheduled Maintenance. CITY is hereby granted a license to perform the Scheduled Maintenance in, under, over and across the Condominium Driveway, and to utilize such portions of the Common Elements of the Condominium to the extent necessary to complete such work.

4. ROUTINE MAINTENANCE.
Other than the Scheduled Maintenance described above, CITY shall have no obligation to maintain the Condominium Driveway. It is expressly understood that CITY shall not be responsible for repair of potholes, curbs, and sidewalks, or routine striping (paint) of parking spaces. CITY shall not be responsible for snowplowing of the Condominium Driveway.

5. PERSONNEL.
Each party is an independent contractor and is independent of the other party. 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.

6. POINTS OF CONTACT.
HFHNA points of contact for this Agreement are, as of the Effective Date:
Eric Wolverton, Chief Executive Officer 928-814-9368 eric@h4hnaz.org

CITY points of contact for this Agreement are, as of the Effective Date:
Sam Beckett, Streets Section Director (928) 213-2105 Samuel.Beckett@flagstaffaz.gov

Scott Overton, Public Works Director	(928) 213-2107	Scott.Overton@flagstaffaz.gov
Paul Mood, City Engineer	(928) 213-2675	Paul.Mood@flagstaffaz.gov
Aaron Kaminski, Risk Mgmt. Director	(928) 213-2082	Aaron.Kaminski@flagstaffaz.gov

Each party shall be responsible for notifying the other party of any changes to these points of contact.

7. 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, including but not limited to acts of God, epidemics, pandemics, known or suspected threats of illness, war, civil disturbance, terrorism, disaster, fire, earthquakes, hurricanes, or government regulation. However, once the condition delaying or preventing performance is removed, such party will then be required to perform as required by this Agreement.

8. NON-APPROPRIATION OF FUNDS.
CITY may delay or postpone Scheduled Maintenance due to municipal budget constraints and non-appropriation of funds for the fiscal year (July 1 – June 30), without penalty or liability to HFHNA or the Habitat at Timber Sky Condominium or any of its members. However, once the financial circumstances delaying or preventing performance is removed, CITY will then be required to perform as required by this Agreement. It is expressly understood that CITY is unable to use local transaction privilege tax revenues dedicated for maintenance of public streets or state Highway User Revenue Funds ("HURF") for performance of this Agreement.

9. ARBITRATION.
Pursuant to A.R.S. §12-1518, the parties acknowledge and agree that both parties 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.

10. 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.

11. GOVERNING LAW AND TERMS.
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. All amendments or modifications of this Agreement shall be in writing and approved by the parties.

12. 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 Agreement, the CITY may cancel the Contract within three years after its execution, without penalty or further liability to HFHNA.

13. THIRD PARTY BENEFICIARY.
The Habitat at Timber Sky Condominium Association (when formed), is a third party beneficiary of this Agreement and entitled to enforce this Agreement on behalf of the lessees/unit owners of the Land. Individual members of the Habitat at Timber Sky Condominium Association are not third party beneficiaries.

14. ASSIGNMENT.

This Agreement shall not be assigned by either party, with the following exceptions: (a) HFHNA may assign this Agreement to the homeowners association established for the Habitat at Timber Sky Condominium; (b) CITY may assign this Agreement with written consent of 2/3 vote of the members of the homeowners association established for the Habitat at Timber Sky Condominium, subject to reasonable assurances and conditions that the assignee shall provide the same level or better Scheduled Maintenance as CITY is required to provide herein. Any request for assignment hereunder shall not be unreasonably withheld, conditioned, or delayed. Any assignee shall assume all rights and obligations of the assignor.

[SIGNATURE PAGES FOLLOW]

[SIGNATURE PAGE TO DRIVEWAY MAINTENANCE AGREEMENT]

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, an Arizona municipal corporation

_____
Joanne Keene, City Manager

Attest:

_____
City Clerk

Approved as to form:

_____
City Attorney

STATE OF ARIZONA)
) ss
County of Coconino)

On this ___ day of December, 2025, personally appeared before me Joanne Keene, who acknowledged herself to be the **City Manager of the City of Flagstaff**, and being authorized so to do, executed the foregoing instrument in the capacity therein stated, and for the purposes therein contained, by signing the name of the City as such officer.

NOTARY SEAL:

_____
Notary Public

_____

[SIGNATURE PAGE TO DRIVEWAY MAINTENANCE AGREEMENT]

HABITAT FOR HUMANITY OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation

By: _____
Name: Eric Wolverton
Its: Chief Executive Officer

STATE OF ARIZONA)
) ss.
County of Coconino)

The foregoing instrument was acknowledged before me this _____ day of December, 2025, by Eric Wolverton, the Chief Executive Officer of Habitat for Humanity of Northern Arizona, Inc., an Arizona nonprofit corporation, for and on behalf of the corporation.

NOTARY SEAL: _____
Notary Public

_____

Exhibit 1
Legal Description of Land

UNIT 1 THROUGH 40, INCLUSIVE, AND TRACT A OF HABITAT AT TIMBER SKY CONDOMINIUM, A LEASEHOLD CONDOMINIUM, (1) ACCORDING TO THAT CERTAIN DECLARATION OF CONDOMINIUM AND EASEMENTS FOR HABITAT AT TIMBER SKY CONDOMINIUM, A LEASEHOLD CONDOMINIUM, RECORDED ON DECEMBER __, 2025, AS INSTRUMENT NUMBER _____ IN THE OFFICAL RECORDS OF THE COCONINO COUNTY RECORDER, AS AMENDED AND (2) AS ESTABLISHED BY THAT CERTAIN FINAL PLAT FOR HABITAT AT TIMBER SKY CONDOMINIUM, A LEASEHOLD CONDOMINIUM, RECORDED ON DECEMBER __, 2025, AS INSTRUMENT NUMBER _____ IN THE OFFICAL RECORDS OF THE COCONINO COUNTY RECORDER, AS AMENDED.

TOGETHER WITH AN UNDIVIDED INTEREST IN THE COMMON ELEMENTS, AS SET FORTH IN THE FOREGOING DECLARATION AND PLAT.

FORMERLY KNOWN AS LOT 1 OF THE FINAL PLAT FOR TIMBER SKY BLOCK 2, RECORDED ON JANUARY 28, 2025, AS INSTRUMENT NO. 4010656, IN THE OFFICIAL RECORDS, COCONINO COUNTY, ARIZONA.

Exhibit 2
General Depiction of Condominium Driveway

When recorded, return to:

Vintage Partners LLC
2502 East Camelback Road, Suite 214
Phoenix, Arizona 85016
Attn: Mark Ortman

DECLARATION OF ANNEXATION AND SUPPLEMENTAL DECLARATION TO DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR TIMBER SKY

This Declaration of Annexation and Supplemental Declaration to Declaration of Covenants, Conditions, Restrictions and Easements for Timber Sky (this "**Supplemental Declaration**") is executed as of December __, 2025, by and between **VP 66 & WOODY MOUNTAIN, LLC**, an Arizona limited liability company ("**Declarant**"), with the consent and approval of **HABITAT FOR HUMANITY OF NORTHERN ARIZONA, INC.**, an Arizona nonprofit corporation ("**Habitat**"), **TIMBER SKY COMMUNITY ASSOCIATION**, an Arizona nonprofit corporation (the "**Association**") and the **CITY OF FLAGSTAFF**, an Arizona municipal corporation ("**City**").

RECITALS

A. Declarant is the owner and holder of the rights and privileges as the "Declarant" under that Declaration of Covenants, Conditions, and Restrictions for Timber Sky (as amended, the "**Declaration**"), recorded on November 27, 2019, as instrument No. **3859262** in the Official Records of the Coconino County Recorder ("**Recorder's Office**"), and has the right to annex additional property into the Declaration.

B. City owns the real property described on **Exhibit A-1** attached hereto (the "**City Property**"). City has entered into and recorded a Ground Lease with respect to the City Property pursuant to which Habitat has leased the City Property for the Habitat at Timber Sky Condominiums, a leasehold condominium.

C. Habitat is the lessee under such Ground Lease and owner of a leasehold interest in the City Property and the owner of the Residences constructed thereon, and the leasehold condominium is described on **Exhibit A-2** attached hereto (the "**Habitat Property**"). On or after the date hereof Habitat will construct Residences on the Habitat Property and convey Condominium Units in the leasehold

condominium to Purchasers.

D. The City Property and Habitat Property together constitute the "**Subject Property.**" Pursuant to Section 2.2 of the Declaration, Declarant has the right to annex and subject to the Declaration any portion of the Additional Property, and pursuant to Section 2.3 of the Declaration, Declarant, with the consent of Habitat and the City, has the right to record a Supplemental Declaration against the Subject Property. The Subject Property is part of the Additional Property.

E. The parties desire to execute and record this Supplemental Declaration in order to (i) annex and subject the Subject Property to the Declaration, (ii) establish Special Services for, and a Benefited Property Assessment Area that includes, the Subject Property, and to provide for the levy of a Benefited Property Assessment to pay for Benefited Property Expenses for such Special Services; and (iii) impose additional and different covenants, conditions, restrictions and/or easements on the Subject Property in order to effectuate the unique development of the Subject Property as a leasehold condominium and an affordable housing development.

F. Capitalized terms not defined herein shall have the meanings given them in the Declaration.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficient of which is hereby acknowledged, the parties, hereby declare and agree as follows:

DECLARATION

1. Definitions. Capitalized terms not defined herein shall have the meanings given them in the Declaration. Unless otherwise defined, the following words, phrases, or terms used in this Supplemental Declaration shall have the following meanings:

a. "**Common Elements**" means the common elements identified in the condominium plat and condominium declaration for the leasehold condominium, which are described on **Exhibit A-2**, but in all events excluding the Condominium Units.

b. "**Condominium Unit**" means each leasehold Condominium Unit (as defined in the Declaration)

c. "**Ground Lease**" means that certain Ground Lease (Habitat at Timber Sky Condominium) between Ground Lessor and Ground Lessee, as amended.

d. "**Ground Lessor**" means the City of Flagstaff, and any future owner of fee title to the City Property.

e. "**Ground Lessee**" means each "Lessee" under the Ground Lease from time to time, which will be the Owners of the Condominium Units. Habitat will be the initial Ground Lessee.

f. "**Habitat Control Period**" means the period commencing on the date hereof and ending on the date that all of the following occur: (i) Habitat no longer owns any Condominium Unit; (ii) Habitat no longer has the right to repurchase any Condominium Unit; and (iii) Habitat is no longer a First Mortgagee with respect to any Condominium Unit.

g. "**Habitat Driveway and Parking Areas**" means all private drives, parking areas and pavement, now or hereafter located on or within the Common Elements.

h. "**Habitat Landscaped Areas**" means all landscaping, drainage and open space, now or hereafter located on or within the Common Elements and excluding the Habitat Driveway and Parking Areas.

i. **"Habitat Special Services"** means: (i) the Maintenance by the Association of the Habitat Driveway and Parking Areas and Habitat Landscaped Areas to the extent provided herein and (ii) the performance of snow removal services for the Habitat Driveway and Parking Areas, to the extent provided herein.

2. Annexation of Subject Property. Subject to the terms of this Supplemental Declaration, (i) the Subject Property is hereby annexed and subjected to the Declaration in all respects and is now part of Timber Sky and (ii) all covenants, conditions, restrictions, easements and other provisions set forth in the Declaration are hereby extended to the Subject Property.

3. Neighborhood Declaration and Neighborhood Association. On or after the date hereof, Habitat intends to (i) execute and record a certain Declaration of Condominium and Easements for Habitat at Timber Sky Condominium, a Leasehold Condominium (the "**Condominium Declaration**") creating a leasehold condominium for the Habitat Property and (ii) execute and file with the Arizona Corporation Commission certain Articles of Incorporation for the formation of Habitat at Timber Sky Condominium Association (the "**Condominium Association**"). The Condominium Declaration is a Neighborhood Declaration under the Declaration, and the Condominium Association is a Neighborhood Association under the Declaration.

4. Habitat Special Services; Benefited Property Assessments.

a. Agreement to Provide Special Services. Subject to Section 4(c) of this Supplemental Declaration, the Association will provide the Habitat Special Services, and the same shall be Special Services for all purposes under the Declaration.

b. Designation of Benefited Property Assessment Area and Benefited Property Assessment. The Condominium Units within the Habitat Property are hereby established as a Benefited Property Assessment Area for the Habitat Special Services. The Association shall levy and collect a Benefited Property Assessment against all Condominium Units within the Habitat Property at a uniform amount per Membership to pay for all Benefited Property Expenses incurred by the Association to provide the Habitat Special Services. As required by the Declaration, including, without limitation, Section 6.5., the Benefited Property Expenses will be shown separately in a Budget adopted by the Board. The Ground Lessor does not have a Membership except for such period of time, if any, that it is an Owner of a Residence.

c. Scope of Habitat Special Services. The Association shall be responsible for (i) the Maintenance of the Habitat Driveway and Parking Areas, including, without limitation, repair, resurfacing, seal coating, patching, striping, and other customary upkeep necessary to preserve the functional condition of the Habitat Driveway and Parking Areas, (ii) the Maintenance of the Habitat Landscaped Areas, at a similar level as the Maintenance provided to Association Common Area; and (iii) the removal of snow from the Habitat Driveway and Parking Areas. Notwithstanding the foregoing, the Association will not be required to perform any Maintenance to the Habitat Driveway

or Parking Area that the City may agree to perform pursuant to a separate agreement for the benefit of the Habitat Property to support affordable homeownership ("City Maintenance"). The Association shall determine when Maintenance (other than City Maintenance) shall occur based on the durability, wear, and overall appearance of Habitat Driveway and Parking Areas and Habitat Landscaped Areas, and in the case of snow removal, based upon the extent of the snow and the costs associated with such removal. If any damage to the Habitat Driveway and Parking Areas or Habitat Landscaped Areas occurs or any repairs are needed due to the acts or omissions of the Owner of a Condominium Unit, or its Residents, guests, or invitees, then the Association shall have the right to charge such Owner for the damage and repair, except to the extent caused by the negligence of the Association, or its employees, contractors, or agents. **EACH OWNER EXPRESSLY ACKNOWLEDGES AND AGREES THAT THE ASSOCIATION IS NOT REQUIRED TO MAINTAIN ANY PROPERTY INSURANCE ON OR WITH RESPECT TO THE SUBJECT PROPERTY. ANY PROPERTY INSURANCE WITH RESPECT TO THE COMMON ELEMENTS, IF ANY, WILL BE MAINTAINED BY THE CONDOMINIUM ASSOCIATION TO THE EXTENT REQUIRED BY THE CONDOMINIUM DECLARATION. HOWEVER, THE ASSOCIATION SHALL MAINTAIN, AND SHALL REQUIRE ITS CONTRACTORS AND AGENTS WHO ARE PERFORMING SPECIAL SERVICES TO MAINTAIN, GENERAL LIABILITY INSURANCE CONSISTENT WITH INDUSTRY STANDARDS**

d. Enforcement. The Benefited Property Assessments established by this Supplemental Declaration shall be due and payable at such times and in such installments as the Board determines and shall be collected and enforced in the same manner as Assessments under the Declaration, including the lien and foreclosure remedies set forth therein. Unless otherwise determined by the Board, the Benefited Property Assessments established by this Supplemental Declaration shall be due and payable at the same time as Regular Assessments of the Association. If the Benefited Property Assessments established by this Supplemental Declaration are not paid timely and such failure is not cured within ten (10) business days after receipt of such notice by the applicable non-paying Owner of the Condominium Unit (and by the Condominium Association, Habitat, and the City), then the Association may suspend its obligation to perform the Habitat Special Services until all outstanding payments are made. .

e. Termination of Habitat Special Services. Provided that all Benefited Property Assessments then due and payable are paid, the Condominium Association shall have the right to take over the Habitat Special Services upon written notice to the Association, provided that during the Habitat Control Period Habitat must also give its written approval and after the Habitat Control Period the City (Ground Lessor) must also give its written approval. Upon the occurrence of the foregoing, the Condominium Association will have the obligation to provide the Habitat Special Services in accordance with the terms hereof and the Condominium Declaration.

5. Special Provisions Regarding Condominium and Ownership.

a. Owner of Subject Property. With respect to the Subject Property, the then applicable owner of a Condominium Unit shall be treated as the Owner under the Declaration and this Supplemental Declaration with respect to the applicable Condominium Unit owned by it, but excluding others who hold title in the Condominium Unit merely as security. For the avoidance of doubt, the underlying fee owner of the City Property (i.e., the Ground Lessor under the Ground Lease) will not be deemed the Owner under the Declaration or this Supplement Declaration, or have any obligations or liabilities under the Declaration or this Supplemental Declaration, unless and until either the Ground Lease or the Condominium comprising the Habitat Property is terminated.

b. Restrictions on Modifications or Amendments. This Supplemental Declaration may be amended or modified with the written approval of the Persons required by the Declaration plus (i) the Ground Lessor; and (ii) Habitat (during the Habitat Control Period) or the Condominium Association (after the expiration of the Habitat Control Period). Nothing herein shall be construed to limit the rights to De-Annexation under Section 5(c), below.

c. De-Annexation. Declarant and Association acknowledge that Habitat and the City would not have consented to this Supplemental Declaration, and the annexation of the Subject Property into the Declaration, unless the City and Habitat were given the right to de-annex the Subject Property from the Declaration, therefore, the Subject Property may be de-annexed from the Declaration at any time upon the written approval of (A) both the Ground Lessor and Habitat (during the Habitat Control Period), or (B) after the expiration of the Habitat Control Period, by both the Ground Lessor and the Condominium Association. In addition, the Subject Property may be de-annexed from the Declaration by the Ground Lessor at any time after the expiration or termination of the Ground Lease. Any such de-annexation may occur by recording an instrument providing for such de-annexation and upon the recording of such instrument the Subject Property will no longer be subject to the Declaration in any respect and this Supplemental Declaration will be of no further force or effect; provided, however, that no de-annexation will relieve the Owners of the Condominium Units from payment of any Assessments for periods prior to such de-annexation.

d. Parking. The Declarant and the Association acknowledge that the Subject Property will not contain garages or carports (unless later approved by the Design Review Committee) and agree that Motor Vehicles will be parked on those portions of the Subject Property designated for parking from time to time.

e. Owner Violations. The Association agrees to provide any notice of any violation of the Declaration or the other Community Documents by an Owner or Occupant of the Habitat to Habitat (during the Habitat Control Period) and the Ground Lessor and Condominium Association (after the expiration of the Habitat Control Period).

6. Design Review Approval. Declarant and the Association, on behalf of itself and the Design Review Committee, hereby acknowledge and agree that all plans and specifications for the Condominium Units and the Habitat Property, and all Improvements to be constructed thereon, have been fully approved in accordance with the Declaration and the other Community Documents.

7. Builder Status. Habitat is hereby granted and entitled to all rights as a Builder under the Declaration and shall have all obligations of a Builder under the Declaration.

8. Interpretation. This Supplemental Declaration shall be considered an integral part of the Declaration, shall run with the Subject Property, and shall be binding on all parties having or acquiring any right, title or interest in the Subject Property, or any part thereof, and their respective heirs, successors and assigns. Declarant and the Association acknowledge and agree that Habitat and the City would not have permitted the Subject Property to be annexed and subjected to the Declaration without the additional covenants, conditions, restrictions and other provisions set forth herein. In the event of any conflict between this Supplemental Declaration and the Declaration, this Supplemental Declaration shall control.

9. Severability. Wherever possible, each provision of this Supplemental Declaration shall

be interpreted in such manner as to be valid under applicable law, but if any provision of this Supplemental Declaration shall be invalid or prohibited hereunder, such provision shall be ineffective to the extent of such prohibition or invalidation which shall not invalidate the remainder of such provision or the remaining provisions of this Supplemental Declaration.

10. Recitals. The Recitals above shall be incorporated herein by this reference.

(Balance of Page Intentionally Left Blank; Signature Page Follows)

[Signature Page to Declaration of Annexation and Supplemental Declaration to Declaration of Covenants, Conditions, Restrictions and Easements for Timber Sky]

IN WITNESS WHEREOF, Declarant has executed this Supplemental Declaration as of the Effective Date set forth above.

DECLARANT:

VP 66 & WOODY MOUNTAIN, LLC, an Arizona limited liability company

By: Vintage Partners, LLC, an Arizona limited liability company
Its: Manager

By: Edward & Company, LLC, and Arizona limited liability company
Its: Administrative Member

By: _____
Name: _____
Its: Manager

STATE OF ARIZONA)
) ss.
County of)

Acknowledged before me this _____ day of _____, 20___ by _____ _____, the Manager of Edward & Company, LLC, an Arizona limited liability company, the Administrative Member of Vintage Partners, LLC, an Arizona limited liability company, the Manager of VP 66 & Woody Mountain, LLC, an Arizona limited liability company, for and on behalf thereof.

NOTARY SEAL: _____
Notary Public

[Signature Page to Declaration of Annexation and Supplemental Declaration to Declaration of Covenants, Conditions, Restrictions and Easements for Timber Sky]

HABITAT FOR HUMANITY OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation

By: _____
Name: Eric Wolverton
Its: Chief Executive Officer

STATE OF ARIZONA)
) ss.
County of Coconino)

The foregoing instrument was acknowledged before me this _____ day of December, 2025, by Eric Wolverton, the Chief Executive Officer of Habitat for Humanity of Northern Arizona, Inc., an Arizona nonprofit corporation, for and on behalf of the corporation.

NOTARY SEAL: _____
Notary Public

_____

[Signature Page to Declaration of Annexation and Supplemental Declaration to Declaration of Covenants, Conditions, Restrictions and Easements for Timber Sky]

TIMBER SKY COMMUNITY ASSOCIATION, an Arizona nonprofit corporation

By: _____
Name: _____
Its: _____

State of ARIZONA)
) ss.
County of Coconino)

The foregoing instrument was acknowledged before me this _____ day of December, 2025, by _____, the _____ of Timber Sky Community Association, an Arizona nonprofit corporation, for and on behalf of the corporation.

_____
Notary Public

My Commission Expires: _____

[Signature Page to Declaration of Annexation and Supplemental Declaration to Declaration of Covenants, Conditions, Restrictions and Easements for Timber Sky]

_____
Joanne Keene, City Manager

Attest:

_____
City Clerk

Approved as to form:

_____
City Attorney

STATE OF ARIZONA)
) ss
County of Coconino)

On this ___ day of _____, 20___, personally appeared before me Joanne Keene, who acknowledged herself to be the **City Manager of the City of Flagstaff**, and being authorized so to do, executed the foregoing instrument in the capacity therein stated, and for the purposes therein contained, by signing the name of the Lessor himself as such officer.

_____
Notary Public

My Commission Expires:_____

EXHIBIT A-1

(Legal Description of City Property)

LOT 1 OF THE FINAL PLAT FOR TIMBER SKY BLOCK 2, RECORDED ON JANUARY 28, 2025, AS INSTRUMENT NO. 4010656, OFFICIAL RECORDS, COCONINO COUNTY, ARIZONA.

EXHIBIT A-2

(Legal Description of Habitat Property)

UNITS 1 THROUGH 40, INCLUSIVE, AND TRACT A, OF HABITAT AT TIMBER SKY CONDOMINIUM, A LEASEHOLD CONDOMINIUM, (1) ACCORDING TO THAT CERTAIN DECLARATION OF CONDOMINIUM AND EASEMENTS FOR HABITAT AT TIMBER SKY CONDOMINIUM, A LEASEHOLD CONDOMINIUM, RECORDED ON _____, AS INSTRUMENT NUMBER _____ IN THE OFFICAL RECORDS OF THE COCONINO COUNTY RECORDER, AS AMENDED AND (2) AS ESTABLISHED BY THAT CERTAIN FINAL PLAT FOR HABITAT AT TIMBER SKY CONDOMINIUM, A LEASEHOLD CONDOMINIUM, RECORDED ON _____, AS INSTRUMENT NUMBER _____ IN THE OFFICAL RECORDS OF THE COCONINO COUNTY RECORDER, AS AMENDED.

TOGETHER WITH AN UNDIVIDED INTEREST IN THE COMMON ELEMENTS, AS SET FORTH IN THE FOREGOING DECLARATION AND PLAT.

December __, 2025

Via Email (sarah.landry@pioneertitleagency.com
Sarah Landry, Sr Escrow Officer
Pioneer Title Agency, Inc.
821 W Riordan Road, Flagstaff, Az 86001

Re: Joint Closing Instructions Letter for Creation of the Habitat at Timber Sky Condominiums (the "**Transaction**"); Pioneer Title Agency ("**Pioneer**") File No. 2171022416 - SL (the "**Escrow**").

Sarah:

This letter is being delivered to you on behalf of **HABITAT FOR HUMANITY OF NORTHERN ARIZONA, INC.**, an Arizona non-profit corporation ("**Habitat**") and the **CITY OF FLAGSTAFF** (the "**City**") in connection with the Transaction, which will result in (1) the conveyance of Lot 1 of the Final Plat for Timber Sky Block 2 (the "**Property**") by Habitat to the City; (2) the lease of the Property by the City back to Habitat; and (3) the creation of Habitat at Timber Sky Condominiums, a leasehold condominium. In the event you receive conflicting instructions from anyone else, do not proceed to the recording and closing of the Transaction (the "**Closing**") until you have contacted our office and have received further instructions.

A. Closing Documents. On or before the Closing, originals (except where indicated) of all the documents described on **Exhibit A** attached hereto (collectively, the "**Closing Documents**"), shall have been delivered to you, each executed and acknowledged where appropriate.

B. Closing Conditions.

Pioneer is not authorized to disburse any funds, deliver any Closing Documents, or otherwise proceed with the Closing until all of the following closing conditions have been satisfied:

1. You have verified that all Closing Documents have been duly executed and appropriately acknowledged by all parties thereto and that all counterparts have been assembled into complete, fully executed and acknowledged documents;

2. You have verified that Habitat and the City have approved of Pioneer's Settlement Statement for the Transaction;

3. All requirements set forth in the most recent Commitment for Title Insurance for File No. 2171022416 - SL (the "**Title Commitment**") have been satisfied;

4. Pioneer is irrevocably committed to issue an ALTA Extended Coverage Owner's Policy of Title Insurance to Habitat insuring its leasehold interest in the in the amount of $5,250,000[1] and in the form attached hereto as **Exhibit B** (the "**Title Policy**"). Pioneer agrees (i) to be responsible for the gap time between the effective date of the Title Commitment and the time of Closing and recording of the last Closing Document, with no new exceptions; and (ii) that Pioneer's Settlement Statement reflects all amounts required to be paid for the issuance of such Title Policy.

5. Any conditions to delivery and execution of any of the Closing Documents have been satisfied;

6. All appropriate blanks contained in the Closing Documents have been completed, including dating such documents with the date of Closing;

7. Pioneer has confirmed that the correct legal description is attached to the Closing Documents, where appropriate, and confirmed that all documents requiring exhibits have the correct exhibits attached;

8. You have emailed to the following parties fully executed copies of all of the Closing Documents (jsenften@gblaw.com); (Eric@h4hnaz.org); and (AWendel@flagstaffaz.gov) (collectively, the "Authorized Parties");

9. You have executed this letter and returned it to the parties above by email, without change. Regardless of any failure by you to execute and deliver this letter, Pioneer's disbursement of any funds, delivery of any Closing Documents, recording of any Closing Documents, or closing of the Escrow will be deemed to be Pioneer's agreement to comply with these instructions; and

10. You have received email authorization from each of the Authorized Parties to proceed with the Closing.

C. Recording Order. Once you have complied with all of the terms of this letter and have been authorized to proceed with Closing, please proceed to record the following documents in the Official Records of the Coconino County Recorder's Office in the following order.

1. The Restrictive Covenant Agreement;
2. The Deed to the City;
3. The Ground Lease;
4. The Condominium Replat;
5. The Condominium Declaration;

[1] NTD: Amount of Title Insurance to be confirmed by Eric Wolverton prior to Closing.

6. The Supplemental Declaration (and prior to recording the Supplemental Declaration, Pioneer will insert the missing information in the legal description of the Condominium, included in the Supplemental Declaration);
7. The Driveway Maintenance Agreement (and prior to recording the Driveway Maintenance Agreement, Pioneer will insert the missing information regarding the Condominium Replat, Ground Lease, Condominium Declaration, and legal description of the Condominium, into said Driveway Maintenance Agreement); and
8. The ADOH Amendment (and prior to recording the ADOH Amendment, Pioneer will insert the missing information in the legal description of the Condominium, included in the ADOH Amendment).

D. Post-Closing Requirements.

After you have completed the Closing, please deliver to jsenften@gblaw.com all of the original recorded documents.

Sincerely,

HABITAT FOR HUMANITY OF NORTHERN ARIZONA, INC., an Arizona nonprofit corporation

By: _____
Name: Eric Wolverton
Its: Chief Executive Officer

CITY OF FLAGSTAFF, an Arizona municipal corporation

_____
Joanne Keene, City Manager

RECEIPT AND ACCEPTANCE

Pioneer Title Agency, Inc. (in its individual capacity and as issuing agent for First American Title Insurance Company) acknowledges receipt of the foregoing instruction letter on December ____, 2025 and agrees to comply with the instructions and obligations contained in such letter.

Pioneer Title Agency, Inc.

By:_____
Name:_____
Title:_____

Exhibit A

Closing Documents

1. The Restrictive Covenant Agreement by and between VP 66 & Woody Mountain, LLC ("**Vintage**"), Habitat, and the City (the "**Restrictive Covenant Agreement**").

2. The Special Warranty Deed from Habitat to the City, conveying the Property (the "**Deed**").

3. The Ground Lease (Habitat at Timber Sky Condominium) (the "**Ground Lease**") by and between Habitat and the City.

4. The Final Plat for Habitat at Timber Sky Condominium, a leasehold condominium (the "**Condominium Replat**") by Habitat and the City.

5. The Declaration Of Condominium And Easements For Habitat At Timber Sky Condominium (a "Leasehold condominium" per A.R.S. § 33-1216) (the "**Condominium Declaration**") by Habitat, with the consent of Vintage and the City.

6. The Declaration of Annexation and Supplemental Declaration to Declaration of Covenants, Conditions, Restrictions and Easements for Timber Sky (the "**Supplemental Declaration**") by and between Vintage, Habitat, the City, and the Timber Sky Community Association.

7. The Driveway Maintenance Agreement Habitat at Timber Sky Condominium (the "**Driveway Maintenance Agreement**") by and between Habitat and the City.

8. The Amendment To Deed Of Trust And Other Loan Documents And Subordination (the "**ADOH Amendment**") by and between Habitat and the State of Arizona, Arizona Department of Housing ("**ADOH**").

9. A Letter Agreement by and between ADOH and Habitat.

10. The Habitat Affordability Plan by and between Habitat and the City, and upon completion of the Closing the City is authorized to fill in the missing recording information into the Habitat Affordability Plan.

11. The Agreement for Subsidy of Association Assessments by and between Habitat and the City.

12. A Nonforeign Affidavit, executed by Habitat.

13. A Settlement Statement, to be approved by Habitat and the City.

14. Such other documents as reasonably required by Pioneer to proceed with Closing, as approved by Habitat and the City.

Exhibit B

Title Policy

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Georganna Staskey, Deputy City Clerk

Date: 12/10/2025

Meeting Date: 12/16/2025

TITLE:

Consideration and Approval of Letter of Support: to renew the long-term authorization of annual deposits to the Historic Preservation Fund.

STAFF RECOMMENDED ACTION:

Approve the letter of support.

Executive Summary:

City staff received a request to voice the City's support to renew the long-term authorization of annual deposits to the Historic Preservation Fund (HPF). The HPF supports the expertise of State and Tribal Historic Preservation Offices in protecting and sharing the American story. For over half a century, annual deposits to the HPF have remained fixed at $150 million--unchanged despite the program's clear success and the escalating demands placed on SHPO and THPO offices. After adjusting for inflation, the current deposits into the HPF would be equivalent to nearly $850 million per year. With Congress consistently allocating more funding than the program's authorized deposit each year, it is time to realign the Historic Preservation Fund (HPF) with Congressional intent to ensure its continued success over the next 50 years. During this important anniversary year, the federal government must lead the nation in demonstrating a strong, long-term commitment to preserving our nation's history.

Financial Impact:

N/A

Policy Impact:

N/A

Previous Council Decision or Community Discussion:

N/A

Options and Alternatives to Recommended Action:

Do not approve the letter of support.

Background and History:

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

Connection to Division Specific Plan:
N/A

Attachments: Letter of Support

CITY OF
FLAGSTAFF

FLAGSTAFF CITY COUNCIL
211 West Aspen Avenue, Flagstaff, Arizona 86001
Main Line: 928-213-2000
Website: https://www.flagstaff.az.gov

The Honorable Bruce Westerman
Chairman, House Committee on Natural Resources
1324 Longworth House Office Building
Washington, D.C. 20510

The Honorable Jared Huffman
Ranking Member, House Committee on Natural Resources
1332 Longworth House Office Building
Washington, D.C. 20510

November 05, 2025

Dear Chairman Westerman and Ranking Member Huffman:

The undersigned organizations representing Americans from across the country urge Congressional action to renew the long-term authorization of annual deposits to the Historic Preservation Fund (HPF).

With the passage of the National Historic Preservation Act in 1966, Congress declared, "the historical and cultural foundations of the Nation should be preserved as a living part of our community life and development." As we prepare to commemorate America's 250th anniversary next year, the time has come for the federal government to renew its commitment to preserve, enhance, and promote the history of our great nation.

In keeping with this responsibility, the HPF represents nearly half a century of federal, state, Tribal, and private sector collaboration. Created in the 1970s and administered by the National Park Service (NPS), the HPF supports the expertise of State and Tribal Historic Preservation Offices in protecting and sharing the American story. The program also supports the administration of the National Register of Historic Places, the Historic Tax Credit program, facilitates delivery of critical infrastructure projects through statutorily required preservation reviews, and empowers competitive brick and mortar grant programs that support America's most important preservation efforts. Nearly every community across the country has benefitted from HPF investments, from the transformation of the Hale Bathhouse in Hot Springs, Arkansas, into a thriving hotel utilizing the Historic Tax Credit program; to Save America's Treasures projects across California, including the Mendocino Woodlands State Park – and many more across all 50 states, territories and the District of Columbia.

For over half a century, annual deposits to the HPF have remained fixed at $150 million—unchanged despite the program's clear success and the escalating demands placed on SHPO and THPO offices. After adjusting for inflation, the current deposits into the HPF would be equivalent to nearly $850 million per year. With Congress consistently allocating more funding than the program's authorized deposit each year, it

is time to realign the Historic Preservation Fund (HPF) with Congressional intent to ensure its continued success over the next 50 years. During this important anniversary year, the federal government must lead the nation in demonstrating a strong, long-term commitment to preserving our nation's history.

We commend the efforts of the House of Representative's Historic Preservation Caucus, led by Congressman Mike Turner (R-OH) and Teresa Leger Fernández (D-NM), in introducing the bipartisan Historic Preservation Fund Reauthorization Act (H.R. 3418) to reauthorize the HPF annual deposit, with proposed increases from $150 million to $250 million annually for 10 years. We cannot think of more fortuitous timing as we prepare for the 50th anniversary of the Historic Preservation Fund in 2026, in addition to commemorating the 250th anniversary of American independence, the 60th anniversary of the National Historic Preservation Act, and the 50th anniversary of the Historic Tax Credit program. This moment presents an important opportunity to unite Americans as we reflect upon our nation's humble beginnings, its tragedies and triumphs, and its rise to prominence as a beacon of hope the world over.

Today, we ask for the help of Congress in upholding a commitment to America's story by passing the Historic Preservation Reauthorization Act.

Sincerely,

Becky Daggett

Becky Daggett,
Mayor, City of Flagstaff, on behalf of the Flagstaff City Council

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Brian Gall, Airport Director

Co-Submitter: Heidi Derryberry

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE:

Consideration and Adoption of Ordinance No. 2025-30: An ordinance of the City Council of the City of Flagstaff, Amending The Flagstaff City Code, Title 3 Business Regulations, Chapter 3-10 User Fees, to establish Airport Rates And Fees, and by amending Title 8 Public Ways And Property, Chapter 8-06 Airport Rules And Regulations to add definitions of secured areas of the Airport; providing for penalties, repeal of conflicting Ordinances, severability, providing for clerical corrections, and establishing an effective date.

STAFF RECOMMENDED ACTION:

1. Read Ordinance No. 2025-30 by title only for the final time
2. City Clerk reads Ordinance No. 2025-30 by title only (if approved above)
3. Adopt Ordinance No. 2025-30

Executive Summary:

The proposed ordinance will increase paid parking rates and establish additional categories of paid parking rates for Flagstaff Pulliam Airport effective January 15, 2026, and establish a rate increase effective July 1, 2026. The ordinance will also establish airport security badging fees effective January 15, 2026, and establish a rate increase effective July 1, 2027.

These rates and fees will help generate revenue to cover some of the operating and maintenance costs at the airport.

Financial Impact:

The airport operates as an enterprise fund, but revenue generated by the airport has not traditionally been sufficient to cover all operating expenses. The proposed parking rates and security badging fees will reduce the Airport Fund's reliance on General Fund support and help cover some of the increasing operating and maintenance costs. Per the Federal Aviation Administration (FAA) grant assurance no. 24, the airport is required to "maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances...."

Policy Impact:

The current policy at the airport has been to allow passengers to exit the lot without paying when they have lost their parking ticket and other methods of finding their transaction have failed or are unavailable. The lost ticket fee will allow the airport to charge passengers who have lost their ticket and prevent passengers from exiting for free. Allowing for monthly fees and permits will allow the airport to utilize unused parking spaces during times of slower activity.

The airport does not currently charge for security access credentials and does not implement any penalty for lost credentials. The proposed badging fees will help recover a portion of the cost of administering the Airport Security Program and will implement penalties for lost badges.

Previous Council Decision or Community Discussion:

- December 7, 2021 - Council adopted Ordinance 2021-23, establishing paid parking rates at the Flagstaff Pulliam Airport effective January 28, 2022 with a rate increase on July 1, 2023.
- December 12, 2024 - Staff presented an airport budget overview to the Airport Commission that included current airport fees and the proposed approach to new fees and fee increases.
- January 9, 2025 - Staff presented proposed parking fees to the Airport Commission. The Commission voted in favor of the proposed monthly rates and lost ticket fees, and asked for more information regarding the proposed fee increases at future meetings.
- February 13-14, 2025 - Staff presented on the fiscal health of the Airport Fund and current and proposed fees (including parking and badging) at the airport that could improve the health of the fund.
- May 8, 2025 - Staff presented additional information to the Airport Commission about the proposed parking rate increases, and the Commission voted 3-2 in favor of the proposed rates. The proposed badging fees were also presented, and the Commission requested additional information to be presented at a future meeting and a fee waiver for contractors working on airport-funded projects before voting.
- August 21, 2025 - Staff presented additional information to the Airport Commission about the proposed badge fees with revisions requested in the previous discussion. The Commission voted 3-1 in favor of the proposed badge fees.

Options and Alternatives to Recommended Action:

- Approve the Ordinance as written.
- Amend the Ordinance by changing rates or effective dates and provided direction to staff.
- Do not approve an Ordinance.

Background and History:

The Flagstaff Pulliam Airport is a key component of Flagstaff's link to the global marketplace, facilitating local, national and international commerce as well as support the local tourism industry. Business activity is dependent upon the existence of efficient access to local air service. A recent economic study performed by Arizona Department of Transportation identified that the Flagstaff Pulliam Airport generates $68M in direct economic impact and $60M in induced economic impacts annually. American Airlines provides commercial service with daily flights to Phoenix and Dallas Fort-Worth. Passenger enplanements were up 7% in calendar year 2024 from 2023, with 79,081 enplaned passengers. This was the airport's fourth-highest annual enplanements ever and highest with a single carrier. The airport offers 61 airport hangars and 48 covered tie-downs that can be rented on a monthly basis for storage of personal aircraft. The Airport Business Park has numerous businesses, such as T-Gen North and Joy Cone, and the airport has a partnership with Wiseman Aviation as our fixed based fuel operator. The Airport Fund operates as an enterprise fund within the City of Flagstaff's municipal operations. Enterprise Funds are used to account for operations that provide services to the general public for a fee. Under GASB Statement No. 34, enterprise funds are also required for any activity whose principal revenue sources meet any of the following criteria: 1) any activity that has issued debt backed solely by the fees and charges of the activity, 2) if the cost of providing services for an activity, including capital costs such as depreciation or debt service, must legally be recovered through fees and charges, or 3) it is the policy of the City to establish activity fees or charges to recover the cost of providing services, including capital costs.

Connection to PBB Priorities and Objectives:

Safe & Healthy Community

- Ensure the built environment is safe through the use of consistent standards, rules and regulations, and land use practices.
- Promote physical health through providing recreation opportunities, parks, open space & multiple transportation options.

Sustainable, Innovative Infrastructure

- Deliver outstanding services to residents through a healthy, well-maintained infrastructure system.
- Provide effective management of infrastructure for all modes of transportation.

High Performing Governance

-Maintain the organization's fiscal stability through strong financial policies and practices.

Connection to Regional Plan:

Goal T.10. Strengthen and expand the role of Flagstaff Pulliam Airport as the dominant hub for passenger, air freight, public safety flights, and other services in northern Arizona.
Policy T.10.1. Maintain and expand Flagstaff Pulliam Airport as an important link to the national air transportation system.
Policy T.10.3. Seek opportunities to expand destinations and frequency of regional air service throughout the southwest and west.
Goal T.3.4 Actively manage parking, including cost and supply to support land use, transportation and economic development goals.

Connection to Carbon Neutrality Plan:

None

Connection to 10-Year Housing Plan:

None

Attachments: Ord. 2025-30
Parking Rates and Badging Fee Analysis
Presentation

ORDINANCE NO. 2025-30

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 3 BUSINESS REGULATIONS, CHAPTER 3-10 USER FEES, TO ESTABLISH AIRPORT RATES AND FEES, AND BY AMENDING TITLE 8 PUBLIC WAYS AND PROPERTY, CHAPTER 8-06 AIRPORT RULES AND REGULATIONS TO ADD DEFINITIONS OF SECURED AREAS OF THE AIRPORT; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, PROVIDING FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, the City has authority to establish, operate, maintain, and improve the Flagstaff Pulliam Airport (the "Airport") pursuant to A.R.S. § 28-8411; and

WHEREAS, City is required by Federal Aviation Administration ("FAA") grant assurances to make the Airport as self-sustaining as possible; and

WHEREAS, the City desires to adopt, and the Airport Commission has recommended adoption of new or increased fees for Airport public parking and security badges; and

WHEREAS, the City has published and distributed notice of the proposed new or increased fees for Airport public parking and security badges pursuant to A.R.S. § 9-499.15.

ENACTMENTS:

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General.

The Flagstaff City Code, Title 3 Business Regulations, Chapter 3-10 User Fees, Section 3-10-001-009 Parking Fees is hereby amended to read as follows (additions shown as capitalized text):

3-10-001-009 AIRPORT RATES AND ~~Parking~~ Fees

A. SECURITY BADGING FEES.

TYPE OF BADGE FEE	EFFECTIVE 01/15/2026	EFFECTIVE 07/01/2027
AIR OPERATIONS AREA (AOA) - INITIAL	$ 40	$ 50
AIR OPERATIONS AREA (AOA) - RENEWAL	$ 20	$ 25
SECURITY IDENTIFICATION DISPLAY AREA (SIDA) AND STERILE AREA - INITIAL	$ 75	$100

SECURITY IDENTIFICATION DISPLAY AREA (SIDA) AND STERILE AREA - RENEWAL	$ 50	$ 75
LOST BADGE FEE (FIRST OCCURRENCE)	$ 50	$ 75
LOST BADGE FEE (SECOND OCCURRENCE)	$ 75	$100
LOST BADGE FEE (AFTER SECOND OCCURRENCE)	$ 100	$125

CONTRACTORS WORKING FOR THE CITY ON FLAGSTAFF AIRPORT PROJECTS ARE EXEMPT FROM THE INITIAL AND RENEWAL BADGE FEES LISTED ABOVE; BUT ARE REQUIRED TO PAY LOST BADGE FEES.

B. Airport Parking Lots.

~~Rates~~	~~Effective January 28, 2022~~	~~Effective July 1, 2023~~
~~1ST Hour~~	~~Free~~	~~Free~~
~~Per Hour Rate (After 1ST Hour)~~	~~$ 2.00~~	~~$ 2.00~~
~~Per Day Rate – Terminal Lot~~	~~$ 7.00~~	~~$ 8.00~~
~~Per Day Rate – Terminal Economy Lot~~	~~$ 5.00~~	~~$ 6.00~~
~~Weekly Rate – Terminal Lot~~	~~$ 42.00~~	~~$ 48.00~~
~~Weekly Rate – Terminal Economy Lot~~	~~$ 30.00~~	~~$ 36.00~~

RATE TYPE	EFFECTIVE JANUARY 15, 2026	EFFECTIVE JULY 1, 2026
TERMINAL LOT RATES		
1ST HOUR	FREE	FREE
PER HOUR RATE (AFTER 1ST HOUR)	$ 2.00	$ 2.00
PER DAY RATE – TERMINAL LOT	$ 8.00	$ 10.00
WEEKLY RATE – TERMINAL LOT	$ 48.00	$ 60.00
MONTHLY RATE – TERMINAL*	$ 160.00	$ 200.00
LOST TICKET FEE – TERMINAL	$72.00	$ 90.00
ECONOMY LOT RATES		
1ST HOUR	FREE	FREE
PER HOUR RATE (AFTER 1ST HOUR)	$ 2.00	$ 2.00
PER DAY RATE – ECONOMY LOT	$ 6.00	$ 7.00
WEEKLY RATE – ECONOMY LOT	$ 36.00	$ 42.00
MONTHLY RATE – ECONOMY*	$ 120.00	$ 140.00
LOST TICKET FEE – ECONOMY	$ 54.00	$ 63.00

*THE AIRPORT DIRECTOR MAY ISSUE, LIMIT, OR DECLINE TO ISSUE MONTHLY PARKING PERMITS, BASED UPON THE NEEDS OF THE TRAVELING PUBLIC AT THE AIRPORT.

C. ADDITIONAL AIRPORT RATES AND FEES.

ADDITIONAL FEES HAVE BEEN ESTABLISHED IN CHAPTER 8-06 AIRPORT RULES AND REGULATIONS.

The Flagstaff City Code, Title 8 Public Ways and Property, Chapter 8-06 Airport Rules and Regulations, Section 8-06-001-0002 Definitions is hereby amended by converting all alphabetical lettering of defined term as Arabic numerals (e.g. 1, 2, 3, and so forth), and by adding the following new terms in alphabetical order within that numerical list to read as follows (additions shown as capitalized text):

AIR OPERATIONS AREA (AOA) SHALL MEAN THAT PORTION OF THE AIRPORT AS SPECIFIED IN THE AIRPORT SECURITY PROGRAM, SUBJECT TO SECURITY MEASURES. THE AOA IS WITHIN THE PERIMETER FENCE, EXCLUDING THE HIGHLY RESTRICTED SECURITY IDENTIFICATION DISPLAY AREA (SIDA).

SECURITY IDENTIFICATION DISPLAY AREA (SIDA) SHALL MEAN THAT PORTION OF THE AIRPORT AS SPECIFIED IN THE AIRPORT SECURITY PROGRAM, SUBJECT TO SECURITY MEASURES. THE SIDA INCLUDES COMMERICAL FLIGHT RAMPS AND OTHER OPERATIONAL ZONES.

STERILE AREA SHALL MEAN THAT PORTION OF THE AIRPORT, AS SPECIFIED IN THE AIRPORT SECURITY PROGRAM, THAT PROVIDES PASSENGERS ACCESS TO BOARDING AIRCRAFT AND TO WHICH ACCESS IS GENERALLY CONTROLLED BY THE FEDERAL TRANSPORTATION SECURITY ADMINISTRATION (TSA) OR BY AN AIRCRAFT OPERATOR UNDER 49 C.F.R. PART 1544 OR A FOREIGN AIR CARRIER UNDER 49 C.F.R PART 1546, THROUGH THE SCREENING OF PERSONS AND PROPERTY. THE STERILE AREA IS THE SECTION OF THE TERMINAL PAST THE SECURITY SCREENING CHECKPOINT. THIS AREA IS WHERE PASSENGERS WAIT TO BOARD THEIR FLIGHTS AND INCLUDES THE CONCOURSES, GATES, AND CONCESSIONS.

SECTION 2. Penalties

Any person found in violation of this ordinance shall be guilty of a civil infraction and shall be fined a sum not to exceed five hundred dollars ($500.00). Any violation which is continuing in nature shall constitute a separate offense on each successive date the violation continues, unless otherwise provided.

SECTION 3. Repeal of Conflicting Ordinances

All ordinances and parts of ordinances in conflict with the provisions of 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 January 15, 2026 following adoption by the City Council.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 16th day of December, 2025.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

CITY OF FLAGSTAFF, ARIZONA

Airport Parking Rates and Airport Security Badge Fees Financial Analysis Report - 2025

FLAGSTAFF AIRPORT
GRAND DESTINATIONS

Airport Section and Management Services Division

October 2025

Executive Summary

The Airport Section and City Management Services Division has prepared a financial analysis for the Airport Fund for changes to airport parking rates and airport security badge fees.

The City desires fees and rates that fund operations and maintenance costs for Airport Fund. The purpose of the fiscal analysis is to provide a financial review of revenues that will cover the necessary expenditures.

Staff intends to provide City Council with a recommendation for fees and rates at the December 2, 2025 and December 16, 2025 Council meetings. It is anticipated an Ordinance will be adopted with the new rates at the December 16, 2025 Council meeting with an effective date of January 15,2026.

Airport Overview

The Flagstaff Pulliam Airport is a key component of Flagstaff's link to the global marketplace, facilitating local, national and international commerce as well as support the local tourism industry. Business activity is dependent upon the existence of efficient access to local air service. A recent economic study performed by Arizona Department of Transportation identified that the Flagstaff Pulliam Airport generates $68M in direct economic impact and $60M in induced economic impacts annually.

American Airlines provides commercial service with daily flights to Phoenix and Dallas Fort-Worth. Passenger enplanements were up 7% in calendar year 2024 from 2023, with 79,081 enplaned passengers. This was the airport's fourth-highest annual enplanements ever and highest with a single carrier.

The airport offers 61 airport hangars and 48 covered tie-downs that can be rented on a monthly basis for storage of personal aircraft. The Airport Business Park has numerous businesses, such as T-Gen North and Joy Cone, and the airport has a partnership with Wiseman Aviation as our fixed based fuel operator.

The Airport Fund operates as an enterprise fund within the City of Flagstaff's municipal operations. Enterprise Funds are used to account for operations that provide services to the general public for a fee. Under GASB Statement No. 34, enterprise funds are also required for any activity whose principal revenue sources meet any of the following criteria: 1) any activity that has issued debt backed solely by the fees and charges of the activity, 2) if the cost of providing services for an activity, including capital costs such as depreciation or debt service, must legally be recovered through fees and charges, or 3) it is the policy of the City to establish activity fees or charges to recover the cost of providing services, including capital costs.

Airport Parking Rates

Prior to 2023, passenger parking at the airport terminal was provided by a single parking lot (the Terminal Lot) with 385 parking spaces. Parking was free and the lot was frequently over capacity, with passengers parking in the landscaped areas and along drive aisles and roads. In 2023, the city expanded parking capacity by opening an additional long-term parking lot (the Economy Lot) with 413 parking spaces available. A paid parking program was developed to help pay for the cost of the construction and the ongoing maintenance of the airport parking lots. The construction of the Economy Parking Lot and purchase and installation of the paid parking system cost approximately $4.5M. Since the addition of the Economy Lot, the parking lots are running at approximately a 30% occupancy on typical weeks and 55% occupancy during busier travel times. After two years in operations, staff is recommending adjustments to the parking rates and structure. The annual revenues from paid parking care currently around $550,000, which is half the anticipated revenues when the last fees were adopted.

Staff Proposal

Staff is requesting an update to the current parking rates to provide additional revenues to support airport operations. One consideration for changing parking fees is based on observations the operations the first two years. Staff sees the needs of set fees for lost tickets, and longer term of parking for up to 180 days as requested by the business community.

The second consideration is related to parking rates that other communities charge at their airports. Airport staff reviewed rates from several airports in the region, which are summarized in the next table.

These airports can be broadly placed in three categories in relation to the Flagstaff Pulliam Airport, which currently has three to six arrivals daily. Prescott Regional Airport and Laughlin/Bullhead International Airport have fewer flights than Flagstaff with one to three arrivals daily. Yuma International Airport has similar flight availability and enplanements to Flagstaff. Durango – La Plata County Airport, St. George Regional Airport, and Montrose Regional Airport have slightly more flights than Flagstaff with between 10 and 15 arrivals daily. Phoenix Sky Harbor International Airport, Mesa Gateway Airport, and Tucson International Airport are significantly busier than Flagstaff with dozens or hundreds of arrivals daily. The table below represents research completed in the Spring of 2025.

Airport	Lot	Hourly	Daily	Weekly	Monthly	Yearly	Lost Ticket
Grand Canyon Airport (GCN)	**Main**	N/A	$10.00	None	None	$100.00	None
Mesa Gateway (AZA)	**Main**	$1.00 every 30 min	$48.00	None	None	None	$250.00
	Economy	Same	$9.00	None	None	None	None
	Covered	Same	$11.00	None	None	None	None
	Long Term	Same	$13.00	None	None	None	None
Yuma International Airport (YUM)	**Main**	$2.00	$10.00	N/A	1 month-$125; 3 month-$300; 6 month-$650	$900.00	$350.00
Durango-La Plata County Airport (DRO)	**Main**	Free first hour, $1.00 per 30 min	$9.00	$42.00	None	$2,300.00	None
St. George Reginal Airport (SGU)	**Main**	$7.00	None	None	None	None	$150.00
Montrose Regional Airport (MTJ)	**Short Term**	$2.00	$14.00	N/A	$260.00	$2,100.00	None
	Short Term-South	Same	$12.00				
	Economy	Same	$11.00				
Prescott Regional (PRC)		No Fee	No Fee	No Fee	No Fee	No Fee	No Fee
Laughlin/Bullhead (IFP)		No fee	No fee	No fee	No fee	No fee	No fee
Tucson International (TUS)	**Main**	$1:00 every 20 min	$15.00	None	None	None	None
	Garage Lot	Same	$12.00				
	Economy	Same	$5.00				
	Economy Covered	Same	$7.50				
Phoenix Sky Harbor International (PHX)	**Valet**	$6.00 1st hour, $3.00 add'l 30 min	$43.00	None	None	None	None
	Premium	.	$37.00	None	None	None	None
	Terminal Garage	Same	$33.00	None	None	None	None
	Economy	Same	$19.00	None	None	None	None
	Economy-Uncovered	Same	$16.00	None	None	None	None
Flagstaff (FLG) - Current	**Terminal**	First hour free, $2.00 per hour	$8.00	$48.00	None	None	None
	Economy	Same	$6.00	$36.00	None	None	None

Relative to the comparison airports, the proposed rates are generally higher than the airports with less traffic (Prescott, Laughlin/Bullhead), and lower than or comparable to the airports with similar or slightly more traffic (Durango – La Plata Co., Montrose Regional, Yuma International).

Review of cost of managing the airport parking

Paid parking revenues are intended to support the cost of operating the parking lots and administration of the airport.

Cost Category	Annual Estimate
Pavement Maintenance	$ 75,000
Landscaping and snow control	$ 85,000
Utilities	$ 14,000
Paid parking system and fees	$ 144,000
Parking management staff	$ 67,000
Parking lot annual capital repairs	$ 350,000
Administration of Parking	$ 70,000
Overhead (10%)	$ 80,500
	$ 885,500

Proposed Parking Rates/Fees

Based on the above considerations, staff is proposing the following rate structure:

Proposed Rates	Current Rates	Effective January 15, 2026	Effective July 1, 2026
Terminal Lot Rates			
1st hour	Free	Free	Free
Per hour rate (after 1st hour)	$ 2.00	$ 2.00	$ 2.00
Per day rate – Terminal Lot	$ 8.00	$ 8.00	$ 10.00
Weekly rate – Terminal Lot	$ 48.00	$ 48.00	$ 60.00
Monthly rate – Terminal*	-	$160.00	$200.00
Lost Ticket Fee – Terminal	-	$72.00	$90.00
Economy Lot Rates			
1st hour	Free	Free	Free
Per hour rate (after 1st hour)	$ 2.00	$ 2.00	$ 2.00
Per day rate – Economy Lot	$ 6.00	$ 6.00	$ 7.00
Weekly rate – Economy Lot	$ 36.00	$ 36.00	$ 42.00
Monthly rate – Economy*	-	$120.00	$140.00
Lost Ticket Fee – Economy	-	$54.00	$63.00

**Upon Airport Director approval, Airport may issue monthly parking permits at the monthly parking rates.*

Airport Parking Revenues Impact

Staff completed a revenue impact review based on the calendar year (CY) 2024 transactions from the Terminal and Economy Lots. During CY 2024 the airport parking program had a total of 17,468 paid transactions, shown below. In order to analyze the impacts related to rate changes, we identified the annual transactions based on the current rate schedule for hourly, daily, and weekly rates. This provided a baseline to compare how revenues may change based on the proposed parking rate schedule. The table below breaks out the transactions.

Annual Paid Transactions	CY 2024	Percent of Total
Terminal Lot	11,154	64%
Economy Lot	6,314	36%
	17,468	

Quantity at Rate	Hourly Details	Daily Details	Weekly Details	Totals
Terminal Lot	4,309	25,046	2,771	32,126
Economy Lot	1,170	14,579	2,745	18,494
	5,479	39,625	5,516	50,620

Staff is proposing a new rate structure for a monthly rate and monthly permit. Based on the CY 2024 activity there were 8 transactions in the Terminal Lot and 42 transactions in the Economy Lot that were longer than 30 days for a total of 50 transactions. If a portion of these transaction move from the current rate structure to the proposed rate structure, the revenues will see a net decline in parking revenues due to the discounted monthly rates. The city would also anticipate additional monthly permits issued to take advantage of the new monthly rate proposal. Our baseline increase in monthly permits will start at 3 per month for a total of 36 monthly transactions at the new rate. Based on the new rate and permit option, analysis shows this as a net neutral impact to revenues.

Staff is proposing fee for lost or damaged tickets. Currently there are no fees for lost tickets or damaged tickets. Customers are sometimes allowed to exit without paying any fees when a ticket is lost or damaged and we are not able to identify when the vehicle entered the parking facility. After the new fee is adopted, customers that have lost or damaged their ticket and we cannot lookup the transaction, will be required to pay a lost ticket fee to exit the lot. During CY 2024, staff has identified there were approximately 150 transactions that would have required to pay the lost/damaged ticket fee. We anticipate a 25% reduction once the new fee is implemented. Based on this projection we anticipate an annual revenue of $7,452 for lost ticket payments.

Lost/Damaged Ticket Review	Estimated Transactions	Percent of Total	Proposed Rate 01/15/2026	Estimated Annual Revenue
Terminal Lot	72	64%	$ 72	$ 5,184
Economy Lot	42	36%	$ 54	$ 2,268
				$ 7,452

Staff is proposing additional parking rate increases effective July 1, 2026. The 1st hour will remain free and the hourly rate after that first our will also be the same $2/hour rate for both parking lots. Based on the proposed rate changes listed earlier in this report, we are projecting $653,000 of annual revenue from parking fees to support the operations. This represents a $122,400 increase over current revenue estimates based on the recommended changes staff is proposing. The table below demonstrates the changes in revenues for each parking lot.

Terminal Lot	Hourly Details	Daily Details	Weekly Details	Monthly Details	Lost Ticket Fees
Current Parking Rates	$ 2	$ 8	$ 48	$ -	$ -
Current Revenues	$ 8,618	$ 200,368	$ 133,008	$ -	$ -
Proposed Rates 7/1/2026	$ 2	$ 10	$ 60	$ 200	$ 90
Proposed Revenues	$ 8,618	$ 250,310	$ 163,140	$ 2,600	$ 6,480
Annual Revenue Change	$ -	$ 49,942	$ 30,132	$ 2,600	$ 6,480

Economy Lot	Hourly Details	Daily Details	Weekly Details	Monthly Details	Lost Ticket Fees
Current Parking Rates	$ 2	$ 6	$ 36	$ -	$ -
Current Revenues	$ 2,340	$ 87,474	$ 98,820	$ -	$ -
Proposed Rates 7/1/2026	$ 2	$ 7	$ 42	$ 140	$ 63
Proposed Revenues	$ 2,340	$ 101,745	$ 105,798	$ 9,380	$ 2,646
Change	$ -	$ 14,271	$ 6,978	$ 9,380	$ 2,646

Airport Security Badge Fees

Staff Proposal

Staff recommends implementing a fee for security badges. The airport does not currently charge for security badges and is the only commercial service airport in Arizona that does not. The airport issues approximately 160 new badges a year, 65 badge renewal, and 10 replacement badges. This has created and administrative and cost burden to manage security badges. Staff is seeking to implement fees that would recover a portion of the cost of issuing security badges.

Staff surveyed several airports and below is a summary of what other airports are charging. Research was completed in the Spring of 2025.

Airport	AOA	SIDA	Sterile	Lost Badge	Contractors
Grand Canyon Airport (GCN)	$30	Currently Not Available	Currently Not Available	$50, $75, $200 Revoked after 3rd; $250 Not Returned Fee	No Charge
Mesa Gateway (AZA)	$45	$45	$45	$50	$50
Yuma International Airport (YUM)	$10 Application Fee	$10 Application Fee	$10 Application Fee	$30	$10 Application Fee
Durango-La Plata County Airport (DRO)	$30 Initial; $30 renewal	$115 plus $85 fingerprints; $55 for renewal plus $25 system	$50 plus $85 fingerprints; $50 renewal plus $25 system	$100, $150, $200 3rd or more	N/A
St. George Reginal Airport (SGU)	$30	$75	N/A	$150	N/A
Montrose Regional Airport (MTJ)	$60	$75	$60	Same Price	N/A
Prescott Regional (PRC)	$100	$100 plus $110 fingerprinting	N/A	$100, $150, $200 $100 damaged	N/A
Laughlin/Bullhead (IFP)	$50	$50	$50	$50	No Fee
Tucson International (TUS)	$77 Initial; $40 renewal	$77 Initial; $40 renewal	$77 Initial; $40 renewal	N/A	$77 Initial; $40 renewal
Phoenix Sky Harbor International (PHX)	$32 Initial plus Fingerprint fee; $7 STA' $50 control fee	$45	$45	$50	$45

The following list includes the different types of security badges that are required fat the airport:

AOA: An Air Operations Area (AOA) security badge is an identification credential issued by an airport that grants authorized individuals access to the Air Operations Area (AOA), which is the portion of the airport within the perimeter fence, excluding the highly restricted Security Identification Display Area (SIDA).
SIDA: An airport SIDA (Security Identification Display Area) badge is an identification credential required for airport personnel to access secured areas of an airport that are restricted to the general public, including flight ramps and other operational zones.
Sterile: An airport Sterile security badge grants an employee access to the airport's sterile area, which is the section of the terminal past the security screening checkpoint. This area is where passengers wait to board their flights and includes the concourses, gates, and concessions.
Contractor: A contractor is someone that is working through a contract for the City of Flagstaff on maintenance and project work at the Flagstaff Airport.

Review of the cost of issuing airport security badges

The airport security badge fees are intended to support the cost of managing and issuing the badges. Staff has analyzed the cost of issuing badges based on the type and level of effort required. The table below demonstrates the estimated cost per badge type.

Cost Category	AOA Initial	AOA Renewal	SIDA/Sterile Initial	SIDA/Sterile Renewal	Lost Badge
Staff time/expense	2 hours/ $70	0.5 hours/ $17	3 hours/ $105	1.5 hours/ $53	2 hours/ $70
Supplies	$4	$4	$4	$4	$4
Postage and handling	$0	$0	$25	$0	$0
Fingerprint fees	$0	$0	$37	$0	$0
Enrollment fees ($6 annual)	$12	$12	$12	$12	$0
Total	**$86**	**$33**	**$183**	**$125**	**$74**
Total Excluding Labor	**$16**	**$16**	**$78**	**$16**	**$4**

Staff estimates the following annual activity: 100 AOA-Initial Badges, 35 AOA-Badge Renewals, 60 SIDA-Initial Badges, 30 SIDA-Badge Renewals, and 10 Lost Badge replacements. Based on this level of activity, the current cost on an annual basis for these permits is approximately $25,000.

Proposed Airport Security Badge Fees

When determining the proposed fee to charge for security badges, staff took into consideration who benefits from the security badges. The benefit directly supports the individual/company requesting a badge to access secured areas of the airport. The airport also receives benefits to having individuals required to have a security badge for the protection of the airport facilities. Taking these factors into consideration, staff is recommending a cost recovery between 40% and 70% for the AOA and SIDA badges. Lost badge fees are set to impose penalties for improperly managing individual badges and could have a negative impact to security. Therefore, lost security badge fees will recover more than 100% of the cost to reissue. Based on the above considerations, staff is proposing the following fee structure:

Proposed Rates	Effective 01/15/2026	Effective 7/1/2027
AOA - Initial	$40	$50
AOA - Renewal	$20	$25
SIDA/Sterile - Initial	$75	$100
SIDA/Sterile - Renewal	$50	$75
Lost Badge Fee (First Occurrence)	$50	$75
Lost Badge Fee (Second Occurrence)	$75	$100
Lost Badge Fee (After Second Occurrence)	$100	$125

**Contractors working for the City on Flagstaff Airport projects are exempt from the initial and renewal badge fees listed above. Contractor will be required to pay lost badge fees.*

Airport Security Badge Revenues Impact

Financial analysis related to implementing a new security badge fee demonstrates that the airport would recover approximately $11,250 of the cost it incurs to manage the security badging program. Below is an estimated amount of activity and revenues anticipated for each security badge type.

Security Badges	Estimated Annual Quantity	Proposed Rate 01/15/2026	Estimated Annual Revenues
AOA - Initial Badge	100	$ 40	$ 4,000
AOA - Badge Renewal	35	$ 20	$ 700
SIDA - Initial Badge	60	$ 75	$ 4,500
SIDA - Badge Renewal	30	$ 50	$ 1,500
Lost Badge - First Occurrence	8	$ 50	$ 400
Lost Badge - Second Occurrence	2	$ 75	$ 150
Lost Badge - After Second Occurrence	-	$ 100	$ -
Totals	235		$ 11,250

Community Outreach and Future Meetings

Public Outreach/Airport Commission Meetings

Airport staff discussed the proposed rate and fee changes at the following Airport Commission Meetings.

- December 2024 – Staff provided an airport budget overview that included current airport fees and the proposed approach to new fees and fee increases.
- January 2025 – Proposed parking fees were presented. The Commission voted in favor of the proposed monthly rates and lost ticket fees, and asked for more information regarding the proposed fee increases at future meetings.
- May 2025 – Additional information was presented about the proposed parking fee increase, and the Commission voted 3-2 in favor or the proposed rates. The proposed badging fees were presented by airport staff, and the Commission requested additional information to be presented at a future meeting and a fee waiver for contractors working on airport-funded projects before voting.
- August 2025 – Airport staff presented additional information about the proposed badge fees with revisions requested in the previous discussion. The Commission voted 3-1 in favor of the proposed badge fees.

Staff will post notices about the proposed airport parking rates and badge fees in the airport terminal and on the airport's social media channels.

City Council Meetings

At the February 2025 Budget Retreat, staff presented revenue generating ideas for the Flagstaff Airport. Revenue ideas included reviews of aircraft storage permits, landing fees, fuel flowage fees, commercial use permits, parking fees, security badging and ground transportation permits. Staff received approval to move forward with the parking rate review and new security badging fees.

On December 2, 2025 and December 16, 2025, the City will hold a public hearings and staff will present an ordinance along with the fees and rates analysis information to the Council. Council could accept staff recommendation 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 December 2, 2025, a second read will be required at the December 16, 2025 meeting prior to adopting the fees and rates. Fees and rates would be effective January 15, 2026.



Airport Parking Rate and Badging Fees

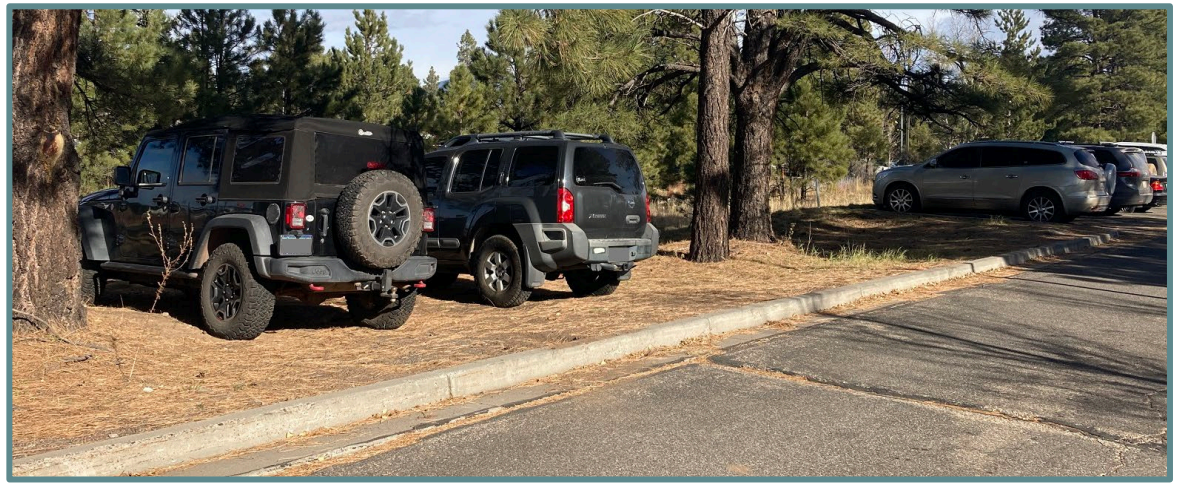
Council Meeting December 02, 2025

FLAGSTAFF AIRPORT
GRAND DESTINATIONS

Airport Parking/Badging

Airport Parking Background

- Two parking lots – Terminal and Economy
- Terminal Lot (385 spaces) opened in 1993, expanded in 1997
- Economy Lot (413 spaces) and paid parking system opened June 2023
- Number of vehicles parked exceeds terminal lot capacity during busy travel times (approx. 550)





Airport Parking/Badging

Airport Parking Background

- Parking fees were established in 2021 but not implemented until 2023
- Airport enplanements in CY 2024 up 6.88% from 2023 (79,081 passengers)
- Enplanements up 5.5% year-to-date
- US airline passenger traffic was up 5.2% in CY 2024 and is down 1.0% YTD (per US Bureau of Transportation Statistics)
- Air traffic in FLG is increasing compared to national average

Airport Parking/Badging

Parking Rates Discussion

- Staff reviewed parking rates at 10 airports in the region
- Proposed Terminal Lot rate in line with other airports
- Proposed Economy Lot rate among the least expensive
- Airport customers have requested a monthly fee for our paid parking lots
- During Calendar Year 2024, staff identified approximately 150 transactions where no fee was collected due to a lost ticket
- We expect that lost ticket fees will reduce the number of lost tickets
- Only new monthly rate and lost ticket fee effective January 15, 2026
- All parking rates and fees increase July 1, 2026

Airport Parking/Badging

Parking Rates Outreach – Airport Commission

- December 2024 – Staff provided an airport budget overview that included current airport fees and the proposed approach to new fees and fee increases.
- January 2025 – Proposed parking fees were presented. The Commission voted in favor of the proposed monthly rates and lost ticket fees and asked for more information regarding the proposed fee increases at future meetings.
- May 2025 – Additional information was presented about the proposed parking fee increase, and the Commission voted 3-2 in favor or the proposed rates.

Airport Parking/Badging

Proposed Parking Rates

Proposed Rates	Current Rates	Effective January 15, 2026	Effective July 1, 2026
Terminal Lot Rates			
1st hour	Free	Free	Free
Per hour rate (after 1st hour)	$ 2.00	$ 2.00	$ 2.00
Per day rate – Terminal Lot	$ 8.00	$ 8.00	$ 10.00
Weekly rate – Terminal Lot	$ 48.00	$ 48.00	$ 60.00
Monthly rate – Terminal*	-	$160.00	$200.00
Lost Ticket Fee – Terminal	-	$72.00	$90.00
Economy Lot Rates			
1st hour	Free	Free	Free
Per hour rate (after 1st hour)	$ 2.00	$ 2.00	$ 2.00
Per day rate – Economy Lot	$ 6.00	$ 6.00	$ 7.00
Weekly rate – Economy Lot	$ 36.00	$ 36.00	$ 42.00
Monthly rate – Economy*	-	$120.00	$140.00
Lost Ticket Fee – Economy	-	$54.00	$63.00

Airport Parking/Badging

Security Badging Background

- Airport is required to maintain an Airport Security Program (ASP) by the Transportation Security Administration (TSA)
- ASP includes access control and personnel background screening
- Personnel requiring unescorted access to the airfield and terminal issued security credentials (badges)
- Airport does not currently charge for issuing security badges or conducting background checks
- Different security badges and background checks required to access different areas of the airport
  - AOA – Air Operations Area
  - SIDA – Secure Identification Display Area
  - Sterile Area

Airport Parking/Badging

Security Badging Background

- Airport Number of Badges Issued Annually
  - AOA – 135
  - SIDA/Sterile – 90
- No limit to the number of badges that can be issued per tenant.
- Total annual cost to airport approximately $20,000

Cost Category	AOA Initial	AOA Renewal	SIDA/Sterile Initial	SIDA/Sterile Renewal	Lost Badge
Staff time/expense	2 hrs/$70	0.5 hrs/$17	3 hrs/$105	1.5 hrs/$53	2 hrs/$70
Supplies	$4	$4	$4	$4	$4
Postage and handling	$0	$0	$19	$0	$0
Fingerprint fees	$0	$0	$37	$0	$0
Enrollment fees ($6 annual)	$12	$12	$12	$12	$0
Total	**$86**	**$33**	**$177**	**$125**	**$74**
Total Excluding Labor	**$16**	**$16**	**$72**	**$16**	**$4**

Airport Parking/Badging

Security Badging Discussion

- Staff reviewed badge fees at 10 airports in the region
- Proposed badge fees are in line with similar airports
- Proposing different initial and renewal badge fees due to different costs to airport
- Lost ticket fees intended to encourage users to keep track of badges
- Too many lost badges (5%) = all airport badges must be redesigned and replaced
- Badges good for up to two years
- Badge fees effective January 15, 2026
- Rate increase July 1, 2027

Airport Parking/Badging

Proposed Security Badging Fees

Proposed Rates	Effective 01/15/2026	Effective 7/1/2027
Air Operations Area (AOA) - Initial	$40	$50
Air Operations Area (AOA) - Renewal	$20	$25
Security Identification Display Area (SIDA) & Sterile - Initial	$75	$100
Security Identification Display Area (SIDA) & Sterile - Renewal	$50	$75
Lost Badge Fee (First Occurrence)	$50	$75
Lost Badge Fee (Second Occurrence)	$75	$100
Lost Badge Fee (After Second Occurrence)	$100	$125

Airport Parking/Badging

Badging Fee Outreach – Airport Commission

- December 2024 – Staff provided an airport budget overview that included current airport fees and the proposed approach to new fees and fee increases.
- May 2025 – The proposed badging fees were presented by airport staff, and the Commission requested additional information to be presented at a future meeting and a fee waiver for contractors working on airport-funded projects before voting.
- August 2025 – Airport staff presented additional information about the proposed badge fees with revisions requested in the previous discussion. The Commission voted 3-1 in favor of the proposed badge fees.

Airport Rates and Fees Analysis

Financial Overview – Parking Transactions

- During Calendar Year 2024, the Airports lots saw 17,468 paid transactions
  - Terminal Lot saw 64% of the transactions (11,154)
  - Economy Lot say 36% of the transactions (6,314)
  - Approximately 150 lost tickets with no revenues
- Based on Billing Data
  - 2/3rd of transactions are less than 6 days
  - 65 transactions were greater then 4 weeks

Length of stays	Rates	Terminal Lot Transactions	Terminal %	Economy Lot Transactions	Economy %
2-3 Hours	Hourly Rates	1,445	13%	341	5%
>3 Hours and < 6 days	Daily Rates +	7,336	66%	3,889	62%
6 Days and Longer	Weekly Rates +	2,373	21%	2,084	33%
		11,154		6,314	

Airport Rates and Fees Analysis

Financial Overview – Parking Fees/Lost Tickets

- During Calendar Year 2024, staff identified approximately 150 transactions where no fee was collected due to a lost ticket
- We expect that change in fees will reduce the number of lost tickets
- Anticipated annual revenues for Lost or Damaged Tickets
  - $3,700 for FY 2025-26 (6 months)
  - $9,126 for FY 2026-27

Lost/Damaged Ticket	Estimated Transactions	Percent of Total	Proposed Rate 07/01/2026	Estimated Annual Revenue
Terminal Lot	72	64%	$ 90	$ 6,480
Economy Lot	42	36%	$ 63	$ 2,646
				$ 9,126

Airport Rates and Fees Analysis

Financial Overview – Parking Rates

TERMINAL LOT	Hourly Details	Daily Details	Weekly Details	Monthly Details	Lost Ticket Fees
Current Rates	$ 2.00	$ 8.00	$ 48.00	No Rate	No Rate
Current Revenues	$ 8,618	$ 200,368	$ 133,008	$ 0	$ 0
Proposed Rates 7/1/2026	$ 2.00 (No change)	$ 10.00 (+$ 2.00)	$ 60.00 (+ $12.00)	$ 200.00 (New)	$ 90.00 (New)
Increased Revenues	$ 0	$ 49,942	$ 30,132	$ 2,600	$ 6,480

ECONOMY LOT	Hourly Details	Daily Details	Weekly Details	Monthly Details	Lost Ticket Fees
Current Rates	$ 2.00	$ 6.00	$ 36.00	No Rate	No Rate
Current Revenues	$ 2,340	$ 87,474	$ 98,820	$ 0	$ 0
Proposed Rates 7/1/2026	$ 2.00 (No change)	$ 7.00 (+$ 1.00)	$ 42.00 (+ $ 6.00)	$ 140.00 (New)	$ 63.00 (New)
Increased Revenues	$ 0	$ 14,271	$ 6,978	$ 9,380	$ 2,646

Airport Rates and Fees Analysis

Financial Overview – Security Badging Fees

- Security badging provides benefits to the airport, therefore not considering full cost recovery
- Need to establish a fee for lost badge replacements
- Contractors hired by the City for Airport Projects receive free badging

Security Badges	Estimated Annual Quantity	Proposed Rate 01/15/2026 *	Estimated Annual Revenues
AOA - Initial Badge	100	$ 40 (47%)	$ 4,000
AOA - Badge Renewal	35	$ 20 (61%)	$ 700
SIDA - Initial Badge	60	$ 75 (41%)	$ 4,500
SIDA - Badge Renewal	30	$ 50 (40%)	$ 1,500
Lost Badge – First Occurrence	8	$ 50 (68%)	$ 400
Lost Badge – Second Occurrence	2	$ 75 (100%)	$ 150
Lost Badge – After Second Occurrence	-	$ 100	$ -
Totals	235		$ 11,250

** Estimated cost recover in parenthesis.*

Airport Rates and Fees Analysis

Financial Overview

- New revenues based on Parking Rates for FY 2026-27
  - Hourly Rate Change = $ 0
  - Daily Rate Change = $ 64,212
  - Weekly Rate Change = $ 37,110
  - New Monthly Rate = $ 11,980
  - New Lost Ticket Fee = $ 9,126
  - Total new parking revenue = $122,428
- New revenues Airport Security Badges for FY 2026-27
  - All Badges = $ 11,250

- Total new FY 2026-27 Revenues approximately $133,678

Timeline for Adoption

Next Steps for Adoption

- December 2nd – 1st Read of the Ordinance
  - Contractors and City staff working for the City on Flagstaff Airport projects are exempt from the initial and renewal badge fees listed above; but are required to pay lost badge fees
- December 16th – 2nd Read and Adoption of the Ordinance
- January 15, 2026 – New rates and fees effective

Airport Parking Rates and Badging Fee Adoption

City Council Meeting
December 02, 2025

City Council

Questions and Comments

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Bryce Doty, Real Estate Manager

Co-Submitter: David McIntire

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE:

Consideration and Adoption of Ordinance No. 2025-29: an ordinance of the City Council of the City of Flagstaff, authorizing the acquisition of real property from FSL Holdings Properties LLC in order to provide parking; providing for delegation of authority; providing for severability; authority for clerical corrections, and establishing an effective date.

STAFF RECOMMENDED ACTION:

1. Read Ordinance No. 2025-29 by title only for the final time
2. City Clerk reads Ordinance No. 2025-29 by title only (if approved above)
3. Adopt Ordinance No. 2025-29

Executive Summary:

In order to provide the code required parking for the new courthouse facility on the corner of Cherry and Beaver, the City leases the existing parking lot on 320 N Humphreys St, the former site of the San Francisco de Asis Catholic school from FSL Real Estate Services ("FSL"). On January 26, 2025, the City of Flagstaff issued the request for proposals DA2025-136 to identify public parking opportunities in downtown. FSL submitted a proposal for continued use of the site for public parking. FSL currently has a phased site plan for two apartment buildings, one building on the north half of the site, and the other on the south half of the site.

The initial proposal to the City, discussed for several years, included buying parking from the required parking structure within the development on the south half of the lot. The current proposal is a purchase in fee simple of the southern half of the block. This acquisition will provide FSL capital to fund the demolition and the eventual construction of the northern development while providing the City the south half of the block unencumbered by any existing structures or future development plans. Demolition of the existing improvements should be accomplished prior to the first quarter of 2026.

Owning the south half of the block outright provides the City with an existing surface parking solution, which will be enhanced and expanded upon demolition of the existing structures. Ownership also provides the City flexibility in the future for a parking structure or a partnership which incorporates City parking needs with other types of mixed-use development.

The purchase price of $3,750,000 was negotiated with the property owner based on an independent appraisal of the property. The conclusion of value is also validated by other City appraisals in the downtown area, most recently, the appraisal on the old city courthouse lots.

This ordinance authorizes the acquisition of the south half of block 45 of the Flagstaff Townsite, addressed at 320 N Humphreys Street. A purchase contract will be presented to council for approval at a later date.

Financial Impact:

The purchase price of $3,750,000 will be funded through the following sources:

- Partial funding has been set aside as part of the Courthouse Capital Project in Fund 408. With interest earning, we now have $1,880,679 as of 6/30/2025.
- The remaining funds will be provided from the sale of the old courthouse property. This is estimated in excess of $2 Million.
- The timing of receiving the sale proceeds has not been determined. This will be outlined in the purchase and development agreement to redevelop the old city courthouse site.
- The capital project fund will have a negative cash balance until the payment is received. We will record a receivable when the development agreement is executed. This will show a positive Fund Balance, but still negative cash balance.
- Should the purchase and development agreement for the old city courthouse not be executed, the City will look at providing an interfund loan from another City fund until the property is sold or other resources are determined to fund the difference.

Policy Impact:
None.

Previous Council Decision or Community Discussion:
On March 3rd, 2020, a discussion item on parking related to the new and old courthouse was presented to council which described some of the negotiations and ideas to secure the code required parking needed for the new courthouse facility. Incorporating Court facility parking in the FSL development was discussed.

Options and Alternatives to Recommended Action:
Do not authorize acquisition; pursue other solutions to provide parking needed for the courthouse facility.

Background and History:
The City has been using the land under consideration, for Courthouse and public parking, under a license agreement since at least September 2020. The temporary parking has been provided while a deal for more permanent parking, as part of an affordable housing development, was discussed. The parking is important to the City's Courthouse and also benefits the Downtown.

Connection to PBB Priorities and Objectives:

- Sustainable and Innovative Infrastructure: Provide, manage, and maintain effective infrastructure for multimodal and active transportation
- Robust and Resilient Economy: Maintain and enhance an equitable and effective business, retention, and expansion program throughout the community

Connection to Regional Plan:
Policy LU.10.2. Support on-street parking, shared lots, and parking structures.
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.
Policy LU.12.3. Locate public and private parking facilities, lots, and garages carefully, screening parking from streets, squares, and plazas.

Connection to Carbon Neutrality Plan:
Ownership of the property will allow the City to pursue electric charging stations at the facility in harmony with strategy EM-3: Support residents, businesses, and institutions in the transition to electric vehicles.

Connection to 10-Year Housing Plan:
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.
The City will continue to explore partnering on a development which provides for the City's parking needs while incorporating affordable housing.

Attachments: Ord. 2025-29
Legal Description

ORDINANCE NO. 2025-29

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AUTHORIZING THE ACQUISITION OF REAL PROPERTY FROM FSL HOLDINGS PROPERTIES LLC IN ORDER TO PROVIDE PARKING; PROVIDING FOR DELEGATION OF AUTHORITY; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, the City has authority to acquire real property, pursuant to the Article I, Section 3 of the Flagstaff City Charter; and

WHEREAS, acquisition of real property is to be approved by ordinance, pursuant to Article VII, Section 5 of the Flagstaff City Charter; and

WHEREAS, the City desires to acquire real property interests for purposes including but not limited to the provision of required parking for the City Courthouse facility.

ENACTMENTS:

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General.

The Flagstaff City Council hereby authorizes the acquisition of all or a portion of the real property identified in the attached Exhibit A. The real property interests may be acquired through purchase, exchange, gift, donation or dedication.

SECTION 2. Delegation of Authority

The Mayor, City Manager, Planning and Development Services Director, Real Estate Manager, City Attorney or their delegates or agents, are hereby authorized and directed to take all steps and execute all documents necessary to carry out the purpose and intent of this ordinance.

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 16th day of December, 2025.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

Exhibits:
Exhibit A – Legal Description

EXHIBIT A

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF COCONINO, STATE OF ARIZONA, AND IS DESCRIBED AS FOLLOWS:

LOTS 1 THROUGH 24 (INCLUSIVE) AND ALL OF THE EAST AND WEST ALLEY AND ALL OF THE NORTH AND SOUTH ALLEY, ALL IN BLOCK 45, TOWNSITE OF FLAGSTAFF, AS SHOWN ON THE PLAT THEREOF RECORDED IN BOOK 1 OF
MAPS, PAGE 7 RECORDS OF COCONINO COUNTY, ARIZONA AS SURVEYED AND PLATTED BY H. C. NUTT, TRUSTEE FOR THE ATLANTIC AND PACIFIC RAILROAD COMPANY IN COCONINO COUNTY, STATE OF ARIZONA.

EXCEPTING THEREFROM A TRIANGULAR-SHAPED PORTION OF LOT 12, BLOCK 45 OF SAID FLAGSTAFF TOWNSITE;

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 12;

THENCE NORTHEASTERLY 15.00 FEET ALONG THE WESTERLY LINE OF SAID LOT 12;

THENCE SOUTHWESTERLY TO A POINT ON THE SOUTHERLY LINE OF SAID LOT 12 WHICH LIES SOUTHEASTERLY 15.00 FEET FROM THE SOUTHWEST CORNER OF SAID LOT 12;

THENCE NORTHWESTERLY TO THE TRUE POINT OF BEGINNING;

EXCEPTING THEREFROM A TRIANGULAR-SHAPED PORTION OF LOT 18, BLOCK 45 OF SAID FLAGSTAFF TOWNSITE;

BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 18;

THENCE SOUTHEASTERLY 15.00 FEET ALONG THE NORTHERLY LINE OF SAID LOT 18;

THENCE SOUTHWESTERLY TO A POINT ON THE WESTERLY LINE OF SAID LOT 18 WHICH LIES SOUTHWESTERLY 15.00 FEET FROM THE NORTHWEST CORNER OF SAID LOT 18;

THENCE NORTHEASTERLY TO THE TRUE POINT OF BEGINNING.

APN: **101-13-008A**

official Copy

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Sarah Langley, Public Affairs Director

Date: 12/04/2025

Meeting Date: 12/16/2025

TITLE:

Consideration and Approval: 2026 State and Federal Legislative Priorities

STAFF RECOMMENDED ACTION:

Review and approve the 2026 State and Federal Legislative Priorities.

Executive Summary:

On December 9, City staff and lobbyists received Council input and direction on the draft state and federal legislative priorities. This input has been incorporated and a final version of both the state and federal legislative priorities is attached for Council's review and approval.

Financial Impact:

None

Policy Impact:

None

Previous Council Decision or Community Discussion:

On December 9, the Flagstaff City Council gave staff input on the draft 2026 legislative priorities.

Options and Alternatives to Recommended Action:

Not approve the 2026 State and Federal Legislative Priorities.

Background and History:

None.

Connection to PBB Priorities and Objectives:

The 2026 federal and state legislative priorities are connected to the PBB Priorities and Objectives in many ways. The legislative priorities specifically support the PBB Priorities of Safe and Healthy Community, Inclusive and Engagement Community, Sustainability and Innovative Infrastructure, Robust and Resilient Economy, Livable Community, and Environmental Stewardship.

Connection to Regional Plan:

None

Connection to Carbon Neutrality Plan:

The 2026 draft state and legislative priorities support the goals of the Carbon Neutrality Plan.

Connection to 10-Year Housing Plan:
The 2026 draft state and legislative priorities support the goals of the 10-Year Housing Plan.

Connection to Division Specific Plan:
None.

Attachments: Final 2026 State Legislative Priorities
Final 2026 Federal Legislative Priorities

CITY OF
FLAGSTAFF

2026 State Legislative Priorities

GUIDING PRIORITIES

Preserve Local Control - Support legislation that preserves or enhances the City's ability to govern locally and oppose legislation that reduces or restricts the City's local authority.

State Shared Revenues - Protect (and recover) state shared revenues to municipalities and oppose new legislation seeking to divert shared revenues away from municipalities.

TRANSPORTATION & INFRASTRUCTURE

Transportation - Advocate for additional funding to plan, build, preserve, modernize, and expand transportation and infrastructure projects that impact northern Arizona and our tribal partners. Advocate for projects, policies and legislation that strengthen transformative transportation planning approaches, in line with complete street infrastructure.

Resilience and Preparedness - Advocate for assistance to upgrade infrastructure to withstand catastrophic events such as flooding, storms, and forest fires.

Flagstaff Pulliam Airport – Protect the State Aviation Fund (similar to HURF) and emphasize the need to use funds for airport maintenance and operations. Discourage transfers out of the fund for non-aviation expenditures.

COMMUNITY INFRASTRUCTURE

Housing - Support legislation and seek funding in support of affordable housing, including the renewal of the Arizona Department of Housing (ADOH), renewal of the State Affordable Housing Tax Credit program, funding for the Low Income Housing Tax Credit (LIHTC) program, and funding for the Arizona Housing Trust Fund. Join cities across the state in prioritizing the creation of housing units while retaining local control in areas related to housing development.

Short-Term Rentals - Work with stakeholders supporting legislation to allow for local regulations over residential properties used as short-term rentals and ensure equity with the hotel industry.

Rural Broadband - Support and encourage continuing state efforts to increase rural broadband access and capacity to encourage and develop economic activity, including allowing for remote education, business attraction, revenue creation, and the attraction of remote workers.

Wildfire risk reduction – Support state funding and partnership opportunities for private property owners to reduce their wildfire risk through the creation of defensible space and home hardening initiatives, thereby making properties more attractive for insurance providers.

ENVIRONMENT

Forest Health & Emerging Technologies - Advocate for robust state investments in forest management strategies that reduce wildfire risk and enhance regional resilience across all land types in northern Arizona. Support policies that expand mechanical thinning, beneficial fire, and biomass utilization to protect communities and infrastructure. Promote the development of technologies, such as biochar production, as tools for forest restoration, economic diversification, and long-term benefits for energy and soil health. Encourage workforce development programs that build technical capacity in forest operations and technological innovation.

Energy Independence - Support legislation and funding to advance Arizona's energy independence through investment in energy storage and emerging technologies. Prioritize workforce development and education programs that prepare communities for careers in energy technology.

Arizona Corporation Commission - Encourage the Arizona Corporation Commission to maintain and enhance programming that supports new technologies, efficiencies, distributed generation, and renewable energy credits, with a focus on their role in strengthening Arizona's energy independence and economic competitiveness. Advocate for policies that protect ratepayers from excessive energy costs while ensuring continued investment in reliable and modern energy infrastructure. Build strategic relationships with Commissioners to highlight the economic, reliability, and workforce development benefits of these programs, particularly in rural and forested regions.

Environmental Funding and Partnership - Support state funding and partnership opportunities to expand open space, parks, natural areas, trails, and wildlife corridor initiatives across northern Arizona. Support the restoration of funding to the Arizona State Parks Heritage Fund grant program for historic preservation. Promote the City's dark skies program and strengthen relationships with regional partners such as the Arizona Department of Transportation to increase understanding of the City's dark skies goals.

CITY OF
FLAGSTAFF

2026 Federal Legislative Priorities

TRANSPORTATION & INFRASTRUCTURE

Rio de Flag Flood Control Project - Utilize the $84 million in federal and local funding to support expedited award and completion of Phase 4 of the project while working with the Army Corps, BNSF Railway, and the Arizona Department of Transportation to ultimately remove more than half of the City's residents, as well as the downtown and NAU areas, from the flood plain and protect more than $1 billion in assets.

Red Gap Ranch Regional Pipeline Project – Advocate for the Northeastern Arizona Indian Water Rights Settlement Act (NAIWRSA). Advocate for the Bureau of Reclamation (BOR) technical studies and federal funding of the Red Gap Regional Water Supply project. The Regional Project will assure water resiliency and water redundancy for the City of Flagstaff's future needs, while also providing important water quality, economies of scale, and economic opportunities for the Navajo Nation, Arizona State Land Department, and other stakeholders along the I-40 corridor. In July 2025, the BOR found in a value planning process with the City and Navajo Nation that the region is "one fire away" from needing the project online today.

Flagstaff Pulliam Airport – Advocate for funding for projects included in the Flagstaff Pulliam Airport five-year Capital Improvement Program, specifically the need for discretionary construction funding for the upcoming new Snow Removal Equipment (SRE) building.

Infrastructure Investment and Jobs Act (IIJA) - Pursue competitive grants and formula funds from the IIJA to finance high-priority infrastructure projects within the City, while also working to reauthorize the important programs from the IIJA in the surface transportation reauthorization bill.

Transportation - Advocate for projects, policies and legislation that strengthen transformative transportation planning approaches, in line with complete street infrastructure.

Water and Stormwater Infrastructure – Utilize funding dedicated by the IIJA and other legislation to complement and improve City water and stormwater infrastructure. Advocate for assistance to upgrade infrastructure to withstand catastrophic events such as flooding, storms, and forest fires.

CITY OF
FLAGSTAFF

ENVIRONMENT

Forest Health – Utilize federal funding to support important regional projects to reduce wildfire risk to forested communities, such as the Four Forest Restoration Initiative and the Flagstaff Watershed Protection Project. Advocate for collaborative beneficial fire policies that both increase acres treated and support the development of a technically skilled workforce. Promote policy action aligned with recommendations of the Wildland Fire Mitigation and Management Commission and the Fix Our Forests Act. Engage with national organizations and draw insights from states facing similar challenges related to wildfire and property insurance.

Energy Independence - Support legislation and funding to advance energy independence through investment in energy storage and emerging technologies. Prioritize workforce development and education programs that prepare communities for careers in energy technology.

Securing Arizona's Fair Share of Investments - Urge Congress to protect investments in Arizona's emerging technology, including federal funding that supports workforce training and jobs in northern Arizona.

COMMUNITY INFRASTRUCTURE

Flood Insurance – Advocate for affordable and accessible flood insurance policies for Flagstaff residents. Work to ensure that FEMA deems post-wildfire flooding during monsoon season as an emergency under the Public Assistance Program and Policy Guide (PAPPG).

Housing – Support legislation to create a middle-income housing tax credit. Promote direct funding for local governments to accelerate housing development, including CDBG, HOME, and the Housing Trust Fund. Promote full funding adjusted for inflation for Public Housing and capital funds, as well as the Section 8 Housing Choice Voucher Program and programs for veterans' housing. Remove income targeting requirements to establish a more streamlined and fair approach to housing eligible households, ensuring consistency regardless of variations in local and state minimum wages. Preserve HUD and Continuum of Care funding to continue providing affordable, accessible homes for those in need.

Rural Broadband – Utilize federal funding for rural broadband access and capacity to encourage and develop economic activity, including allowing for remote education, business attraction, revenue creation and the attraction of remote workers.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Jessica Vigorito, Fire Administration Manager

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE:

Consideration and Adoption of Resolution No. 2025-63: A resolution to approve an Intergovernmental Agreement (IGA) between the City of Flagstaff and Lockett Ranches Fire District to provide fire and emergency medical services.

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-63 by title only
2. City Clerk reads Resolution No. 2025-63 by title only (if approved above)
3. Adopt Resolution No. 2025-63

Executive Summary:

Staff recommends approval of the IGA with Lockett Ranches. This provides continued contract services, including fire and emergency medical responses to the property owners in the County island covered by the Lockett Ranches Fire District. This contract was recently approved by the Lockett Ranches Fire District governing board and is awaiting City of Flagstaff approval.

Financial Impact:

This contract is effective July 1, 2026, and will expire June 30, 2031, and has one five-year extension option. Contract services will generate $261,780 for year one of the contract, with a 2% increase per year thereafter. The City of Flagstaff places no additional needs with the contract.

Policy Impact:

None

Previous Council Decision or Community Discussion:

The City of Flagstaff has been providing contract emergency services to Lockett Ranches Fire District since 2006. Resolution 2021-46 (a 5-year contract) was approved at Council for the same contract for services.

Options and Alternatives to Recommended Action:

Council may elect to:
- Approve the proposed IGA
- Amend the proposed IGA
- Disapprove the IGA

Background and History:

The City of Flagstaff has been providing contract emergency services to Lockett Ranches Fire District since 2006.

Connection to PBB Priorities and Objectives:
Serve the public by providing high quality internal and external customer service
Provide public safety with the resources, staff, and training to respond to community needs

Connection to Regional Plan:
Goal PF.2. Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics.

Connection to Carbon Neutrality Plan:
None

Connection to 10-Year Housing Plan:
None

Connection to Division Specific Plan:
Flagstaff Fire Department Mission: We provide exceptional customer service to the community, visitors, and surrounding region.

Attachments: Res. 2025-63
IGA Lockett Ranches and CoF

RESOLUTION NO. 2025-63

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN LOCKETT RANCH FIRE DISTRICT AND THE CITY OF FLAGSTAFF ON BEHALF OF THE FLAGSTAFF FIRE DEPARTMENT FOR FIRE SERVICES

RECITALS:

WHEREAS, Lockett Ranch Fire District ("the District"), a political subdivision of the State of Arizona, seeks to obtain fire services and emergency medical services; and

WHEREAS, the City of Flagstaff ("the City"), through its Fire Department, operates, manages and maintains fire and emergency medical services; and

WHEREAS, the District and the City are empowered by Arizona Revised Statutes §§ 11-952 to enter into this Agreement; and

WHEREAS, the City Council has read and considered the staff summary report and proposed IGA attached thereto, and finds that it is in the best interests of the City to enter into the Agreement.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General

That the Intergovernmental Agreement between the District and the City be hereby accepted and approved.

The Flagstaff City Council hereby authorizes the Mayor to execute the Intergovernmental Agreement between Lockett Ranch Fire District 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 16th day of December, 2025.

_____

MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

Exhibits:
IGA

INTERGOVERNMENTAL AGREEMENT

Between
City of Flagstaff
and
Lockett Ranches Fire District

This Intergovernmental Agreement ("Agreement") is entered into this ____ day of _____, 2026 by and between the City of Flagstaff ("CITY"), an Arizona municipal corporation, with offices at 211 West Aspen Avenue, Flagstaff, Arizona, on behalf of the Flagstaff Fire Department ("DEPARTMENT"), and the Lockett Ranches Fire District (the "DISTRICT"), a political subdivision of the State of Arizona, created pursuant to A.R.S. §48-261, with offices at 3645 N. Lost Creek Trail, Flagstaff, Coconino County, Arizona. DISTRICT and the CITY may be referred to as a Party or, collectively, as the Parties in this Agreement.

RECITALS

A. The DISTRICT, a political subdivision formed pursuant to A.R.S. § 48-261, seeks to obtain fire and emergency medical services for the residents of its district and is authorized to do so by A.R.S. § 48-805(7).

B. The CITY, through its DEPARTMENT, operates, manages, and maintains fire and emergency medical services.

C. The DISTRICT desires that the CITY, through the DEPARTMENT, provide fire and emergency medical services for incidents occurring within the boundary response area of the DISTRICT.

D. The CITY is authorized to enter into agreements to provide fire protection and emergency medical services by Flagstaff City Code Section 5-01-001-0001 and is willing to provide such services to the DISTRICT in accordance with the terms of this Agreement.

NOW, THEREFORE, pursuant to A.R.S. §11-952, authorizing agreements for services among two or more public agencies, and in consideration of the mutual covenants contained in this Agreement, the parties agree as follows:

1. **Duration and Termination of Agreement.** This Agreement shall become effective upon execution by the parties. The DEPARTMENT will begin service to the DISTRICT at 12:01 AM on July 1, 2026, and, subject to early termination or renewal as provided below, will continue to provide services as described in this Agreement to the DISTRICT with the Agreement terminating at 11:59 PM on June 30, 2031. If the parties agree, they shall amend this Agreement to extend the duration for five (5) years, with the Agreement terminating on June 30, 2036.The CITY has the right to terminate this Agreement upon written notice thereof to DISTRICT in the event the DISTRICT fails to make any payment due the CITY under this Agreement within thirty (30) calendar days after receiving written notice from the City that such payment is past due.

2. **Level of CITY Services.** The CITY, through the DEPARTMENT, agrees to provide fire and emergency medical services to the DISTRICT, twenty-four (24) hours a day, seven (7) days a week as follows:

2.1. Personnel. All DEPARTMENT response personnel will be certified as firefighters under state of Arizona guidelines and certified to the level of Emergency Medical Technician. All response personnel will have been trained to the operations level for Hazardous Materials and Weapons of Mass Destruction response.

2.2. Staffing Levels. Each fire apparatus responding to an incident within the DISTRICT will be staffed with a minimum of three fire/emergency medical services personnel (collectively, "One Unit"). On confirmed structural fires or larger wild land fires, additional units will be dispatched, as well as a Chief Officer who will assume command operations. A two (2) person rescue vehicle may respond to calls for emergency medical services if it is the closest fire unit available. A two (2) person rescue vehicle may also respond as part of a full force contingent for fire related events.

2.3. Station Locations and Response Assignments. The DEPARTMENT will provide services to the DISTRICT from Fire Station No. 5, located at 2525 North Fort Valley Road in Flagstaff. Additional support or back-up personnel will be provided from the CITY'S next closest and available facility. The DEPARTMENT will not have equipment or personnel stationed at existing or proposed Lockett Ranches facilities. The response will be consistent with Fire and EMS responses as determined by the Greater Flagstaff Regional Fire Departments Automatic Aid System.

2.4. Emergency Communications Center (911). The DISTRICT will make every effort to ensure that its residents direct all requests for assistance to the combined City/County Emergency 911 Dispatch Center. This facility is staffed and operated by trained emergency dispatchers 24 hours a day, seven days per week. All communications are time-stamped, and radio transmissions are voice recorded. Dispatchers maintain constant contact with responding and on-scene personnel to provide support and to dispatch additional resources.

2.5. Fuel Management. The DEPARTMENT will assist groups or businesses within the DISTRICT, such as homeowners' associations, developers and others, with the development and implementation of fuel management maintenance plans and will provide periodic assessments of the plans. The DEPARTMENT will report to the DISTRICT any maintenance or storage concerns that it may observe.

2.6. Road Access. The DISTRICT will cooperate with the DEPARTMENT in seeking cooperation from the Lockett Ranches Homeowners Association and property owners that all roadways have clear access for emergency response vehicles.

2.7. Personnel and Equipment Shortages. DISTRICT acknowledges and agrees that the occurrence of a major fire, several concurrent fires, other emergency, reduction in force, road closure, or other situation resulting in a shortage of available personnel or equipment may cause DEPARTMENT to respond with fewer units or personnel than specified above.

2.8. Response Time. DISTRICT acknowledges and agrees that DEPARTMENT response times are subject to variations due to existing weather conditions, travel distance for fire units already engaged elsewhere, traffic conditions, property identification and the provision of standard access and routing information to property or individuals, and that under these circumstances DEPARTMENT may be unable to respond, or be delayed in responding, to an emergency call in the DISTRICT.

3. **Disposition of Property.** During the term of this Agreement any property purchased by the CITY with its own funds will remain the property of the CITY, and any property purchased by the DISTRICT with its own funds will remain the property of the DISTRICT.

4. **Fee for Service.**

4.1. The DEPARTMENT will provide the services described in this Agreement for the fees described below:

4.1.1. The base rate for year one will be $261,780 and will increase each year thereafter by 2%.

4.2. Method of Payment. The DISTRICT shall make bi-annual payments in the amount of fifty percent (50%) of the total annual amount and shall be due no later than November 15 and May 15 each year.

4.2.1. Late Payment. All amounts due from the DISTRICT to the CITY that are not paid by DISTRICT when due shall be subject to a penalty of ten percent (10%) of the amount due, plus interest at the rate of one (1%) percent per month or fraction of a month from the time due and owing until paid.

4.3. Equipment Purchases. The CITY will be solely responsible for the purchase of its equipment, if any, and will make such purchases within its discretion.

5. **Liability and Indemnification.**

5.1. Force Majeure. The CITY, the DEPARTMENT and their agents, officials and employees, shall not be liable to the DISTRICT for failure to comply with any of the terms and conditions of this Agreement where any failure to comply is caused by an act of God, court order, government regulation or requirement, strike or labor difficulty, fire, flood, windstorm, breakdown or other damage to equipment, power failure or any other cause beyond the reasonable control of the CITY.

5.2. Failure to Comply. The City desires to serve the District in a manner consistent with service extended to any part of the City's Fire Protection System that provides coverage to residents of the City of Flagstaff, its Mutual Aid Partners, and contract/IGA holders. However, the CITY shall not be liable to the DISTRICT or DISTRICT's residents for failure to comply with any of the terms and conditions of this Agreement where any failure to comply arises from CITY requirements to provide services to any or all parts of the entire service system, including its own residents, Mutual Aid Partners, or contract/IGA holders within its jurisdictional limits.

5.3. Indemnification. 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) (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. Dispute Resolution.

6.1. Mediation. If a dispute arises out of or relates to this Agreement, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to resolve the dispute by mediation before resorting to litigation or some other dispute resolution procedure. Mediation will take place in Flagstaff, Arizona, be self-administered and be conducted under the CPR Mediation Procedures established by the CPR Institute for Dispute Resolution, 366 Madison Avenue, New York, New York 10017, (212) 949-6490, www.cpradr.org, with the exception of the mediator selection provisions, unless other procedures are agreed upon by the parties. Unless the parties agree otherwise, the mediator(s) shall be selected from panels of mediators trained under the auspices of the Alternative Dispute Resolution Program of the Coconino County Superior Court. Each party agrees to bear its own costs in mediation. The parties will not be obligated to mediate if an indispensable party is unwilling to join the mediation.

6.2. Legal Action. This mediation provision is not intended to constitute a waiver of a party's right to initiate legal action if a dispute is not resolved through good faith negotiation or mediation, or if a party seeks provisional relief under the Arizona Rules of Civil Procedure.

6.3. Litigation and Attorney's Fees. 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 will be entitled to its costs including reasonable attorneys' fees and court costs from the non-prevailing party.

7. Notices. Unless otherwise specified in this Agreement, any notice or other communication required or permitted to be given shall be in writing and sent to the address given below for the party to be notified, or to such other address notice of which is given:

If to the City:

Mark A. Gaillard, Fire Chief
City of Flagstaff
211 W. Aspen Ave.
Flagstaff, AZ 86001

If to Lockett Ranches Fire District

John Noll Chairperson
Lockett Ranches Fire District Board
3645 N. Lost Creek Trail
Flagstaff, Arizona 86001

Copy to:

City Manager
City of Flagstaff
211 W. Aspen Avenue
Flagstaff, AZ 86001

8. General Provisions.

8.1. Status of Employees. Employees of the respective parties shall not be considered employees or agents of the other, and the CITY and the DISTRICT agree that they shall retain sole responsibility and authority over their respective employees.

8.2. Authorization to Contract. Each party represents and warrants that it has full power and authority to enter into this Agreement and perform its obligations under this Agreement and has taken all required acts or actions necessary to authorize the same.

8.3. Integration; Modification. Each party acknowledges and agrees that it has not relied upon any statements, representations, agreements or warranties, except as expressed in this Agreement, and that this Agreement constitutes the parties' entire agreement with respect to the matters addressed in this document. All prior or contemporaneous agreements and understandings, oral or written, with respect to such matters are superseded and merged in this Agreement. This Agreement may be modified or amended only by written agreement signed by or for both parties and recorded by the County Recorder, and any modification or amendment will become effective on the date so specified, but no earlier than the date of the recording by the County Recorder.

8.4. Cancellation for Conflict of Interest. Pursuant to A.R.S. §38-511, either the CITY or DISTRICT may cancel this Agreement without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of a party is, at any time while the Agreement or any extension of the Agreement is in effect, an employee or agent of the other party of the Agreement in any capacity or as a consultant to the other party of the Agreement with respect to the subject matter of this Agreement.

8.5. Waiver. No failure to enforce any condition or covenant of this Agreement will imply or constitute a waiver of the right of a party to insist upon performance of the condition or covenant, or of any other provision of this Agreement, nor will any waiver by either party of any breach of any one or more conditions or covenants of this Agreement constitute a waiver of any succeeding or other breach under this Agreement.

8.6. Termination for Lack of Funds. The DISTRICT agrees to levy in good faith an amount sufficient to pay for the services to be provided by the CITY under this Agreement. If the DISTRICT determines, based upon the County Treasurer's tax collection data, and the City concurs that there will not be sufficient tax revenues available to the DISTRICT to pay the fee for services described in this Agreement, the DISTRICT may terminate this Agreement by giving the CITY ninety (90) days' notice of the lack of available funds. Termination of this Agreement will not relieve the DISTRICT of the obligation to pay the CITY the pro rata portion of the annual amount due before the termination date of the Agreement. In the event of termination, CITY agrees to refund to DISTRICT on a pro rata basis fees paid by DISTRICT in advance for any period following the date of termination.

8.7. Non-Discrimination. Each Party warrants that it complies with any state and federal laws, rules and regulations which mandate that all persons, regardless of race, color, pregnancy, religion, sex, sexual orientation, gender identify, genetic information, age, national origin, disability, veterans status, care-giving responsibilities, or familial status shall have equal access to employment opportunities. Each Party shall take affirmative action to ensure that it will not participate either directly or indirectly in the discrimination prohibited by or pursuant to Title VI of the Civil Rights Act of 1964, Pregnancy Discrimination Act of 1978, Americans with Disabilities Act of 2008 as amended, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Age Discrimination Act of 1975, Age Discrimination and Employment Act of 1967 as amended, Genetic Information Nondiscrimination Act of 2008.

8.8. Compliance with Immigration Laws and Regulations. Pursuant to the provisions of A.R.S. Sec. 41-4401, each Party warrants to the other Party that the warranting Party and its subcontractors, if any, are in compliance with all Federal Immigration laws and regulations that relate to their employees and with the E-Verify Program under A.R.S. Sec. 23-214(A). The Parties acknowledge that a breach of this warranty by a Party or any of its subcontractors is a material breach of this Agreement subject to penalties up to and including termination of this Agreement or any subcontract. Each Party retains the legal right to inspect the papers of any employee of the other Party or any subcontractor who works on this Agreement to ensure compliance with this warranty.

8.9. Compliance with All Laws. Both Parties will comply with all applicable Federal, State, County and City laws, regulations and policies.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the day and year first above written above.

City of Flagstaff	**Lockett Ranches Fire District**
_____	_____
Becky Daggett	Name: _____
Mayor	Title: _____
Dated: _____	Dated: _____
Attest:	Attest:
_____	_____
City Clerk	
Dated: _____	Dated: _____
Approved as to form and as being within the powers and authority granted under the laws of the State of Arizona to the City of Flagstaff:	Approved as to form as being within the powers and authority granted under the laws of the State of Arizona to Lockett Ranches Fire District:
_____	_____
City Attorney	District Counsel
Dated: _____	Dated: _____

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Jessica Vigorito, Fire Administration Manager

Co-Submitter: Mark Wilson

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE:

Consideration and Adoption of Resolution No. 2025-64: A resolution of the Flagstaff City Council, approving an Amendment to the Intergovernmental Agreement between the Coconino County Community College District and the City of Flagstaff to share fire training and education resources.

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-64 by title only
2. City Clerk reads Resolution No. 2025-64 by title only (if approved above)
3. Adopt Resolution No. 2025-64

Executive Summary:

Coconino Community College (CCC) and the City have an Intergovernmental Agreement (IGA) that allows the sharing of resources, such as the Flagstaff Fire Training Center and classroom facilities at CCC. The IGA is amended to improve resource sharing between the City and the CCC Fire and EMS program. The revisions allow for a more efficient management of shared resources and reduced expenses. Additionally, CCC agrees to replace the thermal insulation panels in the live burn rooms with the Flagstaff Fire Department on every other purchase. Other amendments include administrative updates to align with current and accurate terminology and clarification on the College's Self-Contained Breathing Apparatus (SCBA) Fill Station and Compressor.

Financial Impact:

Minimal annual maintenance of the breathing air station that we have been doing since 2015. In turn, this equipment is available for the Fire Department's use for working incidents, training, and regional academies.

Policy Impact:

None

Previous Council Decision or Community Discussion:

Yes, the council approved resolution numbers 2020-12 on 4/07/2020 and 2021-09 on 3/2/2021, which were the last two IGAs between CCC and the City.

Options and Alternatives to Recommended Action:

Council may elect to:

1. Approve the proposed IGA Amendment
2. Amend the proposed IGA Amendment
3. Disapprove the IGA Amendment

Background and History:
The Fire Department and CCC have been actively working together for joint training purposes at this facility since it was built in 2008. Dozens of current firefighters were certified through CCC and the use of the FFD training center to be qualified for hiring in the Greater Flagstaff Region.

Connection to PBB Priorities and Objectives:
Safe & Healthy Community: Enhance community engagement & strengthen relationships between the community and public safety services.
Inclusive & Engaged Community: Enhance community involvement, education & regional partnerships to strengthen the level of public trust
High Performing Governance: Implement innovative local government programs, new ideas & best practices; be recognized as a model for others to follow.

Connection to Regional Plan:
Goal PF.3. Provide high-quality emergency response and public safety services including law enforcement, fire, medical and ambulance transport services.

Connection to Carbon Neutrality Plan:
None

Connection to 10-Year Housing Plan:
None

Attachments: Res. 2025-64
First Amendment
Original IGA

RESOLUTION NO. 2025-64

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN AMENDMENT TO THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE COCONINO COUNTY COMMUNITY COLLEGE DISTRICT AND THE CITY OF FLAGSTAFF FOR SHARING OF RESOURCES

RECITALS:

WHEREAS, the parties each engage in the training and education of firefighters and emergency medical technicians and seek to use each parties' facilities and equipment to conduct training and education; and

WHEREAS, on September 23, 2020, College and City entered into an Agreement for sharing resources amongst the Parties, for a five (5) year period from September 23, 2020, through September 22, 2025; and

WHEREAS, the College and City each desire, as allowed under Article 5.3 "***Renewal***" of the Agreement, to extend the Agreement for an additional five (5) year period from September 23, 2025, through September 22, 2030. Both parties understand that there is one (1) remaining additional five (5) year extension option that may be executed by a subsequent written amendment; and

WHEREAS, the College and City also desire to make the attached amendments to the original contract; and

WHEREAS, this Agreement is made under the authority of Arizona Revised Statues Section 11-952 as a joint exercise of powers.

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 First Amendment to the Intergovernmental Agreement between the Coconino County Community College District and the City of Flagstaff, Arizona, attached hereto as Exhibit A, which shall become effective upon the date first executed by both parties.

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 16th day of December, 2025.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

Exhibits:
Intergovernmental Agreement

FIRST AMENDMENT
TO
INTERGOVERNMENTAL AGREEMENT
Between
Coconino County Community College District
And
City of Flagstaff
For
Sharing of Resources

This First Amendment ("Amendment") to the Intergovernmental Agreement ("IGA") is entered into by and between Coconino County Community College District, an Arizona community college district, with offices at 2800 South Lone Tree Road, Flagstaff, Arizona ("College"), and City of Flagstaff, and Arizona municipal corporation, with offices at 211 West Aspen Avenue, Flagstaff, Arizona ("City"). College and City may be individually referred to herein as a "Party" or collectively as "Parties".

Witnesseth:

Whereas, on September 23, 2020, College and City entered into an Agreement for sharing resources amongst the Parties, for a five (5) year period from September 23, 2020, through September 22, 2025, and;

Whereas, the College and City each desire, as allowed under Article 5.3 "***Renewal***" of the Agreement, to extend the Agreement for an additional five (5) year period from September 23, 2025, through September 22, 2030. Both parties understand that there is one (1) remaining additional five (5) year extension option that may be executed by a subsequent written amendment.

NOW, THEREFORE, IT IS MUTUALLY AGREED BY COLLEGE AND CITY THAT SAID AGREEMENT IS AMENDED AS FOLLOWS:

1. The term of this Agreement shall be extended for one (1) additional five (5) year period from September 23, 2025, through September 22, 2030.
2. Changes reflected in Exhibit A of this Agreement, as referenced and incorporated herein, shall replace those Articles from the Agreement.
3. Except as expressly amended herein, the terms and conditions set forth in said original Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE CAUSED THIS FIRST AMENDMENT TO AGREEMENT TO BE SIGNED ON THEIR BEHALF BY THEIR DULY AUTHORIZED REPRESENTATIVES.

Coconino Community College District	City of Flagstaff
By: _____ Dr. Eric A. Heiser	By: _____
Title: President & CEO	Title: City Manager
Date: _____	Date: _____

Exhibit A

2.1 Classroom Space on 4th Street Campus. College shall make classroom space and equipment on College's ~~Lone Tree~~ ***Fourth Street*** Campus ***or alternate location*** available to City, at no charge, for ~~fire science~~ Flagstaff Fire Department ("FFD") educational and training purposes ***related to FFD administration and operations*** when requested by City; provided such scheduling and use of classroom space and equipment does not interfere with previously scheduled College classes.

2.4 Return of Equipment; Damage. ~~College agrees~~ ***The Parties agree*** ~~that is designated Safety Officer~~ ***to each provide a designated representative*** ~~will~~ to oversee the use and transportation of all ~~City~~ equipment and vehicles utilized by ~~College~~ by each Party during any and all ~~College~~ training activities. The ~~Safety Officer~~ ***designated representative of each Party*** shall report in writing any and all damage to ~~FTF~~ equipment, vehicles, or the FTF facility to the ***other Party's designated representative*** ~~on the On-Duty Battallion Chief~~ . The ~~Safety Officer and~~ College lead instructor ***and designated representative*** will do facility walk through and safety briefing before each class.

3.6 ~~Storage and Use of the College's Mobile Air Resupply Unit. The Parties acknowledge and agree that College is the owner of a mobile five-star air compression system for filling self-contained breathing apparatuses used by fire fighters that is mounted to the trailer (identified by serial no. 5E2B11626E1049328) (the "Air Trailer"). City agrees that, during the term of this Agreement, College may store its Air Trailer in a City fire station to be determined by agreement of the Parties, and College agrees that City may use College's Air Trailer for emergency response and training within City's jurisdiction or the jurisdiction of any of City's mutual-aid partners. City's Fire Science Coordinator or designee will oversee the use and transportation of College's Air Trailer and all related equipment when utilized by City during trainings or incident response. The Fire Science Coordinator will report in writing any and all damage to College's Air Trailer and all related equipment to the Dean of Career Technical Education promptly upon learning of such damage.~~ ***Use of College's Self-Contained Breathing Apparatus (SCBA) Fill Station and Compressor. City agrees to allow College to place a conex box containing a SCBA fill station and compressor at the FTF for the use by the College and the City. College agrees that the equipment will comply with all City ordinances, the Flagstaff City Code, and FFD policies and procedures. City will be responsible for the maintenance of the equipment.***

3.9 Thermal Insulating Panels. College will provide thermal insulating panels for City's FTF live burn room. Replacements will be provided on an alternating schedule with the responsibility between the Parties. Parties understand the estimated replacement schedule is every two to three years.

INTERGOVERNMENTAL AGREEMENT
between
Coconino County Community College District and
City of Flagstaff
for Sharing of Resources

This **INTERGOVERNMENTAL AGREEMENT** ("Agreement") is entered into this_____day of_____, 2021 by and between **COCONINO COUNTY COMMUNITY COLLEGE DISTRICT**, an Arizona community college district, with offices at 2800 South Lone Tree Road, Flagstaff, Arizona ("College"), and the **CITY OF FLAGSTAFF**, an Arizona municipal corporation, with offices at 211 West Aspen Avenue, Flagstaff, Arizona ("City"). College and City may be individually referred to herein as a "Party" and collectively as the "Parties."

RECITALS:

A. College and City each engage in training and education of firefighters and emergency medical technicians; and
B. College wishes to utilize City's Firefighting Training Facility ("FTF") to conduct training and education classes; and
C. City wishes to use College's facilities and equipment for training and education in emergency response; and
D. City is willing to make the FTF available to College for training and education purposes, subject to the terms and conditions set forth in this Agreement; and
E. College is willing to make classroom space and equipment available to City for training and education purposes, subject to the terms and conditions set forth in this Agreement; and
F. College and City are authorized to enter into Intergovernmental Agreements pursuant to A.R.S. § 11-952.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Agreement, the parties hereby agree as follows:

1. City's Obligations.

City agrees as follows:

1.1. Use of Fire Training Facility. City shall make the FTF available to College, at no charge, for educational and training purposes, subject to the provisions of this Agreement.

1.2. City Liaison. City will appoint a liaison as a point of contact for College and to coordinate College's use of the FTF.

1.3. College's Policies and Procedures. City agrees to abide by and enforce College's policies and procedures when City uses College classroom space, facilities, and equipment.

2. College's Obligations

College agrees as follows

2.1. Classroom Space on Lone Tree Campus. College shall make classroom space and equipment on College's Lone Tree Road Campus available to City, at no charge, for fire science educational and training purposes when requested by City; provided such scheduling and use of classroom space and equipment does not interfere with previously scheduled College classes.

2.2. Request for Use of FTF. College agrees to provide, at or before the beginning of each semester according to College's academic calendar, a written request for use of the FTF on specific dates and times with a list of equipment needed for each class session.

2.3. Conduct of Training and Education Classes. College agrees to conduct its training and education classes and programs at the FTF in a manner consistent with City's and Flagstaff Fire Department ("FFD") policies and procedures. College agrees that all drills and exercises will follow FFD policies and procedures.

2.4. Return of Equipment; Damage. College agrees that its designated Safety Officer will oversee the use and transportation of all City equipment and vehicles utilized by College during any and all College training activities. The Safety Officer shall report in writing any and all damage to FTF equipment, vehicles, or the FTF facility to the On-Duty Battalion Chief. The Safety Officer and College lead instructor will do a facility walk through and safety briefing before each class.

2.5. Fuel and Propane Costs and Use.

2.5.1. College agrees to reimburse City for all costs and expenses associated with fuel used or consumed during College training activities that utilize a City or FTF vehicle. For purposes of calculating this reimbursement, the Parties agree that the amount of fuel used or consumed will be approximately eight (8) gallons for a full-day event; provided, however, College's actual fuel use and consumption will be monitored and confirmed by City during College drills and training exercises and reimbursements to City will be based on actual fuel pricing at the time of the drills and training exercises.

2.5.2. College agrees to purchase and/or replace all propane used or consumed during College drills and training exercises. College's propane use and consumption will be monitored and confirmed by City during College drills and training exercises. College agrees to purchase and/or replace the propane used or consumed at least once each semester.

2.6. Materials and Supplies. Except as provided in Section 2.5 on Fuel and Propane Costs and Use, College agrees to provide all expendable or consumable supplies and materials utilized during College's drills and training exercises. These supplies and materials include, but are not limited to:

(a) Foam
(b) Liquid Smoke
(c) Fire Extinguishers
(d) Mannequins
(e) Extrication vehicles

2.7. Condition of FTF after Use. Upon completion of any educational or training session or class at the FTF, College will return FTF and its adjacent grounds and classroom to the condition they were in at the start of the session or class. College agrees to remove all College equipment, materials, supplies, and other items from the FTF, unless otherwise agreed to by the On-Duty Battalion Chief.

2.8. Insurance. College agrees to maintain sufficient liability and workers compensation insurance to cover any injuries sustained by College staff or students. The college further agrees to carry sufficient insurance to cover repairs to or replacement of any City-owned equipment, tools, or vehicles caused by College students or instructors during these training activities.

2.9. List of Fire Science Instructors. Prior to the start of each semester under College's academic calendar, College will provide City with a list of College's fire science instructors, their qualifications, and their employing agency. If, during the semester, any of College's fire science instructors change or College learns of any changes to any information included on such list, College shall provide an updated list and/or information to City.

3. Mutual Obligations of the Parties.

City and College agrees as follows:

3.1. College Instructional Sessions at the FTF.

3.1.1. Safety Officers. College and City acknowledge and agree that certain instructional staff employed by College are also employed as firefighting personnel by City. College and City further acknowledge and agree that a designated safety officer must monitor and oversee all College drills and training exercises at FTF (the "Safety Officer"). For efficient and economical use of personnel employed by both College and City, College and City agree that:

3.1.1.1. The Safety Officer must, at all times, be a qualified firefighter employed by City;

3.1.1.2. College may designate an instructional staff member as the Safety Officer for any given College drill, training exercise, session, or classes at the FTF if the instructional staff member is also a qualified firefighter employed by City; and

3.1.1.3. If, for any reason, College is unable to designate a Safety Officer who is both an instructional staff member of College and a qualified firefighter employed by City, City agrees to provide a qualified firefighter to serve as the Safety Officer provided by City, subject to reimbursement by College for the cost of such qualified firefighter as provided herein.

3.1.1.4. If City provides a qualified firefighter to serve as the Safety Officer, the cost shall be reimbursed at the "burden rate" for the assigned firefighter, which will be calculated by the hourly pay rate for the assigned firefighter multiplied by the number of hours worked, plus all employee-related expenses associated with the wages and hours worked.

3.1.2. Engineers. College and City acknowledge and agree that certain instructional staff employed by College are also employed as firefighting personnel by City. College and City further acknowledge and agree that only a qualified firefighting engineer may operate a City vehicle during all College drills and training exercises at FTF (the "Engineer"), and that no College instructor or student who is not a qualified firefighting engineer employed by City may operate a City vehicle. For efficient and economical use of personnel employed by both College and City, College and City agree that:

3.1.2.1. The Engineer must, at all times, be a qualified firefighting engineer employed by City;

3.1.2.2. College may designate an instructional staff member as the Engineer for any given College drill, training exercise, session, or classes at the FTF if the instructional staff member is also a qualified firefighting engineer employed by City;

3.1.2.3. The Engineer may, but is not required to be, the same College instructional staff member designated to serve as Safety Officer; and

3.1.2.4. If, for any reason, College is unable to designate an Engineer who is both an instructional staff member of College and a qualified firefighting engineer employed by City, City agrees to provide a qualified firefighting engineer to serve as the Engineer subject to reimbursement by College for the cost of such qualified firefighter as provided herein.

3.1.2.5. If City provides a qualified firefighter to serve as the Engineer, the cost shall be reimbursed at the "burden rate" for the assigned firefighter, which will be calculated by the hourly pay rate for the assigned firefighter multiplied by the number of hours worked, plus all employee-related expenses associated with the wages and hours worked..

3.1.3. Pre-Approval of Designated Safety Officers and Engineers. The Parties agree that, prior to the start of each semester under College's academic calendar, a list of College's designated Safety Officers and Engineers will be submitted to City for approval. City shall review and either approve or disapprove individual College designees based on acceptable standards and qualifications to serve as a Safety Officer and/or Engineer. Such approval of disapproval shall be completed and returned to College prior to the start of College's semester term. If, at any time, a pre-approved Safety Officer or Engineer is unable to serve in such capacity, either temporarily or for the remainder of the semester, the Parties may agree on another individual to serve a Safety Officer or Engineer, which may include a qualified firefighter to serve as Safety Officer or Engineer provided by City, subject to reimbursement by College as provided in Sections 3.1.1.4and 3.1.2.5.

3.1.4. Safety and Operations During College Instructional Sessions at FTF. College and City agree that safety shall be a paramount concern during all College drills and training exercises at FTF. City and College further agree that the Safety Officer may, at any time, stop any College drill or training session that the Safety Officer determines is unsafe or to confirm whether FTF operational and safety policy and procedures are being followed and

maintained. College and City also agree that establishing and maintaining safe operations during College drills and safety exercises includes adherence to Sections 3.1.1, 3.1.2, 3.1.3, herein above.

3.2. Employees of College and City.

3.2.1. Employees of College. Throughout the term of this Agreement, an individual employed as an instructor by College shall remain an employee of College and subject to the terms and conditions of the instructor's employment contract and College policy, but shall also be subject to continuing approval by City under the terms and conditions of this Agreement. Should a College instructor violate City policy or procedure, City may withdraw its approval of the instructor under the terms and conditions of this Agreement. Upon such withdrawal of approval, College shall propose another qualified instructor and notify City in writing of the proposed substitute, who must be approved or disapproved in writing by City pursuant to the terms of this Agreement.

3.2.2. Employees of City. Throughout the term of this Agreement, an individual employed by City as a firefighter shall remain an employee of City and subject to the terms and conditions of the individual's employment contract and City policy, but shall also be subject to continuing approval by College under the terms and conditions of such individual's instructional or other contract with College, if any, and this Agreement. Should a City firefighter violate College policy or procedure, College may take any action authorized under College policy and procedure and such individual's contract with College, if any, and under this Agreement.

3.2.3. Operations, Supervision, and Employment-Related Expenses. Each Party agrees to be responsible for the conduct of its operations, the performance of obligations under this Agreement, and the actions of its own personnel while performing services under this Agreement. Each party shall be solely responsible for supervision, daily direction, control of payment of salary (including withholding for payment of taxes and social security), workers' compensation, and disability and other benefits.

3.2.4. Worker's Compensation. The Parties agree that this Agreement does not create or effect an intergovernmental joint operation, co-employment, or employment-employee arrangement. Nonetheless, the Parties further agree to comply with the requirements of Arizona's worker's compensation statute, Arizona Revised Statutes, Title 23, Chapter 6, including the provisions of A.R.S. § 23-1022(D)-(E) regarding intergovernmental agreements and notice to employees.

3.3. Facility Use Only. The Parties agree that this Agreement is limited to the express purposes and uses set forth in this Agreement and does not imply or establish any joint educational or instructional classes or programs, nor imply or establish any dual enrollment or dual credit classes or programs.

3.4. Risk to Health or Safety. If either Party has reason to suspect that any activities undertaken pursuant to this Agreement present an unreasonable risk to the health or safety of students or is contrary to the Party's mission or operations, that Party may request that a meeting between the Parties be convened within forty-eight (48) hours and promptly confirm the meeting in writing. In such circumstances, the Parties to this Agreement will attempt to reconcile differences

within five (5) working days of such meeting. If reconciliation is not achieved within the five (5) day period, this Agreement will automatically terminate.

3.5. Confidential Records. The Parties do not anticipate sharing confidential records of any nature by either Party with the other Party. Nonetheless, the Parties agree that all student records shall be kept confidential and may be shared only in accordance with the Family Education Rights and Privacy Act (20 U.S.C. §1232(g)) ("FERPA") and regulations adopted pursuant to FERPA, the Individuals with Disabilities Education Act ("IDEA") and regulations adopted thereunder, the applicable portions of the Health Insurance Portability and Accountability Act of 1996 (Pub.L. 104-191) ("HIPAA"), and applicable state laws and College policies controlling the disclosure of personally identifiable information from a student's education records. City acknowledges and agrees that this Section 3.5 extends to City employees who are also employed by College in an instructional capacity.

3.6. Storage and Use of College's Mobile Air Resupply Unit. The Parties acknowledge and agree that College is the owner of a mobile five-stage air compression system for filling self-contained breathing apparatuses used by fire fighters that is mounted on a trailer (identified by serial no. 5E2B11626E1049328) (the "Air Trailer"). City agrees that, during the term of this Agreement, College may store its Air Trailer in a City fire station to be determined by agreement of the Parties, and College agrees that City may use College's Air Trailer for emergency response and training within City's jurisdiction or the jurisdiction of any of City's mutual-aid partners. City's Fire Science Coordinator or designee will oversee the use and transportation of College's Air Trailer and all related equipment when utilized by City during trainings or incident response. The Fire Science Coordinator will report in writing any and all damage to College's Air Trailer and all related equipment to the Dean of Career and Technical Education promptly upon learning of such damage.

3.7. Temporary Storage Box. City agrees to allow College to place a temporary storage box onsite at FTF to allow College to store training supplies and equipment. College agrees that the temporary storage box must comply with all City ordinances, the Flagstaff City Code, and Flagstaff Fire Department policies and procedures. College agrees that City shall have the right to remove the temporary storage box if not in compliance after College has been given an opportunity to cure any such non-compliance.

3.8. Disposition of Property. The Parties do not contemplate joint acquisition of any property pursuant to this Agreement. Upon termination of this Agreement, any equipment furnished or purchased by College for use in drills, training exercises, or classes at FTF shall be retained by College. Upon termination of this Agreement, any equipment furnished or purchased by City for use while utilizing College's classroom space and facilities shall be retained by City.

4. Effective Date and Term.

4.1 Effective Date. This Agreement will become effective for each PARTY after approval by its governing body (the "Effective Date").

4.2 Term. Except as otherwise provided in this Agreement, this Agreement will remain in effect for a period of five years, unless extended or terminated by action of the PARTIES.

5. Termination and Renewal

5.1. Either Party may terminate this Agreement immediately upon written notice if the other Party defaults in any obligation imposed on it under this Agreement and does not cure any such default within twenty (20) days after receipt of written notice from the Party not in default.

5.2. This Agreement may be terminated by either Party without cause upon thirty (30) days' written notice.

5.3. Renewal. This Agreement may be renewed for two (2) additional five (5) year periods, subject to agreement by the PARTIES. For the City of Flagstaff, the City Manager shall be authorized to approve such renewals

6. Conflict of Interest

The Parties agree that this Agreement may be cancelled for conflict of interest in accordance with Section 38-511 of the Arizona Revised Statutes.

7. Compliance with All Laws

Each PARTY shall comply with all federal, state, and local laws, rules and regulations.

8. Notices

Unless otherwise specified herein, any notice or other communication required or permitted to be given under this Agreement shall be in writing and sent to the address given below for the Party to be notified, or to such other address, notice of which is given in compliance with this section:

If to the City:	If to the College:
Fire Chief	Director of Purchasing & Auxiliary Services
Flagstaff Fire Department	Coconino Community College
City of Flagstaff	2800 S. Lone Tree Road
211 West Aspen Avenue	Flagstaff, Arizona 86005
Flagstaff, Arizona 86001	

9. Indemnification.

Each PARTY to this Agreement shall indemnify, defend and hold harmless the other PARTIES, their members, directors, officers, employees, agents, attorneys and assigns from and against any and all claims, losses, liability, costs or expenses resulting from the negligence or willful misconduct of the indemnifying PARTY or PARTIES, provided however, nothing herein shall be construed to expand the liability of any PARTY or its employees beyond the gross negligence/intentional misconduct standard applicable to emergency medical technicians or paramedics providing emergency medical aid as provided for in A.R.S. §48-818. This indemnification shall survive termination of this Agreement or the termination of the participation of any of its PARTIES.

10. Liability Insurance

Each PARTY shall bear the risk of its own actions and shall determine for itself an appropriate level of liability insurance coverage and maintain such coverage. Nothing in this Agreement shall be construed as a waiver of any limitation on liability that may apply to a PARTY.

11. Severability.

In the event that a court of competent jurisdiction shall hold any part or provision of the Agreement void or of no effect, the remaining provisions of this Agreement shall remain in full force and effect, to the extent that the continued enforcement of such remaining terms shall continue to reflect substantially the intent of the parties hereto.

12. Non-Assignability.

Neither Party may assign any right or delegate a duty or responsibility under this Agreement without the prior written consent of the other Party.

13. Non-Appropriation.

This Agreement shall be subject to available funding for each Party, and nothing in this Agreement shall bind any Party to expenditures in excess of funds appropriated and allotted for the purposes outlined in this Agreement

14. No Third-Party Beneficiaries.

The parties acknowledge and agree that the terms, provisions, conditions, and obligations of this Agreement are for the sole benefit of, and may be enforceable solely by, the Parties to this Agreement, and none of the terms, provisions, conditions, and obligations of this Agreement are for the benefit of, or may be enforced by, any person or entity not a party to this Agreement.

15. Records and Retention Requirements.

The Parties shall retain all records related to this Agreement, and each party shall have the right to inspect all records of the other party pertaining to the Agreement. The Parties shall retain all records related to this Agreement for a period of time consistent with each Party's records retention policy. This record retention requirement shall remain in effect following expiration of this Agreement.

16. Governing Law.

This Agreement shall be construed under the laws of the State of Arizona and shall incorporate by reference all laws governing intergovernmental agreements and mandatory contract provisions of state agencies required by statute or executive order. All statutes and regulations referenced in this Agreement are incorporated herein as if fully stated in their entirety in the Agreement. Each Party agrees to comply with and be responsible for the provisions, the statutes, and the regulations set out in this Agreement.

17. Legal Arizona Workers Act Compliance

Parties are required to comply with A.R.S. §41-4401, and hereby warrants that they will, at all times during the term of this Agreement, comply with all federal immigration laws applicable to the employment of their respective employees, the requirements of A.R.S. §41-4401, and with the e-verification requirements of A.R.S. §23-214(A) (together the "state and federal immigration laws"). Parties further agree to ensure that each subcontractor that performs any work under this Agreement likewise complies with the state and federal immigration laws.

A breach of a warranty regarding compliance with the state and federal immigration laws shall be deemed a material breach of the Agreement and the Party who breaches may be subject to penalties up to and including termination of the Agreement.

Each Party retains the legal right to inspect the papers of any contractor or subcontract employee working under the terms of the Agreement to ensure that the other Party is complying with the warranties regarding compliance with the state and federal immigration laws.

18. Compliance with Non-Discrimination Laws.

Each Party warrants that it complies with any state and federal laws, rules and regulations which mandate that all persons, regardless of race, color, creed, religion, sex, genetic information, age, national origin, disability, familial status or political affiliation, shall have equal access to employment opportunities, including but not limited to the Americans with Disabilities Act. Each Party shall take affirmative action to ensure that it will not participate either directly or indirectly in the discrimination prohibited by or pursuant to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Age Discrimination Act of 1975, Genetic Information Nondiscrimination Act of 2008

SIGNATURE PAGE FOLLOWS

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first above written.

City of Flagstaff

Coral J. Evans, MBA

Digitally signed by Coral J. Evans, MBA
DN: cn=Coral J. Evans, MBA, o=City of Flagstaff, ou=Mayor, email=cevans@flagstaffaz.gov, c=US
Date: 2020.09.22 16:15:58 -07'00'

Mayor

Attest:

Stacy Saltzburg

Digitally signed by Stacy Saltzburg
DN: cn=Stacy Saltzburg, o=City of Flagstaff, ou=City Clerk, email=stacy.saltzburg@flagstaffaz.gov, c=US
Date: 2020.09.23 11:24:22 -07'00'

City Clerk

Approved as to form:

Marianne Sullivan

Digitally signed by Marianne Sullivan
Date: 2020.09.22 15:39:30 -07'00'

City Attorney

Coconino County Community College District

President

Attest:

Executive Assistant to the President

Approved as to form:

Attorney for the College

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Charles Hernandez, Deputy Police Chief - Criminal Investigations

Co-Submitter: Megan Dales

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE:

Consideration and Adoption of Resolution No. 2025-65: A resolution of the Flagstaff City Council, approving the Cost-Sharing Addendum #1 High Country Training Academy Intergovernmental Agreement between Coconino County Community College District and City of Flagstaff and Flagstaff Police Department for the period of October 1, 2025 through September 30, 2026.

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-65 by title only
2. City Clerk reads Resolution No. 2025-65 by title only (if approved above)
3. Adopt Resolution No. 2025-65

Executive Summary:

The Flagstaff Police Department (FPD), in collaboration with Coconino Community College (CCC) and regional User Group partner agencies, has established and now operates the High Country Training Academy located on CCC's Lone Tree campus. This partnership provides a local, cost-effective solution for Arizona Peace Officer Standards and Training (AZPOST) basic training.

Under this model, FPD supplies the Class Sergeant, who oversees and delivers core instruction to academy recruits. FPD, alongside User Group agencies, including the Coconino County Sheriff's Office and the Northern Arizona University Police Department, also provides supplemental staffing and adjunct instructors to ensure recruits receive comprehensive, AZPOST certified training.

The academy conducts two full training sessions per year, beginning in October and March. By hosting the academy locally, the City benefits from significant cost savings associated with basic training, while reinvesting those training dollars directly into the Flagstaff community. Additionally, Flagstaff area agencies receive priority enrollment, enhancing oversight and support for their recruits and improving successful academy completion. This partnership strengthens regional collaboration, enhances training quality, and ensures a sustainable and locally focused pipeline for future law enforcement professionals.

Financial Impact:

The city saves money on basic academy training costs as our recruits who accept job offers house themselves locally when they accept the offer.

Policy Impact:

None

Previous Council Decision or Community Discussion:

The Council has previously approved an IGA Addendum between FPD and Coconino County Community College involving the High Country Training Academy.

Options and Alternatives to Recommended Action:
Approve the IGA for FPD to continue to partner with Coconino Community College to use High Country Training Academy for basic training.

Do not Approve the IGA

Background and History:
In 2018, the Arizona Peace Officer Standards and Training Board (AZPOST) significantly reduced statewide funding for police academy operations. Prior to these reductions, AZPOST covered lodging and per diem costs for recruits residing more than 50 miles from an academy. When this support ended, agencies located more than 50 miles from an academy, including the Flagstaff Police Department (FPD), became responsible for these added expenses, resulting in increased training costs for local jurisdictions. Across Arizona, many remote agencies, including those in Lake Havasu, Yuma, Kingman, Globe, the West Valley, the East Valley, and Show Low, established their own basic training academies to manage rising costs and ensure guaranteed class availability for their recruits.

To address similar challenges and secure dedicated academy access for local recruits, the Flagstaff Police Department and the City of Flagstaff entered into an Intergovernmental Agreement (IGA) in September 2022 to create the High Country Training Academy. The academy has been operational since that time, providing a sustainable, locally based solution for AZPOST-certified basic police training.

Connection to PBB Priorities and Objectives:
High Performing Governance: Serve the public providing high quality internal and external customer service.
High Performing Governance: Encourage public trust through transparency, accessibility and use of the City's public participation policy.
Team Flagstaff Strategic Plan: Provide exceptional service.

Connection to Regional Plan:
3) Provide sustainable and equitable public facilities, services, infrastructure systems in an efficient and effective manner to serve all population areas and demographics.
8) Improve effectiveness of notification, communication and engagement with residents, neighborhoods and businesses and about City services, programs, polices projects and developments.

Connection to Carbon Neutrality Plan:
N/A

Connection to 10-Year Housing Plan:
N/A

Connection to Division Specific Plan:
Expanded Options and Alternatives:
Coconino Community College, the primary higher education institution serving our city and county, provides accreditation for the High Country Training Academy's basic police training. This partnership allows Flagstaff Police recruits to begin a structured pathway toward a college education, as they earn academic credits through the college for successfully completing the Arizona POST Basic Police Academy.

Community Benefits and Considerations:
The partnership between the Flagstaff Police Department and Coconino Community College to operate the High Country Training Academy provides significant benefits to the Flagstaff community. By hosting a local police academy, the City ensures a consistent pipeline of well-trained officers who are educated within the community they will serve, strengthening local accountability and public trust. The academy reduces training

costs, keeps taxpayer dollars in Flagstaff, and supports regional collaboration among partner agencies. Additionally, the presence of a local academy enhances public safety by allowing recruits and officers to remain in the area during training, ensuring stronger continuity of service and quicker integration into community focused policing initiatives.

Community Involvement:
The High Country Training Academy enhances community connected policing by ensuring Flagstaff Police Officer recruits are trained locally and immersed in the community from the outset of their careers. Recruits receive instruction from experienced Flagstaff Police Department supervisors, general instructors, and adjunct instructors drawn from within the region. This model fosters early community engagement, strengthens the recruit's understanding of local priorities, and builds relationships that support effective, community focused policing. Additionally, involving current personnel and community-based instructors reinforces the department's overall training capacity, creating a sustainable and locally grounded approach to preparing future officers.

Attachments: Res. 2025-65
Addendum #1
Res. Staff Summary

RESOLUTION NO. 2025-65

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING ADDENDUM #1 OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN COCONINO COUNTY COMMUNITY COLLEGE DISTRICT, COCONINO COUNTY, AND THE CITY OF FLAGSTAFF FOR HIGH COUNTRY TRAINING ACADEMY COST SHARING

RECITALS:

WHEREAS, the Parties and City of Flagstaff desire to enter into an intergovernmental agreement for cost-sharing for the High Country Training Academy; and

WHEREAS, the Parties wish to share resources and facilities for the training and education of Arizona Peace Officers Standards and Training Certified Police Officers, and

WHEREAS, the Parties are authorized to enter into this agreement pursuant to A.R.S. § 11-952 and 41-2632.

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 Coconino County Community College District, Coconino County 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 16th day of December 2025.

_____
MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

Exhibits:
Addendum #1 to IGA

HIGH COUNTRY TRAINING ACADEMY

COST-SHARING ADDENDUM #1

FOR OCTOBER 1, 2025, THROUGH SEPTEMBER 30, 2026

Effective October 1, 2025, this "Cost-Sharing Addendum #1" to the Amended High Country Training Academy Intergovernmental Agreement ("Agreement") serves to completely replace and supplant the "Cost Sharing Addendum," which took effect March 1, 2023.

The Parties have determined that it is necessary to revise the Cost-Sharing Addendum, which includes both the tuition/fees as well as the responsibilities of each party.

In the event there is a conflict between the terms of the Agreement and the terms of this Cost-Sharing Addendum #1, the Agreement's terms shall control.

I. COCONINO COUNTY COMMUNITY COLLEGE DISTRICT (“COLLEGE") RESPONSIBILITIES

College agrees to provide the following:

A. Facilities:
   1. Two classrooms at the Lone Tree Campus, one for recruit instruction and the other for defensive tactics training.
   2. Office space.
   3. Space for fitness, drill, and inspection at the Lone Tree Campus.
   4. Parking permits, free of charge, to instructors and other staff of the High Country Training Academy (“HCTA”).
   5. Parking permits for recruits to purchase.

B. Staffing:
   1. One full-time administrative assistant dedicated to HCTA Professional Services.
   2. Cost of access to Northern Arizona Shooting Range or comparable facility.

C. Supplies:
   1. Basic set of physical training/defensive tactics clothing for recruits.
   2. Staff clothing (logo wear for instructors).
   3. Books (ARS manual for each recruit).
   4. Office supplies.
   5. Targets for firing range.

6. Three thousand (3,000) rounds of ammunition for each recruit.
7. Defensive tactics training supplies (sanitizing supplies, tape, etc.).
8. Defensive tactics gear replacement and expansion.
9. Physical training supplies (first aid kits, etc.).
10. Physical training equipment replacement and expansion.
11. Meals for recruits and staff during off-site training (driving skills).

D. Travel:
   1. Instructor food and lodging for driving skills training, field problems.
   2. Recruit food and lodging for driving skills training.

E. Billing/Invoicing:
   1. The College will invoice agencies at the start of each academy, and the agencies will make payment within thirty (30) days of receiving invoice. Once a recruit has started the academy, there will be no refunds, and full tuition will be paid by the sponsoring agency.

F. Indirect Costs:
   1. Facilities, security, Information Technology, and instructional support, and other staff as needed to support HCTA at the same level as other College departments and programs.
   2. All other indirect costs needed to maintain the facilities and services that support HCTA at the same level as other College departments and programs.

II. PARTNER LAW ENFORCEMENT AGENCY RESPONSIBILITIES

Each Partner and/or their respective law enforcement agency (including Flagstaff Police Department ("FPD"), Coconino County Sheriff's Office ("CCSO"), and Northern Arizona University Police Department ("NAUPD")) will provide the following:

A. CCSO will provide the HCTA Commander for the 2025-26 period.
B. City of Flagstaff (FPD) will provide the Class Sergeant for the 2025-26 period.
C. FPD and CCSO will provide one Recruit Training Officer ("RTO") each. For any classes that includes more than sixteen (16) recruits, the Partner law enforcement agencies and/or any other agencies enrolling recruits in HCTA will work together to provide additional RTOs as required.
D. Qualified instructors as arranged by the Commander and Class Sergeant and approved by AZ Peace Officer Standards and Training Board ("AZPOST").
E. FPD will provide access to its physical training facility as needed.
F. In the event that the College's instructional facilities are unavailable, City of Flagstaff (FPD) will provide access to its training room.

G. NAUPD will provide access to its facilities on a contingency basis as arranged by College and NAU administration.
H. Partner agencies will assist with transporting recruits to remote training locations as needed, in accordance with agencies' policies and procedures.

III. COMPENSATION

A. Partner law enforcement agencies enrolling recruits in HCTA agree to pay the College tuition and fees in the amount of $4,320 per recruit within thirty (30) days of being invoiced by College. As indicated above, there will be no refunds of tuition or fees once a recruit has started the academy.
B. Every agency that is enrolling recruits agrees to provide the following for each recruit:
    1. All agency-provided uniforms and equipment that are issued to sworn officers, in accordance with their own policies, procedures, and timelines.
    2. Housing and, with the exception of lunches during scheduled driving training, meals as needed for recruits participating in the Academy who do not live within "community" distance of Coconino Community College.

IV. TERMS

The terms of this Cost-Sharing Addendum shall be effective October 1, 2025, through September 30, 2026.

V. AUTHORITY

Each Party to this Addendum warrants that the person signing below is authorized to sign on behalf of and to obligate said Party to the above terms and conditions.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the day and year written above.

SIGNATURES:

COCONINO COUNTY COMMUNITY COLLEGE DISTRICT:

_____ _____

President or Designee Date

Approved as to form by:

_____ _____

College Attorney Date

CITY OF FLAGSTAFF:

_____ _____

Clerk of Council or Designee Date

_____ _____

Chief of Police or Designee Date

Approved as to form by:

_____ _____

City Attorney Date

NORTHERN ARIZONA UNIVERSITY:

_____ _____

Arizona Board of Regents for and on behalf of Northern Arizona University, Authorized Signatory Date

_____ _____

Chief of Police or Designee Date

Approved as to form by:

_____ _____

General Counsel Date

COCONINO COUNTY:

_____ _____

Chair, Board of Supervisors Date

_____ _____

Sheriff or Designee Date

Attest:

_____ _____

Clerk of the Board Date

Approved as to form by:

_____ _____

Deputy County Attorney Date

CITY OF FLAGSTAFF
STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Charles M Hernandez II, Deputy Chief
Co-Submitter: Megan Dales
Date: 11/19/2025
Meeting Date: 12/16/2025

TITLE:
Consideration and Adoption of Resolution No. 2025-: A resolution of the Flagstaff City Council, approving the Cost-Sharing Addendum #1 High Country Training Academy Intergovernmental Agreement (Agreement) between Coconino County Community College District (COLLEGE) and City of Flagstaff and Flagstaff Police Department (FPD) for the period of October 1, 2025 through September 30, 2026.

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

EXECUTIVE SUMMARY:
The Flagstaff Police Department (FPD), in collaboration with Coconino Community College (CCC) and regional User Group partner agencies, has established and now operates the High Country Training Academy located on CCC's Lone Tree campus. This partnership provides a local, cost-effective solution for Arizona Peace Officer Standards and Training (AZPOST) basic training.

Under this model, FPD supplies the Class Sergeant, who oversees and delivers core instruction to academy recruits. FPD, alongside User Group agencies, including the Coconino County Sheriff's Office and the Northern Arizona University Police Department, also provides supplemental staffing and adjunct instructors to ensure recruits receive comprehensive, AZPOST certified training.

The academy conducts two full training sessions per year, beginning in October and March. By hosting the academy locally, the City benefits from significant cost savings associated with basic training, while reinvesting those training dollars directly into the Flagstaff community. Additionally, Flagstaff area agencies receive priority enrollment, enhancing oversight and support for their recruits and improving successful academy completion. This partnership strengthens regional collaboration, enhances training quality, and ensures a sustainable and locally focused pipeline for future law enforcement professionals.

POLICY IMPACT:
None

FINANCIAL IMPACT:
The city saves money on basic academy training costs as our recruits who accept job offers house

themselves locally when they accept the offer.

Connection to PBB Priorities/Objectives, Carbon Neutrality Plan & Regional Plan:
Priority Based Budget Key Community Priorities and Objectives
High Performing Governance: Serve the public providing high quality internal and external customer service.

High Performing Governance: Encourage public trust through transparency, accessibility and use of the City's public participation policy.

Team Flagstaff Strategic Plan: Provide exceptional service.

Regional Plan
3) Provide sustainable and equitable public facilities, services, infrastructure systems in an efficient and effective manner to serve all population areas and demographics.
8) Improve effectiveness of notification, communication and engagement with residents, neighborhoods and businesses and about City services, programs, polices projects and developments.

Has There Been Previous Council Decision on This:
The Council has previously approved an IGA Addendum between FPD and Coconino County Community College involving the High Country Training Academy.

Options and Alternatives:
Approve the IGA for FPD to continue to partner with Coconino Community College to use High Country Training Academy for basic training.

Do not Approve the IGA

Background and History:
In 2018, the Arizona Peace Officer Standards and Training Board (AZPOST) significantly reduced statewide funding for police academy operations. Prior to these reductions, AZPOST covered lodging and per diem costs for recruits residing more than 50 miles from an academy. When this support ended, agencies located more than 50 miles from an academy, including the Flagstaff Police Department (FPD), became responsible for these added expenses, resulting in increased training costs for local jurisdictions. Across Arizona, many remote agencies, including those in Lake Havasu, Yuma, Kingman, Globe, the West Valley, the East Valley, and Show Low, established their own basic training academies to manage rising costs and ensure guaranteed class availability for their recruits.

To address similar challenges and secure dedicated academy access for local recruits, the Flagstaff Police Department and the City of Flagstaff entered into an Intergovernmental Agreement (IGA) in September 2022 to create the High Country Training Academy. The academy has been operational since that time, providing a sustainable, locally based solution for AZPOST-certified basic police training.

Key Considerations:
By approving this IGA, the city will be able to keep its money local by partnering with Coconino Community College.

Community Benefits and Considerations:
The partnership between the Flagstaff Police Department and Coconino Community College to operate the High Country Training Academy provides significant benefits to the Flagstaff community. By hosting a local police academy, the City ensures a consistent pipeline of well-trained officers who are educated within the community they will serve, strengthening local accountability and public trust. The academy reduces training costs, keeps taxpayer dollars in Flagstaff, and supports regional collaboration among partner agencies. Additionally, the presence of a local academy enhances public safety by allowing recruits and officers to remain in the area during training, ensuring stronger continuity of service and quicker integration into community focused policing initiatives.

Community Involvement:
The High Country Training Academy enhances community connected policing by ensuring Flagstaff Police Officer recruits are trained locally and immersed in the community from the outset of their careers. Recruits receive instruction from experienced Flagstaff Police Department supervisors, general instructors, and adjunct instructors drawn from within the region. This model fosters early community engagement, strengthens recruit's understanding of local priorities, and builds relationships that support effective, community focused policing. Additionally, involving current personnel and community-based instructors reinforces the department's overall training capacity, creating a sustainable and locally grounded approach to preparing future officers.

Expanded Options and Alternatives:
Coconino Community College, the primary higher education institution serving our city and county, provides accreditation for the High Country Training Academy's basic police training. This partnership allows Flagstaff Police recruits to begin a structured pathway toward a college education, as they earn academic credits through the college for successfully completing the Arizona POST Basic Police Academy.

Attachments:

Res. 2025-

Exhibit A - Addendum #1 IGA

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Collin Seay, Deputy Police Chief - Patrol Operations

Co-Submitter: Emily Markel

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE:

Consideration and Approval of Contract: First Amendment to the Cooperative Purchase Contract with Flock Safety in the amount of $112,000, in addition to other fees and taxes, for safety cameras for the Flagstaff Police Department

STAFF RECOMMENDED ACTION:

1. Approve the First Amendment to the Cooperative Purchase Contract with Flock Safety in the amount of $112,000, in addition to other fees and taxes, to the purchase of the Flock Cloud-Based Public Safety Program to include thirty-two (32) Flock Safety cameras and (4) Flock Safety Flex cameras; and
2. If approved, authorize the City Manager to execute the necessary documents.

Executive Summary:

Staff from the Flagstaff Police Department presented to the Flagstaff City Council on September 2, 2025 an amendment to the state contract for a renewal of our Flock Safety Contract from 2024. The Flagstaff City Council also heard a citizen's petition to cancel the City's Flock Safety contract during the same meeting, and approximately thirty people made public comment on the topic at the dais. The Flagstaff City Council held a public discussion on October 28, 2025 to hear more community feedback regarding ALPR technology and Flock Safety. Flagstaff Police Department staff presented to Flagstaff City Council and the community about the public outreach the department has done to include a town hall, community dialogue sessions, university lectures, and multiple media interviews. The department also removed itself from the national lookup feature prior to the meeting, which shared license plate data with local, county, and state Flock law enforcement agencies from across the country.

Since the September 2, 2025 presentation, the Flagstaff Police Department has heard input from the community about our Flock Safety program. We wrote into our Automated License Plate Reader (ALPR) policy that we will not share our data for immigration enforcement. We have created a Flock Transparency portal which is active today, and this portal will list audits conducted with results and types of victims served as a result of the ALPR technology. We have worked with City Information and Technology (IT) to select a citywide technology oversight committee. The Flagstaff Police Department has worked with Flock Safety to limit our data retention from 30 days to 14 days to see the investigative impact the reduction of data retention will have for the community. This change is reflected in the attached amendment to the contract. We removed our police agency from the national lookup tool which makes all City of Flagstaff ALPR scans inaccessible to other law enforcement agencies in the country. After the October 28, 2025 community discussion from the citizen's petition, the Flagstaff Police Department removed itself from Flock's statewide sharing tool for Flock agencies in Arizona. We currently share our ALPR data with our close partners at the Coconino County Sheriff's Office, Northern Arizona University Police Department, and we are working to share with our nearby tribal partners. The Flagstaff Police Department is also committed to providing a six month check-in to provide an update on the department's ALPR program.

Attached to this staff summary, the Flagstaff Police Department has included the September 2, 2025

PowerPoint presentation, the October 28, 2025 PowerPoint presentation, a new PowerPoint presentation on actions taken since the October 28, 2025 meeting, the Flagstaff Police Department ALPR Policy #317, the June 27, 2024 Cooperative Purchase Contract between the City of Flagstaff and Flock, and the proposed First Amendment to the Cooperative Purchase Contract between the City of Flagstaff and Flock and Exhibit -1 to the amendment which is the scope of work.

Financial Impact:

Project Name: Flock Safety ALPR Cameras for the Flagstaff Police Department
Cost: $112,000.00 in addition to other fees and taxes
Account Number Budgeted: 001-04-061-0222-2-4343
FY Budgeted Amount: $117,000. The additional $5,512 to cover this contract plus taxes and fees will be covered from 001-04-061-0220-2-4229.
Grant Funded: No
Funding Source: General Fund, FPD Budget FY2025-26

Policy Impact:

Aligns with Police Department mission of protecting and preserving life.

Previous Council Decision or Community Discussion:

- At a City Council meeting on June 18, 2024, the Flagstaff City Council approved an initial Cooperative Purchase Contract with Flock Safety for the FY 2024-25 Flock Cloud-Based Public Safety Program.
- On June 27, 2024, the City of Flagstaff entered into a Cooperative Purchase Contract with Flock Safety at a cost of $124,000, in addition to other fees and taxes (see attached).
- City Leadership and budget team have also approved this Flock Cloud-Based Public Safety Program in our FY2025-26 budget, which was voted on by council prior to the new budget year.
- Flagstaff Police Department presented to the Flagstaff City Council on September 2, 2025, and the Council also heard a citizen petition reference canceling Flock Safety.
- On October 28, 2025, the Flagstaff City Council held a community discussion on Flock Safety and voted to have the contract brought back in front of council.

Options and Alternatives to Recommended Action:

1. City Council can approve the First Amendment to the Cooperative Purchase Contract with Flock Safety for the purchase of public safety cameras; or
2. City Council can deny the First Amendment to the Cooperative Purchase Contract with Flock Safety for the purchase of public safety cameras.

Background and History:

The Flagstaff Police Department patrol division has struggled with staffing for several decades, and this technology allows our department to obtain leads on cases which were previously thought to be unsolvable because law enforcement members did not detect them. The Flock Safety camera system serves as a force multiplier for our community, and we have many documented successes with serving victims in our first year with the technology. In 2023 and 2024 alone, we have calculated numerous hit-and-run cases, shooting cases, homicide cases, and sexual assault cases where the Flock Safety cameras would have given our investigators leads to help solve these crimes.

After hearing from the community and stakeholders, the Flagstaff Police Department believes we have potentially found the right medium with our Flock Safety program. We no longer participate in the national and statewide lookup tool which has benefited many victims in our community and around the country. We also reduced our data retention period from 30 days to 14 days after hearing input from the community. If this First Amendment to the Cooperative Purchase Contract is approved, we look forward to seeing how these changes have affected our community.

In June 2024, PD and Procurement worked together to create a cooperative contract pilot purchase with FlockOS to test the product and confirm its validity. The Flock Cloud-Based Public Safety Program has proven to be a success; there is a need to amend the original Cooperative Purchase Contract to continue the usage of the FlockOS hardware and software to protect and serve the Flagstaff community.

Connection to PBB Priorities and Objectives:
Safe and Healthy Community, Provide public safety services with resources, staff, and training responsive to the community's needs.

Connection to Regional Plan:
Policy PF.3.1. Maintain high-quality effectiveness and efficiency in law enforcement, fire, and emergency services to the extent that is consistent with governmental operations, plans, public policies, population served, and monies available.

Connection to Carbon Neutrality Plan:
There is no impact to Carbon Neutrality Plan.

Connection to 10-Year Housing Plan:
There is no impact on 10-Year Housing Plan.

Connection to Division Specific Plan:
Our mission is to protect and preserve life, property and public order by providing elite service. This technology will better allow our officers to achieve this mission by not only having the right technology to solve crimes involving vehicles but reducing the occurrence of crime and the fear of crime in our community. We strive to make Flagstaff the safest city in Arizona to live in and embracing this technology is another step toward that vision.

Attachments:
Policy 317
First Amendment to Cooperative Purchase
Exhibit A-1 Revised Scope of Work
6.27.24 Fully Executed Cooperative
Presentation
Previous Presentation
Previous Staff Summary

Automatic License Plate Readers

317.1 PURPOSE

It is the purpose of this policy to provide guidance on the application and use of automated license plate readers (ALPR), management of ALPR data, and maintenance of ALPR equipment. It is the policy of the Flagstaff Police Department to use all available technology as needed to support the mission and goals of the Department. ALPRs are used to collect and process data associated with vehicle license plates into information used for official law enforcement purposes, including but not limited to identifying stolen or wanted vehicles, stolen license plates, missing persons and other crimes and official activities conducted by the Department.

317.2 DEFINITIONS

ALPR: A device that uses cameras and computer technology to compare digital images to lists of known information of interest.

ALPR Administrator: The individual designate by the Police Chief to oversee the administration of the ALPR program.

Alert Hit: Alert from the ALPR system that a scanned license plate number may be in the NCIC or other law enforcement database for a specific reason including, but not limited to, being related to a stolen car, wanted person, missing person, domestic violation protective order, terrorist related activity, Amber Alert, Blue Alert, or Silver Alert.

Hot List: A list of license plates associated with vehicles of interest compiled from one or more databases including, but not limited to, National Crime Information Center (NCIC), Arizona Criminal Information Center (ACIC), Motor Vehicle Department (DMV), local BOLO's, Flagstaff Police Department Hot List, etc.

Vehicles of Interest: Including, but not limited to, vehicles which are reported as stolen; display stolen license plates; vehicles linked to missing and/or wanted persons and vehicles flagged by law enforcement agencies.

Detection: Data obtained by an ALPR of an image (such as a License plate) within public view that was read by the device, including potential images (such as the plate and description of vehicle on which it was displayed), and information regarding the location of the ALPR system at the time of the ALPR's read.

Flock Safety is a semi portable, self-sustaining ALPR camera and cloud-based storage system which holds license plate reads in a searchable database.

317.3 GENERAL INFORMATION

A. ALPR technology allows for the automated detection of license plates along with the vehicle make, model, color, and unique identifiers through the Flagstaff Police Department's ALPR system. The technology is used to convert data associated with vehicle license plates and vehicle descriptions for official law enforcement purposes,

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including identifying stolen or wanted vehicles, stolen license plates and missing persons. It may also be used to assist in authorized law enforcement functions, such as verifying active warrants, supporting national security efforts, conducting lawful electronic surveillance, identifying and interdicting suspects, recovering stolen property, and advancing active criminal investigations.

B. ALPR data is not personally identifiable information. A license plate number identifies a specific vehicle, not a specific person. Although a license plate number may be linked or otherwise associated with an identifiable person, this potential can only be realized through a distinct, separate step. Absent this extra step, the license plate number and the time and location data attached to it are not personally identifying. Thus, even though ALPR systems automate the collection of license plate numbers, it is the investigation process that identifies individuals.

C. ALPR systems and associated equipment and databases are authorized for official public safety purposes. Misuse of this equipment and associated databases, or data, is prohibited.

D. The use of ALPR systems is restricted to public safety and related missions of this agency. ALPR systems and ALPR data and associated media are the property of the Flagstaff Police Department and intended for use in conducting official business.

E. The Police Chief or designee shall be responsible for determining the locations for fixed ALPRs within the City of Flagstaff. Coordination with neighboring jurisdictions, agencies and City Departments shall be considered to maximize efficient deployment of ALPRs.

317.4 ADMINISTRATION

A. The ALPR Administrator has oversight for the ALPR system deployment and operations and is responsible for the following:

1. Establishing and updating protocols for access, collection, storage, retention, and purging of ALPR data and associated media files, including searches of historical data.
2. Designation of hot list categories and sources to be utilized by the ALPR system.
3. Establishing protocols to ensure the security and integrity of data captured, stored, and/or retained by the ALPR system.
4. Ensuring ALPR training materials are up to date, which explain the proper use of the ALPR system.
5. Ensuring that training requirements are completed for authorized users prior to allowing access to the ALPR system.
6. Maintaining records identifying approved ALPR deployments and documenting their results, including appropriate documentation of significant incidents and arrests that are related to ALPR usage.
7. Ensuring that any requests for ALPR systems use or data are in accordance with Department policy and law.

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B. Personnel shall check ALPR equipment on a regular basis to ensure functionality and camera alignment. Any equipment that needs repair shall be removed from service until repairs have been made.

C. ALPR systems repairs, hardware, or software shall be made by agency-authorized sources.

317.5 ALPR SYSTEM USAGE

Use of an ALPR is restricted to the purposes outlined below. Members shall not use, or allow others to use, the equipment or database records for any unauthorized purpose. Members will not use the ALPR systems to assist with immigration investigations or enforcement.

1. ALPR operation and access to ALPR collected data shall be for official agency purposes only.
2. ALPR may be used in conjunction with any routine Patrol operation or criminal investigation; reasonable suspicion or probable cause is not required before using an ALPR.
3. Partial license plates and unique vehicle descriptions reported during major crimes should be entered into the ALPR system in an attempt to identify suspect vehicles. Members can check Flagstaff Police Department's ALPR Flock Safety database and all other agencies' databases in which we have a Data Sharing MOU.
4. No member shall operate ALPR equipment or access ALPR data without first completing Department approved training.
5. ALPR system databases should be utilized for follow up investigations. Members should utilize ALPR data to assist in the identification of suspects and suspect vehicles related to criminal activity. All sworn members shall have search access enabling them to search the database.
    (a) ALPR data is only available on the ALPR system for 14 days. All data not extracted from the ALPR database prior to 14 days, from the date the image was taken, will be permanently deleted.
    (b) When members utilize ALPR data to assist in identification of a suspect or vehicle linked to criminal activity, the ALPR data shall be downloaded from the ALPR system and entered into Evidence.com.
6. Users are required to enter proper information into the search reason when utilizing the ALPR system. One of the following are required to be utilized:
    (a) Event Number
    (b) Departmental Report (DR) Number
    (c) If assisting another agency then the term AOA, the name of the agency you are assisting, and their department report or event number. If a number does not exists then a detailed description as delineated below.
    (d) If none of the above exist officers shall enter their badge number and a detailed reason they are utilizing the system for a legitimate law enforcement purpose.

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The detail must be sufficient for officers to recall the reason for the use and be able to explain the purpose during an audit.

317.6 AUTOMATIC LICENSE PLATE READER NOTIFICATIONS

A. Members may receive an ALPR Alert Hit from either their Patrol vehicle ALPR system or from neighboring agencies BOLOs related to their ALPR Alert Hits.

B. Members can receive ALPR Alert Hit notifications on their mobile phones through the use of approved applications associated with the ALPR technology the Department is using. Members should use mobile phones in compliance with Policy 701 Individual Communication Devices.

C. An Alert Hit alone shall not be a basis for Police action (other than following the vehicle of interest). Before any law enforcement action is taken because of an ALPR Alert Hit, the Officer should verify an ALPR Alert Hit through NCIC or ACIC. Once an alert is received, the Officer should confirm that the observed license plate from the ALPR system matches the license plate of the observed vehicle. If the Alert Hit is not from NCIC or ACIC, the Officer shall confirm that the observed license plate from the ALPR system matches the license plate of the observed vehicle before taking appropriate action.

D. Members will not take any Police action that restricts the freedom of any individual based solely on an ALPR alert unless it has been validated. Because the ALPR alert may relate to a vehicle and may not relate to the person operating the vehicle, Officers are reminded that they need to have reasonable suspicion and/or probable cause to make an enforcement stop of any vehicle. Example: If a vehicle is entered into the ALPR system because of its association with a wanted individual, Officers should attempt to visually match the driver or occupant(s) to the description of the wanted subject prior to making the stop or should have another legal basis for making the stop.

E. Prior to initiation of a vehicle stop, an Officer shall:

1. Visually verify that the vehicle plate number matches the plate number run by the ALPR system, including both alphanumeric characters of the license plate and the state of issuance.

2. Verify the current status of the plate through an MVD query when circumstances allow.

3. Follow proper traffic stop procedures, based upon the type of Alert Hit, Officer observations, and other factors present.

F. Special Details: ALPR use during nontraditional deployments (e.g., special operations or during a criminal investigation) must be approved by the appropriate Division Commander.

G. Searches of historical data within the ALPR system should be done in accordance with established Departmental policies and procedures.

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317.7 FLAGSTAFF POLICE DEPARTMENT HOT LISTS

Personnel will not enter any license plates into the Flagstaff PD Hot List unless the vehicle is currently wanted/suspected in criminal activity. Officers shall obtain approval from their supervisors to enter a license plate into a Hot List. All hot list vehicles shall include:

1. A case number.
2. Reason for the vehicle being in the system.
3. Requesting member's name.
4. Requesting members contact information.
5. Applicable instructions, e.g., "P/C for arrest," "No P/C for arrest, stop only with P/C and identify occupants," "Do not stop, contact member of Alert Hit," "R/O known to carry firearm," etc.
6. Other pertinent information.
7. All hot list vehicles shall have an expiration date.

317.8 DATA SHARING AND DISSEMINATION

A. ALPR data should be considered for official use only and can be shared for legitimate law enforcement purposes.

B. Information sharing among law enforcement agencies should be in accordance with Memorandum of Understandings (MOUs) or established Department policies.

C. Restrictions on use of ALPR Data: Information gathered or collected, and records retained by the Flagstaff Police Department ALPR system shall not be sold, accessed, or used for any purpose other than legitimate law enforcement or public safety purposes.Members will not use the ALPR systems to assist with immigration investigations or enforcement.

D. All non-law enforcement requests for access to stored ALPR data shall be processed in accordance with applicable law and policies.

E. Persons approved to access ALPR data, under these guidelines, are permitted to access the data for legitimate law enforcement purposes only, such as when the data relate to a specific criminal investigation or Department-related civil or administrative action.

F. ALPR data may be released to other authorized and verified law enforcement officials and agencies for legitimate law enforcement purposes.

G. Every ALPR Browsing Inquiry must be documented by either associated Flagstaff Police Department DR or Event Number and a reason for the inquiry.

317.9 RETENTION AND PUBLIC RECORDS

A. All ALPR data is saved for 14 days on the ALPR cloud-based servers (Flock Safety), after which the data is automatically hard deleted. Data needed for criminal investigations shall be downloaded from the ALPR database to Evidence.com.

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B. All ALPR data saved as evidence shall be stored for the minimum period established by Department records retention schedule and thereafter shall be purged unless it has become evidence in a criminal or civil action or is subject to a lawful action to produce records.

317.10 ALPR DATA BROWSING AUDITS

The ALPR Administrator shall ensure an audit is conducted of the ALPR browsing inquiries at least once during each calendar year.

1. The audit will include a sampling of the ALPR system utilization from the prior twelve (12) month period to verify proper use in accordance with the above authorized uses.
2. The audit shall randomly select at least ten (10) browsing inquiries conducted by members during the preceding six (6) month period and determine if each inquiry meets the requirements established in this policy.
3. The audit shall be documented in the form of an internal Department memorandum to the Police Chief. The memorandum shall include any data errors found so that such errors can be corrected. After review by the Police Chief, the memorandum and any associated documentation shall be filed and retained.

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FIRST AMENDMENT

FLOCK SAFETY COOPERATIVE PURCHASE CONTRACT
Contract No. 2024-163

This First Amendment ("First Amendment") is entered into this ___ day of _____ _____, 20__, by and between the City of Flagstaff, a political subdivision of the State of Arizona and Flock Group, Inc. dba Flock Safety, a Delaware Corporation ("Contractor"). The City and Contractor may be referred to as "Party" or jointly as "Parties."

RECITALS

WHEREAS, through a Cooperative Purchase Contract dated June 27, 2024, (the "Initial Contract"), the City entered into a contract wherein Contractor agreed to provide FlockOS hardware and software to the City at a cost of **$124,100, in addition to other fees and taxes**;

WHEREAS, the underlying Agency Contract between Flock Group, Inc. and the City of Tempe – Contract No. T21-119-01 – extends until September 30, 2027, and would allow for a continued contractual relationship between the City and Contractor; and

WHEREAS, the Parties desire to extend the contractual relationship; and Contractor has provided a Quote dated July 30, 2025 to provide a 12-month subscription to FlockOS hardware and software to the City at an additional cost of **$112,000, in addition to other fees and taxes.**

AGREEMENT

NOW, THEREFORE, effective on the last date of execution, in consideration for the mutual promises contained herein, the Parties agree as follows. Deleted text has a ~~strikethrough~~ and new text is **BOLDED AND ALL CAP**:

A. Paragraph 1. Materials and or Services Purchased:

Contractor shall provide to the City the materials and or services, as specified in the Scope**S** of Work attached **TO THE INITIAL CONTRACT AND THE FIRST AMENDMENT** as *Exhibit A* **AND *EXHIBIT A.1*,** and in accordance with the Agency Contract. A general description of materials and/or services being purchased is:

FLOCKOS HARDWARE AND SOFTWARE

B. Paragraph 2. Specific Requirements of City:

Contractor shall comply with all specific purchase and delivery requirements and/or options of City, as specified in the Scope**S** of Work attached **TO THE INITIAL CONTRACT AND THE FIRST AMENDMENT** as *Exhibit A*, **AND *EXHIBIT A.1*,** and incorporated by reference.

C. Paragraph 3. Payment:

3.1 Payment to Contractor for the materials and/or services ~~for **ONE HUNDRED TWENTY-FOUR THOUSAND DOLLARS AND ZERO CENTS ($124,000.00), in addition to other fees and taxes**;~~ made in accordance with the price list and terms set forth in the Agency Contract. 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 annual contract price, as amended, is less than $100,000; otherwise, City Council approval is required.

3.2 PAYMENT FOR THE INITIAL CONTRACT WAS A COST OF ONE HUNDRED TWENTY-FOUR THOUSAND ONE HUNDRED DOLLARS AND ZERO CENTS ($124,100.00), IN ADDITION TO OTHER FEES AND TAXES.

3.3 PAYMENT FOR THE FIRST AMENDMENT AS SPECIFIED IN *EXHIBIT A.1* SHALL BE AN ADDITIONAL COST OF ONE HUNDRED TWELVE THOUSAND DOLLARS AND ZERO CENTS ($112,000.00), IN ADDITION TO OTHER FEES AND TAXES.

3.4 THE TOTAL AMOUNT PAID TO CONTRACTOR UNDER THE INITIAL CONTRACT AND THE FIRST AMENDMENT IS TWO HUNDRED THIRTY-SIX THOUSAND ONE HUNDRED DOLLARS AND ZERO CENTS ($236,100.00), IN ADDITION TO OTHER FEES AND TAXES.

D. Under Paragraph 4. Terms and Conditions of Agency Contract Apply, the provisions of the Agency Contract, attached to the Initial Contract as *Exhibit B*, apply to the contractual relationship between the City and Contractor. However, the Parties have entered into this agreement to modify certain provisions of that Agency Contract limiting access to data from 30 days to 14 days, as identified below:

GOVERNMENT AGENCY CUSTOMER AGREEMENT
FLOCK GROUP INC. – CITY OF TEMPE POLICE DEPARTMENT

***

SECTION 2.1; FLOCK SERVICES AND SUPPORT. **Provision of Access.**

Subject to the terms of this Agreement, Flock hereby grants to Agency a non-exclusive, non-transferrable right to access the features and functions of the Flock Services via the Web Interface during the Service Term and No-Fee Term, solely for the Authorized End Users. The Footage will be available for Agency's designated administrator, listed on the Order Form, an any Authorized End Users to access via the Web Interface for ~~30~~ **14** days.

***

SECTION 4.2; **Agency and Non-Agency End User Data.**

This Agreement does not by itself make any Non-Agency End User Data the sole property or the Proprietary Information of Agency. Flock will automatically delete Footage older than ~~30~~ **14** days. Agency has a ~~30~~ **14**-day window to view, save and/or transmit Footage to the relevant government agency prior to its deletion.

E. All other terms and conditions of the Initial Contract, except to the extent modified herein, remain in full force and effect.

F. The Recitals are incorporated herein.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the date hereinbefore indicated.

City of Flagstaff	**Flock Group, Inc. dba Flock Safety**
By:_____ City Manager	By:_____
	Title:_____
Dated:_____	Dated:_____
Attest:	Approved as to form:
_____ City Clerk	_____ City Attorney

Last Updated December 5, 2025

Exhibit A.1
DECEMBER 5, 2025 QUOTE
(attached)

Flock Safety + AZ - Flagstaff PD

Flock Group Inc.
1170 Howell Mill Rd, Suite 210
Atlanta, GA 30318

MAIN CONTACT:
Ashlee Adeli
ashlee.adeli@flocksafety.com
(470) 508-5771

Created Date: 12/05/2025
Expiration Date: 08/29/2025
Quote Number: Q-154097
PO Number:

flock safety

flock safety

Budgetary Quote

This document is for informational purposes only. Pricing is subject to change.

Bill To: 911 E Sawmill Rd Flagstaff, Arizona 86001

Ship To: 911 E Sawmill Rd Flagstaff, Arizona 86001

Billing Company Name: AZ - Flagstaff PD
Billing Contact Name:
Billing Email Address:
Billing Phone:

Subscription Term: 12 Months
Payment Terms: Net 30
Retention Period: 14 Days
Billing Frequency: Annual - First Year at Signing.

Hardware and Software Products

Annual recurring amounts over subscription term

Item	Cost	Quantity	Total
Flock Safety Platform			**$112,000.00**
Flock Safety Platform			
Flock Safety Platform - Essentials	Included	1	Included
Flock Safety LPR Products			
Flock Safety LPR, fka Falcon	Included	31	Included
Flock Safety LPR Flex, fka Falcon Flex	Included	4	Included
Solar Long-Range LPR, fka Solar Falcon LR	Included	1	Included

Professional Services and One Time Purchases

Item	Cost	Quantity	Total
One Time Fees			

Subtotal Year 1:	$112,000.00
Annual Recurring Subtotal:	$112,000.00
Estimated Tax:	$10,512.32
Contract Total:	$112,000.00

Taxes shown above are provided as an estimate. Actual taxes are the responsibility of the Customer. This is not an invoice – this document is a non-binding proposal for informational purposes only. Pricing is subject to change.

Product and Services Description

FlockOS Features	Description
Flock Safety Platform - Essentials	An integrated public safety platform that detects, centralizes and decodes actionable evidence to increase safety, improve efficiency, and connect the community.
Flock Safety LPR, fka Falcon	Law enforcement grade infrastructure-free (solar power + LTE) license plate recognition camera with Vehicle Fingerprint ™ technology (proprietary machine learning software) and real-time alerts for unlimited users.
Flock Safety LPR Flex, fka Falcon Flex	Law enforcement grade tactical deployment (portable + LTE) license plate recognition camera with Vehicle Fingerprint ™ technology (proprietary machine learning software) and real-time alerts for unlimited users.
Solar Long-Range LPR, fka Solar Falcon LR	Law enforcement grade, long range and high vehicle speed license plate recognition camera with Vehicle Fingerprint ™ technology (proprietary machine learning software) and real-time alerts for unlimited users, with LTE. Solar Power only

FlockOS Features & Description

FlockOS Features	Description
Community Network Access	The ability to request direct access to feeds from privately owned Flock Safety LPR cameras located in neighborhoods, schools, and businesses in your community, significantly increasing actionable evidence that clears cases.
Unlimited Users	Unlimited users for FlockOS
State Network (License Plate Lookup Only)	Allows agencies to look up license plates on all cameras opted into the Flock Safety network within your state.
Nationwide Network (License Plate Lookup Only)	With the vast Flock Safety sharing network, law enforcement agencies no longer have to rely on just their devices alone. Agencies can leverage a nationwide system boasting 10 billion additional plate reads per month to amplify the potential to collect vital evidence in otherwise dead-end investigations.
Law Enforcement Network Access	The ability to request direct access to evidence detection devices from Law Enforcement agencies outside of your jurisdiction.
Time & Location Based Search	Search full, partial, and temporary plates by time at particular device locations
License Plate Lookup	Look up specific license plate location history captured on Flock devices
Vehicle Fingerprint Search	Search footage using Vehicle Fingerprint™ technology. Access vehicle type, make, color, license plate state, missing / covered plates, and other unique features like bumper stickers, decals, and roof racks.
Insights & Analytics	Reporting tool to help administrators manage their LPR program with device performance data, user and network audits, plate read reports, hot list alert reports, event logs, and outcome reports.
Real-Time NCIC Alerts on Flock ALPR Cameras	Receive automated alerts when vehicles entered into established databases for missing and wanted persons are detected, including the FBI's National Crime Information Center (NCIC) and National Center for Missing & Exploited Children (NCMEC) databases.
Unlimited Custom Hot Lists	Ability to add a suspect's license plate to a custom list and get alerted when it passes by a Flock camera

Flock Safety + AZ - Flagstaff PD

_____

Flock Group Inc.
1170 Howell Mill Rd, Suite 210
Atlanta, GA 30318

_____

MAIN CONTACT:
Ashlee Adeli
ashlee.adeli@flocksafety.com
(470) 508-5771

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flock safety

flock safety

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Billing Contact Name:
Billing Email Address:
Billing Phone:

Subscription Term: 12 Months
Payment Terms: Net 30
Retention Period: 14 Days
Billing Frequency: Annual - First Year at Signing.

Hardware and Software Products

Annual recurring amounts over subscription term

Item	Cost	Quantity	Total
Flock Safety Platform			**$112,000.00**
Flock Safety Platform			
Flock Safety Platform - Essentials	Included	1	Included
Flock Safety LPR Products			
Flock Safety LPR, fka Falcon	Included	31	Included
Flock Safety LPR Flex, fka Falcon Flex	Included	4	Included
Solar Long-Range LPR, fka Solar Falcon LR	Included	1	Included

Professional Services and One Time Purchases

Item	Cost	Quantity	Total
One Time Fees			

Subtotal Year 1:	$112,000.00
Annual Recurring Subtotal:	$112,000.00
Estimated Tax:	$10,512.32
Contract Total:	$112,000.00

Taxes shown above are provided as an estimate. Actual taxes are the responsibility of the Customer. This is not an invoice – this document is a non-binding proposal for informational purposes only. Pricing is subject to change.

Product and Services Description

FlockOS Features	Description
Flock Safety Platform - Essentials	An integrated public safety platform that detects, centralizes and decodes actionable evidence to increase safety, improve efficiency, and connect the community.
Flock Safety LPR, fka Falcon	Law enforcement grade infrastructure-free (solar power + LTE) license plate recognition camera with Vehicle Fingerprint ™ technology (proprietary machine learning software) and real-time alerts for unlimited users.
Flock Safety LPR Flex, fka Falcon Flex	Law enforcement grade tactical deployment (portable + LTE) license plate recognition camera with Vehicle Fingerprint ™ technology (proprietary machine learning software) and real-time alerts for unlimited users.
Solar Long-Range LPR, fka Solar Falcon LR	Law enforcement grade, long range and high vehicle speed license plate recognition camera with Vehicle Fingerprint ™ technology (proprietary machine learning software) and real-time alerts for unlimited users, with LTE. Solar Power only

FlockOS Features & Description

FlockOS Features	Description
Community Network Access	The ability to request direct access to feeds from privately owned Flock Safety LPR cameras located in neighborhoods, schools, and businesses in your community, significantly increasing actionable evidence that clears cases.
Unlimited Users	Unlimited users for FlockOS
State Network (License Plate Lookup Only)	Allows agencies to look up license plates on all cameras opted into the Flock Safety network within your state.
Nationwide Network (License Plate Lookup Only)	With the vast Flock Safety sharing network, law enforcement agencies no longer have to rely on just their devices alone. Agencies can leverage a nationwide system boasting 10 billion additional plate reads per month to amplify the potential to collect vital evidence in otherwise dead-end investigations.
Law Enforcement Network Access	The ability to request direct access to evidence detection devices from Law Enforcement agencies outside of your jurisdiction.
Time & Location Based Search	Search full, partial, and temporary plates by time at particular device locations
License Plate Lookup	Look up specific license plate location history captured on Flock devices
Vehicle Fingerprint Search	Search footage using Vehicle Fingerprint™ technology. Access vehicle type, make, color, license plate state, missing / covered plates, and other unique features like bumper stickers, decals, and roof racks.
Insights & Analytics	Reporting tool to help administrators manage their LPR program with device performance data, user and network audits, plate read reports, hot list alert reports, event logs, and outcome reports.
Real-Time NCIC Alerts on Flock ALPR Cameras	Receive automated alerts when vehicles entered into established databases for missing and wanted persons are detected, including the FBI's National Crime Information Center (NCIC) and National Center for Missing & Exploited Children (NCMEC) databases.
Unlimited Custom Hot Lists	Ability to add a suspect's license plate to a custom list and get alerted when it passes by a Flock camera

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COOPERATIVE PURCHASE CONTRACT
Contract No. 2024-163

This Cooperative Purchase Contract is made and entered into this 27 day of June, 20 24 by and between the City of Flagstaff, Arizona, a political subdivision of the State of Arizona ("City") and Flock Group, Inc. dba Flock Safety, a Delaware Corporation ("Contractor").

RECITALS:

A. Contractor is a fully authorized vendor of FlockOS Hardware and Software.

B. The City of Tempe, conducted a competitive and open procurement process through Request for Proposal Solicitation No. 21-119 that resulted in Contract No.T21-119-01 with Contractor ("Agency Contract"); and

C. The City has authority to enter into a cooperative purchase contract with Contractor utilizing the Agency Contract.

AGREEMENT:

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

1. Materials and or Services Purchased: Contractor shall provide to the City the materials and or services, as specified in the Scope of Work attached as *Exhibit A*, and in accordance with the Agency Contract. A general description of materials and/or services being purchased is:

FLOCKOS HARDWARE AND SOFTWARE

2. Specific Requirements of City: Contractor shall comply with all specific purchase and delivery requirements and/or options of City, as specified in the Scope of Work attached as *Exhibit A* and incorporated by reference.

3. Payment: Payment to Contractor for the materials and or services provided for **ONE HUNDRED TWENTY-FOUR THOUSAND DOLLARS AND ZERO CENTS ($124,000.00), in addition to other fees and taxes**; made in accordance with the price list and terms set forth in the Agency Contract. 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 amendment price increase is less than $50,000; otherwise, City Council approval is required.

4. Terms and Conditions of Agency Contract Apply: All provisions of the Agency Contract documents attached as *Exhibit B*, including any amendments, are incorporated in and shall apply to this Contract as though fully set forth herein. Contractor is responsible for promptly notifying City in writing of any changes to the Agency Contract, including, specifically changes in price for materials and/or services.

5. Certificates of Insurance: All insurance provisions of the Agency Contract shall apply, including any requirement to name the City as an additional insured. Prior to commencing performance under this Contract, Contractor shall furnish City with a copy of the current Certificate of Insurance required by the Agency Contract.

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6. Term: This Cooperative Purchase Contract shall commence upon execution by the Parties and shall continue until expiration or termination of the underlying Agency Contract, unless sooner terminated by City in writing.

7. Renewal: This Cooperative Purchase Contract shall be automatically renewed if the underlying Agency Contract is renewed, for the same renewal period, unless City provides advance written notice to Contractor of its intention to non-renew.

8. Notice: Any formal notice required under the Contract shall be in writing and sent by certified mail and email as follows:

To the City:
Collin Seay
City of Flagstaff
211 W. Aspen Ave.
Flagstaff, AZ 86001
cseay@flagstaffaz.gov
Phone: 928-679-4083

To Contractor:
Hamza Al Baroudi
Flock Group, Inc dba Flock Safety
1170 Howell Mill Rd, Suite 210
Atlanta, GA 30318
hamza.albaroudi@flocksafety.com
480-489-2024

With a copy to:
Emily Markel
City of Flagstaff
211 W. Aspen Ave.
Flagstaff, AZ 86001
EMarkel@flagstaffaz.gov
Phone:928-213-2276

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9. 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.

FLOCK GROUP, INC dba FLOCK SAFETY:

By: DocuSigned by: Mark Smith AC5C931454C24F3...

Title: General Counsel

CITY OF FLAGSTAFF

By: Greg Clifton

Greg Clifton signed on 6/27/2024 11:16:16 AM

Title: City Manager

ATTEST:

Stacy Saltzburg

City Clerk

Stacy Saltzburg signed on 6/27/2024 11:26:53 AM

APPROVED AS TO FORM:

Christina Kinnear

City Attorney's Office

Christina Kinnear signed on 6/25/2024 3:11:48 PM

Notice to Proceed issued: _____, 20___

Last Updated October 30, 2023

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EXHIBIT A
SCOPE OF WORK
(attached)

1. FLOCKOS HARDWARE AND SOFTWARE SOW 6 pages

Flock Safety + AZ - Flagstaff PD

Flock Group Inc.
1170 Howell Mill Rd, Suite 210
Atlanta, GA 30318

MAIN CONTACT:
Hamza Al Baroudi
hamza.albaroudi@flocksafety.com
4804892024

flock safety

Company Overview

At Flock Safety, technology unites law enforcement and the communities they serve to eliminate crime and shape a safer future, together. We created the first public safety operating system to enable neighborhoods, schools, businesses, and law enforcement to work together to collect visual, audio, and situational evidence across an entire city to solve and prevent crime.

Our connected platform, comprised of License Plate Recognition (LPR), live video, audio detection, and a suite of integrations (AVL, CAD & more), alerts law enforcement when an incident occurs and turns unbiased data into objective answers that increase case clearance, maximize resources, and reduce crime -- all without compromising transparency or human privacy.

Join thousands of agencies reducing crime with Flock Safety's public safety operating system

2000+	**120**	**1B+**	**<60%***
communities with private-public partnerships	incident alerts / minute	1B+ vehicles detected / month	<60% local crime reduction in Flock cities

*According to a 2019 study conducted by Cobb County Police Department

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Introduction

Layer Intelligence to Solve More Crime

The pathway to a safer future looks different for every community. As such, this proposal presents a combination of products that specifically addresses your public safety needs, geographical layout, sworn officer count, and budget. These components make up your custom public safety operating system, a connected device network and software platform designed to transform real-time data into a panoramic view of your jurisdiction and help you zero in on the leads that solve more cases, prevent future crimes, and foster trust in the communities you serve.

Software Platform

Flock Safety's out-of-box software platform collects and makes sense of visual, audio, and situational evidence across your entire network of devices.

Out-of-Box Software Features	
Simplified Search	Get a complete view of all activity tied to one vehicle in your network of privately and publicly owned cameras. The user-friendly search experience allows officers to filter hours of footage in seconds based on time, location, and detailed vehicle criteria using patented Vehicle Fingerprint ™ technology. Search filters include: ● Vehicle make ● Body type ● Color ● License plates ○ Partial tags ○ Missing tags ○ Temporary tags ○ State recognition ● Decals ● Bumper stickers ● Back racks ● Top racks
National and Local Sharing	Access 1B+ additional plate reads each month without purchasing more cameras. Solve cross-jurisdiction crimes by opting into Flock Safety's sharing networks, including one-to-one, national, and statewide search networks. Users can also receive alerts from several external LPR databases: *California SVS* *FDLE* *FL Expired Licenses* *FL Expired Tags* *FL Sanctioned Drivers* *FL Sex Offenders* *Georgia DOR* *IL SOS* *Illinois Leads* *NCIC* *NCMEC Amber Alert* *REJIS* *CCIC* *FBI*
Real-time Alerts	Receive SMS, email, and in-app notifications for custom Hot Lists, NCIC wanted lists, AMBER alerts, Silver alerts, Vehicle Fingerprint matches, and more.
Interactive ESRI Map	View your AVL, CAD, traffic, and LPR alerts alongside live on-scene video from a single interactive map for a birdseye view of activity in your jurisdiction.
Vehicle Location Analysis	Visualize sequential Hot List alerts and the direction of travel to guide officers to find suspect vehicles faster.

Out-of-Box Software Features (Continued)	
Transparency Portal	Establish community trust with a public-facing dashboard that shares policies, usage, and public safety outcomes related to your policing technology.
Insights Dashboard	Access at-a-glance reporting to easily prove ROI, discover crime and traffic patterns and prioritize changes to your public safety strategy by using data to determine the most significant impact.
Native MDT Application	Download FlockOS to your MDTs to ensure officers never miss a Hot List alert while out on patrol.
Hot List Attachments	Attach relevant information to Custom Hot List alerts. Give simple, digestible context to Dispatchers and Patrol Officers responding to Hot List alerts so they can act confidently and drive better outcomes. When you create a custom Hot List Alert, add case notes, photos, reports, and other relevant case information.
Single Sign On (SSO)	Increase your login speed and information security with Okta or Azure Single Sign On (SSO). Quickly access critical information you need to do your job by eliminating the need for password resets and steps in the log-in process.

License Plate Recognition		
The Flock Safety Falcon® LPR camera uses Vehicle Fingerprint™ technology to transform hours of footage into actionable evidence, even when a license plate isn't visible, and sends Hot List alerts to law enforcement users when a suspect vehicle is detected. The Falcon has fixed and location-flexible deployment options with 30% more accurate reads than leading LPR.* *Results from the 2019 side-by-side comparison test conducted by LA County Sheriff's Department		
Flock Safety Falcon®LPR Camera	Flock Safety Falcon® Flex	Flock Safety Falcon® LR
Fixed, infrastructure-free LPR camera designed for permanent placement. √ 1 Standard LPR Camera √ Unlimited LTE data service + Flock OS platform licenses √ 1 DOT breakaway pole √ Dual solar panels √ Permitting, installation, and ongoing maintenance	Location-flexible LPR camera designed for fast, easy self-installation, which is ideal for your ever-changing investigative needs. √ 1 LPR Camera √ Unlimited LTE data service + software licenses √ 1 portable mount with varying-sized band clamps √ 1 Charger for internal battery √ 1 hardshell carrying case	Long-range, high-speed LPR camera that captures license plates and Vehicle Fingerprint data for increasing investigative leads on high-volume roadways like highways and interstates. √ 1 Long-Rage LPR Camera √ Computing device in protective poly case √ AC Power √ Permitting, installation, and ongoing maintenance

Your Flock Safety Team	
Flock Safety is more than a technology vendor; we are a partner in your mission to build a safer future. We work with thousands of law enforcement agencies across the US to build stronger, safer communities that celebrate the hard work of those who serve and protect. We don't disappear after contracts are signed; we pride ourselves on becoming an extension of your hard-working team as part of our subscription service.	
Implementation	Meet with a Solutions Consultant (former LEO) to build a deployment plan based on your needs. Our Permitting Team and Installation Technicians will work to get your device network approved, installed, and activated.
User Training + Support	Your designated Customer Success Manager will help train your power users and ensure you maximize the platform, while our customer support team will assist with needs as they arise.
Maintenance	We proactively monitor the health of your device network. If we detect that a device is offline, a full-time technician will service your device for no extra charge. *Note: Ongoing maintenance does not apply to Falcon Flex devices.*
Public Relations	Government Affairs Get support educating your stakeholders, including city councils and other governing bodies. Media Relations Share crimes solved in the local media with the help of our Public Relations team.

flock safety

EXHIBIT A
ORDER FORM

Customer:	AZ - Flagstaff PD	Initial Term:	12 Months
Legal Entity Name:	AZ - Flagstaff PD	Renewal Term:	24 Months
Accounts Payable Email:	cseay@flagstaffaz.gov	Payment Terms:	Net 30
Address:	911 E Sawmill Rd Flagstaff, Arizona 86001	Billing Frequency:	Annual Plan - First Year Invoiced at Signing.
		Retention Period:	30 Days

Hardware and Software Products

Annual recurring amounts over subscription term

Item	Cost	Quantity	Total
Flock Safety Platform			**$108,000.00**
Flock Safety Flock OS			
FlockOS ™ - Essentials	Included	1	Included
Flock Safety LPR Products			
Flock Safety Falcon ®	Included	32	Included
Flock Safety Audio Products			
Flock Safety Raven ® - 1/4mi	Included	1	Included

Professional Services and One Time Purchases

Item	Cost	Quantity	Total
One Time Fees			
Flock Safety Professional Services			
Professional Services - Standard Implementation Fee	$650.00	5	$3,250.00
Professional Services - Existing Infrastructure Implementation Fee	$150.00	19	$2,850.00
Professional Services - MASH Tested Pole Implementation Fee - Non-Coastal Region	$1,250.00	8	$10,000.00

Subtotal Year 1:	$124,100.00
Annual Recurring Subtotal:	$108,000.00
Estimated Tax:	$9,915.48
Contract Total:	$124,100.00

*Taxes shown above are provided as an estimate. Actual taxes are the responsibility of the Customer. This Agreement will automatically renew for successive renewal terms of the greater of one year or the length set forth on the Order Form (each, a "**Renewal Term**") unless either Party gives the other Party notice of non-renewal at least thirty (30) days prior to the end of the then-current term.*

Referencing Tempe's cooperative RFP 21-119

Billing Schedule

Billing Schedule	Amount (USD)
Year 1	
At Contract Signing	$124,100.00
Annual Recurring after Year 1	$108,000.00
Contract Total	$124,100.00

*Tax not included

Product and Services Description

Flock Safety Platform Items	Product Description	Terms
FlockOS™	Flock Safety's situational awareness operating system.	
Flock Safety Falcon ®	An infrastructure-free license plate reader camera that utilizes Vehicle Fingerprint® technology to capture vehicular attributes.	The Term shall commence upon first installation and validation of Flock Hardware.
Flock Safety Raven®	An audio detection device that provides real-time alerting to law enforcement based on programmed audio events.	The Term shall commence upon first installation and validation of Flock Hardware.

One-Time Fees	Service Description
Installation on existing infrastructure	One-time Professional Services engagement. Includes site & safety assessment, camera setup & testing, and shipping & handling in accordance with the Flock Safety Advanced Implementation Service Brief.
Professional Services - Standard Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.
Professional Services - Advanced Implementation Fee	One-time Professional Services engagement. Includes site & safety assessment, camera setup & testing, and shipping & handling in accordance with the Flock Safety Advanced Implementation Service Brief.

FlockOS Features & Description

FlockOS Features	Description
Community Network Access	The ability to request direct access to feeds from privately owned Flock Safety Falcon® LPR cameras located in neighborhoods, schools, and businesses in your community, significantly increasing actionable evidence that clears cases.
Unlimited Users	Unlimited users for FlockOS
State Network (License Plate Lookup Only)	Allows agencies to look up license plates on all cameras opted into the Flock Safety network within your state.
Nationwide Network (License Plate Lookup Only)	With the vast Flock Safety sharing network, law enforcement agencies no longer have to rely on just their devices alone. Agencies can leverage a nationwide system boasting 10 billion additional plate reads per month to amplify the potential to collect vital evidence in otherwise dead-end investigations.
Law Enforcement Network Access	The ability to request direct access to evidence detection devices from Law Enforcement agencies outside of your jurisdiction.
Time & Location Based Search	Search full, partial, and temporary plates by time at particular device locations
License Plate Lookup	Look up specific license plate location history captured on Flock devices
Vehicle Fingerprint Search	Search footage using Vehicle Fingerprint™ technology. Access vehicle type, make, color, license plate state, missing / covered plates, and other unique features like bumper stickers, decals, and roof racks.
Insights & Analytics	Reporting tool to help administrators manage their LPR program with device performance data, user and network audits, plate read reports, hot list alert reports, event logs, and outcome reports.
ESRI Based Map Interface	Map-based interface that consolidates all data streams and the locations of each connected asset, enabling greater situational awareness and a common operating picture.
Real-Time NCIC Alerts on Flock ALPR Cameras	Receive automated alerts when vehicles entered into established databases for missing and wanted persons are detected, including the FBI's National Crime Information Center (NCIC) and National Center for Missing & Exploited Children (NCMEC) databases.
Unlimited Custom Hot Lists	Ability to add a suspect's license plate to a custom list and get alerted when it passes by a Flock camera

By executing this Order Form, Customer represents and warrants that it has read and agrees all of the terms and conditions contained in the Terms of Service located at https://www.flocksafety.com/terms-and-conditions

The Parties have executed this Agreement as of the dates set forth below.

FLOCK GROUP, INC.	**Customer: AZ - Flagstaff PD**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____
	PO Number: _____

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EXHIBIT B
AGENCY CONTRACT
(attached)

1. City of Tempe Contract #T21-119-01 54 Pages
2. Offer and Acceptance 21 Pages
3. Contract Renewal 4 Pages
4. Amendment for Flex Cameras 1 Page
5. Price Clarification 1 Page

REQUEST FOR PROPOSAL

RFP# 21-119
Fixed Camera ALPR Solution for Police

RFP ISSUE DATE:
March 3, 2021

DEADLINE FOR INQUIRIES/QUESTIONS:
March 12, 2021 AT 5:00 P.M. LOCAL ARIZONA TIME

RFP DUE DATE AND TIME:
March 24, 2021 at 3:00 P.M. LOCAL ARIZONA TIME

ALL INQUIRIES MUST BE DIRECTED TO:
Michael Greene, CPPO, C.P.M.
Michael_Greene@tempe.gov
480-350-8516

SUBMITTAL LOCATION: Due to the COVID Virus, Tempe will only accept an e-copy of the completed and signed proposal via e-mail to the following address: Bids@tempe.gov

No hard copy proposals will be accepted at this time.

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General Instructions

Failure to follow these instructions may result in rejection of proposal for non-responsiveness or cancellation of any Contract awarded.

1. **Preparation of Proposal:**

   A. Proposals shall be submitted to the City of Tempe ("City") in the sequence specified herein, on the forms attached hereto, including Vendor's Offer.

   B. All proposals shall be submitted on the forms provided in this Request for Proposal, signed by an authorized signer and returned with the proposal response to the City.

   C. Completed and signed proposal forms for offer, acceptance and any solicitation addendums shall be signed by an authorized individual. Such proposal constitutes an irrevocable Offer to sell the good and/or service specified herein. Offeror shall submit all additional data, documentation, or information as requested by the City, signifying its intent to be bound by the terms of the Request for Proposal.

   D. Negligence in preparation of a proposal confers no right of withdrawal. Offeror is solely responsible for seeking clarification of any requirement and presenting accurate information in the proposal response. The City shall not reimburse any costs for a proposal, or its submission, presentation or withdrawal, for any reason. Failure to read, examine and understand the Solicitation and any of its addenda will not excuse any failure to comply with the requirements of the Solicitation or any resulting contract, nor shall such failure be a basis for claiming additional compensation.

   E. Offeror shall identify each subcontractor to be utilized in the services and/or work set forth herein, if applicable.

2. **Definitions:** For purposes of this Request for Proposal and resultant Contract, the following definitions apply:

   A. "City" means the municipal corporation of the City of Tempe, Arizona.

   B. "Code Governance" means unless otherwise specified herein, the provisions of the Tempe City Code, Chapter 26A shall apply and govern this Request for Proposal.

   C. "Contract" means the agreement for the procurement of goods, equipment, materials, software, maintenance, contracted services, professional services, or concessions.

   D. "Contractor" means an Offeror responding to a Request for Proposal who has been awarded a Contract with the City.

   E. "Offer" means a written offer to furnish goods, equipment, materials, software, maintenance, contracted services, professional services, or concessions to the City, in conformity with the standards, specifications, delivery terms and conditions, and all other requirements established in a competitive solicitation.

   F. "Offeror" means a business, entity or person who submits an Offer in response to a competitive solicitation.

   G. "Public Record" means proposals and all other documents submitted in response to this solicitation shall become the property of the City and shall be a matter of public record available for review following the Contract award.

   H. "Purchase Order" means a document issued by the Procurement Office directing the Contractor to deliver the goods, equipment, materials, software, maintenance, contracted services, professional services or concessions. to the City.

   I. "Request for Proposal" means a competitive solicitation issued by the City for the procurement of goods, equipment, materials, software, maintenance, contracted services, professional services or concessions.

3. **Late, Unsigned and/or Incomplete Proposal:** A late, unsigned and/or materially incomplete proposal will be considered nonresponsive and rejected.

4. **Inquiries:** Questions regarding this Request for Proposal shall be directed to the Procurement Officer identified on the cover page of this document, unless another City contact is specifically named. Inquiries shall be submitted in writing (preferably via e-mail), identifying the appropriate Request for Proposal's number, page and paragraph at issue. PLEASE NOTE: Offeror must not place the Request for Proposal's number on the outside of an envelope containing questions. Oral responses provided by the City shall have no binding effect or legal effect. Inquiries should be submitted within the designated timeframe noted on the front page of the solicitation. Those questions received after the designated date may be considered at the sole discretion of the Procurement Officer. The City reserves the right to contact Offerors to obtain additional information for use in evaluating proposal and solicitation requirements.

5. **Proposal Conference:** If a proposal conference is scheduled, Offerors are strongly encouraged to attend to seek clarification on any aspects of the documents that are not clear or questions that might pertain the specifications or scope of work published. There are times when attendance at a proposal conference is mandatory and those conferences shall be specially noted when applicable.

6. **Withdrawal of Proposal:** At any time before the specified proposal due date and time, an Offeror may withdraw its proposal by way of written correspondence from the Offeror or its authorized representative.

7. **Proposal Addenda:** Receipt and acceptance of a Request for Proposal addendum shall be acknowledged by signing and returning the document either with the vendor's proposal response or by separate envelope prior to proposal due date/time. Failure to sign and return an addendum prior to the proposal due date/time may result in the proposal being considered nonresponsive to that portion of the Request for Proposal and may result in rejection. For all addenda published, the City will send electronic notification to those companies who have downloaded the solicitation from the City's web site. If a company receives the solicitation via a third- party plan holder organization, it will be the responsibility of the company to download the solicitation from the City's web site to ensure that their company is included on any forthcoming addenda notification.

8. **Compliance with City Solicitation Requirements:** Unless stated otherwise in this Request for Proposal, the City reserves the right to award by individual line item, by group of items, or as a total at the City's discretion. The City expressly reserves the right to waive any immaterial defect or informality, or reject any or all proposals, or portions thereof, or reissue this Request for Proposal.

9. **Compliance of Proposal Offeror/Contractor Forms:** Any documents or forms (including separate Contract, maintenance agreement or training agreement) intended by the Offeror to be utilized in any resulting Contract, must be submitted with proposal. Any documents inconsistent with or taking exception to the terms, conditions, specifications and/or other requirements stated within this Request for Proposal may cause the proposal to be considered as nonresponsive and rejected. No documents will be considered unless submitted with vendor's proposal Offer and approved by the Procurement Office.

10. **Responsiveness to Specifications:** Performance or feature requirements which are designated as mandatory or minimums are needed in order to satisfy an identified task or performance need. A description is given for each designated feature. This description shall be used to determine if the Offeror's proposed product(s) and/or service(s) is/are capable of performing the function(s) specified in the Request for Proposal.

    It is recognized that more than one method may be used to accomplish the sought-after task functionality. If Offeror has an alternate method of performing functional tasks, then Offeror shall list such method as an "alternate" and described in full detail within the proposal. The City shall be the sole judge as to whether any alternate methodology will be accepted.

    "Must", "shall", "will", "minimum", "required" and/or "mandatory" performance/feature statements must be met or exceeded by the Offeror. Should no Offeror be found responsive to all designated Request for Proposal requirements, the City at its option, may either award the Contract to the most responsive Offeror or cancel the Request for Proposal and issue another Request for Proposal for the need under revised specifications.

11. **Questionnaire:** Offeror must complete the Questionnaire portion of this Request for Proposal and provide any documentation required to support the answers. Questionnaire items, which are designated as mandatory, are needed to satisfy a required task or performance criteria. Items, which may be listed as desirable, are not required to be responsive to the Request for Proposal and will be relatively evaluated against other proposals in making a final award decision.

    If supporting documentation is required, Offeror shall provide the documentation in the sequence set forth in the Request for Proposal and ensure all technical literature and/or narrative explanations fully address the specifics of the question. Vague or disorganized responses that do not allow sufficient information for evaluation purposes may result in rejection of a proposal.

12. **Clarifications and Negotiations with Offerors and Revisions to Proposal:** Clarifications may be made with any submitting firm at any time during the evaluation phase of this procurement. Clarifications are not negotiations and may be utilized by the City to ensure thorough and complete understanding of, and responsiveness to, the solicitation requirements. Negotiations may be conducted with responsible Offerors who submit proposals determined to be reasonably susceptible of being selected for award. The purpose of negotiations is to allow the City and the Offeror(s) to revise initial Offers through an exchange or series of exchanges. Should the City elect to call for best and final offers, Offerors shall be accorded fair and equal treatment with respect to any opportunity for negotiations and revision of proposals, and such revisions may be permitted after submissions and prior to award. In conducting clarifications and negotiations there shall be no disclosure of any information derived from proposals submitted by competing Offerors. The purposes of such negotiations shall include but not be limited to:

    A. Determine in greater detail such Offeror's qualifications;

    B. Explore with the Offeror the scope and nature of the project, the Offeror's proposed method of performance, and the relative utility of alternate methods of approach;

    C. Determine that the Offeror will make available the necessary personnel and facilities to perform within the required time; and

    D. Agree upon compensation which is fair and reasonable, taking into account the estimated value of the required services, and the scope, complexity and nature of such services.

13. **Proposal Opening:** Proposals shall be opened at the time and place designated on the cover page of this Request for Proposals. The name of each Offeror and the identity of the Request for Proposal for which the proposal was submitted shall be publicly read and recorded in the presence of witnesses. Proposals, modifications and all other information received in response to this Request for Proposal shall be shown only to City personnel having a legitimate interest in its evaluation. Prices shall not be read. After Contract award, the proposals and the evaluation documentation shall be open for public inspection, except where the City has determined that specific portions of the proposal are confidential.

14. **Technical Proposal Opening:** Technical proposals (as received in step one of a two-step bidding process) shall be opened at the time and place designated on the cover page of this document. The name of each Offeror and the identity of the Request for Proposal for which the proposal was submitted shall be publicly read and recorded in the presence of witnesses. Proposals, modifications and all other information received in response to this Request for Proposal shall be shown only to City personnel having a legitimate interest in the evaluation. Evaluation documentation to substantiate technical proposal selection(s) shall be open for public inspection.

15. **Proposal Evaluation and Award:** The City shall determine whether a proposal meets the specifications and requirements of this Request for Proposal, at its sole discretion, and reject any proposals not meeting the intent or requirements set forth herein. Award(s) shall be made to the responsible Offeror whose proposal is determined in writing to be the most advantageous to the City, taking into consideration the evaluation factors set forth in the Request for Proposal. The City shall be the sole judge as to the acceptability of the products and/or services offered. The City reserves the right to reject any and all proposals.

16. **Award of Contract:** A proposal shall constitute a binding Offer to Contract with the City based on the terms, conditions and specifications contained in this Request for Proposal. An Offeror shall become a Contractor only upon execution of a formal Contract from the Procurement Office. Unless this Request for Proposal includes separate Contract document(s) or requires the Offeror to submit a Contract for review, a Contract shall be formed when the Procurement Office provides a written notice of award or a purchase order to the successful Offeror. All terms and conditions of the Contract are contained herein, unless modified by an amendment approved by the City. Proposals that take exception to the terms, conditions, specifications and/or other requirements stated within this Request for Proposal may cause the vendor's Offer to be considered non-responsive and rejected. Exceptions will be evaluated on an individual basis to determine compliance with the purpose and intent of the terms and conditions stated within this solicitation. The City shall be the sole judge as to whether an exception complies with the general purpose and intent of any term, condition and/or specification set forth herein.

17. **Proposal Results:** Offerors may attend the scheduled proposal opening at which the name of each Offeror will be publicly read. All other information contained in the proposals shall be kept confidential until the Contract is awarded. After award of Contract, an appointment may be made with the Procurement Officer to review proposal documents. Formal Contract award results shall be placed on the Procurement Office web page (www.tempe.gov/procurement) and posted at the front counter of the Procurement Office at the time the Contract award is approved by the City Council. Award recommendations may also be viewed via the City Clerk's web site normally up to five (5) days prior to the scheduled City Council meeting by visiting (http://documents.tempe.gov/sirepub/?sort=meet_date .

18. **Protests:** Any actual or prospective Offeror who is aggrieved in conjunction with this Request for Proposal or award may protest the award to the Procurement Office. A protest based upon alleged improprieties in this Request for Proposal that are apparent before the proposal opening shall be filed prior to the proposal due date/time. A protest concerning an award recommendation must be filed within ten (10) business days after the date of award. Up to five (5) days before award of a contract, the Procurement Office will post award recommendations on the City Clerks website at (http://documents.tempe.gov/sirepub/?sort=meet_date) and at the Procurement Office front counter and web site for public review (www.tempe.gov/procurement). A protest shall be in writing and include the protester's name, address and phone number, identification of the solicitation or Contract being protested, a detailed statement of the legal and factual grounds of the protest, including copies of all relevant documents and the form of relief requested. A protest is to be on the protester's company letterhead and signed by the protestor or its authorized representative.

19. **Delivery:** All materials, equipment and/or products shall be delivered F.O.B. Destination to the City of Tempe Per the location identified in the solicitation.

20. **Tax:** Unless specified herein, sales, use or federal excise tax shall not be included in proposal pricing. The City is exempt from payment of federal excise tax. For proposal evaluation, transaction (sales) privilege tax paid to the City of Tempe (1.8%) is considered a pass-through cost, calculated as zero ($0) expense when comparing pricing among competing companies that are not located in Tempe. For information on privilege (sales) tax, please contact the City's Tax and License Office at (480) 350-2955 or visit their web site at **salestax@tempe.gov**

21. **Payment:** For a single requirement purchase, the City will endeavor to remit payment within thirty (30) calendar days from receipt and approval of acceptable products, materials and/or services and approval of correct invoice. For ongoing term Contract purchases, the City will endeavor to remit payment within thirty (30) calendar days from approval of invoice.

22. **Discounts:** Payment discounts periods shall be computed from the date of receipt of acceptable products, materials and/or services or correct invoice, whichever is later to the date payment is mailed. Discounts shall be taken on the full amount of the invoice, unless otherwise indicated. The City shall be entitled to receive any discounts offered by Offeror, if payment is made within the discount period.

23. **Payment by City Procurement Card:** The Procurement Office may elect to remit payment through the use of a City procurement card. Each Offeror may indicate on the Vendor's Offer Page in this Request for Proposal its ability to accept City procurement card payments. The inability to accept payment by City procurement card will not disqualify a proposal.

24. **Code Governance:** Unless otherwise specified herein, the provisions of the Tempe City Code, Chapter 26A shall apply and govern this Request for Proposal.

25. **Public Record:** Proposals and all other documents submitted in response to this solicitation shall become the property of the City and shall be a matter of Public Record available for review following the Contract award. Material portions of the recommended Offer(s) as determined by the City may be posted to the City's web site up to five (5) days prior to the City Council meeting.

26. **Late Responses:** The Offeror assumes responsibility for having the Proposal submitted on time via e-mail to the address shown on the front page of this RFP. Any Offers received after the Solicitation Due Date and Time shall not be considered and will be returned to the Offeror. The Offeror assumes the risk of any delay in the electronic processing of the supplier's e-mail through both parties (Supplier and City) networks. Offerors must allow adequate time to ensure that the e-mail is timely received by the City at the designated e-mail address. All times referenced are Tempe, Arizona local times. Respondents agree to accept the time and date that is recorded on the received e-mail as the official time. Any e-mail submissions that are timed at 3:01 or later on the schedule due date will be considered late and not considered.

27. **Copying Responses:** The Offeror hereby grants the City permission to copy all parts of its Offer including, without limitation, any documents and/or materials copyrighted by the Offeror. The City's right to copy shall be for internal use in the evaluating the Offers.

28. **Confidential Information and Public Record:** After award of a Contract, proposals shall be available for public inspection, except to the extent that the withholding of information is required or permitted by law. Pursuant to A.R.S. § 35-214, and 41-1330 *et seq*., all records relating to the Request for Proposal and Contract shall be subject to inspection at all reasonable times by the City for five (5) years after completion of the Contract. Such records shall be produced by Bidder or Contractor at the time and place designated by the City.

    A. If a person believes that an offer or specification contains information that should be withheld as confidential, a statement advising the procurement officer of this fact shall accompany the submission and the information shall be so identified wherever it appears. A general statement of confidentiality that is not appropriately referenced to a specific section of the RFP will not be sufficient to warrant protection by the City. The confidential portion of the submission must be clearly noted with accompanying justification for treating the section confidential. Failure of the vendor to appropriately designate confidential information in this manner will relieve the City of any obligation to protect this information as confidential.

    B. The information identified by the person as confidential shall not be disclosed until the Procurement Office makes a written determination pursuant to A.R.S. § 121, *et seq*.

    C. If the City determines to disclose the information, the Offeror shall be informed in writing of such determination. Notwithstanding the foregoing, following an award of Contract, all proposal response information shall be available for public inspection.

Standard Terms and Conditions

Please note that these Standard Terms & Conditions shall be fully complied with by Offeror. Failure to comply with these requirements may result in rejection of a proposal for non-responsiveness, or cancellation or termination of any awarded Contract.

1. **Applicable Law:** This Contract shall be governed by, and the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code as adopted in the State of Arizona, except as otherwise provided in this Request for Proposal and resultant Contract, and all statutes, or ordinances pertaining specifically to the City. This Contract shall be governed by State of Arizona law and suits pertaining to this Contract may only be brought in courts located in Maricopa County, Arizona.

2. **Arizona Climate Action Compliance:** Offeror shall comply with all applicable standards, laws, rules, orders and regulations issued pursuant to A.R.S. §49-101, *et seq*., including but not limited to, Arizona Executive Orders Nos. 2006-13, 2005-02, and 2010-14 with regard to reducing GHG emissions, increasing energy efficiency, conserving natural resources and developing renewable energy sources.

3. **Availability of Funds for the Next Fiscal Year:** The City's obligation for performance of the Contract is contingent upon the availability of City, state and federal funds that are allocated or appropriated for payment obligations of the Contract. If funds are not allocated by the City or available for the continued use or purchase of services, work and/or materials set forth herein, the City may terminate the Contract. The City will use reasonable efforts to notify Contractor of such non-allocation affecting the obligations of the Contractor and/or City. The City shall not be penalized or adversely affected for exercise of its termination rights. Further, the City shall in no way be obligated or liable for additional payments or other damages as a result of such termination. No legal liability on the part of the City for any payment may arise for performance under this Contract.

4. **Certification:** By signing the "Vendor's Offer", the Offeror certifies:

   A. The submission of the vendor's proposal Offer response did not involve collusion or other anti-competitive practices.

   B. Offeror agrees that it will comply with section 2-603(5) of the Tempe City Code ("TCC"), and will not refuse to hire or employ or bar or discharge from employment any person or discriminate against such person in compensation, conditions, or privileges of employment because of race, color, gender, gender identity, sexual orientation, religion, national origin, familial status, age, disability, or United States military veteran status. Offeror further agrees to provide a copy of its antidiscrimination policy to the Procurement Officer to demonstrate compliance with TCC section 2-603(5) or attest in writing to its compliance in accordance with the attached Affidavit of Compliance.

   C. Offeror has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted Offer. Failure to sign the "Vendor's Offer" or signing it with a false statement shall void the submitted proposal and any resulting Contract. In addition, the Offeror may be barred from future proposal and bidding participation with the City and may be subject to such further actions as permitted by law.

   D. The Offeror agrees to promote and offer to the City only those materials and/or services as stated and allowed by this Request for Proposal and resultant Contract award. Violation of this condition shall be grounds for Contract termination by the City.

   E. The Offeror expressly warrants that it has and will continue to comply in all respects with Arizona law concerning employment practices and working conditions, pursuant to A.R.S. § 23-211, *et seq*., and all laws, regulations, requirements and duties relating thereto. Offeror further warrants that to the extent permitted by law, it will fully indemnify the City for any and all losses arising from or relating to any violation thereof.

F. Contractor agrees and covenants that it will comply with any and all applicable governmental restrictions, regulations and rules of duly constituted authorities having jurisdiction insofar as the performance of the work and services pursuant to the Contract, and all applicable safety and employment laws, rules and regulations, including but not limited to, the Fair Labor Standards Act, the Walsh-Healey Act, and the Legal Arizona Workers Act (LAWA), and all amendments thereto, along with all attendant laws, rules and regulations. Contractor acknowledges that a breach of this warranty is a material breach of this Contract and Contractor is subject to penalties for violation(s) of this provision, including termination of this Contract. City retains the right to inspect the documents of any and all contractors, subcontractors and sub-subcontractors performing work and/or services relating to the Contract to ensure compliance with this warranty. Any and all costs associated with City inspection are the sole responsibility of Contractor. Contractor hereby agrees to indemnify, defend and hold City harmless for, from and against all losses and liabilities arising from any and all violations thereof.

G. If Contractor engages in for-profit activity and has 10 or more employees, and if this Agreement has a value of $100,000 or more, Contractor certifies it is not currently engaged in, and agrees for the duration of this Agreement to not engage in, a boycott of goods or services from Israel. This certification does not apply to a boycott prohibited by 50 U.S.C. § 4842 or a regulation issued pursuant to 50 U.S.C. § 4842. Unless and until the U.S. District Court, District of Arizona's injunction is lifted, A.R.S. § 35-393.01 is unenforceable.

5. **Commencement of Work:** Contractor is cautioned not to commence any work or provide any materials or services under the Contract until and unless Contractor receives a purchase order, Notice to Proceed, or is otherwise directed in writing to do so, by the City.

6. **Confidentiality of Records:** The Contractor shall establish and maintain procedures and controls that are acceptable to the City for the purpose of assuring that no information contained in its records or obtained from the City or from others in carrying out its functions under the Contract shall be used by or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the Contract. Persons requesting such information should be referred to the City. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Contractor as needed for the performance of duties under the Contract, unless otherwise agreed to in writing by the City.

7. **Termination for Conflict of Interest:** This Contract is subject to the cancellation provisions of A.R.S. § 38-511. The City may cancel this Contract within three (3) years after its execution, without penalty or further obligation, if any person significantly involved in initiating, securing, drafting, or creating the Contract for the City becomes an employee or agent of the Contractor.

8. **Contract Formation:** This Contract shall consist of this Request for Proposal and the vendor's proposal Offer submitted, as may be found responsive and approved by the City. In the event of a conflict in language between the documents, the provisions of the City's Request for Proposal shall govern. The City's Request for Proposal shall govern in all other matters not otherwise specified by the Contract between the parties. All previous contracts between the Offeror and the City are not applicable to this Contract or other resultant contracts. Any contracted vendor documents that conflict with the language and requirements of the City's solicitation are not acceptable and void the Contract.

9. **Contract Modifications:** This Request for Proposal and resultant Contact may only be modified by a written Contract modification issued by the Procurement Office and counter-signed by the Contractor. Contractors are not authorized to modify any portion of this solicitation or resulting Contract without the written approval of the Procurement Office and issuance of an official modification notice.

10. **Contract Administration:** Contractor must notify the designated Procurement Officer from the Procurement Office for guidance or direction on matters of Contract interpretation or problems regarding the terms, conditions or scope of this Contract. The Contract shall contain the entire agreement between the City and the Contractor and the Contract shall prevail over any and all previous agreements, contracts, proposals, negotiations, purchase orders or master agreements in any form.

11. **Cooperative Use of Contract:** Any Contract resulting from this solicitation shall be for the use of the City of Tempe. In addition, public and nonprofit agencies that have entered into a Cooperative Purchasing Agreement with the City of Tempe's Department of Procurement are eligible to participate in any subsequent Contract. Additionally, this Contract is eligible for use by the Strategic Alliance for Volume Expenditures (SAVE) cooperative. See http://www.mesaaz.gov/business/purchasing/save for a listing of participating agencies. The parties agree that these lists are subject to change. Any such usage by other municipalities and government agencies must be in accord with the ordinance, charter and/or rules and regulations of the respective political entity.

    Any orders placed to, or services required from, the successful Contractor(s) will be requested by each participating agency. Payment for purchases made under this agreement will be the sole responsibility of each participating agency. The City shall not be responsible for any disputes arising out of transactions made by others. Contractor shall be responsible for correctly administering this Contract in accordance with all terms, conditions, requirements, and approved pricing to any eligible procurement unit.

12. **Dispute Resolution:** This Contract is subject to arbitration to the extent required by law. If arbitration is not required by law, the City and the Contractor agree to negotiate with each other in good faith to resolve any disputes arising out of the Contract. In the event of any legal action or proceeding arising out of this Contract, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs incurred with said fees and costs to be included in any judgment rendered.

13. **Energy Efficient Products:** The City may consider energy conservation factors including costs in the evaluation of equipment and product purchases for the purpose of obtaining energy efficient products. In addition, vendor proposal Offers may specify items that have been given an energy efficient classification by the federal government for consideration by the City.

14. **Billing:** All invoices submitted by Contractor for the City's review and approval shall be in itemized form to identify the specific item(s) being billed. Items must be identified by the name, model number, and/or serial number most applicable along with the correct unit cost. Any purchase/delivery order issued by the City shall refer to the Contract number resulting from this Request for Proposal. Separate invoices are required on individual contracts or purchase orders. Only invoices with items resulting from this Request for Proposal will be accepted for review and approval by the City.

15. **Estimated Quantities:** This Request for Proposal references quantities as a general indication of the City's needs. The City anticipates considerable activity resulting from Contracts that will be awarded as a result of this Request for Proposal; however, the quantities shown are estimates only and the City reserves the right to increase or decrease any quantities actually acquired, in its sole discretion. No commitment of any kind is made concerning quantities and Offeror hereby acknowledges and accepts same.

16. **Events of Default and Termination:**

    A. In the event a party is in default then the other party may, at its option and at any time, provide written notice to the defaulting party of the default. The defaulting party will have thirty (30) days from the receipt of the written notice to cure the default; the thirty (30) day cure period may be extended by mutual agreement of the parties, but no cure period may exceed ninety (90) days. A default notice will be deemed to be sufficient if it is reasonably calculated to provide notice of the nature and extent of such default. Failure of the non-defaulting party to provide written notice of the default does not waive any rights under the Agreement. The occurrence of any one or more of the following events shall constitute a material breach of and default under the Contract.

        i) Any failure by Contractor to pay funds or furnish materials, services and/or goods that fail to conform to any requirement of this Contract or provide personnel that do not meet Contract requirements;

ii) Any party's failure to observe, perform or undertake any provision, covenant or condition of this Contract to be observed or performed by Contractor or City herein, including but not limited to failing to submit any report required herein;

iii) Any failure to make progress in the performance required pursuant to the Contract and/or gives either party reason to believe that the other party cannot or will not perform to the requirements of the Contract; or,

iv) Any failure of Contractor to commence construction, work or services within the time specified herein, and to diligently undertake Contractor's work to completion.

B. In the event the default has not been corrected to the non-defaulting party's satisfaction within the cure time specified, the non-defaulting party, at its option and in addition to any other remedies available by law or in equity, without further notice or demand of any kind to Contractor, may do the following:

i) Terminate the Contract;

ii) Pursue and/or reserve any and all rights for claims to damages for breach or default of the Contract; and/or,

iii) Recover any and all monies due from Contractor, including but not limited to, the detriment proximately caused by Contractor's failure to perform its obligations under the Contract, or which in the ordinary course would likely result therefrom, including, any and all costs and expenses incurred by the City in: (a) maintaining, repairing, altering and/or preserving the premises (if any) of the project; (b) costs incurred in selecting and retaining a substitute Contractor for the purchase of services, materials and/or work; and/or (c) attorneys' fees and costs in pursuing any remedies under the Contract and/or arising therefrom.

C. The exercise of any one of the City's remedies as set forth herein shall not preclude subsequent or concurrent exercise of further or additional remedies. In addition, the City shall be entitled to terminate this Contract at any time, in its discretion. The City may terminate this Contract for default, non-performance, breach or convenience, or pursuant to A.R.S. § 38-511, or abandon any portion of the project for which services have not been fully and/or properly performed by the Contractor.

D. Termination shall be commenced by delivery of written notice to Contractor by the City personally or by certified mail, return receipt requested. Upon notice of termination, Contractor shall immediately stop all work, services and/or shipment of goods hereunder and cause its suppliers and/or subcontractors to cease work pursuant to the Contract. Contractor shall not be paid for work or services performed or costs incurred after receipt of notice of termination, nor for any costs incurred that Contractor could reasonably have avoided.

E. The City, in its sole discretion, may terminate or reduce the scope of this Contract if available funding is reduced for any reason.

F. Whenever the City in good faith has reason to question Contractor's intent or ability to perform, the City may demand that Contractor give a written assurance of its intent and ability to perform. In the event that the demand is made, and no written assurance is given within the time period required, the City may treat this failure as an anticipatory repudiation of the Agreement.

17. **Termination for Convenience:** The City at its sole discretion may terminate this Contract for convenience with thirty (30) days advance notice to Contractor. Contractor shall be reimbursed for all appropriate costs as provided for within the Contract up to the termination date specified.

18. **Force Majeure:**

A. Except for payment of sums due, neither party shall be liable to the other nor deemed in default under the Contract only in the event that and to the extent that such party's performance of the Contract is prevented by reason of force majeure. 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, mobilization, labor disputes, civil disorders, fire, floods, lockouts, injunctions, failures or refusal 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.

B. Force majeure shall not include the following occurrences:

i) Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences.

ii) Late performance by a subcontractor.

C. If either party is delayed at any time in the progress of the work by force majeure, then the delayed party shall notify the other party in writing of such delay within forty-eight (48) hours of the commencement thereof and shall specify the causes of such delay in the notice. Such notice shall be hand delivered or sent via certified mail and shall make a specific reference to this clause, 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 by hand delivery or certified mail when it has done so. The time of completion shall be extended by Contract modification for a period of time equal to the time that the results or effects of such delay prevent the delayed party from performing in accordance with the Contract.

19. **Gratuities:** The City may elect to terminate any resultant Contract, if it is found that gratuities in any form were offered or given by the Contractor or agent thereof, to any employee of the City or member of a City evaluation committee with a view toward securing an order, securing favorable treatment with respect to awarding, amending or making of any determinations with respect to performing such order.

20. **Indemnification:** To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, its agents, officer, officials, and employees from and against all claims, damages, losses and expenses (including but not limited to attorney's fees, court costs, and the costs of appellate proceedings), arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, work, services, or professional services of the Contractor, its agents, employees, or any other person (not the City) for whose acts, errors, mistakes, omissions, work, services, or professional services the Contractor may be legally liable in the performance of this Contract. Contractor's duty to hold harmless and indemnify the City, its agents, officers, officials and employees shall arise in connection with any claim for damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of any person or property, including loss of use resulting from, or caused by any acts, errors, mistakes, omissions, work, services, or professional services in the performance of this Contract by Contractor or any employee of the Contractor or any other person (not the City) for whose acts, errors, mistakes, omissions, work, or services the Contractor may be legally liable. The amount and type of insurance coverage requirement set forth herein will in no way be construed as limiting the scope of indemnity in this paragraph. This provision shall survive the term of this Contract.

21. **Interpretation of Parole Evidence:** This Contract is intended as a final expression of the agreement between the parties and as a complete and exclusive statement of the Contract, unless the signing of a subsequent Contract is specifically called for in this Request for Proposal. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in the Contract. Acceptance or acquiescence in a course of performance rendered under this Contract shall not be relevant to determine the meaning of the Contract, even though the accepting or acquiescing party has knowledge of the nature of the performance and opportunity to object.

22. **Key Personnel:** Contractor shall provide adequate experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this Contract during the Contract term and any renewal periods. The Contractor must agree to assign specific individuals to the key positions.

    A. The Contractor agrees that, once assigned to work under this Contract, key personnel shall not be removed or replaced without prior written notice to the City.

    B. If key personnel are not available for work under this Contract for a continuous period exceeding thirty (30) calendar days or are expected to devote substantially less effort to the work than initially anticipated, the Contractor shall immediately notify the City, and shall replace each person with personnel of substantially equal ability and qualifications upon prior City approval.

23. **Licenses and Permits:** Contractor shall maintain in current status and at its sole expense, all federal, state and local licenses and permits required for the operation of the business conducted by the Contractor and the provision of the services to be provided under the Contract.

24. **No Assignment:** No right or interest in this Contract shall be assigned by Contractor and no delegation of any duty of Contractor shall be made without prior written permission of the City, which consent may be granted or withheld in City's unfettered discretion.

25. **Notices:** All notices, requests, demands, consents, approvals, and other communications which may or are required to be served or given hereunder (for the purposes of this provision collectively called "Notices"), shall be in writing and shall be hand delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the party or parties to receive such notice as follows:

    City of Tempe Procurement Office
    Attn: Procurement Officer
    20 E. 6th Street (Second Floor)
    PO Box 5002
    Tempe, Arizona 85280

    [Contractor's Name]
    [Attn of Offeror Named in Contract]
    [Address]

    Or to such other address as either party may from time to time furnish in writing to the other by notice hereunder.

26. **No Waiver:** No breach of default hereunder shall be deemed to have been waived by the City, except by written instrument to that effect signed by an authorized agent of the City. No waiver of any such breach or default shall operate as a waiver of any other succeeding or preceding breach or default or as a waiver of that breach or default after demand by the City for strict performance of this Contract. Acceptance of partial or delinquent payments or performance shall not constitute the waiver of any right of the City. Acceptance by the City for any materials shall not bind the City to accept remaining materials, future shipments or deprive the City of the right to return materials already accepted. Acceptance by the City of delinquent or late delivery shall not constitute a waiver of a later claim for damages and/or bind the City for future or subsequent deliveries.

27. **Overcharges by Antitrust Violations:** The City maintains that, in actual practice, overcharges resulting from antitrust violations are borne by the City. Therefore, to the extent permitted by law, the Contractor hereby assigns to the City any and all claims for such overcharges as to the goods and/or services used to fulfill the Contract.

28. **Performance Standards:** Equipment shall operate in accordance with the performance criteria specified in the Request for Proposal, including the manufacturer's published specifications applicable to the equipment involved. Equipment is expected to be available for productive use, as provided in the procurement documents. Penalties and/or bonuses applicable to equipment and system performance, if any, shall be calculated as specified in the Request for Proposal.

29. **Preparation of Specifications by Persons Other Than City Personnel:** No person preparing specifications for this Request for Proposal shall receive any direct or indirect benefit from the use of these specifications.

30. **Procurement of Recycled Materials:** If the price of recycled material that conforms to specifications is within five percent (5%) of the lower priced material that is not recycled and the recycled Offeror is otherwise the lowest responsive and responsible Offeror, the proposal containing recycled material shall be considered more advantageous; provided the item(s) to be obtained contains at least the minimum amount of recycled content material as defined in the City's solicitation and sufficient funds have been budgeted for the purchase.

31. **Provisions by Law:** Each and every provision of law and any clause required by law to be in this Contract will be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract will forthwith be physically amended to make such insertion or correction.

32. **Public Record:** After award of Contract, proposal responses shall be considered Public Record and open for public inspection except to the extent the withholding of information is permitted or required by law. If an Offeror believes a specific section of its proposal response is confidential, the Offeror shall mark the page(s) confidential and isolate the pages marked confidential in a specific and clearly labeled section of its proposal response. The Offeror shall include a written statement as to the basis for considering the marked pages confidential and the Procurement Office will review the material and make a determination, pursuant to A.R.S. §§ 39-121, *et seq.*, and 41-151, *et seq.* A general statement of confidentiality (boiler plate statement) that is not appropriately referenced to a specific section of the RFP will not be sufficient to warrant protection by the City. The confidential portion of the submission must be clearly noted with accompanying justification for treating the section confidential. Failure of the vendor to appropriately designate confidential information in this manner will relieve the City of any obligation to protect this information as confidential.

33. **Records:** Pursuant to provisions of Title 35, Chapter 1, Article 6 Arizona Revised Statutes §§ 35-214 and 36-215, Contractor shall retain, and shall contractually require each subcontractor to retain, all books, accounts, reports, files and other records relating to the acquisition and performance of the Contract for a period of five (5) years after the completion of the Contract. All such documents shall be subject to inspection and audit at reasonable times. Upon request, a legible copy of any or all such documents shall be produced at the offices of the City Attorney or Procurement Office.

34. **Relationship of Parties:** It is clearly understood that each party to this Contract will act in its individual capacity and not as an agent, employee, partner, joint venture, or associate of the other party. The Contractor is an independent Contractor and shall be solely responsible for any unemployment or disability insurance payments, or any social security, income tax or other withholdings, deductions or payments that may be required by federal, state or local law with respect to any compensation paid to the Offeror. An employee or agent of one party shall not be an employee or agent of the other party for any purpose whatsoever.

35. **Rights and Remedies:** No provisions of this Request for Proposal or in the proposal shall be construed, expressly or by implication, as a waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of Contract. The failure of the City to insist upon strict performance of any term or condition of the Contract or to exercise or delay the exercise of any right or remedy provided in the Contract, or by law, shall not release the Contractor from any responsibilities or obligations imposed by the Contract or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of the Contract.

36. **Safety Standards:** All items supplied on this Contract must comply with the current applicable Occupational Safety and Health Standards of the State of Arizona Industrial Commission, the National Electric Code and the National Fire Protection Association Standards.

37. **Serial Numbers:** Proposals shall include equipment on which the original manufacturer's serial number has not been altered in any way. The City reserves the right to reject any and all equipment.

38. **Severability:** The provisions of this Contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the Contract which may remain in effect without the invalid provision or application.

39. **Specially Designated Nationals and Blocked Persons List:** Contractor represents and warrants to the City that neither Contractor nor any affiliate or representative of Contractor:

    A. Is listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Asset Control, Department of the Treasury (OFAC) pursuant to Executive Order no. 13224, 66 Fed. Reg. 49079 ("Order");

    B. Is listed on any other list of terrorists or terrorist organizations maintained pursuant to the Order, the rules and regulations of OFAC or any other applicable requirements contained in any enabling legislation or other related Order(s);

    C. Is engaged in activities prohibited in the Order; or,

    D. Has been convicted, pleaded *nolo contendre,* indicted, arraigned or custodially detained on charges involving money laundering or predicate crimes to money laundering.

40. **Time of the Essence:** Time is and shall be of the essence in this Contract. If the delivery date(s) specified herein cannot be met, Contractor shall notify the City using an acknowledgment of receipt of order and intent to perform without delay, for instruction. The City reserves the right to terminate this Contract and to hold Contractor liable for any cost of cover, excess cost(s) or damage(s) incurred as a result of delay.

41. **Unauthorized Firearms & Explosives:** No person conducting business on City property is to carry a firearm or explosive of any type. All Offerors, Contractors and subcontractors shall honor this requirement at all times and failure to honor this requirement shall result in Contract termination and additional penalties. This requirement also applies to any and all persons, including those who maintain a concealed weapons permit. In addition to Contract termination, anyone carrying a firearm or explosive device will be subject to further legal action.

42. **Warranties:** Contractor expressly warrants that all materials and/or goods delivered under the Contract shall conform to the specifications of this Contract and be merchantable and free from defects in material and workmanship, and of the quality, size and dimensions specified herein. This express warranty shall not be waived by way of acceptance or payment by the City, or otherwise. Contractor expressly warrants the following:

    A. All workmanship shall be finest and first-class;

    B. All materials and goods utilized shall be new and of the highest suitable grade for its purpose; and

    C. All services will be performed in a good and workmanlike manner. Contractor's warranties shall survive inspection, acceptance and/or payment by the City, and shall apply to the City, its successors, agents and assigns.

    The Contractor agrees to make good by replacement and/or repair, at its sole expense and at no cost to the City, any defects in materials or workmanship which may appear during the period ending on a date twelve (12) months after acceptance by the City, unless otherwise specified herein. Should Contractor fail to perform said replacement and/or repair to City's satisfaction within a reasonable period of time, City may correct or replace said defective or nonconforming materials and recover the costs thereof from Contractor. This warranty shall not operate to reduce the statute of limitations period for breach of contract actions or otherwise, or reduce or eliminate any legal or equitable remedies.

43. **Work for Hire and Ownership of Deliverables:** Contractor hereby agrees and covenants that all the results and proceeds of Contractor's work and/or services for the Project specified herein, for Contractor and all of its agents, employees, officers and subcontractors, shall be owned by the City, including the copyright thereto, as work for hire. In the event, for any reason such results and proceeds are not deemed work for hire, Contractor agrees and covenants that it shall be deemed to have assigned to the City all of its right, title and interests in such results, proceeds and content to the City, without limitation. Contractor agrees to indemnify and hold the City harmless from and against all claims, liability, losses, damages and expenses, including without limitation, legal fees and costs, arising from or due to any actual or claimed trademark, patent or copyright infringement and any litigation based thereon, with respect to any work, services and/or materials contemplated in this Contract. Contractor agrees to pay to defend any and all such actions brought against the City. Contractor's obligations hereunder shall survive acceptance by the City of all covenants herein as well as the term of the Contract itself.

44. **Non-exclusive Contract:** Any Contract resulting from this Request for Proposal shall be awarded with the understanding and agreement that it is non-exclusive and entered into for the sole convenience of the City. The City reserves the right to obtain like goods or services from another source.

45. **Ordering Process:** Upon award of a Contract by the Procurement Office, the City may procure the specific material and/or service awarded by the issuance of a purchase order to the appropriate Contractor. Each purchase order must cite the correct Contract number. Such purchase order is required for the City to order and the Contractor to deliver the material and/or service.

46. **Shipping Terms:** Prices shall be F.O.B. Destination to the delivery location(s) designated herein. Contractor shall retain title and control of all goods until they are delivered and the Contract of coverage has been completed. All risk of transportation and all related charges shall be the responsibility of the Contractor. The City will notify the Contractor promptly of any damaged materials and shall assist the Contractor in arranging for inspection. Shipments under reservation are prohibited. No tender of a bill of lading shall operate as a tender of the materials.

47. **Delegated Awards:** In the event this Contract is administratively awarded via delegated authority as provided for in Section 26A-5 of the Procurement Ordinance, the Contractor acknowledges that a final Contract with the City of Tempe requires City Council approval and possibly the signature of the Mayor. Should this Contract be rejected by the City Council, Contractor agrees that it is immediately void and unenforceable against any party. The awarded firm(s) will be compensated only for any and all costs incurred up to the date of notification of such termination.

Special Terms & Conditions and Instructions

Proposals taking exception to Special Terms & Conditions and Instructions stated within this Request for Proposal may cause the Proposal to be considered nonresponsive and rejected.

1. **City Procurement Document:** This Request for Proposal is issued by the City. No alteration of any portion of this Request for Proposal by an Offeror is permitted and any attempt to do so shall result in vendor's proposal Offer being considered nonresponsive and rejected. No alteration of any portion of a resultant Contract is permitted without the written approval of the Procurement Office and any attempt to do so shall be considered a breach of the Contract. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, Contract termination and/or suspension of the Contractor.

2. **Offer Acceptance Period:** To allow for an adequate evaluation, the City requires the vendor's proposal Offer in response to this Request for Proposal to be valid and irrevocable for ninety (90) days after the proposal due time and date.

3. **Contract Type:** Term with justifiable price adjustments allowed, indefinite quantity.

4. **Term of Contract:** The term of the Contract shall commence on the date of award and shall continue for a period of one (1) year thereafter, unless terminated, canceled or extended as otherwise provided herein.

5. **Contract Renewal:** The City reserves the right to unilaterally extend the period of any resultant Contract for ninety (90) days beyond the stated term. In addition, the City at its option may renew for supplemental terms of up to a maximum of five (5) additional years. The period for any single renewal increment shall be determined by the Procurement Office. Such increment shall not be for more than a period of one (1) year each, unless the City is eligible to obtain a significant cost and/or supply advantage by a longer Contract renewal period.

6. **Price Adjustment:**

   A. The Procurement Office will review fully documented requests for price increases after the Contract has been in effect for twelve (12) months. The requested price increase must be based upon a cost increase that was clearly unpredictable at the time of the Proposal and can be shown to directly affect the price of the item concerned. The Procurement Office will determine whether the requested price increase, or an alternative option, is in the best interest of the City. Advanced thirty (30) day written notification by Contractor is required for any price changes. All price adjustments will be effective on the first day of the month following approval or acceptance by the Procurement Office. After the City approves a price increase the Contractor shall not be eligible to receive an additional increase until twelve (12) months from the date of the last approved price increase.

   B. Price increase requests must be acknowledged in writing by the Procurement Office before becoming effective. If not acknowledged within thirty (30) days, Contractor shall contact the Procurement Office to ensure the price increase request was received.

   C. The Contractor shall offer any published price reduction or if applicable to the Contract, profit sharing price advantage to the City concurrent with its announcement to other customers. A price reduction or profit-sharing price advantage may be offered at any time during the term of an awarded Contract and shall become effective upon notice and acceptance. The City shall likewise be given any special sales discounts offered to the general public, which exceed contracted price discounts extended to the City by the Contractor.

7. **Multiple Awards:** The City has a large number and variety of potential customer departments. In order to ensure that any ensuing Contracts will allow the City to fulfill current and future requirements, the City reserves the right to award Contracts to multiple companies. The actual utilization of any Contract will be at the sole discretion of the City. The fact that the City may make multiple awards should be taken into consideration by each Offeror.

8. **Warranty:** Each proposal must include a complete and exclusive statement of the product warranty. Warranty offers will be relatively considered as appropriate to life cycle costing.

9. **Demonstration Models:** Demonstration units of the equipment offered must be available in the Tempe/Phoenix geographic area. The Procurement Office may arrange a time and place for equipment demonstrations for the purpose of evaluation. Demonstrations shall be performed at no expense to the City.

10. **Current Products:** All Offers made in response to this Request for Proposal shall be in current and ongoing production shall have been formally announced for general marketing purposes shall be a model or type currently functioning in user environments and shall meet or exceed all specifications and requirements set forth in this solicitation. Enhancements to established products need not necessarily comply with this clause and will be reviewed on individual merits.

11. **Product Discontinuance:** The City may award Contracts for particular products and/or models of equipment as a result of this solicitation. In the event that a product or model is discontinued by the manufacturer, the City at its sole discretion may allow the Contractor to provide a substitute for the discontinued item. The Contractor shall request permission by the City to substitute a new product or model and provide all of the following:

    A. A formal announcement from the manufacturer that the product or model has been discontinued;

    B. Documentation from the manufacturer that names the replacement product or model;

    C. Documentation that provides clear and convincing evidence that the replacement meets or exceeds all specifications required by the original solicitation;

    D. Documentation that provides clear and convincing evidence that the replacement will be compatible with all the functions or uses of the discontinued product or model; and

    E. Documentation confirming that the price for the replacement is the same as or less than the discontinued product or model.

12. **Maintenance Service:** Contractor covenants and agrees to maintain the equipment set forth in the Request for Proposal, or alternatively, warrants that the equipment manufacturer will maintain the equipment acquired under the Contract in good working order and in accordance with the manufacturer's official published specifications and any other specifications set forth herein. Additional terms and conditions applicable to maintenance of the equipment may be specified in a separate maintenance agreement between the City and the Contractor or equipment manufacturer. In no event shall the provisions of such separate agreement supersede the provisions of the Contract.

13. **Installation and Training:** The Contractor shall install the equipment and provide training to City personnel to ensure proper operation and utilization.

14. **Installation and Acceptance:**

    A. Installation Date: The Contractor shall install equipment ready for use on or before the installation date specified in the applicable schedule.

    B. Site Preparation: The City shall have the site available and prepared in a timely manner in accordance with Contractor published specifications. The Contractor shall be given access to the site for installation and testing purposes.

    C. Site Inspection: Prior to the installation date, Contractor shall inspect the site and shall report to the City, in writing, the dates of such inspections, any rejections and the reasons therefore, and the final acceptance thereof. Such final site acceptance shall include a written representation to the City by the Contractor that the site meets the Contractor's and/or equipment manufacturer's site specifications for the efficient and safe operation of the equipment.

D. Acceptance Testing: When Contractor has completed installation and is satisfied that the equipment is operating successfully and meets minimum design capabilities, the City shall be so notified. The City may accept or reject any portion or all of the equipment.

E. Acceptance: At the conclusion of the acceptance testing period, the City's acceptance may be conclusively presumed if a written rejection specifying the reasons therefore is not delivered to Contractor within ten (10) business days following the end of the acceptance testing period.

15. **Contractor's Risk:** Contractor agrees to bear all risk of loss, injury, or destruction of materials (equipment/products) ordered as a result of this Contract which occurs prior to delivery to the City; and such loss, injury, or destruction shall not release Contractor from any obligation hereunder.

16. **Insurance:**

A. Insurance Required: Prior to commencing services under this Contract, Contractor shall procure and maintain for the duration of the Contract insurance against claims for injuries (including death) to persons and damages to property, which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees, subcontractors, or sub-subcontractors. For Offerors with self-insurance, proof of self-insurance with minimum limits expressed below must be submitted on proper forms for evaluation prior to award of Contract.

A Contract Award Notice or Purchase Order will not be issued to the Contractor until receipt of all required insurance documents by the Procurement Office with such documents meeting all requirements herein. In addition, before any Contract renewal, all required insurance must be on file with the Procurement Office. Contractor must submit required insurance within ten (10) calendar days after request by the Procurement Office or the award may be rescinded and another Offeror selected for award.

B. Minimum Limits of Coverage: Without limiting any obligations or liabilities, the Contractor, at its sole expense, shall purchase and maintain the minimum insurance specified below with companies duly licensed or otherwise approved by the State of Arizona, Department of Insurance and with forms satisfactory to the City. Each insurer shall have a current A.M. Best Company, Inc., rating of not less than A-VII. Use of alternative insurers requires prior approval from the City.

i. Minimum Limits of Insurance. Contractor shall maintain the following minimum limits:

a. *Commercial General Liability*

Commercial general liability insurance limit of not less than $1,000,000 for each occurrence, with a $2,000,000 general aggregate limit. The general aggregate limit shall apply separately to the services under this Contract or the general aggregate shall be twice the required per occurrence limit. The policy shall be primary and include coverage for bodily injury, property damage, personal injury, products, completed operations, and blanket contractual coverage, including but not limited to the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office policy form CG0001 or its equivalent.

In the event the general liability policy is written on a "claims made" basis, coverage shall extend for two (2) years past completion and acceptance of the services as evidenced by annual certificates of insurance. In addition, the retro date shall be no later than the start date of the contract. The retro date shall be disclosed on the certificate of insurance.

Such policy shall contain a "severability of interests" provision.

b. *Worker's Compensation*

The Contractor shall carry worker's compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor employees engaged in the performance

of services; and employer's liability insurance of not less than $100,000 for each accident, $100,000 disease for each employee and $500,000 disease policy limit.

In cases when services are subcontracted, the Contractor will require the subcontractor to provide worker's compensation and employer's liability to at least the same extent as provided by Contractor.

c. *Automobile Liability*

Commercial business automobile liability insurance with a combined single life or bodily injury and property damages of not less than $1,000,000 per accident regarding any owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor services. Coverage will be at least as broad as coverage Code 1 "any auto". Insurance Service Office policy form CA0001 Y87 or any replacements thereof. Such coverage shall include coverage for loading and unloading hazards.

C. Additional Insured: The insurance coverage, except for workers compensation and professional liability coverage, required by this Contract, shall name the City, its agents, representatives, directors, officials, employees, and officers, as additional insureds, and shall specify that insurance afforded the Contractor shall be primary insurance. The additional insured wording on the commercial general liability policy will be at least as broad as Insurance Services Office policy forms CG2010 04/13 edition and CG2037 04/13 edition or their equivalent. The additional insured wording on the automobile liability policy will be at least as broad as Insurance Services Office policy form CA 20 48 or its equivalent. This provision and the naming of the city as an additional insured shall in no way be construed as giving rise to responsibility or liability of the City for applicable deductible amounts under such policy(s).

D. Coverage Term: All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted by the City. Failure to do so shall constitute a material breach of this Contract.

E. Primary Coverage: Contractor's insurance shall be primary insurance to the City, and any insurance or self-insurance maintained by the City shall not contribute to it.

F. Claim Reporting: Any failure to comply with the claim reporting provisions of the policies or any breach of a policy warranty shall not affect coverage afforded under the policy to protect the City.

G. Waiver: The policies, including workers' compensation, shall contain a waiver of transfer rights of recovery (subrogation) against the City, its agents, representatives, directors, officers, and employees for any claims arising out of the work or services of the Contractor.

H. Deductible/Retention: The policies may provide coverage which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall be disclosed by the contractor and shall not be applicable with respect to the coverage provided to the City under such policies. Contractor shall be solely responsible for deductible and/or self-insurance retention and the City, at its option, may require Contractor to secure the payment of such deductible or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

I. Certificates of Insurance: Prior to commencing work or services under this Contract, Contractor shall furnish the City with certificates of insurance, or formal endorsements as required by the Contract, issued by the Contractor's insurer(s), as evidence that policies providing the required coverages, conditions, and limits required by this Contract are in full force and effect. Such certificates shall identify this Contract number or name and shall provide for not less than thirty (30) days advance notice of cancellation, termination, or material alteration. Such certificates shall be sent directly to: Contract Administrator, City of Tempe, P. O. Box 5002, Tempe, AZ 85280.

J. Copies of Policies: The City reserves the right to request and to receive, within ten (10) working days, certified copies of any or all of the above policies and/or endorsements. The City shall not be obligated, however, to review same or to advise Contractor of any deficiencies in such policies and endorsements,

and such receipt shall not relieve Contractor from, or be deemed a waiver of, the City's right to insist on strict fulfillment of Contractor's obligations under this Contract.

17. **Contract Submittal:** Offeror is to furnish a copy of its proposed Contract with its proposal response. Contractual considerations are an important evaluation factor and will be considered in making an award decision. Any proposed Contract should be tailored to the specific requirements of the City's Request for Proposal and overall conformity with the City's Request for Proposal requirements. The failure of an Offeror to reach an acceptable Contract to the satisfaction of the City will result in proposal rejection.

18. **Software License:** The Contractor grants to the City a non-assignable, non-transferable and non-exclusive license to use the proprietary computer programs and related materials (software) specifically identified in the appropriate schedule to this Contract. The City understands and acknowledges that the software contains confidential information and other data proprietary to Contractor. The City agrees not to disclose, proliferate or duplicate nor allow to be disclosed, proliferated or duplicated any such confidential information or data except for archive, diagnostic, backup or emergency restart purposes. However, if confidential proprietary information of the Contractor, as determined by the City and the Contractor, is requested from the City pursuant to a public records request, subpoena or other process, Contractor shall be responsible for protecting its confidential information, shall be responsible for representing itself and the City with the City retaining the right to approve the selection of any attorneys hired to defend its interests, in any resulting legal actions and shall be responsible for any and all costs in so doing, including the payment of attorneys' fees, court costs and other expenses as may be required in protecting such information and in representing itself and the City.

19. **Protection and Restoration of Property and Landscape:** The Contractor shall be responsible for all damage or injury to public or private property of any character, during the prosecution of the work resulting from any act, omission, neglect, or misconduct in its manner or method of executing the work or at any time due to defective work or materials. The Contractor's responsibility will not be released until the project has been completed and accepted.

    If damage is caused by the Contractor, the Contractor shall restore at no cost to the City, such property to a condition similar or equal to that existing before such damage or injury was done, by repairing, rebuilding or otherwise restoring as may be directed, or they shall make good such damage or injury in an acceptable manner. Further payments will be withheld until the City has inspected the corrected damage or injury and has signed-off the completion and acceptance. Contractor shall not dump spoils or waste material on private or public property without first obtaining from the owner written permission for such dumping.

20. **Sub-Contractor(s):** The City reserves the right to approve all sub-contractors. Contractor is responsible for all actions of sub-contractors. Contractor shall name sub-contractors as additionally insured, in addition to the City on all required insurance documents.

21. **Use of Safety Vests and Orange Colored Shirts:** The Contractor will follow the City code on the use of high visibility vests and clothing as specified below: The Tempe City Code addresses this matter in Section 29-4. Working within right-of-way

    (a) For the purposes of this section, the following words or phrases shall have the meanings respectively ascribed to them by this subsection:

        1) Motor vehicle means any vehicle required to be licensed or registered under the laws of the state.

        2) Protective devices include, but are not limited to, orange vest (daytime), reflectorized orange vest (nighttime), traffic cones, barricades, flashing lights, flares and any other traffic-control device as required by the City.

        3) Right-of-way means all of that property used as a traveled portion of public roadways for motor vehicles lying between the exterior boundary lines of any area granted to or received by the City by grant, gift, easement, deed, dedication or operation of law for street purposes.

    Worker means any person whose duties cause his presence in the right-of-way.

(a) No person shall perform any work within the right-of-way until he is properly equipped with protective devices.

(b) Any person violating any of the provisions of this section shall be guilty of a misdemeanor and punishable as set forth in subsection 1-7 of this code.

(c) Following are a list of circumstances relative to the use of orange vests and/or orange shirts:

1) According to the City Code, orange shirts are acceptable for daytime use providing the color is still bright and crisp. It is up to each supervisor to determine whether the color is still appropriate or not.

2) Orange shirts are not recommended for those who are qualified and certified to direct traffic. Those who have received training to manually direct traffic from the Tempe Police Department are called Manual Traffic Directors. When directing traffic, orange vests are required for higher visibility. This also applies to certified flaggers at flagger stations. These persons do not direct traffic in the roadway. They are off the traveled portion of the roadway, behind barricading and stationary at an identified flagger station. However, vests and hardhats are required for higher visibility.

3) Reflectorized vests, that meet ANSI standards, are to be worn when performing any work-related activity within the public right-of-way during the hours from dusk to dawn (sunset to sunrise). The current City approved vests meet the current ANSI standards.

(e) These requirements apply to all persons; City personnel (including the police and fire department), contractors, utility companies and any subcontractor or employee hired to perform work within public right-of-way. Keep in mind that public right-of-way includes, not only the roadway itself, but also the sidewalk and usually 3 feet to 8 feet or more of landscape area behind the sidewalk.

(f) Just a note for supervisors or foremen who may be visiting a job site for just a few minutes or more, to talk with fellow coworkers: An orange shirt or vest is required when one exits their vehicle, depending on the time of day.

22. **Traffic Operations on Roadways/Thoroughfares:** Any and all work carried out on adjacent roadways and thoroughfares will use the appropriate traffic barricading as set forth in the City of Phoenix TRAFFIC BARRICADE MANUAL published by the Street Transportation Department as adopted by the City of Tempe. Any and all pruning operations must comply with the safety standards set forth in ANSI 133. 1. All traffic control and lane closures shall be presented as a written plan to City of Tempe Traffic Engineering (480-350-8219) of the Transportation Division.

Short term operations are allowed under Chapter 9 of the City of Phoenix Traffic Barricade Manual; however, the City of Tempe has revised this policy to allow for short duration work up to thirty (30) minutes.

Non-compliance of any safety or related items within this Contract will result in a deficiency of performance deduction of a minimum of $100 from the City payment made to the Contractor.

Automated License Plate Recognition (ALPR) Solution

Fixed Camera Location

PURPOSE

The purpose of this Request for Proposal (RFP) is to develop term contract with a qualified company to provide an Automated License Plate Recognition (ALPR) solution that is installed at fixed locations on designated City traffic and light poles to assist the Tempe Police Department in fighting crime, pursuing investigations, and ensuring community safety. This RFP seeks the initial provision of 10 cameras, license plate reading software, installation services, mobile broadband connections, device management and cloud storage. Additional cameras may be purchased at any time during the term of contract. The City prefers a solution where it retains no ownership in the cameras and all usage fees are included as an annual fee per camera. The successful company (Contractor) will also be responsible for complete installation, maintenance, and re-location of the camera solution. Alternate solutions that provide camera ownership to the City may be submitted as well.

BACKGROUND

The City of Tempe is located in the center of the Phoenix metropolitan area. Tempe is bordered by Phoenix to the West, Mesa to the East, Scottsdale to the North and Chandler to the South. Tempe is the most densely populated large city in the state of Arizona and is home to Arizona State University. Tempe has a population of 190,000 people within a 40 square-mile area that is connected to four major freeways. The Police Department includes 350 sworn officers.

ALPR FUNCTION

ALPR cameras scan license plates of vehicles that pass through a designated fixed location. The solution compares the scanned plate against the existing database of plates of interest to law enforcement – for example stolen vehicles and vehicles registered to owners with open warrants. ALPR technology has the capability to scan thousands of vehicles each day. When the system recognizes a match, a signal alerts the Officer to proceed with further confirmation, investigation, or actions as appropriate. An additional benefit of the solution is the capability to capture vehicle information including make, model and condition of vehicle (damage, etc.).

Applications for the Tempe Police Department include:

- To alert law enforcement of license plates in Amber Alert incidents.
- To alert law enforcement of plates related to active warrants.
- To alert law enforcement of license plates which belong to sex offenders around schools and Playgrounds.
- To prevent and suppress crime, apprehend offenders, and recover stolen property.
- To alert law enforcement of license plate numbers related to crimes in progress and time sensitive pursuit of criminal suspects.
- To provide information on the type of vehicle and condition of vehicle.
- Narcotics trafficking and illegal drug enforcement.
- Homeland security and interoperability with partner law enforcement.
- To assist both Tempe and its partner law enforcement investigators in crime analysis and correlations between suspect vehicle location with crime scenes, particularly critical since criminals do not recognize boundaries, and may often live outside the Tempe area.

PERFORMANCE REQUIREMENTS

Responding companies shall indicate their compliance or deviation in the right column for the following preferred performance requirements (All elements noted below are considered preferred):

	GENERAL REQUIREMENTS	
	Performance Requirement	**Company's Response**
1.	The Contractor must provide variants of the Optical Character Recognition (OCR) Engine that are tailored/designed for a specific country, state or region of interest.	
2.	As part of the Contractor's system maintenance agreement with the customer, Optical Character Recognition (OCR) updates and/or revisions must be reasonably provided to address changes in the state's license plates during the term of the maintenance agreement.	
3.	The system must have the capability to capture vehicle license plates with license plate capture and read accuracy rates in excess of 90% for machine readable plates.	
4.	The system must provide effective license plate capture at night with no external lighting required. The usage at night shall not disclose the presence of the cameras (such as any triggered lighting, flash, red signal light, etc.)	
5.	After award of contract, all hardware and software for the initial 10 camera system shall be delivered, installed and made operational as soon as possible. It is preferred to have the solution installed and operational within 6 to 8 weeks of order.	
6.	It is preferred that each camera system is capable of capturing date/time of capture, direction of travel of entity captured, vehicle make, and any additional vehicle details at the time of capture to include condition of vehicle (damage).	
7.	National Crime Information Center (NCIC) alerts from camera system must be relayed to Tempe Police within 60 seconds.	
8.	The Contractor shall provide system training as needed in coordination with the installation of the equipment.	
9.	The Contractor must provide system installation according to the Tempe Police requirements (location) and provide relocation of camera(s). It is anticipated that mounting locations will be to existing signal and lighting poles. However, Contractor shall have the capability to install a custom pole configuration, if necessary.	

	HARDWARE SPECIFICATIONS	
10.	The system must be primarily comprised of self-illuminating infrared (IR) cameras for effective license plate image capture in a variety of weather and lighting conditions.	
11.	The cameras must be capable of producing high quality images regardless of weather or lighting conditions.	
12.	All camera mounting bracket systems must be fabricated to support the Contractor's cameras and must be furnished by the Contractor.	
13.	The cameras must have a fixed focal point or target distance from the camera to the vehicle license plates from 10 feet to 50 feet.	
14.	It is preferred that all camera systems are solar powered.	
	SERVER SOFTWARE SPECIFICATIONS	
15.	The system must allow for an administrator to easily import users from their Active Directory, assign these users to a Group, and establish a password. Ideally, the system will integrate with Active Directory for single sign-on.	
16.	The system must provide the System Administrator with the ability to define and configure custom roles with various access privileges based upon user responsibilities.	
17.	The system should allow the administrator to view users currently logged into the system, and disconnect users as needed.	
18.	The system must provide the ability to query for license plate data based upon time, date, location and the user.	
19.	The system shall allow for remote user setup, and networking capabilities, to facilitate querying and data sharing across agencies and jurisdictions.	
20.	The client application for networked PC's and laptops must be a zero-administration installation from a web page residing on the server.	
21.	Data and images stored in the system should have the capability to be printed as determined by the System Administrator.	
22.	The system must provide a method for automatically purging data at the device level, based upon the System Administrator's specifications.	

23.	The system shall be a cloud-based solution, compatible to interface with other agencies and other ALPR systems and databases.	

Proposal Questionnaire

"Return this Section with your Response"

Questionnaire responses and supporting documentation provided will be used to evaluate the proposal. In order to evaluate an Offeror's overall experience and competence to perform the Scope of Work described herein, the City may rely on additional resources beyond the information provided.

General Information Questionnaire

Item	Question	Response
1.	Provide a brief overview of the company to include its history, location, years in operation, legal formation, and general scope of services provided, etc.	
2.	Identify the key contact person that will be responsible for the overall management of this contract to include brief background and contact information.	
3.	How long has your company been providing ALPR solutions?	
4.	How many law enforcement entities in the U.S. are using your ALPR product?	
5.	How many law enforcement entities in Arizona are using your ALPR product?	
6.	Provide an overview the ALPR solution being proposed.	
7.	Describe all of the image capture capabilities of the solution proposed regarding vehicle information (license plate, make, damage, etc.)	
8.	Can the solution capture paper licenses?	
9.	Can the solution capture information from vehicles with no license plate?	
10.	How many lanes of traffic can a single camera capture simultaneously?	
11.	What is the power source used to operate the camera solution?	
12.	Describe the camera being proposed to include pixels, weight, dimensions, etc. (include photos)	

Proposal Questionnaire

"Return this Section with your Response"

13.	How many vehicles can be captured per day by a single camera?	
14.	Does your solution utilize a Cloud storage solution?	
15.	Can your solution be integrated with Axon Evidence.com	
16.	Describe the quality of the Web based footage retrieval and what Tempe Police staff can view.	
17.	Describe the camera mounting bracket system to be utilized.	
18.	How far can a camera be placed from the traffic focal point and still function as fully described?	
19.	Will your company install the cameras to mutually agreed site locations?	
20.	Describe the methodology used to secure the cameras to the pole structure.	
21.	Will your company take down the installed cameras and re-install at new mutually agreed locations?	
22.	Will the firm agree to provide a number of "no cost" relocations as part of their offer? If so, please describe the offer.	
23.	Describe the maintenance to be performed on the installed cameras.	
24.	Can the cameras capture images day and night?	
25.	Describe how the cameras will avoid detection at night when triggered.	
26.	Describe the conditions that might negatively impact the ability of the cameras to properly read vehicle plates.	
27.	What storage solution does your company use to secure captured images?	
28.	How long is that data available to Tempe Police?	
29.	How quickly does the solution notify Tempe Police staff once a license plate match is made?	

Proposal Questionnaire

"Return this Section with your Response"

30.	Describe the license plate data base that your solution utilizes to compare captured plate images.	
31.	Describe the training program you will offer Police staff.	
32.	Describe the key personnel who will be involved in this contract.	
33.	Provide three (3) references where your solution is currently being utilized. Include the organization name, key contact, phone number, e-mail, and brief description of the number of cameras being utilized and length of time utilizing the solution.	Reference #1: Reference #2 Reference #3
34.	Provide a timeline for the furnishing, installation, and training for 10 cameras based on a tentative award date of April 5, 2021.	
35.	Provide any additional information regarding the capabilities of the proposed solution.	
36.	Will your company require the City to sign a separate contract? If so please include with submittal.	
37.	Describe your response time commitment for camera relocations. This would be for normal/routine relocations and emergency relocations. The City would prefer emergency relocations no less than 48 hours. Response time commitment means the camera(s) are removed and installed at a new location within the time commitment offered.	
38.	Can your firm provide a suitable mounting pole if needed?	
39.	Describe the pole configuration and include images of the pole configuration with submittal.	

"Return this Section with your Response"

Technical Questionnaire

The following section is focused on requirements covering the solution platform, security, disaster recovery, integration, etc. These questions are part of the City's standard software template and as a result not all questions will apply to this ALPR solution. Please feel free to mark NA for any questions that do not apply to the solution being proposed.

Section	Description
10.1	General IT Information
10.2	Security
10.3	Disaster Recovery
10.4	Solution Data
10.5	Integrations & Application Programmable Interface (API)
10.6	Reporting
10.7	Releases & Quality Control

10.1 General IT Information

1. What is the name of the product(s) that you are providing responses to via the RFP? Click or tap here to enter text.

2. Can your solution move from SaaS to on-premise and vice-versa? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

3. If applicable, describe in detail your hosting platform including any third-party providers. Click or tap here to enter text.

4. Did your Company develop your proposed solution or does your Company re-sell / integrate solutions?
   Yes ☐ **No** ☐ Comments: Click or tap here to enter text. Click or tap here to enter text.

5. Does your solution use IPv4 and is it compatible with IPv6? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

6. Is application administration compatible with Microsoft Windows in a VMware Vue desktop environment? If no, please explain how the application is administered by the City of Tempe staff? Click or tap here to enter text.

7. What are the recommended and/or required hardware and operating system platforms for deployment? Click or tap here to enter text.

8. Does the proposed solution have a mobile application for use on smart phones and tablets, and is this application compatible with iOS and Android? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

9. What is the release version and how long has this product been on the market? Click or tap here to enter text.

10. Describe the process your customers typically follow to customize your proposed solution. Click or tap here to enter text.

11. What software development language(s) and tools are used to make and maintain the proposed solution? Click or tap here to enter text.

12. Provide detailed system architecture documentation including system, network, security, and traffic flows to assist City of Tempe Information Technology with understanding Firewall configuration and system implementation requirements. Click or tap here to enter text.

13. Please describe your proposed solutions licensing model. Click or tap here to enter text.

14. If using subcontractors anywhere within your process or infrastructure, describe your contractual and working relationship including; how long you have worked with them, what services they are providing, where they are located, the length of your current contract, and what extension options are in place. Click or tap here to enter text.

10.2 Security

1. Describe the application's integration components with Microsoft Active Directory for managing system security access and authentication. Click or tap here to enter text.

2. Please describe the process for user creation, management and security of customer facing user / password database. Click or tap here to enter text.

3. Does the solution allow for multi-faceted role-based authorization security levels for activities within the solution? Example: division assignment + role = permission / access **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

4. Can the solution enforce identification security by Active Directory group memberships? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

5. If the application is installed on or accessed from a user's workstation, does it contain methods of security to prevent unauthorized access? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

Proposal Questionnaire

"Return this Section with your Response"

6. Do the users of the system need local administration rights, after initial installation, in order to run the application? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

7. Does the solution prohibit third-party vendor access to the system unless allowed by authorized personnel at the City of Tempe? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

8. If the solution stores or transmits regulated data (PCIDSS, HIPAA, CJIS, DOJ, etc.), can you provide compliance letters to include third-party data centers? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

9. Does the solution include granular security features to restrict information by user that can be viewed, added or modified? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

10. Does the solution support customization of the number of failed logins or access attempts that triggers account or data lockout? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

11. Describe how your web interface and exchange of information (data) uses standard SSL (Security Socket Layer) or TLS (Transport Layer Security). If neither of these security layers are used, explain what method of data security is utilized. Click or tap here to enter text.

12. Does your solution include security audit reports? If yes, please explain types and how often they are completed. **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

13. Does your proposed solution allow customer access to your firm's security and audit reports? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

14. Does your proposed solution allow customer access to your firm's security breach reports and corresponding logs? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

15. Describe how your firm manages your technology, whether on-premise or off-premise. Click or tap here to enter text.

16. For hosted data, if applicable, provide documented security policies and procedures to include handling of electronic data, physical security, and employee security. Click or tap here to enter text.

17. Describe how user's personally identifiable information is secured. Click or tap here to enter text.

"Return this Section with your Response"

18. Has your company developed and implemented an Identity Theft Prevention Program? **Yes ☐ No ☐**
    Comments: Click or tap here to enter text. Click or tap here to enter text.

19. If a customer insists on different options for the identity theft monitoring, what is your policy? Click or tap here to enter text.

20. How does your company respond to security breaches or loss of information? Click or tap here to enter text.

21. Provide a comprehensive review of your company's internal and external security procedures. Click or tap here to enter text.

22. Describe Internet sign-on and multi-factor identification procedures. Click or tap here to enter text.

23. Provide options for Advanced Authentication (Two Factor Authentication), IP access restriction, and / or security challenge questions upon access from an unknown or previously used location. Click or tap here to enter text.

24. What would be the City's liability in the event of a security breach, loss of data, or default by the payment card serve provider or third-party portal? Click or tap here to enter text.

25. Provide information about any third-party data centers that provide services including, but not limited to, data storage, processing, etc. Click or tap here to enter text.

26. What are your procedures for off-site storage of information? Click or tap here to enter text.

10.3 Disaster Recovery

If a hosted solution is proposed, the Service Provider must indicate the capability to recover from natural, human-caused, and electronic disasters (including security compromises) that could interrupt service to the City and the City's customers. The Service Provider will detail their solution to include:

1. Is redundancy of network gateways using multiple, physically non-contiguous US locations provided in case of network-related issues or loss of service? Click or tap here to enter text.

2. Describe the environment safeguards present at any data centers that host the solution, including:
    - Fire detection and suppression
    - Uninterruptible power supply
    - Power generator management
    - Climate control
    - Procedures for off-site storage of data

    Click or tap here to enter text.

3. Provide the location, including City and State, of all data centers that could potentially host Tempe data. Click or tap here to enter text.

4. Will there be any cost to the City for disaster recovery services? Click or tap here to enter text.

5. Is all data, including metadata and transactional data, backed up on a scheduled basis? If yes, please describe the process and frequency. Click or tap here to enter text.

6. Does your proposed solution require a service interruption during scheduled backups? If yes, please explain. Click or tap here to enter text.

7. Does your solution have a restore process when data is lost, corrupted, etc.? If yes, please explain. Click or tap here to enter text.

8. What are your capabilities and availability for alternate processing, communications, and operations facilities? Click or tap here to enter text.

9. What are your plans for maintaining business processes, including communications with the City and the City's customers? Click or tap here to enter text.

10. What is the estimated time to recover from disaster events and what are the service level expectations for business continuity following a disaster? Click or tap here to enter text.

11. Provide information related to your disaster recovery and business continuity plan including dates of disaster recovery tests and schedule for future tests. Click or tap here to enter text.

10.4 Solution Data

1. Are data migration services offered? Is there an additional cost for these services? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text. Click or tap here to enter text.

2. What data migration tools does your company use? Click or tap here to enter text.

3. Describe how you receive, store, process and transmit encrypted data that is provided to your software by the City. Click or tap here to enter text.

"Return this Section with your Response"

4. What processes do you have in place that would allow for regularly scheduled interim return of the City's data? Would this be transactional data? Click or tap here to enter text.

5. Describe the method, condition, and format (e.g. XML, JSON, native database format) you use to return City data upon expiration or cessation of use of resulting contract? Click or tap here to enter text.

6. Describe the data modeling documentation that will be provided for the proposed solution. Will entity relationship diagrams, data dictionaries, schemas, and record layout documentation be furnished? Click or tap here to enter text.

10.5 Integrations & API

1. Describe the architecture of any API integration capabilities included with the proposed solution. Click or tap here to enter text.

2. Does the API have an implementation that is compatible with the .NET framework? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

3. Does the API have an implementation that is accessible via HTTP over TLS? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

4. What major business functions cannot be completed via the API? Click or tap here to enter text.

5. Can the solution API be used to query data stored within the application? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

6. Can the provided API be used to send commands to alter the state of data within the application? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

7. Will the solution API support web hooks or another similar form of custom callbacks that can be used to notify external systems of changes within your app in (near) real time? Describe. **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

8. If your solution supports customizations, does the API support accessing and using those customizations (as opposed to only being able to access the "base product" through the API)? **Yes** ☐ **No** ☐ Comments: Click or tap here to enter text.

"Return this Section with your Response"

10.6 Reporting

1. Does the solution provide standard reports? If so, please list and provide samples. **Yes ☐ No ☐** Comments: Click or tap here to enter text.

2. With this solution can end-users create and store customized queries and reports? **Yes ☐ No ☐** Comments: Click or tap here to enter text.

3. What reporting technologies / platforms are used to create ad-hoc reports for the proposed solution? Click or tap here to enter text.

4. Describe the system's ability to run and distribute reports on a scheduled basis. Click or tap here to enter text.

5. Can solution reports be exported to an external format such as an Excel workbook or a PDF? **Yes ☐ No ☐** Comments: Click or tap here to enter text.

6. Describe how security roles and access are maintained within the reporting function. Click or tap here to enter text.

10.7 Releases & Quality Control

1. Describe the criteria for assuring full system performance and outline how tests will be conducted to demonstrate proper installation. Click or tap here to enter text.

2. Describe the quality assurance processes that your organization employs to ensure that solution versions are free of defects prior to release. Click or tap here to enter text.

3. How are customers informed about new patches and upgrades? Click or tap here to enter text.

4. Describe the product documentation, including any release notes that are included with minor and major releases. Click or tap here to enter text.

5. How frequently are minor and major solution updates released? Click or tap here to enter text.

6. List all minor and major updates of the proposed solution including version number and date of release over the past 12 calendar months. Click or tap here to enter text.

Proposal Questionnaire

"Return this Section with your Response"

7. Describe the process to ensure the integrity of any customizations is maintained during upgrades. Click or tap here to enter text.

8. Can customers elect whether or not to upgrade to the latest version? If customers can choose to remain on an older version, are they still under active support? Click or tap here to enter text.

9. What is the frequency and duration of any regularly scheduled maintenance windows? Click or tap here to enter text.

10. Is the application unavailable during maintenance windows? Click or tap here to enter text.

11. Are users informed in advance of planned maintenance outages? If so, how far in advance, and in what manner? Click or tap here to enter text.

12. Describe the lifecycle policy for the solution and the process and frequency whereby non-current versions are rotated out of active support. Click or tap here to enter text.

Evaluation Criteria

Proposals will be reviewed by an Evaluation Committee consisting of City staff using the criteria and process outlined below.

Evaluation Process

1. The Procurement Office will verify that all proposals meet the requirements to be considered responsive. Responses that do not comply with any mandatory requirements will be considered non-susceptible for award and not forwarded to the Evaluation Committee for scoring.
2. The Evaluation Committee will review and score all responsive proposals and rank them based on the committee's scores. Any proposals determined to score outside of the competitive range may be removed for non-susceptibility. Remaining Offerors may be invited for interviews, negotiations, site visits and best and final offers as determined at the sole discretion of the City.

It is important to note that firms may be removed for non-susceptibility anytime during the evaluation process and not just at the specific points noted above.

	Award Criteria	**Weight**	**X**	**Rating**	**=**	**Points**
1.	Quality of the ALPR Solution – The overall quality of the solution to include the ability of the solution to meet the performance requirements detailed herein, the quality of the cameras and capture capabilities, speed of notification alert, added value, etc.	30	X		=	
2.	Matching Data Base – The quality and volume of the data base used to compare and match captured plate images	20	X		=	
3.	Experience – The overall experience of the company in providing similar solutions to Law Enforcement accounts to include reference reviews.	15	X		=	
4.	Pricing	25	X		=	
5.	Response time commitment to complete camera re-locations.	10	X		=	
				Total	**=**	

This proposal will be evaluated on a cumulative point system using the rating scale shown below (fractional points may be selected within this range).

Scoring

Outstanding	9 – 10
Good	6 – 8
Average	3 – 5
Poor	1 – 2
Not Addressed or Unacceptable	0

To evaluate the cost portion of the above criteria, the City may elect to evaluate each firm on a percentage basis of the lowest cost offer. The formula would be: (Lowest Priced Offer/Evaluated Firm's Price) x Points Possible = Evaluation Points.

Pricing Section

"Return this Section with your Response"

ITEM NO.	DESCRIPTION OF REQUIRED MATERIAL, SERVICE OR CONSTRUCTION	QTY	UNIT	Annual Price	EXTENDED PRICE
1.	Annual fee for each camera to include all costs including equipment, software, installation, maintenance, mobile communications, delivery, etc. based on the number of cameras utilized:				
	Initial acquisition of 10 cameras	10	Each	$	$
	Accumulated utilized cameras between 11 and 20	20	Each	$	$
	Accumulated utilized cameras between 21 and 30	30	Each	$	$
	Accumulated utilized cameras between 31 and 40	40	Each	$	$
	Accumulated utilized cameras between 41 and 50	50	Each	$	$
2.	Cost per each to remove and re-install camera at new location (beyond any no-cost moves offered)	1	Each	$	$
3.	Cost of customized pole, if needed, to include installation	1	Each	$	$
3.	Firms may propose alternate pricing models based on the solution proposed. Please be sure to include any and all costs that would apply.				
4.	Detail any additional costs that might apply to this agreement below:				
	The above pricing schedule allows for discounted pricing as the City grows its investment with the awarded firm's solution. The adjusted pricing shall be trued up on anniversary date of agreement.				

* Applicable Tax _____ %

*** State correct jurisdiction to receive sales tax on the <u>Vendor's Offer</u>, included in this Request for Proposal.**

Less prompt payments discount terms of __ % __ days/ or net thirty (30) days. (To apply after receipt and acceptance of an itemized monthly statement.) For evaluation purposes, the City cannot utilize pricing discounts based upon payments being made in less than thirty (30) days from receipt of statement.

<u>Ordering and Invoice Instructions</u>

Invoices shall be issued directly to the ordering department. Invoices shall be accurate and complete including the information shown below. Failure to provide a properly documented invoice may cause a delay in receipt of payment. The City will not process an invoice for payment until it has been approved by the ordering department and forwarded to Accounts Payable. The City endeavors to process invoices within 30 days after receipt of an accurate and complete document.

Pricing Section

"Return this Section with your Response"

Invoices shall include:

1. Line item listing of all ordered items to include description of items;
2. Unit cost and extended cost for each line item;
3. Applicable Tax;
4. Payment Terms;
5. Purchase Order Number;
6. Name of selling organization clearly stated on invoice along with address;
7. Phone number and or e-mail address for contact person to clarify invoicing questions;

Invoices that do not follow the above minimum invoicing requirements will not be paid. Payment must be applied to only invoices referenced on check/payment stub. The City reserves the right to process payments via check or P-Card.

Accounting Contacts:	Yesenia Loredo-Flores	Letters A – H and Numbers
	Carlene Foster	Letters I – Z
	Scott Gruber	General AP Inquiries and AP Checks

Vendor's Offer

"Return this Section with your Response"

Offeror must complete, sign and submit this form to the Procurement Office with the proposal response. An unsigned "Vendor's Offer", late proposal response, and/or a materially incomplete response will be considered nonresponsive and rejected. Offeror is to type or legibly write in ink all information required below. A scanned copy of this page is acceptable.

Company Name: _____

Company Purchase Order Mailing Address:

Street Address: _____

City, State, Zip: _____

Contact Person: _____ Phone Number: _____

E-mail Address: _____ Cell Number: _____

Remit to Information

Company Name (as it appears on invoice): _____

Company Payment Remit to Address:

Street Address: _____

City, State, Zip: _____

Company Tax Information

If a Tempe-based firm, provide Tempe Transaction Privilege (Sales) Tax No.: _____

Payment Options

Will your company accept the City's Master Card for payment?	Yes	☐	No	☐
Will your company accept Payment via ACH (Automated Clearing House) for payment?	Yes	☐	No	☐

THIS PROPOSAL IS OFFERED BY

REQUIRED SIGNATURE OF AUTHORIZED OFFEROR

By signing this Vendor's Offer, Offeror acknowledges acceptance of all terms and conditions contained herein and that prices offered were independently developed without consultation with any other Offeror or potential Offeror. Failure to sign and return this form with proposal response will be considered nonresponsive and rejected.

_____ _____

Signature of Authorized Offer | Date

_____ _____

Print or Type Name of Authorized Individual | Title of Authorized Individual

COMPLIANCE WITH CITY'S ANTIDISCRIMINATION ORDINANCE NO. 02016.25

The Tempe City Council approved Ordinance No. 02016.25 that requires vendors who are being recommended for award to provide evidence of their compliance with the City's antidiscrimination policy as shown below:

Sec. 2-601. Policy.

It is declared to be the policy for the citizens of Tempe, Arizona, to be free from discrimination in public accommodations, employment, and housing, and contrary to public policy and unlawful to discriminate against any person on the basis of race, color, gender, gender identify, sexual orientation, religion, national origin, familial status, age, disability, or United States military veteran status, in places of public accommodation, employment, and housing; and contrary to the policy of the city and unlawful for vendors and contractors doing business with the city to discriminate, as set forth in this article.

Sec. 2-603. Unlawful Practices.

The following shall constitute a violation of this article:

For a city vendor or city contractor, because of race, color, gender, gender identify, sexual orientation, religion, national origin, familial status, age, disability, or United States military veteran status, to refuse to hire or employ or bar or discharge from employment any person, or to discriminate against such person in compensation, conditions, or privileges or employment. City vendors and contractors of fifteen (15) or more employees shall provide a copy of its antidiscrimination policy to the Procurement Officer to confirm compliance with this article. Employers having fourteen (14) or less employees may attest in writing to compliance with this article.

Vendor Requirements

Vendors who have fifteen (15) or more employees shall include with their bid/proposal submittal a copy of its antidiscrimination policy that must mirror the City's policy as stated above. Suppliers who have fourteen (14) or less employees may include their antidiscrimination policy *or* complete a written affidavit of compliance per the attached.

To be completed by responding company and returned with submittal:

_____ Our company has 15 or more employees and has included its antidiscrimination policy that mirrors the City's policy;

_____ Our company has fourteen (14) or less employees and is attaching the signed AFFIDAVIT OF COMPLIANCE WITH TEMPE CITY CODE CHAPTER 2 ARTICLE VIII SECTION 2-603(5).

Please include this document along with the company's antidiscrimination policy or the completed affidavit with offer submittal

Anti-Discrimination Policy

Only complete this document if you have 14 or less employees.

AFFIDAVIT OF COMPLIANCE WITH TEMPE CITY CODE

CHAPTER 2 ARTICLE VIII SECTION 2-603(5)

Per Tempe City Code Chapter 2 Article VIII Section 2-603(5), it is unlawful for a City vendor or City contractor, because of race, color, gender, gender identity, sexual orientation, religion, national origin, familial status, age, disability, or United States military veteran status, to refuse to hire or employ or bar or discharge from employment any person, or to discriminate against such person in compensation, conditions, or privileges of employment.

City vendors and contractors shall provide a copy of their antidiscrimination policy to City to confirm compliance with this requirement or attest in writing to compliance.

- CONTRACTOR means any person who has a contract with the City.
- VENDOR means a person or firm in the business of selling or otherwise providing products, materials, or services.

CONTRACTOR/VENDOR, select one:

_____ Current copy of antidiscrimination policy attached

OR

_____ I hereby certify _____ (contractor/vendor) to be in compliance with Tempe City Code Chapter 2 Article VIII Section 2-603(5).

_____ Date: _____
Signature

_____ _____
Print Name Title

_____
Company

Supplier Sustainability Questionnaire

The City of Tempe is strongly committed to sustainable practices and programs that help build a vibrant and resilient community. The City accomplishes this through a variety of innovative programs, including water and energy conservation, recycling, composting, alternative transportation, sustainable business practices and environmental stewardship. Tempe recently established its 2019 Climate Action Plan (CAP) that provides a guideline for how the City will take local action on global climate change by reducing its greenhouse gas (GHG) emissions and adapting to the changing climate. The Climate Action Plan serves as a guideline for the City's path toward a sustainable and resilient future that will benefit the entire City. The City has strengthened its commitment to sustainability by adopting a new carbon neutrality goal by 2050 and a strategy of sourcing 100 percent of its electricity from renewable sources by 2035. To learn more about the City's commitment to sustainability, please visit https://www.tempe.gov/government/sustainable-tempe.

To further this commitment, the City has developed a Sustainable Procurement Policy that provides specific guidelines for how these important sustainable practices and programs will be reflected in contract award decisions. By partnering with companies who share these sustainability goals, the City will be able to significantly enhance sustainable outcomes.

To support these efforts, the following Supplier Sustainability Questionnaire has been developed that will allow the City to better understand your company's efforts and commitments regarding sustainable practices and initiatives. This questionnaire has two sections – a section to understand what your company is doing regarding sustainable actions and a section to understand the specific sustainable attributes of the product or service that you are offering.

Item	Question	Response
Corporate Sustainable Actions		
1.	What sustainability guidelines or environmental statement does your company have to guide the company as a whole? Please include a link.	
2.	What is your company doing to be more energy efficient?	
3.	What is your company doing to reduce greenhouse gas emissions?	
4.	What is your company doing to reduce waste transferred to landfills?	
5.	What is your company doing to reduce water waste?	
6.	What kind of effort does your company make to reduce the use of environmentally harmful materials *(such as cleaning products, etc.)?*	
7.	Does your company take any actions to manage the sustainability of your supply chain? If yes, please explain.	
8.	Has your company received any environmental or sustainability related independent certifications or recognitions? If yes, please explain.	

Supplier Sustainability Questionnaire

Item	Question	Response
Product Sustainable Attributes		
1.	Has your company performed an environmental life cycle analysis on the product being offered the City? If yes, please provide documentation	
2.	Can the product being offered be refurbished, recycled, or composted at the end of its life? If yes, please elaborate	
3.	Does the product being offered include any recycled materials? If yes, please explain.	
4.	What measures have been taken to reduce unnecessary packaging materials associated with the product being offered?	
5.	What kind of reusable, recyclable, and/or compostable packaging materials does your company use?	
6.	Has the product being offered been rated or certified by a third-party organization such as Energy Star, Green Seal, Leadership in Energy and Environmental Design (LEED), Forest Stewardship Council, etc.? If yes, please provide certification documentation.	
7.	Please provide any additional information you would like to share regarding your product's sustainable attributes.	

Please find some helpful links below that will provide additional information, tools and resources regarding sustainable practices:

Greenhouse Gas Calculators:
https://www.epa.gov/energy/greenhouse-gases-equivalencies-calculator-calculations-and-references

Sustainable Packaging:
https://www.epa.gov/smm/sustainable-packaging
https://www.epa.gov/facts-and-figures-about-materials-waste-and-recycling/containers-and-packaging-product-specific-data

Cleaning Products:
https://www.epa.gov/saferchoice

Tool to Measure and Track your Waste and Recycling:
http://www.epa.gov/smm/wastewise/measure-progress.htm

Water Conservation:
http://water.epa.gov/polwaste/nps/chap3.cfm

The following checklist has been provided to assist you in submission of your offer.

This list should not be considered complete, other information or documents may be necessary as part of your submission.

The items listed are the primary documents and information that must be completed and/or included with your proposal.

Please include any additional information or documents that will clarify your submittals.

This document has been issued in Word format to allow the responding firm the ability to provide requested information, answer questions and provide pricing within the actual document.

Description		Included √
1.	One signed and completed copy of the Proposal response – only sections marked **"Return this Section with your Response"** are required but you may include supplemental materials you believe necessary to clarify your submittal.	
a.	Signed and Completed Vendor's Offer Form	
2.	Due to the COVID Virus, please submit a single e-copy of the signed and completed proposal to Bids@tempe.gov The City's e-mail is capable of accepting up to a 10MB attachment. Please try and keep the proposal under this size limit. However, if you need to exceed 10MB, please break the proposal up into two sections and e-mail in two separate messages clearly indicating the solicitation number on the subject line and denoting Part 1 and Part 2 response. We will be unable to accept any hard copies of the proposal so please e-mail the response as noted above.	
3.	Proposal General Information Questionnaire	
4.	Security Questionnaire	
4.	Pricing Section	
5.	If company has 14 or less employees include a signed and completed Affidavit of Compliance with Tempe City Code Chapter 2 Article VII Section 2-603(5) (form attached)	
6.	If company has 15 or more employees include a copy of its anti-discrimination policy	
7.	Signed Addenda (if applicable)	
8.	Supplier Sustainability Questionnaire	

Alert – If you received this solicitation via a third-party plan-holder company and did not directly download it from the City of Tempe's Procurement home page you might not have received any addendums that were published during the bidding period. To ensure you are notified of addendums it is critical that you download this solicitation from the City's web site per the below link:
https://ww2.tempe.gov/bids/

Addendum to Solicitation

City Procurement Office/City of Tempe PO Box 5002 • 20 East 6th Street • Tempe, AZ 85280 • (480) 350-8324

www.tempe.gov/procurement

	Issue Date:	March 19, 2021
This addendum will modify and/or clarify:	Solicitation No.:	21-119
and is	Addendum No.:	1
	Procurement Description:	Fixed Camera ALPR Solution for Police

A. The Request for Proposal Due Date is hereby changed from March 24, 2021 to April 1, 2021. The Opening Time remains unchanged at 3:00 P.M. (MST).

B. The City is modifying all references in the RFP regarding the "provisioning of 10 cameras for the initial implementation." In a number of areas in the Scope of Work section as well as the Pricing Section the City explained that an initial implementation of 10 cameras would be authorized after award. After further research, the City will allow the proposing firms to determine the initial number of cameras needed to meet the performance objectives as described more fully below.

The following supplier questions have been received with the City's responses noted in italics:

1. Proposal Questionnaire, Technical Questionnaire, Section 10.2 Security, Question 8, p.31
   Question 8. states, "If the solution stores or transmits regulated data (PCIDSS, HIPAA, CJIS, DOJ, etc.), can you provide compliance letters to include third-party data centers?" At this time, there is no such thing as Criminal Justice Information Services Division (CJIS) certification as there is CJIS certifying body and as such, there is no way to provide compliance letters that would substantiate CJIS compliance. And, while Amazon Web Services (AWS), a Cloud Services Provider (CSP) is FedRamp compliant, organizations, such as ALPR vendors that use the cloud hosting to store or transmit data do not get certified– rather the CSP is certified and complies. For this reason, ALPR Software as a Service cannot provide certification compliance letter for, say, FedRamp certification of their cloud hosting since only Amazon holds such certification. Compliance letters do not seem applicable to the ALPR products/services being solicited as there are no applicable certifying bodies that can provide third-party certification and issue compliance letters. Can the City remove the requirement to provide compliance letters from these organizations, as they are not applicable or available or instead require that a Contractor affirm that its system and processes are CJIS (or equivalent) compliant?

   As noted in the RFP, the questions in the technical questionnaire are part of the City's standard software template and as a result not all questions will apply to this ALPR solution. Please feel free to mark NA for this question and any other questions that do not apply to the solution being proposed. If you care to include verbiage that outlines why you feel it is NA in your reply, doing so will be helpful to the committee's overall assessment of your response.

2. Pricing Section, item 2., p.40 and Proposal Questionnaire, question 22, page 28
Pricing section requirement is, “Cost per each to remove and re-install camera at new location (beyond any no-cost moves offered).” Proposal questionnaire inquires, “Will the firm agree to provide a number of “no cost” relocations as part of their offer? If so, please describe the offer.” In order to answer this question, clarification is needed on what is specifically meant by relocation. Can the City clarify what is involved with “re-install camera at new location” and “relocations” Can the City provide specific guidance regarding its relocation strategy to help us understand this requirement? Specifically, will ALPR cameras be relocated to a location without power or pole? Will they require solar? Do you know the locations you anticipate going to in the future and specifics on power and infrastructure availability? Should the City desire to not use solar-powered equipment, can the City please confirm if 120-volt power will be available at all desired ALRP locations? Is the City interested in considering trailers as an option? Can the City please specify on how often it would request re-locating a camera? In other words, does the City intend to routinely relocate cameras on a weekly or monthly basis, or will this be more of a medium or long-term strategy where cameras may be relocated sporadically based on accumulated crime data over a 6-12month period of time?

The City recognizes there could be numerous factors impacting a camera re-location. Tempe’s strategy on the overall use of fixed camera solutions will evolve with use but for now the City does not anticipate a high degree of movement on cameras – possibly once a year in some locations. For purposes of this RFP and the pricing section, please price based on relocations that would be similar as to the original location which would be using a City pole and tied into a solar array power source (or equal) provided by the firm. We are currently targeting several locations in what is referred to as the Baseline Corridor. The initial installation will be based on the number of cameras recommended by the proposing firm to meet the following objective:

<u>Capture all vehicle traffic both east and west bound between the 2000-1300 block of West Baseline to include major points of ingress and egress within the hundred block.</u>

The City initially estimated that this would include up to 10 cameras, but this number is being modified to allow the firm to recommend the number of cameras based on their specific camera technology.

3. Evaluation Criteria, Award Criteria, 2. Matching Data Base, p. 39; and Proposal Questionnaire, Question 30, Page 29. The Proposal Questionnaire asks to, “Describe the license plate data base that your solution utilizes to compare captured plate images.” The evaluation criteria weighting is based in part on “Matching Data Base”, specifically, “The quality and volume of the data base used to

compare, and match captured plate images." Clarification is needed on what is meant by "data base" in both instances. Can you provide an explanation of the specific data base functionality that the City is seeking, a description of such a data bases, and example/s of the types of data base to which the RFP refers? LPR typically does not require "matching to a database" unless you are referring to NCIC or other hotlists as "databases".

The term "database" may be confusing. The City would like to know what source of information your firm uses to compare against the captured images of the City's soon to be installed camera solution. The proposed solution must be capable of interfacing with the NCIC and ACIC data repositories to generate automatic notifications.

4. Proposal Questionnaire, General Information Questionnaire, #38, page 39. Questionnaire inquires, "Can your firm provide a suitable mounting pole if needed?" Clarification is needed on what the City is seeking. If poles need to be provided and the City did not want to use solar power, would the City provide a power source to the pole? Will the Contractor be required to provide engineering drawings and obtain permits for installing poles? Will the contractor be required to provide construction and traffic control services and install the poles?

The City does prefer solar power to support these installations. The City will not provide a power source. Should a pole be needed, the firm will need to work through engineering and obtain permits. The firm will also be responsible for installation and traffic control for installation of any poles required. As indicated later in this addendum, Tempe Police will assist with up to 1 hour of traffic control per location.

5. It says the City prefers a solar powered ALPR solution. Will there be areas where power and/or connectivity are available?

The City cannot guarantee the availability of power on any installed location. Companies must provide independent source of power to support their installation – such as solar, batteries, etc.

6. The system shall be a cloud-based solution, compatible to interface with other agencies and other ALPR systems and databases. Please supply a complete list of other agencies and other ALPR systems and databases to which our solution is required to be compatible and interface with.

The proposed solution must be capable of interfacing with the NCIC and ACIC data repositories. The City does not anticipate the need to interface with other ALPR solutions but if that advantage

is available the firm should indicate which other ALPR products that their solutions can interface with. The City would expect that the awarded solution would be able to share data collected from private and public entities within the same ALPR solution.

7. Per the submittal requirements on Page 47 of the RFP, items #4 is “Security Questionnaire”, is there a separate questionnaire or does this refer to section 10.2 “Security” in the General Information Questionnaire?

The General Information Questionnaire is comprised of 39 questions. The Security Questionnaire begins on page 30 of the RFP and includes Section 10.1 through 10.7. Both of these questionnaires shall be returned with submittal.

8. Will the City of Tempe be supplying SIM’s and necessary data plan, or are does the data plan and SIM need to be included in the ALPR solution and provided by the vendor?

The supplier shall provide the SIM and data plan.

9. After reviewing the Tempe RFP Fixed Camera ALPR Solution for Police, we would like to inquire if the City had proposed locations predetermined for the initial 10-camera locations?

Yes – The City has identified the Baseline Corridor for the initial camera installation. The City is seeking the firm’s recommendation for how many cameras to be installed based on the following performance measure: Capture all vehicle traffic both east and west bound between the 2000-1300 block of West Baseline to include major points of ingress and egress within the hundred block.

10. Is there going to be a scheduled job walk?

No.

11. Are there going to be maps provided for each intersection location so we can install the proper amount of cabling?

Maps can be provided to the successful firm. It is our expectation that cabling should be minimal (if any at all) as the City is wanting to secure a self-sufficient and independent powered solution.

12. If we are installing on poles do the poles belong to the City of Tempe?

Yes.

13. Is there a design for this already?

We have identified several initial locations, but the design will be the responsibility of the successful firm.

14. Are we providing power to the poles?

The City is seeking a self-sufficient and independent powered solution.

15. Need to know what power source we are tapping into?

The City is seeking a self-sufficient and independent powered solution.

16. Are we providing the electrical work?

The firm will be responsible for any electrical work needed.

17. Will we be required to have a Police assistance on the job for most sites since there are at intersections or hire our own assistance company?

If the assistance is minimal (up to 1 hour) City Police can assist with traffic control.

18. Will we need to provide our own bucket truck for installation?

Yes

19. The concludes the questions and responses.

Please ensure that you sign and submit this addendum with your proposal response by the revised due date noted above.

The balance of the specifications and bid solicitation instructions to remain the same. Bidders/Proposal Offerors are to acknowledge receipt and acceptance of this addendum by returning of signed addendum with bid/proposal response. Failure to sign and return an addendum prior to bid/proposal opening time and date may make the bid/proposal response non-responsive to that portion of the solicitation as materially affected by the respective addendum.

Flock Safety	Alex Latraverse, VP Sales
Name of Company	By – Name and Title (Please Print)
alex@flocksafety.com 770-905-6240	
Email Address Telephone	Alex Latraverse
Atlanta GA 30318	
City State Zip	Authorized Signature

Signature Certificate

Document Ref.: JREUM-AAGPY-YBPTV-QV6TT

Document signed by:



Alex Latraverse

Verified E-mail:
alex@flocksafety.com

IP: 76.97.107.29 | Date: 30 Mar 2021 20:10:04 UTC

Alex Latraverse

Document completed by all parties on:
30 Mar 2021 20:10:04 UTC

Signed with PandaDoc.com

PandaDoc is the document platform that boosts your company's revenue by accelerating the way it transacts.

Contract Award Notice

Internal Services
Procurement Office
20 E. 6th Street
Tempe, AZ 85281

Tempe. Making waves in the desert

Contract Number:	T21-119-01		
Description:	Fixed Camera ALPR Solution for Police		
Vendor Number:		**Award Period**	
Name of Firm:	Flock Group Inc.	**Beginning**	October 1, 2021
Contact Name:	Mr. Giorgio Giurdanella / Alex Latraverse	**Ending**	September 30, 2022
Address:	1170 Howell Mill Road, NW Unit 210		
City, State and Zip:	Atlanta, Georgia 30318	Potential Renewals	Five, one-year renewal options
E-mail:	Giorgio.giurdanella@flocksafety.com		
Phone No:	623-707-5874 / 866-901-1781		

This Contract Award Notice is issued for the establishment of a contract to provide for the purchase of Fixed Camera ALPR Solution for Police. It is to be noted that any contracted vendor document(s) that conflict with the language and requirements of the City's solicitation are not acceptable and will void the contract. In addition, contracted vendor is not to begin work or make delivery of awarded items until any and all required insurance are posted with the City Procurement Office.

This award notice along with the executed Services Agreement Order Form represent the award documents related to Contract T21-119-01. The pricing is shown below for the lease of cameras per contract requirements:

ITEM NO.	Awarded Products and Services	Quantity	Unit Price	Extended Price
1.	Annual fee for each camera to include all costs including equipment, software, maintenance, mobile communications, solar array, delivery, etc.	10	$2,500	$25,000.00
2.	Cost to remove and re-install camera at new location (First move is no charge)	1	$250.00	$250.00
3.	Cost of customized pole, if needed, to include installation	1	$0.00	$0.00
4.	Cost to install each camera on initial deployment	10	$250.00	$2,500.00
	Total Initial Annual Cost for 10 Camera Deployment			$27,750.00
5.	Flock Group has agreed to implement Single Sign on (SSO) access via OKTA at not cost to Tempe.			No Charge

Additional cameras can be purchased based on the pricing shown above.

Michael Greene, C.P.M.
Procurement Administrator

10-7-2021
Date

Revised 08/17

flock safety

Flock Group Inc.
Today's Date - Oct 06, 2021
This proposal expires in 30 days.

Order Form
City of Tempe PD

0064v00001tMMdKAAW

FLOCK GROUP INC.

SERVICES AGREEMENT ORDER FORM – Contract T21-119-01

This Order Form together with the Terms (as defined herein) describe the relationship between Flock Group Inc. ("**Flock**") and the City of Tempe Police Department ("**Customer**") (each of Flock and Customer, a "**Party**"). This order form ("**Order Form**") hereby incorporates and includes the "GOVERNMENT AGENCY CUSTOMER AGREEMENT" attached (the "**Terms**") which describe and set forth the general legal terms governing the relationship (collectively, the "**Agreement**"). The Terms contain, among other things, warranty disclaimers, liability limitations and use limitations. This contract is effective October 1, 2021, and will continue for one year, unless renewed or cancelled as provided herein.

The Agreement will become effective when this Order Form is executed by both Parties (the "**Effective Date**").

Customer: City of Tempe Police Department	Contact: Michael Greene
Address: 120 E 5th St, Tempe, AZ 85281	Phone: 480-350-8516
	E-Mail: Michael_Greene@tempe.gov
Usage Fees: **$2,500 per year per camera.** First year estimate cost based on a 10-camera deployment is $25,000. Additional cameras may be acquired during the contract term.	**Initial Term: 12** Months **Renewal Term: 60** Months in annual increments
Installation Fee (one-time) $250 per camera **Pole Fee** (one-time) $0 **Relocation Fee: $250** **Special Term: Flock will provide one (1) free relocation of up to one (1) camera**	Billing Contact: Miyoung Kim (if different than above) Expected Payment Method: Purchase Order – check process

By executing this Order Form, Customer represents and warrants that it has read and agrees all of the terms and conditions contained in the Terms attached. The Parties have executed this Agreement as of the dates set forth below.

Flock Group Inc	**Customer:**
By: Alex Latraverse Alex Latraverse Name: Title: VP of Sales Date: 10/07/2021	By: Michael Greene Name: Michael Greene Title: Procurement Administrator Date: 10/06/2021

EXHIBIT A

Statement of Work

Installation of 10 Flock Cameras on existing pole or Flock-supplied pole if required. Additional cameras can be placed based on pricing and terms herein. All work shall be in accordance with Contract T21-119-01 Scope of Work section along with Flock Group's proposal response and best and final offer.

Flock Group Inc. Order Form Tempe Police Department

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Document Ref: 8RMZE-DCCNC-9E9ZV-2RRVJ Page 2 of 13

flock safety

GOVERNMENT AGENCY CUSTOMER AGREEMENT

This Government Agency Agreement (this "**Agreement**") is entered into by and between Flock Group, Inc. with a place of business at 1170 Howell Mill Rd NW Suite 210, Atlanta, GA 30318 ("**Flock**") and the City of Tempe Police Department ("Agency"), a government agency, (each a "**Party**," and together, the "**Parties**").

RECITALS

WHEREAS, Flock offers a software and hardware solution for automatic license plate detection through Flock's technology platform (the "**Flock Service**"), and upon detection, the Flock Service creates images and recordings of suspect vehicles (**"Footage"**) and can provide notifications to Agency upon the instructions of Non-Agency End User (**"Notifications"**);

WHEREAS, Agency desires to purchase, use and/or have installed access to the Flock Service in order to create, view, search and archive Footage and receive Notifications, including those from non-Agency users of the Flock System (where there is an

investigative purpose) such as schools, neighborhood homeowners associations, businesses, and individual users;

WHEREAS, because Footage is stored for no longer than 30 days in compliance with Flock's records retention policy, Agency is responsible for extracting, downloading and archiving Footage from the Flock System on its own storage devices; and

WHEREAS, Flock desires to provide Agency the Flock Service and any access thereto, subject to the terms and conditions of this Agreement, solely for the purpose of crime awareness, crime prevention and criminal investigations by police departments and archiving for evidence gathering ("Purpose").

AGREEMENT

NOW, THEREFORE, Flock and Agency agree as follows and further agree to incorporate the Recitals into this Agreement.

1. DEFINITIONS

Certain capitalized terms, not otherwise defined herein, have the meanings set forth or cross-referenced in this Section 1.

1.1 "***Authorized End User***" shall mean any individual employees, agents, or contractors of Agency accessing or using the Services through the Web Interface, under the rights granted to Agency pursuant to this Agreement.

1.2 "***Agency Data***" will mean the data, media and content provided by Agency through the Services. For the avoidance of doubt, the Agency Content will include the Footage and geolocation information and environmental data collected by sensors built into the Units.

1.3 "***Documentation***" will mean text and/or graphical documentation, whether in electronic or printed format, that describe the features, functions and operation of the Services which are provided by Flock to Agency in accordance with the terms of this Agreement.

1.4 "***Embedded Software***" will mean the software and/or firmware embedded or preinstalled on the Hardware.

1.5 "***Flock IP***" will mean the Flock Services, the Documentation, the Hardware, the Embedded Software, the Installation Services, and any and all intellectual property therein or otherwise provided to Agency and/or its Authorized End Users in connection with the foregoing.

1.6 "***Footage***" means still images and/or video captured by the Hardware in the course of and provided via the Services.

1.7 "***Hardware***" shall mean the Flock Cameras and any other physical elements that interact with the Embedded Software and the Web Interface to provide the Services. The term "***Hardware***" excludes the Embedded Software.

1.8 "***Installation Services***" means the services provided by Flock regarding the installation, placements and configuration of the Hardware, pursuant to the Statement of Work attached hereto.

1.9 "***Flock Services***" means the provision, via the Web Interface, of Flock's software application for automatic license plate detection, searching image records, and sharing Footage.

1.10 ***"Non-Agency End User"*** means a Flock's non-Agency customer that has elected to give Agency access to its data in the Flock System.

1.11 ***"Non-Agency End User Data"*** means the Footage, geolocation data, environmental data and/or Notifications of a Non-Agency End User.

1.12 "***Unit(s)***" shall mean the Hardware together with the Embedded Software.

1.13 "***Web Interface***" means the website(s) or application(s) through which Agency and its Authorized End Users can access the Services in accordance with the terms of this Agreement.

2. FLOCK SERVICES AND SUPPORT

2.1 **Provision of Access.** Subject to the terms of this Agreement, Flock hereby grants to Agency a non-exclusive, non-transferable right to access the features and functions of the Flock Services via the Web Interface during the Service Term and No-Fee Term, solely for the Authorized End Users. The Footage will be available for Agency's designated administrator, listed on the Order Form, and any Authorized End Users to access via the Web Interface for 30 days. Authorized End Users will be required to sign up for an account and select a password and username ("***User ID***"). Flock will also provide Agency the Documentation to be used in accessing and using the Flock Services. Agency shall be responsible for all acts and omissions of Authorized End Users, and any act or omission by an Authorized End User which, if undertaken by Agency, would constitute a breach of this Agreement, shall be deemed a breach of this Agreement by Agency. Agency shall undertake reasonable efforts to make all Authorized End Users aware of the provisions of this Agreement as applicable to such Authorized End User's use of the Flock Services and shall cause Authorized End Users to comply with such provisions. Flock may use the services of one or more third parties to deliver any part of the Flock Services, including without limitation using a third party to host the Web Interface which the Flock Services make available to Agency and Authorized End Users. Flock will pass-through any warranties that Flock receives from its then current third-party service provider to the extent that such warranties can be provided to Agency. SUCH WARRANTIES, AS PROVIDED AS HONORED BY SUCH THIRD PARTIES, ARE THE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AND FLOCK'S SOLE AND EXCLUSIVE LIABILITY WITH REGARD TO SUCH THIRD-PARTY SERVICES, INCLUDING WITHOUT LIMITATION HOSTING THE WEB INTERFACE.

2.2 **Embedded Software License.** Subject to all terms of this Agreement, Flock grants Agency a limited, non-exclusive, non-transferable, non-sublicensable (except to the Authorized End Users), revocable right to use the Embedded Software as installed on the Hardware by Flock; in each case, solely as necessary for Agency to use the Flock Services.

2.3 **Documentation License.** Subject to the terms of this Agreement, Flock hereby grants to Agency a

non-exclusive, non-transferable right and license to use the Documentation during the Service Term for Agency's internal purposes in connection with its use of the Flock Services as contemplated herein.

2.4 **Usage Restrictions.** The purpose for usage of the equipment, the Services and support, and the Flock IP is solely to facilitate gathering evidence that could be used in a criminal investigation by the appropriate government agency and not for tracking activities that the system is not designed to capture ("Permitted Purpose"). Agency will not, and

will not permit any Authorized End Users to, (i) copy or duplicate any of the Flock IP; (ii) decompile, disassemble, reverse engineer or otherwise attempt to obtain or perceive the source code from which any software component of any of the Flock IP is compiled or interpreted, or apply any other process or procedure to derive the source code of any software included in the Flock IP, or attempt to do any of the foregoing, and Agency acknowledges that nothing in this Agreement will be construed to grant Agency any right to obtain or use such source code; (iii) modify, alter, tamper with or repair any of the Flock IP, or create any derivative product from any of the foregoing, or attempt to do any of the foregoing, except with the prior written consent of Flock; (vi) interfere or attempt to interfere in any manner with the functionality or proper working of any of the Flock IP; (v) remove, obscure, or alter any notice of any intellectual property or proprietary right appearing on or contained within any of the Application IP; (vii) use the Flock Services for timesharing or service bureau purposes or otherwise for the benefit of a third party or any purpose other than the Purpose; (viii) use the Services, support, equipment and the Flock IP for anything other than the Permitted Purpose; or (ix) assign, sublicense, sell, resell, lease, rent or otherwise transfer or convey, or pledge as security or otherwise encumber, Agency's rights under Sections 2.1, 2.2, or 2.3.

2.5 **Retained Rights; Ownership.** As between the Parties, subject to the rights granted in this Agreement, Flock and its licensors retain all right, title and interest in and to the Flock IP and its components, and Agency acknowledges that it neither owns nor acquires any additional rights in and to the foregoing not expressly granted by this Agreement. Agency further acknowledges that Flock retains the right to use the foregoing for any purpose in Flock's sole discretion. There are no implied rights.

2.6 **Suspension.** Notwithstanding anything to the contrary in this Agreement, Flock may temporarily suspend Agency's and any Authorized End User's access to any portion or all of the Flock IP if (i) Flock reasonably determines that (a) there is a threat or attack on any of the Flock IP; (b) Agency's or any Authorized End User's use of the Flock Service disrupts or poses a security risk to the Flock Service or any other customer or vendor of Flock; (c) Agency or any Authorized End User is/are using the Flock IP for fraudulent or illegal activities; (d) Flock's provision of the Flock Services to Agency or any Authorized End User is prohibited by applicable law; or (e) any vendor of Flock has suspended or terminated Flock's access to or use of any third party services or products required to enable Agency to access the Flock (each such suspension, in accordance with

this Section 2.6, a "***Service Suspension***"). Flock will make commercially reasonable efforts, circumstances permitting, to provide written notice of any Service Suspension to Agency (including notices sent to Flock's registered email address) and to provide updates regarding resumption of access to the Flock IP following any Service Suspension. Flock will use commercially reasonable efforts to resume providing access to the Application Service as soon as reasonably possible after the event giving rise to the Service Suspension is cured. Flock will have no liability for any damage, liabilities, losses (including any loss of data or profits) or any other consequences that Agency or any Authorized End User may incur as a result of a Service Suspension. To the extent that the service suspension is not caused by Agency's direct actions or by the actions of parties associated with the Agency, the expiration of the Term will be tolled by the duration of any suspension (for any continuous suspension lasting at least one full day).

2.7 Installation Services.

2.7.1 *Designated Locations.* Prior to performing the physical installation of the Units, Flock shall advise Agency on the location and positioning of the Units for optimal license plate image capture, as conditions and location allow. Flock and Agency must mutually agree on the location (mounting site or pole), position and angle of the Units (each Unit location so designated by Agency, a "***Designated Location***"). Flock shall have no liability to Agency resulting from any poor performance, functionality or Footage resulting from or otherwise relating to the Designated Locations or delay in installation due to Agency's delay in identifying the choices for the Designated Locations, in ordering and/or having the Designated Location ready for installation including having all electrical work preinstalled and permits ready. Designated Locations that are suggested by Flock and accepted by Agency without alteration will be known as Flock Designated Locations. For relocations of installed cameras, and camera re-positioning, adjusting of camera mounting, re-angling, removing foliage, camera replacement, changes to heights of poles, regardless of whether the need for reinstalls related to vandalism, weather, theft, lack of criminal activity in view, and the like, Agency will pay $250 per reinstall.

flock safety

2.7.2 *Agency's Installation Obligations.* Agency agrees to allow Flock and its agents reasonable access in and near the Designated Locations at all reasonable times upon reasonable notice for the purpose of performing the installation work (e.g., location access granted Monday to Friday 8AM to 5PM, based on customer availability and at least 2 business days notice), (ii) any federal, state or local taxes including property, license, privilege, sales, use, excise, gross receipts or other similar taxes which may now or hereafter become applicable to, measured by or imposed upon or with respect to the installation of the Hardware, its use, or (iii) any other services performed in connection with installation of the Hardware. Any fees payable to

Flock exclude the foregoing. Without being obligated or taking any responsibility for the foregoing, Flock may pay and invoice related costs to Customer if Customer did not address them or a third party requires Flock to pay. Agency represents and warrants that it has all necessary right title and authority and hereby authorizes Flock to install the Hardware at the Designated Locations and to make any necessary inspections or tests in connection with such installation.

2.7.3 *Flock's Installation Obligations.* The Hardware shall be installed in a workmanlike manner in accordance with Flock's standard installation procedures, and the installation will be completed within a reasonable time from the time that the Designated Locations are selected by Agency. Following the initial installation of the Hardware and any subsequent Reinstalls or maintenance operations, Flock's obligation to perform installation work shall cease; however, Flock will continue to monitor the performance of the Units and receive access to the Footage for a period of 3 business days for maintenance purposes. Customer can opt out of Flock's access in the preceding sentence, which would waive Flock's responsibility to ensure such action was successful. Agency understands and agrees that the Flock Services will not function without the Hardware. Labor may be provided by Flock or a third party (provided the Customer is made aware of third-party entity).

2.7.4 *Security Interest.* The Hardware shall remain the personal property of Flock and will be removed upon the termination or expiration of this Agreement. Agency agrees to perform all acts which may be necessary to assure the retention of title of the Hardware by Flock. Should Agency default in any payment for the Flock Services or any part thereof or offer to sell or auction the Hardware, then Agency authorizes and empowers Flock to remove the Hardware or any part thereof. Such removal, if made by Flock, shall not be deemed a waiver of Flock's rights to any damages Flock may sustain as a result of Agency's default and Flock shall have the right to enforce any other legal remedy or right.

2.8 **Hazardous Conditions.** Unless otherwise stated in the Agreement, Flock's price for its services under this Agreement does not contemplate work in any areas that contain hazardous materials, or other hazardous conditions, including, without limit, asbestos. In the event any such hazardous materials are discovered in the designated locations in which Flock is to perform services under this Agreement, Flock shall have the right to cease work immediately in the area affected until such materials are removed or rendered harmless. Any additional expenses incurred by Flock as a result of the discovery or presence of hazardous material or hazardous conditions shall be the responsibility of Agency and shall be paid promptly upon billing.

2.9 **Support Services.** Subject to the payment of fees, Flock shall monitor the performance and functionality of Flock Services and may, from time to time, advise Agency on changes to the Flock Services, Installation Services, or the Designated Locations which may improve the performance or functionality of the Services or may improve the quality of the Footage. The work, its timing, and the fees payable relating to such work shall be agreed by the Parties prior to any alterations to or changes of the Services or the Designated Locations ("***Monitoring Services***"). Subject to the terms hereof, Flock will provide Agency with reasonable technical and on-site support and maintenance services ("***On-Site Services***") in-person or by email at hello@flocksafety.com. Flock will use commercially reasonable efforts to respond to requests for support.

2.10 **Special Terms.** From time to time, Flock may offer certain "Special Terms" related to guarantees, service and support which are indicated in the proposal and on the order form and will become part of this Agreement provided the Customer agrees with those changes.

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3. AGENCY RESTRICTIONS AND RESPONSIBILITIES

3.1 **Agency Obligations.** Agency agrees to provide Flock with accurate, complete, and updated registration information. Agency may not select as its User ID a name that Agency does not have the right to use, or another person's name with the intent to impersonate that person. Agency may not transfer its account to anyone else without prior written permission of Flock. Agency will not share its account or password with anyone, and must protect the security of its account and password. Agency is responsible for any activity associated with its account. Agency shall be responsible for obtaining and maintaining any equipment and ancillary services needed to connect to, access or otherwise use the Services with the exception of any electrical work/equipment needed to operationalize the designated camera location. Agency will, at its own expense, provide assistance to Flock, including, but not limited to, by means of access to, and use of, Agency facilities, as well as by means of assistance from Agency personnel, to the limited extent any of the foregoing may be reasonably necessary to enable Flock to perform its obligations hereunder, including, without limitation, any obligations with respect to Support Services or any Installation Services.

3.2 **Agency Representations and Warranties.** Agency represents, covenants, and warrants that Agency will use the Services only in compliance with this Agreement and all applicable laws and regulations, including but not limited to any laws relating to the recording or sharing of video, photo, or audio content and retention thereof. To the extent allowed by the governing law of the state mentioned in Section 10.6, or if no state is mentioned in Section 10.6, by the law of the State of Georgia, Agency hereby agrees to indemnify and hold harmless Flock against any damages, losses, liabilities, settlements and expenses, including without limitation costs and attorneys' fees, in connection with any claim or action that arises from an alleged violation of the foregoing, Agency's Installation Obligations, or otherwise from Agency's use of the Services, Hardware and any Software, including any claim that such actions violate any applicable law or third party right. Although Flock has no obligation to monitor Agency's use of the Services, Flock may do so and may prohibit any use of the Services it believes may be (or alleged to be) in violation of the foregoing.

4. CONFIDENTIALITY; AGENCY DATA; NON-AGENCY DATA

4.1 **Confidentiality.** Each Party (the "***Receiving Party***") understands that the other Party (the "***Disclosing Party***") has disclosed or may disclose business, technical or financial information relating to the Disclosing Party's business (hereinafter referred to as "***Proprietary Information***" of the Disclosing Party). Proprietary Information of Flock is non-public information including but not limited to features, functionality, designs, user interfaces, trade secrets, intellectual property, business plans, marketing plans, works of authorship, hardware, customer lists and requirements, and performance of the Flock Services. Proprietary Information of Agency includes non-public Agency Data, Non-Agency End User Data, and data provided by Agency or a Non-Agency End User to Flock or collected by Flock via the Unit, including the Footage, to enable the provision of the Services. The Receiving Party shall not disclose, use, transmit, inform or make available to any entity, person or body any of the Proprietary Information, except as a necessary part of performing its obligations hereunder, and shall take all such actions as are reasonably necessary and appropriate to preserve and protect the Proprietary Information and the parties' respective rights therein, at all times exercising at least a reasonable level of care. Each party agrees to restrict access to the Proprietary Information of the other party to those employees or agents who require access in order to perform hereunder. The Receiving Party agrees: (i) to take the same security precautions to protect against disclosure or unauthorized use of such Proprietary Information that the party takes with its own proprietary information, but in no event will a party apply less than reasonable precautions to protect such Proprietary Information, and (ii) not to use (except in performance of the Services or as otherwise permitted herein) or divulge to any third person any such Proprietary Information. Flock's use of the Proprietary Information may include processing the Proprietary Information to send Agency Notifications or alerts, such as when a car exits Agency's neighborhood, or to analyze the data collected to identify motion or other events.

The Disclosing Party agrees that the foregoing shall not apply with respect to any information that the Receiving Party can document (a) is or becomes generally available to the public, or (b) was in its possession or known by Receiving Party prior to receipt from the Disclosing Party, or (c) was rightfully disclosed to Receiving Party without restriction by a third party, or (d) was independently developed without use of any Proprietary Information of the Disclosing Party.

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Nothing in this Agreement will prevent the Receiving Party from disclosing the Proprietary Information pursuant to any subpoena, summons, judicial order or other judicial or governmental process including relevant public records laws, provided that the Receiving Party gives the Disclosing Party reasonable prior notice of such disclosure to obtain a protective order or otherwise oppose

the disclosure. For clarity, Flock may access, use, preserve and/or disclose the Footage to law enforcement authorities, government officials, and/or third parties, if legally required to do so or if Flock has a good faith belief that such access, use,

preservation or disclosure is reasonably necessary to: (a) comply with a legal process or request; (b) enforce this Agreement, including investigation of any potential violation thereof; (c) detect, prevent or otherwise address security, fraud or technical issues; or (d) protect the rights, property or safety of Flock, its users, a third party, or the public as required or permitted by law, including respond to an emergency situation. Having received notice prior to data being deleted, Flock may store Footage in order to comply with a valid court order but such retained Footage will not be retrievable without a valid court order.

4.2 **Agency and Non-Agency End User Data.** As between Flock and Agency, all right, title and interest in the Agency Data and Non-Agency End User Data, belong to and are retained solely by Agency. Agency hereby grants to Flock a limited, non-exclusive, royalty-free, worldwide license to use the Agency Data and Non-Agency End User Data and perform all acts with respect to the Agency Data and Non-Agency End User Data as may be necessary for Flock to provide the Flock Services to Agency, including without limitation the Support Services set forth in Section 2.9 above, and a non-exclusive, perpetual, irrevocable, worldwide, royalty-free, fully paid license to use, reproduce, modify and distribute the Agency Data and Non-Agency End User Data as a part of the Aggregated Data (as defined in Section 4.4 below). As between Flock and Agency, Agency is solely responsible for the accuracy, quality, integrity, legality, reliability, and appropriateness of all Agency Data and Non-Agency End User Data. As between Agency and Non-Agency End Users that have prescribed access of Footage to Agency, each of Agency and Non-Agency End Users will share all right, title and interest in the Non-Agency End User Data. This Agreement does not by itself make any Non-Agency End User Data the sole property or the Proprietary Information of Agency. Flock will automatically delete Footage older than 30 days. Agency has a 30-day window to view, save and/or transmit Footage to the relevant government agency prior to its deletion.

4.3 **Feedback.** If Agency provides any suggestions, ideas, enhancement requests, feedback, recommendations or other information relating to the subject matter hereunder, Agency hereby assigns (and will cause its agents and representatives to assign) to Flock all right, title and interest (including intellectual property rights) with respect to or resulting from any of the foregoing.

4.4 **Aggregated Data.** Notwithstanding anything in this Agreement to the contrary, Flock shall have the right to collect and analyze data that does not refer to or identify Agency or any individuals or de-identifies such data and other information relating to the provision, use and performance of various aspects of the Services and related systems and technologies (including, without limitation, information concerning Agency Data and data derived therefrom). Agency acknowledges that Flock will be compiling anonymized and/or aggregated data based on Agency Data and Non-Agency End User Data input into the Services (the "***Aggregated Data***"). Agency hereby grants Flock a non-exclusive, worldwide, perpetual, royalty-free right and license (during and after the Service Term hereof) to (i) use and distribute such Aggregated Data to improve and enhance the Services and for other marketing, development, diagnostic and corrective purposes, other Flock offerings, and crime prevention efforts, and (ii) disclose the Agency Data and Non-Agency End User Data (both inclusive of any Footage) to enable law enforcement monitoring against law enforcement hotlists as well as provide Footage search access to law enforcement for investigative purposes only. No rights or licenses are granted except as expressly set forth herein.

5. PAYMENT OF FEES

5.1 **Fees.** Agency will pay Flock the first Usage Fee, the Installation Fee and any Hardware Fee (defined on the Order Form, together the "Initial Fees") as set forth on the Order Form no later than 30 days after contract Effective Date Agency shall pay the ongoing Usage Fees set forth on the Order Form with such Usage Fees due and payable thirty (30) days after the Effective Date of renewal. . All payments will be made by either ACH, check, or credit card. The first month of Services corresponding to the first Usage Fee payment will begin October 1, 2021, for 10+-camera

offerings where only some of the cameras are installed at the first installation and additional cameras will be installed later, prorated Usage Fees corresponding to the then-installed cameras will be invoiced to Agency immediately after installation and to the later camera installation(s) subsequently invoiced.

5.2 **Changes to Fees.** Flock reserves the right to request a change to the Fees or applicable charges and to institute new charges and Fees at the end of the Initial Term or any Renewal Term, upon sixty (60) days' notice prior to the end of such Initial Term or Renewal Term (as applicable) to Agency (which may be sent by email). Full justification for any price adjustment will be provided to the Customer at the time of request and any increases in pricing shall be mutually agreed upon. Inquiries should be directed to Flock's customer support department for any pricing discrepancies.

5.3 **Invoicing, Late Fees; Taxes.** Flock may choose to bill through an invoice, in which case, full payment for invoices issued in any given month must be received by Flock thirty (30) days after the mailing date of the invoice. Agency shall be responsible for all taxes associated with Services as determined and line item billed by Flock other than U.S. taxes based on Flock's net income.

5.4 **No-Fee Term Access.** Subject to Flock's record retention policy, Flock offers complimentary access to the Flock System for 30 days (**"No Fee Term"**) to Agency when Non-Agency End Users intentionally prescribe access or judicial orders mandate access to Non-Agency End User Data. No hardware or installation services will be provided to Agency. No financial commitment by Agency is required to access the Flock Services or Footage. Should such access cause Flock to incur internal or out-of-pocket costs that are solely the result of the access, Flock reserves the right to invoice these costs to Agency under Section 5.3 and Agency agrees to pay them, upon written consent. For clarity, No-Fee Terms and Service Terms can occur simultaneously, and when a No-Fee Term overlaps with a Service Term, Agency agrees to pay the Initial Fees and Usage Fees payments according to Section 5.1.

6. TERM AND TERMINATION

6.1 **Term.** Subject to earlier termination as provided for in RFP 21-119 , the initial term of this Agreement shall be for a one-year period. . ***Following the Initial Term, the agreement may be extended for an additional one year term (up to a maximum of five additional years) based on mutual written agreement. Renewal terms shall be in administered in accordance with contract 21-119-01.***

6.2 **Agency Satisfaction Guarantee**. At any time during the agreed upon term, a customer not fully satisfied with the service or solution may self-elect to terminate their contract. Self-elected termination will result in a one-time fee of actual cost of removal, said cost not to exceed $500 per camera. Upon self-elected termination, a refund will be provided, prorated for any fees paid for the remaining Term length set forth previously. Self-termination of the contract by the customer will be effective immediately. Flock will remove all equipment at its own convenience upon termination. Advance notice will be provided.

6.3 **Termination.** In the event of any material breach of this Agreement, the non-breaching party may terminate this Agreement prior to the end of the Service Term by giving thirty (30) days prior written notice to the breaching party; provided, however, that this Agreement will not terminate if the breaching party has cured the breach prior to the expiration of such thirty-day period. Either party may terminate this Agreement, without notice, (i) upon the institution by or against the other party of insolvency, receivership or bankruptcy proceedings, (ii) upon the other party's making an assignment for the benefit of creditors, or (iii) upon the other party's dissolution or ceasing to do business. Upon termination for Flock's breach, Flock will refund to Agency a pro-rata portion of the pre-paid Fees for Services not received due to such termination.

6.4 **Effect of Termination.** Upon any termination of the Service Term, Flock will collect all Units, delete all Agency Data, terminate Agency's right to access or use any Services, and all licenses granted by Flock hereunder will immediately cease. Agency shall ensure that Flock is granted access to collect all Units and shall ensure that Flock personnel does not encounter Hazardous Conditions in the collection of such units. Upon termination of this Agreement, Agency will immediately cease all use of Flock Services.

6.5 **No-Fee Term.** The initial No-Fee Term will extend, after entering into this Agreement, for 30 days from the date a Non-Agency End User grants access to their Footage and/or Notifications. In expectation of repeated non-continuous No-Fee Terms, Flock may in its sole discretion leave access open for Agency's Authorized End Users despite there not being any current Non-Agency End User authorizations. Such access and successive No-Fee Terms are deemed to be part of the No-Fee Term. Flock, in its sole discretion, can determine not to provide additional No-Fee Terms or can impose a price per No-Fee Term upon 30 days' notice. Agency may terminate any No-Fee Term or access to future No-Fee Terms upon 30 days' notice.

6.6 **Survival.** The following Sections will survive termination: 2.4, 2.5, 3, 4, 5 (with respect to any accrued rights to payment), 6.5, 7.4, 8.1, 8.2, 8.3, 8.4, 9.1 and 10.5.

7. REMEDY; WARRANTY AND DISCLAIMER

7.1 **Remedy.** Upon a malfunction or failure of Hardware or Embedded Software (a "Defect"), Agency must first make commercially reasonable efforts to address the problem by contacting Flock's technical support as described in Section 2.9 above. If such efforts do not correct the Defect, Flock shall, or shall instruct one of its contractors to, in its sole discretion, repair or replace the Hardware or Embedded Software suffering from the Defect. Flock reserves the right to refuse or delay replacement or its choice of remedy for a Defect until after it has inspected and tested the affected Unit; provided that such inspection and test shall occur within 72 hours after Agency notifies the Flock of defect. Flock agrees to replace cameras at the current authorized fee as published by the City of Tempe.). Customer shall not be required to replace subsequently damaged or stolen units; however, Customer understands and agrees that functionality, including Footage, will be materially affected due to such subsequently damaged or stolen units and that Flock will have no liability to Customer regarding such affected functionality nor shall the Fees owed be impacted.

7.2 **Exclusions.** Flock will not provide the remedy described in Section 7.1 above if any of the following exclusions apply: Agency's (a) misuse of the Hardware or Embedded Software in any manner, including operation of the Hardware or Embedded Software in any way that does not strictly comply with any applicable specifications, documentation, or other restrictions on use provided by Flock (b) damage, alteration, or modification of the Hardware or Embedded Software in any way; or (c) combination of the Hardware or Embedded Software with software, hardware or other technology that was not expressly authorized by Flock.

7.3 **Warranty.** Flock shall use reasonable efforts consistent with prevailing industry standards to maintain the Services in a manner which minimizes errors and interruptions in the Services and shall perform the Installation Services in a professional and workmanlike manner. Services may be temporarily unavailable for scheduled maintenance or for unscheduled emergency maintenance, either by Flock or by third-party providers, or because of other causes beyond Flock's reasonable control, but Flock shall use reasonable efforts to provide advance notice in writing or by e-mail of any scheduled service disruption.

7.4 **Disclaimer.** THE REMEDY DESCRIBED IN SECTION 7.1 ABOVE IS AGENCY'S SOLE REMEDY, AND FLOCK'S SOLE LIABILITY, WITH RESPECT TO DEFECTIVE HARDWARE AND/OR EMBEDDED SOFTWARE. THE FLOCK DOES NOT WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE; NOR DOES IT MAKE ANY WARRANTY AS TO THE RESULTS THAT MAY BE OBTAINED FROM USE OF THE SERVICES. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION, THE SERVICES AND INSTALLATION SERVICES ARE PROVIDED "AS IS" AND FLOCK DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF

MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT .THIS DISCLAIMER OF SECTION 7.4 ONLY APPLIES TO THE EXTENT ALLOWED BY THE GOVERNING LAW

OF THE STATE MENTIONED IN SECTION 10.6, OR IF NO STATE IS MENTIONED IN SECTION 10.6, BY THE LAW OF THE STATE OF GEORGIA.

7.5 **Insurance.** Flock and Agency will each maintain commercial general liability policies with policy limits as stipulated in contract T21-119-01.. Certificates of Insurance will be provided upon request.

8. LIMITATION OF LIABILITY AND INDEMNITY

8.1 **Limitation of Liability.** NOTWITHSTANDING ANYTHING TO THE CONTRARY, FLOCK AND ITS SUPPLIERS (INCLUDING BUT NOT LIMITED TO ALL HARDWARE AND TECHNOLOGY SUPPLIERS), OFFICERS, AFFILIATES, REPRESENTATIVES, CONTRACTORS AND EMPLOYEES SHALL NOT BE RESPONSIBLE OR LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY, OR OTHER THEORY: (A) FOR ERROR OR INTERRUPTION OF USE OR FOR LOSS OR INACCURACY, INCOMPLETENESS OR CORRUPTION OF DATA OR FOOTAGE OR COST OF PROCUREMENT OF SUBSTITUTE GOODS, SERVICES OR TECHNOLOGY OR LOSS OF BUSINESS; (B) FOR ANY INDIRECT, EXEMPLARY, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES; (C) FOR ANY MATTER BEYOND FLOCK'S ACTUAL KNOWLEDGE OR REASONABLE CONTROL INCLUDING REPEAT CRIMINAL ACTIVITY OR INABILITY TO CAPTURE FOOTAGE OR IDENTIFY AND/OR CORRELATE A LICENSE PLATE WITH THE FBI DATABASE; (D) FOR ANY PUBLIC DISCLOSURE OF PROPRIETARY INFORMATION MADE IN GOOD FAITH; (E) FOR CRIME PREVENTION; OR (F) FOR ANY AMOUNTS THAT, TOGETHER WITH AMOUNTS ASSOCIATED WITH ALL OTHER CLAIMS, EXCEED 10X THE FEES PAID AND/OR PAYABLE BY AGENCY TO FLOCK FOR THE SERVICES UNDER THIS AGREEMENT IN THE 12 MONTHS PRIOR TO THE ACT OR OMISSION THAT GAVE RISE TO THE LIABILITY, IN EACH CASE, WHETHER OR NOT FLOCK HAS BEEN ADVISED OF
THE POSSIBILITY OF SUCH DAMAGES. IN THE EVENT OF AN EMERGENCY, AGENCY SHOULD CONTACT 911 AND SHOULD NOT RELY ON THE SERVICES.THIS LIMITATION OF LIABILITY OF SECTION 8 ONLY APPLIES TO THE EXTENT ALLOWED BY THE GOVERNING LAW OF THE STATE MENTIONED IN SECTION 10.6, OR IF NO STATE IS MENTIONED IN SECTION 10.6, BY THE LAW OF THE STATE OF GEORGIA

8.2 **Additional No-Fee Term Requirements.** IN NO EVENT SHALL FLOCK'S AGGREGATE LIABILITY, IF ANY, ARISING OUT OF OR IN ANY WAY RELATED TO THE NO-FEE TERM EXCEED $100, WITHOUT REGARD TO WHETHER SUCH CLAIM IS BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), PRODUCT LIABILITY OR OTHERWISE. Except for Flock's willful acts, Agency agrees to pay for Flock's attorneys' fees to defend Flock for any alleged or actual claims arising out of or in any way related to the No-Fee Term.

8.3 **Responsibility.** Each Party to this Agreement shall assume the responsibility and liability for the acts and omissions of its own employees, deputies, officers, or agents, in connection with the performance of their official duties under this Agreement. Each Party to this Agreement shall be liable (if at all) only for the torts of its own officers, agents, or employees that occur within the scope of their official duties.

8.4 **Indemnity.** To the extent permitted by law, each Party does hereby covenant and agree to indemnify, defend, and hold harmless the other Party, its elected officials, officers, employees, volunteers and agents from and against any and all suits, actions, legal or administrative proceedings, claims, demands or damages of any kind or nature relating to this Agreement which, are the result of any act or omission of the Party, its elected officials, officers, employees, volunteers, agents, and anyone acting under its direction or control, whether intentional or negligent, in connection with or incident to this Agreement. Although Flock has no obligation to monitor Agency's use of the Services, Flock may do so and may prohibit any use of the Services it believes may be (or alleged to be) in violation of Section 3.2 or this Agreement.

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9. RECORD RETENTION

9.1 **Data Preservation.** The Agency agrees to store Agency Data and Non-Agency End User Data in compliance with all applicable local, state and federal laws, regulations, policies and ordinances and their associated record retention schedules. As part of Agency's consideration for paid access and no-fee access to the Flock System, to the extent that Flock is required by local, state or federal law to store the Agency Data or the Non-Agency End User Data, Agency agrees to preserve and securely store this data on Flock's behalf so that Flock can delete the data from its servers and, should Flock be legally compelled by judicial or government order, Flock may retrieve the data from Agency upon demand.

10. MISCELLANEOUS

10.1 **Severability.** If any provision of this Agreement is found to be unenforceable or invalid, that provision will be limited or eliminated to the minimum extent necessary so that this Agreement will otherwise remain in full force and effect and enforceable.

10.2 **Assignment.** This Agreement is not assignable, transferable or sublicensable by Agency except with Flock's prior written consent. Flock may transfer and assign any of its rights and obligations, in whole or in part, under this Agreement with the

prior consent of the Agency whose consent shall not be unreasonably withheld.

10.3 **Entire Agreement.** This Agreement, together with the Order Form(s), and the Standard and Special Terms and Conditions contained in RFP 21-119, Addendum #1 and #2 and Flock Group's proposal and best and final offer.), These documents as noted above are the complete and exclusive statement of the mutual understanding of the parties and supersedes and cancels all previous written and oral agreements, communications and other understandings relating to the subject matter of this Agreement, and that all waivers and modifications must be in a writing signed by both parties, except as otherwise provided herein. None of Agency's purchase orders, authorizations or similar documents will alter the terms of this Agreement, and any such conflicting terms are expressly rejected.

10.4 **Relationship.** No agency, partnership, joint venture, or employment is created as a result of this Agreement and Agency does not have any authority of any kind to bind Flock in any respect whatsoever.

10.5 **Costs and Attorneys' Fees.** In any action or proceeding to enforce rights under this Agreement, the prevailing party will be entitled to recover costs and attorneys' fees.

10.6 **Governing Law; Venue.** This Agreement shall be governed by the laws of the State of Arizona without regard to its conflict of laws provisions. To the extent that the arbitration language below does not apply, the federal and state courts sitting in Maricopa County, Arizona will have proper and exclusive jurisdiction and venue with respect to any disputes arising from or related to the subject matter of this Agreement. The parties agree that the United Nations Convention for the International Sale of Goods is excluded in its entirety from this Agreement. Any dispute arising out of, in connection with, or in relation to this agreement or the making of validity thereof or its
interpretation or any breach thereof shall be determined and settled by arbitration in Maricopa County, Arizona by a sole arbitrator pursuant to the rules and regulations then obtaining of the American Arbitration Association and any award rendered therein shall be final and conclusive upon the parties, and a judgment thereon may be entered in the
highest court of the forum, state or federal, having jurisdiction. The service of any notice, process, motion or other document in connection with an arbitration award under this agreement or for the enforcement of an arbitration award hereunder may be effectuated by either personal service or by certified or registered mail to the respective addresses provided herein.

10.7 **Publicity.** Unless otherwise indicated on the Order Form, Flock has the right to reference and use Agency's name and trademarks and disclose the nature of the Services provided hereunder in each case in business and development and marketing efforts, including without limitation on Flock's website.

10.8 **Export.** Agency may not remove or export from the United States or allow the export or re-export of the Flock IP or anything related thereto, or any direct product thereof in violation of any restrictions, laws or regulations of the United States Department of Commerce, the United States Department of Treasury Office of Foreign Assets

Control, or any other United States or foreign agency or authority. As defined in FAR section 2.101, the Services, the Hardware, the Embedded Software and Documentation are "commercial items" and according to DFAR section 252.2277014(a)(1) and (5) are deemed to be "commercial computer software" and "commercial computer software documentation." Consistent with DFAR section 227.7202 and FAR section 12.212, any use, modification, reproduction, release, performance, display, or disclosure of such commercial software or commercial software documentation by the U.S. Government will be governed solely by the terms of this Agreement and will be prohibited except to the extent expressly permitted by the terms of this Agreement.

10.9 **Headings.** The headings are merely for organization and should not be construed as adding meaning to the Agreement or interpreting the associated Sections.

10.10 **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

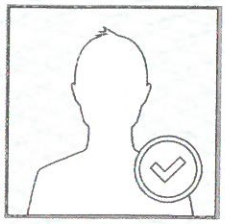
10.11 **Authority.** Each of the below signers of this Agreement represent that they understand this Agreement and have the authority to sign on behalf of and bind the organizations and individuals they are representing.

10.12 **Notices.** All notices under this Agreement will be in writing and will be deemed to have been duly given when received, if personally delivered; when receipt is electronically confirmed, if transmitted by facsimile or e-mail; the day after it is sent, if sent for next day delivery by recognized overnight delivery service; and upon receipt, if sent by certified or registered mail, return receipt requested.

Signature Certificate

Document Ref.: ORZBQ-FCEU3-XCTXQ-EWPQO

Document signed by:

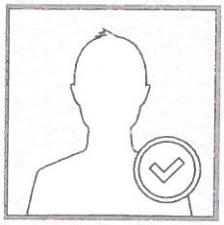


Michael Greene

Verified E-mail:
michael_greene@tempe.gov

IP: 164.50.248.107 Date: 06 Oct 2021 20:15:09 UTC

Michael Greene



Alex Lat

Verified E-mail:
lat@flocksafety.com

IP: 73.7.86.182 Date: 07 Oct 2021 15:32:54 UTC

Alex Latraverse

Document completed by all parties on:
07 Oct 2021 15:32:54 UTC

Signed with PandaDoc.com

PandaDoc is a document workflow and certified eSignature solution trusted by 25,000+ companies worldwide.

Financial Services
Procurement Office
20 E 6th Street
Tempe, AZ 85281

May 25, 2023

Flock Group Inc
Kraig Gardner
1170 Howell Mill Rd, NW Unit 210
Atlanta, GA 30318
kraig.gardner@flocksafety.com

RE: Renewal of Contract T21-119-01 - Fixed Camera ALPR Solution for Police

Kraig,

The contract that Flock Group Inc has with the City of Tempe is nearing the end of the contract period (September 30, 2023) and is eligible for renewal.

The City is offering this renewal based on the continuation of the current terms, conditions and pricing.

I have enclosed the Contract Renewal Notice that will have to be signed by you and returned before the current contract can be extended. Return the included forms to me no later than July 26, 2023.

This contract requires that you maintain insurance for the duration of the contract. If you choose to renew the contract you will need to provide a new Certificate of Insurance.

The certificate we have on file has an expiration date of *Has not been received* .

Note: The Certificate of Insurance must list the City of Tempe as an additional insured.

If you have any questions, please contact me.

Thank you for your assistance,

Taylor

Taylor Powell
Procurement Specialist
480-350-8617
Taylor_Powell@tempe.gov

Contract Renewal Notice

Financial Services
Procurement Office
20 E 6th Street
Tempe, AZ 85281

Contract Number T21-119-01
Contract Description Fixed Camera ALPR Solution for Police

Date May 25, 2023

99625

Flock Group Inc
Kraig Gardner
1170 Howell Mill Rd, NW Unit 210
Atlanta, GA 30318

Renewal Information

Beginning	October 1, 2023
Ending	September 30, 2024
Renewal	2 of 5

Contract Renewal Information

The City of Tempe is requesting renewal of the above mentioned contract under the same terms and conditions at either current contract prices/discounts or at prices/discounts more favorable to the City of Tempe.

If the contractor has lowered the market price(s) of any item(s) on the City's contract, then such lowered prices should be offered to the City of Tempe.

Where performance bonds and/or insurance coverage were requirements of the City's original solicitation/contract, a renewing contractor must provide evidence of bonds and/or insurance extensions as applicable to ongoing City of Tempe contract. Failure to provide insurance certificates as outlined below may result in contract cancellation.

Flock Group Inc certifies that it is not currently engaged in, and agrees for the duration of this Contact/Agreement that it will not engage in, a boycott of Israel, as that term is defined in A.R.S.§ 35-393

Contractor hereby acknowledges receipt and understanding of this Contract Renewal Notice and that a signed copy of this notice must be filed with the City of Tempe Procurement Office within thirty (30) days from the above noted issue date and the updated insurance certificates (City of Tempe included as additional insured) will be submitted.

Please note: If included, the Affidavit of Compliance form must be completed and returned with the renewal documents. This affidavit is related to the City's new anti-discrimination ordinance that requires compliance from all City contractors.

Administrator	Michael Greene, C.P.M., CPPO	480-350-8516	Michael_Greene@tempe.gov
Procurement Specialist	Taylor Powell	480-350-8617	Taylor_Powell@tempe.gov

To Be Completed and Signed By Flock Group Inc

Contract Number T21-119-01
Contract Description Fixed Camera ALPR Solution for Police

Contractor's Name **Flock Group Inc**

Contractor's Mailing Address 1170 Howell Mill Rd, NW Unit 210 Atlanta, GA 30318

Printed name of person signing _____

Phone Number _____

email Address _____

Contractor's Authorized Signature _____ Date

City of Tempe Contract Renewal Acceptance

Michael Greene, C.P.M., CPPO Date
Administrator

Michael Greene, CPM, CPPO Date
Procurement Administrator

AFFIDAVIT OF COMPLIANCE WITH HOUSE BILL 2488

SUPPLIER AGREES TO NOT USE THE FORCED LABOR OF ETHNIC UYGHURS IN THE PEOPLE'S REPUBLIC OF CHINA

Per House Bill 2488 approved by the Arizona Legislature, this law stipulates that a public entity may not enter into or renew a contract with a company for the acquisition or disposition of supplies, services, goods, information technology or construction unless the contract includes written certification that the company does not currently, and agrees for the duration of the contract that it will not, use:

- The forced labor of ethnic Uyghurs in the People's Republic of China;
- Any services or goods produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and
- Any suppliers, contractors or sub-contractors that use the forced labor of any services or goods produce by the forced labor of ethnic Uyghurs in the People's Republic of China

Based on the above, the supplier certifies:

_____ _____

Signature Date

_____ _____

Print Name Title

_____

Company Name

DocuSign Envelope ID: 68FA88EE-BC26-4110-B463-51E23DDF600D

Contract Modification Notice

Financial Services
Procurement Office
20 E. 6th Street
Tempe, AZ 85281

Contract Number: T21-119-01
Description: Fixed Camera ALPR Solution for Police

Issue Date: March 22, 2024

99625
Flock Group Inc
Gwen Saltal
1170 Howell Mill Rd, NW Unit 210
Atlanta, GA 30318
Office: 866-901-1781
Email: gwen.saltal@flocksafety.com; hamza.albaroudi@flocksafety.com

Effective Date
Beginning: March 22, 2024

This Contract Modification is being issued to formally document a change related to the above referenced contract. It shall remain in effect through the current expiration date unless extended or canceled per terms and conditions of the above referenced contract.

Contract Modification Information:

The City is hereby adding the following camera to this contract:

- Falcon Flex priced at $3,500 per year.

This addition is based on a limited source determination due to the need to maintain system compatibility and integration capacity with the existing Flock fleet of cameras purchased via the competitively sourced RFP noted above.

City of Tempe Contract Modification Acceptance

DocuSigned by:
Mark Smith
AC5C831454C24F3...
3/25/2024

Flock Safety Representative Date
Typed Name: Mark Smith

3-26-24

Michael Greene, C.P.M., CPPO Date
Procurement Administrator

DocuSign Envelope ID: 965F1CA3-E408-48B6-8B9D-7759B58C13C9

Contract Modification

Financial Services
Procurement Office
20 E. 6th Street
Tempe, AZ 85281

Contract Number: T21-119-01
Description: Fixed Camera ALPR Solution for Police

Issue Date: February 26, 2024

99625
Flock Safety, Inc.
Gwen Saltal
1170 Howell Mill Rd, NW Unit 210
Atlanta, GA 30318
Office: 866-901-1781
Email: gwen.saltal@flocksafety.com

Effective Date
Beginning: October 1, 2023, through September 30, 2027 (Retro)

This Contract Modification is being issued to formally document a change related to the above referenced contract. It shall remain in effect through the current expiration date unless extended or canceled per terms and conditions of the above referenced contract. **This modification clarifies an error that was included in the previous CM which is corrected below as part of line item #3 that changes "per month" to "per year". All other information remains unchanged and is restated below:**

Contract Modification Information:

In accordance with the contract Special Terms and Conditions, the parties to this contract have agreed to renew the agreement for four (4) years through September 30, 2027. This extension is in line with the available renewals under the original RFP (4 years remaining). In order to secure savings, the City is utilizing this long-term extension through the end of the natural term of agreement. A new agreement has been negotiated and approved that is attached to this Contract Modification. A summary of the agreed to changes are noted below:

1) The agreement has been renewed through September 30, 2027.

2) The City currently has 33 cameras in its fleet. All of these cameras will continue to be priced at $2500 per camera per year through September 30, 2027.

3) Any new cameras purchased during the renewal period will be priced at $3,000 per camera per ~~month~~ year which will be held firm through September 30, 2027.

4) The parties have agreed to move the term to a fiscal year basis as noted in the attached agreement. Payment will be made up front annually based on the schedule included in the agreement and referenced below:

a) 12/31/2023 through 6/30/2024..... $42,413.01
b) 7/1/2024 through 6/30/2025..... $82,500.00
c) 7/1/2025 through 6/30/2026..... $82,500.00
d) 7/1/2026 through 9/29/2027..... $103,011.99

Total..... $310,425.00

5) There is a typo on Page 11.4 of the attached agreement, Paragraph 11.4, Entire Agreement: The reference to RFP 21-110 is hereby changed to **RFP 21-119**.

Contract Modification Acceptance

DocuSigned by:
Mark Smith
AE5C9314540244F3...
2/27/2024

Flock Safety Representative Date
Printed Name:

Michael Greene, C.P.M., CPPO 2/27/24 Date
Procurement Administrator

Automated License Plate Reader (ALPR) Discussion with the Flagstaff City Council for the Flagstaff Police Department

December 16, 2025

TEAM FLAGSTAFF

WE MAKE THE CITY BETTER

City of Flagstaff ALPR Discussion

The Flagstaff Police Department's Commitment:

- Our Mission is to protect and preserve life, property, and public order through Elite Service.

- We are committed to leveraging the usage of modern technology to best serve our community and victims of crime.

- We also are cognizant and respect the community's right to privacy.

City of Flagstaff ALPR Discussion

Flagstaff PD's Flock Safety Program Journey:

- First contract approved in June of 2024
  - Aided in bringing justice for many victims in community
  - No incidents of misuse in over 12 months of usage
- Amendment brought before Council on September 2, 2025 along with Citizen's Petition
- Community Discussion held in front of Council on October 28, 2025
  - Council directed staff to bring the Amended Contract to them

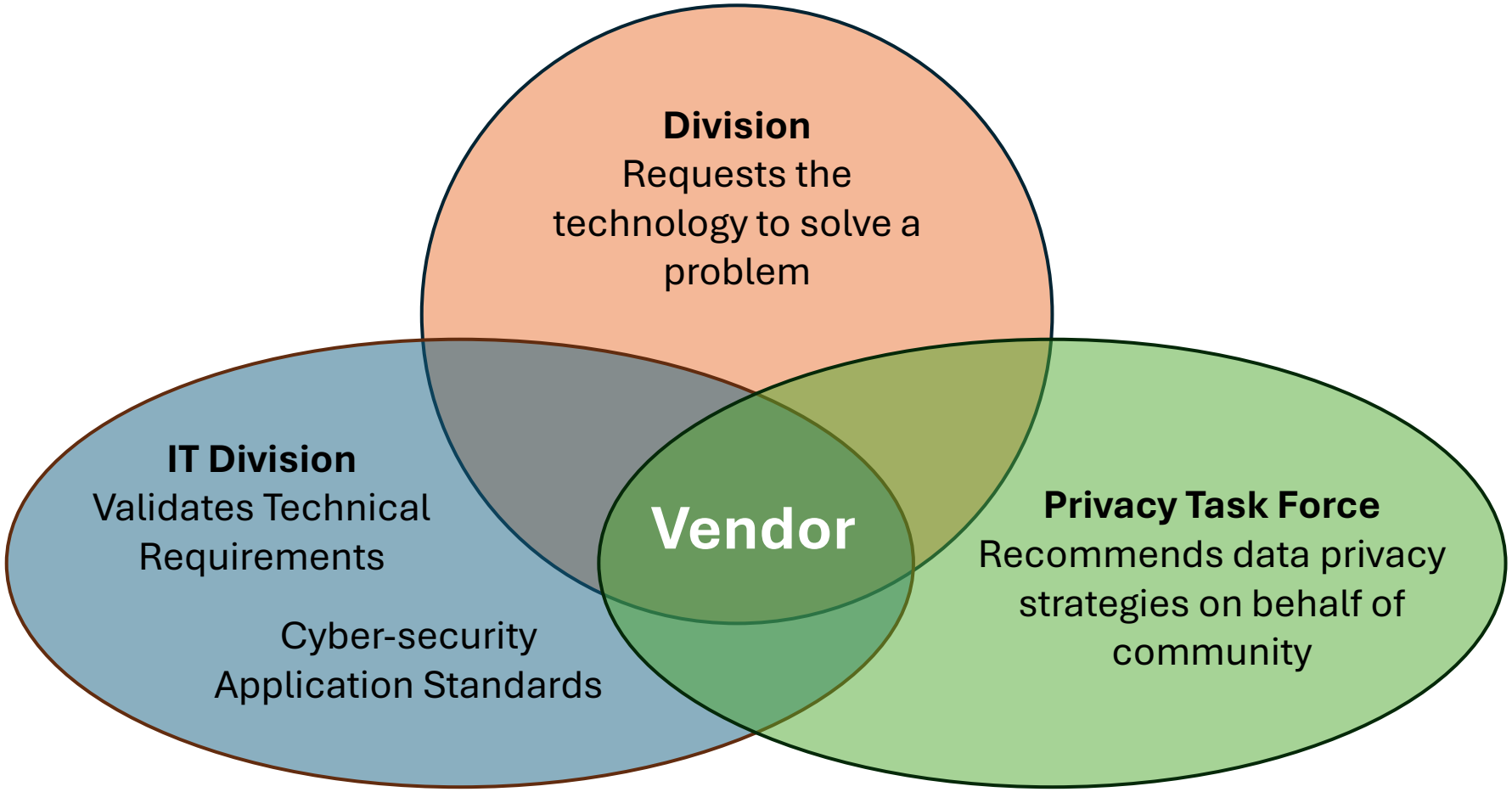
City of Flagstaff ALPR Discussion

Flock Safety Program Changes After Community Input

- FPD removed itself from the National Lookup
- FPD removed itself from Statewide sharing
  - Only sharing partners are CCSO and NAUPD, and Tribal partners
- Updated policy to not allow ALPR sharing for immigration enforcement
- Policy requires supervisor approval for the creation of hotlists
- FPD changed its data retention of ALPR scans from 30 days to 14 days
- Creation and selection of citywide technology oversight committee
- FPD will provide a 6-month public check-in in front of Council
- Forward facing Flock Transparency Portal on FPD website
- Flock Safety - Flagstaff AZ PD Transparency Portal

City of Flagstaff ALPR Discussion

Technology Privacy Task Force:



City of Flagstaff ALPR Discussion

Technology Privacy Task Force:

- We took Applications through Dec 5.
- We have selected 10 individuals from a wide range of backgrounds, expertise and lived experiences.
  - We're waiting for final acceptance
- First meeting will be scheduled for January.
- It's not just for License Plate Readers, but wholistically.
- We want a framework on how we can balance being "cutting edge" with community core values.

City of Flagstaff ALPR Discussion

Contract Amendment:

- Amendment to fund ALPRs for fiscal year 2025-2026
- 36 Flock cameras and 1 Flock Safety Operating System
  - 32 permanent fixed cameras, and 4 portable devices
  - Same number of existing cameras from 2024
- $112,000 in addition to other fees and taxes
- Funding allocation in fiscal year budget

Questions & Comments

FPD ALPR Discussion





Automated License Plate Reader (ALPR) Discussion with the Flagstaff City Council for the Flagstaff Police Department

October 28, 2025

TEAM FLAGSTAFF

WE MAKE THE CITY BETTER

City of Flagstaff ALPR Discussion

The Flagstaff Police Department's Commitment:

- Our Mission is to protect and preserve life, property, and public order through Elite Service.

- We are committed to leveraging the usage of modern technology to best serve our community and victims of crime.

- We also are cognizant and respect the community's right to privacy.

City of Flagstaff ALPR Discussion

History of Flagstaff Police Department ALPR Program:

- Brought first Flock contract to Council on June 18, 2024 which as approved by Budget Team and Council.
- Requested and received permits with City and Arizona Department of Transportation (ADOT).
- Flock cameras went live in the Fall of 2024.
- Community member shared comments with Council in a March 2025 meeting, and PD responded to Mayor and Council follow up questions.
- Arizona Daily Sun did an article on ALPR technology which ran on July 30, 2025.

City of Flagstaff ALPR Discussion

Information about ALPR Technology:

They are fixed solar cameras that use cellular technology.





City of Flagstaff ALPR Discussion

Case Examples that Highlighted the need for ALPRs:

- 1400 N Fourth St fatal hit and run collision in 2011. Our victim was 17-year-old Jennifer Bekay.

- 2023 sexual assault at Park and E Route 66

- June 2024 murder of Kelly Paduchowski

City of Flagstaff ALPR Discussion

What is an ALPR?

- ALPRs take still images of license plates and rear of vehicles as they pass a fixed location where the ALPR is located. No personal identifying information is captured.
- This data is owned by Flagstaff PD and is stored for 30 days only
- ALPR technology notifies FPD officers of stolen vehicle, missing and wanted persons, protection orders, terrorist-related activity, Amber Alert, Blue Alert, and Silver Alerts.
- An officer can query the ALPR system after they input an auditable criminal justice purpose.
- An officer can create a hot list after receiving supervisor approval. This allows the officer to be alerted if a vehicle of interest in criminal activity is scanned in Flagstaff. An example would be a vehicle involved in a crime.
- 7 out of 10 crimes in America involve a vehicle (IACP)

City of Flagstaff ALPR Discussion

Competitors on the Market:

- Flock Safety
  - Company started in 2017, first law enforcement contract in 2019
  - Helped recover over 1000 missing persons
  - 30-day storage
  - Audit Log

- Motorola Vigilant

- Axon International

City of Flagstaff ALPR Discussion

Our Policy:

- All officers must attend an in-house training on the usage of Flock Operating System (FlockOS)
  - They also must past exams on alert and search tool certifications.
- All officers must go over our policy with our legal advisor in the training.
- If an officer receives an alert hit in the field, they must confirm the plate and the information prior to enforcement.
- An officer must get supervisor approval prior to creation of a hot list.

City of Flagstaff ALPR Discussion

Quality Control and Auditing:

- We have an ALPR administrator who oversees the program (DC Seay, LT Darr)
- We have an in-house trainer who teaches the program and goes over the policy with legal (Ofc. Condon).
- The Office of Professional Standards conducts monthly audits of inquiries and hot lists to ensure the system is used correctly.
- All hot list entries must be approved by a supervisor, have an expiration date, and are routinely audited.

City of Flagstaff ALPR Discussion

Our Flock camera deployment

- FPD currently has 32 fixed ALPR cameras and 4 battery operated flex cameras. They are deployed on major thoroughfares and locations of ingress and egress in the city.



City of Flagstaff ALPR Discussion

Agency Data Sharing:

- We previously shared our ALPR data with 146 police agencies around the United States.
- We recently reduced this to only 50 Arizona agencies only.
- When an officer queries the system, it may show a scan in an out of state jurisdiction. The officer/investigator would have to contact the agency for further information about the vehicle.
- We do not share scans with federal police agencies. Requests can be made on a case-by-case basis and are not used for immigration cases.

City of Flagstaff ALPR Discussion

Victim Success Stories:

- A murder case suspect was located, apprehended, and taken into custody
- Identified the vehicle involved in a drive by shooting and cleared an innocent person who was initially indicated as the shooter
- Located the vehicle a murder suspect stole in Camp Verde entering Flagstaff

City of Flagstaff ALPR Discussion

Victim Success Stories Continued:

- Captured the vehicle that fatally struck a pedestrian at Route 66 and Fourth St
- Found a missing/suicidal person who said they were going to stand in front of train before she entered the tracks
- Identified a string of grand theft autos
- Obtained license plate on vehicle involved in theft of construction supplies
- Vehicle linked to numerous vehicle burglaries

City of Flagstaff ALPR Discussion

Contract Amendment:

- Amendment to fund ALPRs for fiscal year 2025-2026
- 32 Flock cameras and 1 Flock Falcon system
- $112,000 in addition to other fees and taxes
- Funding allocation in fiscal year budget

Questions & Comments

FPD ALPR Discussion





CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Collin Seay, Deputy Police Chief - Patrol Operations

Date: 10/22/2025

Meeting Date: 10/28/2025

TITLE:

Community Discussion on Citizen Petition Regarding Automated License Plate Readers (ALPR) and Flock Safety

DESIRED OUTCOME:

Hear community input on ALPR technology and Flock Safety, and its usage by the Flagstaff Police Department to serve victims of crime in our community.

Executive Summary:

Staff from the Flagstaff Police Department presented to the Flagstaff City Council on September 2, 2025 an amendment to the state contract for a renewal of our Flock Safety Contract from 2024. The Flagstaff City Council also heard a citizen's petition to cancel the city's Flock Safety contract during the same meeting, and approximately thirty people made public comment on the topic at the dais. The Flagstaff City Council decided to hold a public discussion on October 28, 2025 to hear more community feedback regarding ALPR technology and Flock Safety. Attached to this staff summary, the Flagstaff Police Department has included the September 2 PowerPoint presentation, a new PowerPoint presentation on actions taken since the September meeting, and the Flagstaff Police Department ALPR Policy #317.

Information:

The Flagstaff Police Department remains committed to responsibly leveraging modern law enforcement technology to serve victims of crime and reduce victimization in our community. We are also very considerate and respectful of all law-abiding members of the community's right to privacy. Our mission is to protect and preserve life, property, and public order through elite service. We take a victim-centric approach to policing, and everything we do is to serve the members of this community and its victims of crime. Each year, we will have around 300 victims of Part 1 violent crime and nearly 1600 victims of Part 1 property crime, and these statistics do not include the victimization of misdemeanor crimes in our community. In 2024, we saw a 52% increase in Part 1 violent crime in the community, which is extremely impactful to our community members. After the implementation of our Crime Reduction Plan, we have seen a 10% reduction in Part 1 violent crime in 2025 so far, and appropriately leveraging technology is a tenant of our Crime Reduction Plan to the community.

We have heard many voices from the community on the issue of Flock Safety, and we have taken a proactive and transparent approach to how we utilize this technology. We have created a flock transparency portal, held multiple community information meetings on ALPR technology at the police department, done interviews with multiple media outlets including the Arizona Daily Sun, Lumberjack newspaper, a video interview with KNAU, lectured at NAU classes, radio interviews, and a community town hall at the Market of Dreams. We are fully committed to using this technology and all other technologies in a transparent fashion with our community.

Attachments: Policy 317
09022025 Presentation Old

Presentation

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Stacy Saltzburg, City Clerk

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE:

Consideration and Adoption of Resolution No. 2025-66: A resolution adopting the City Council 2026 Commemorative Flag Designations

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-66 by title only
2. City Clerk reads Resolution No. 2025-66 by title only (if approved above)
3. Adopt Resolution No. 2025-66

Executive Summary:

The City Council has declared that the City's flagpoles (permanent or temporary) are not intended to serve as a forum for free expression of the public, but rather for the display of Federal, State, the POW-MIA Flag, the City Flag, and a maximum of two commemorative flags per month. The City Council may display on a temporary pole one commemorative flag per month, but in no event would they display more than two commemorative flags per month (to be displayed separately - the first commemorative flag for the first half of the month, and the second commemorative flag for the second half of the month), for the ensuing year as determined by the City Council. Authorization by the City Council to display commemorative flags under such a policy may occur in one annual resolution only of the City Council, to be considered and potentially adopted in December of each year as an expression of the City's official sentiments.

The following requests have been made:

1. Route 66 Centennial Flag - June
2. America 250 Flag - July

Financial Impact:

None

Policy Impact:

The City has a flag policy under which the City Council may designate commemorative flags to be displayed.

Connection to PBB, Carbon Neutrality Plan, 10-Year Housing Plan & Regional Plan:

None

Has There Been Previous Council Decision on This:

On November 19, 2019 the City Council adopted Resolution No. 2019-59 declaring that the City's flagpoles are not intended to serve as a forum for free expression of the public, but rather for the display of Federal, State, the POW-MIA Flag, the City Flag, and a maximum of two commemorative flags per month.

Attachments: Res. 2025-66
Flag Policy

RESOLUTION NO. 2025-66

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL (PURSUANT TO THE CITY COUNCIL POLICY ON THE DISPLAY OF FLAGS) DESIGNATING ALL COMMEMORATIVE FLAGS THAT WILL BE DISPLAYED THROUGHOUT THE YEAR 2026 ON THE TEMPORARY POLE IN FRONT OF CITY HALL

RECITALS:

WHEREAS, City Council established the City Council Policy for the Display of Flags (City Flag Policy) under Resolution 2019-59, adopted on November 19, 2019; and

WHEREAS, the City Flag Policy is that City flagpoles do not serve as a forum for free expression by the public, but rather for the display of federal, state, POW-MIA, and City flags, and any commemorative flags as may be authorized by the City Council as an expression of the City Council's official sentiments; and

WHEREAS, pursuant to the City Flag Policy, the City Council may designate in December of each year all commemorative flags to be displayed on the temporary pole in front of City Hall during the subsequent year; and

WHEREAS, City Council now desires to designate all commemorative flags to be displayed on the temporary pole in front of City Hall during the year 2026.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. All commemorative flags to be displayed under the City Flag Policy shall be displayed in accordance with the schedule designated in Exhibit A which is attached hereto.

SECTION 2. This Resolution shall be effective upon adoption by the City Council.

SECTION 2. The City Manager and City Clerk are authorized and directed to edit and correct typographical and grammatical errors of wording and punctuation.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 16th day of December, 2025.

_____
MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

EXHIBITS
2026 COMMEMORATIVE FLAG SCHEDULE ESTABLISHED BY CITY COUNCIL

2026 COMMEMORATIVE FLAG SCHEDULE ESTABLISHED BY CITY COUNCIL

Month	Commemorative Flag(s)	Dates of Display	Flag Design
January	Human Trafficking Awareness	January 1 – 31	
February	Black History Month	February 1 – 28	
March	Women's History Month Transgender Visibility	March 1 – 16 March 17 – 31	 
April	Earth Day	April 1 – 30	
May	Star Wars Day Armed Forces Day	May 4 May 1 – 31	 
June	LGBTQIA+ Month	June 1 – 30	
July	Tree City USA	July 1 – 31	TREE CITY USA Arbor Day Foundation

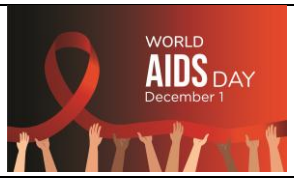
Month	Commemorative Flag(s)	Dates of Display	
August	Purple Heart Day	August 1 – 31	
	Ukraine Independence Day	August 24	
September	United Nations Climate Change	Sept. 1 – 15	
	Hispanic Heritage Month	Sept. 16 – 30	
October	Hispanic Heritage Month	October 1 – 15	
	National Domestic Violence Awareness Month	October 16 - 31	
November	Native American Heritage Month	November 1 – 30	
December	World AIDS Day	December 1 – 31	

EXHIBIT A

CITY OF FLAGSTAFF, ARIZONA
CITY COUNCIL POLICY ON THE DISPLAY OF FLAGS

PURPOSE

The purpose of this policy it to provide procedural guidance for the display of flags at City facilities.

POLICY

I. Standards

The City Council desires to establish a policy regarding the display of: (1) the United States Flag, (2) the Arizona State Flag, (3) the POW-MIA Flag; (4) the display of the City of Flagstaff Flag (City Flag), and (5) on a temporary pole at City Hall, the display of commemorative flags. In adopting this policy, the City Council declares that the City's flagpoles (permanent or temporary) are not intended to serve as a forum for free expression of the public, but rather for the display of Federal, State, the POW-MIA Flag, the City Flag, and a maximum of two commemorative flags per month. The City Council may display on a temporary pole one commemorative flag per month, but in no event shall the City Council display more than two commemorative flags per month (to be displayed separately – the first commemorative flag for the first half of the month, and the second commemorative flag for the second half of the month), for the ensuing year as determined by the City Council. Authorization by the City Council to display commemorative flags shall occur in one annual resolution only of the City Council to be considered and potentially adopted in December of each year as an expression of the City's official sentiments.

Flags shall be displayed in accordance with Federal and State statutes, including, but not limited to United States Code, Title 4, Chapter 1; and, Arizona Revised Statutes §§ 41-852; 38-449, and this policy.

II. Procedures

A. Federal and State

1. The United States Flag and the Arizona State Flag shall be displayed as required by law and in accordance with this policy.
2. No other flag shall be placed above the United States Flag.
3. Flags shall be displayed during operating hours and beyond if illuminated during darkness on all days and nights when the City is open for business, upon or in front of all City facilities equipped for flag display.
4. The Flag of the City of Flagstaff may also be displayed from time to time.
5. Flags shall not be displayed during inclement weather. However, all-weather flags may be displayed on a twenty-four (24) hour basis as long as they are illuminated during darkness, aside from commemorative flags.

B. POW/MIA Flag

1. The POW/MIA Flag is a nationally recognized flag, created in 1971 and recognized by an act of Congress through the adoption of U.S. Public Law 101-355, to represent concern of individuals who are identified as prisoners of war or missing in action. The POW-MIA Flag has become a symbol of commitment to achieving the fullest possible accounting for those in the future who may become prisoners of war, missing in action, or otherwise unaccounted for as a result of hostile action.
2. In accordance with the Arizona State law, the POW/MIA flag shall continue to be displayed at City Hall. The POW/MIA flag may also be displayed at other City facilities in accordance with State Law.

C. Commemorative Flags

1. Commemorative flags may be displayed only as authorized by an annual resolution of the City Council and as an expression of the City's official sentiments.
2. Commemorative flags shall be displayed for a period of time that is reasonable or customary for the subject that is to be commemorated, but no longer than thirty day (30) continuous days.
3. Commemorative flags shall be displayed at City Hall, exclusively on a temporary pole.
4. The City will not display a commemorative flag based on a request from a third party, nor will the City use its flagpoles to sponsor the expression of a third party.

D. Display of Flags

Flags shall be displayed as follows:

The United States Flag shall be displayed in the first position of honor. The Arizona State Flag shall be placed in the second position of honor. The POW/MIA Flag shall be displayed in the third position of honor. The City of Flagstaff Flag, if displayed, shall be placed in the fourth position of honor.

Commemorative flags shall be displayed on a temporary pole on the front lawn of City Hall.

All commemorative flags shall be displayed under this policy according to the annual resolution of the City Council in December of each year rather than by proclamation of the Mayor. The Mayor shall no longer make proclamations to display commemorative flags at City facilities. All commemorative flags will be displayed by City staff only, and not in conjunction with any third-party ceremonies.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Jessica Kittleson, Customer Service Director

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE
Update on Municipal Customer Assistance Program

STAFF RECOMMENDED ACTION:

Informational only

Executive Summary:
In response to City Council direction during the water rate study, staff has developed and implemented a Customer Assistance Program to provide financial relief to qualifying residential municipal account holders facing bill payment difficulties.

The program provides eligible customers with a $10 monthly bill credit for one year, with recertification required annually. Customers qualify by documenting current enrollment in eligible government assistance programs, including SNAP, LIHEAP, Medicaid/AHCCCS, Section 8, SSI, Coconino County Utility Assistance, and the National School Lunch/Breakfast Program. Additional programs serving households at or below 130% of the Federal Poverty Level or 50% of Area Median Income may also qualify upon approval. The customer's name must appear on both the municipal account and assistance program documentation.

To fulfill Council's direction for community support, the program includes a donation mechanism allowing municipal customers and community members to contribute to a pooled fund that supports program participants. Customers can make one-time contributions or establish recurring monthly donations through the City's new payment page, with the ability to modify or discontinue recurring donations by contacting Customer Service.

This pilot program has been designed with streamlined qualification processes to minimize administrative burden while ensuring compatibility with the City's billing system. The program operates on a first-come, first-served basis and is funded primarily through community donations. City funding is not guaranteed, and the City reserves the right to limit participation or discontinue the program based on available resources. Water Services has committed $10,000 as one-time funding for the first year of the program.

Information:
Program Launch and Application Process: The Customer Assistance Program soft-launched in early November. Eligible customers apply through the City website, with applications typically processed within one business day and credits applied to the subsequent billing cycle.

Donation Platform and Accessibility: The program accepts donations through multiple channels to maximize community participation. One-time contributions are available through a City website payment page. Recognizing that approximately 70% of municipal customers receive electronic bills and 60% utilize autopay, staff prioritized developing a recurring donation option to ensure these customers can easily contribute without requiring separate transactions. Customers can establish recurring monthly donations by contacting Customer Service via email or during the online contribution process by providing their municipal

account number. Staff is exploring additional payment integration options to further streamline the donation process in future phases. **Outreach and Community Awareness:** To inform residents about the program, staff has implemented a phased communication strategy. E-bill customers currently receive information via a link included in their electronic bills. Bill inserts will be included in all customer bills to reach the full customer base and promote both program participation and donation opportunities. The program is currently in the Creative Services que for full design creation. **Financial Sustainability:** As designed, the program is intended to operate as a donation-funded initiative. Staff will closely monitor donation revenue against program enrollment to ensure sustainability. Regular reporting will be provided to Council on program participation, donation levels, and fund balance to inform decisions regarding program continuation and potential modifications.

Attachments: Customer Assistance Program

Customer Assistance Program Update

December 16, 2025

Program Overview

Council Direction & Dual Mission

- Developed collaboratively by Water Services and Customer Service teams following water rate study
- Provide financial assistance to qualifying customers
- Create community donation mechanism
- Simple qualification process workable in billing system
- $10 monthly bill credit for one year with annual recertification
- Program available to residential customers only

Eligibility & Qualifying Programs

Documentation Required

- Proof of current enrollment in government assistance program
- Customer name must appear on both municipal account and program documentation
- Recertification required after one year
- Benefits follow customer to new address within City

Accepted Programs

- SNAP (Supplemental Nutrition Assistance Program)
- LIHEAP (Low Income Home Energy Assistance)
- Medicaid/AHCCCS
- Section 8/Housing Choice Voucher
- SSI (Supplemental Security Income)
- Coconino County utility assistance
- Additional programs at or below 130% FPL may qualify

Community Support

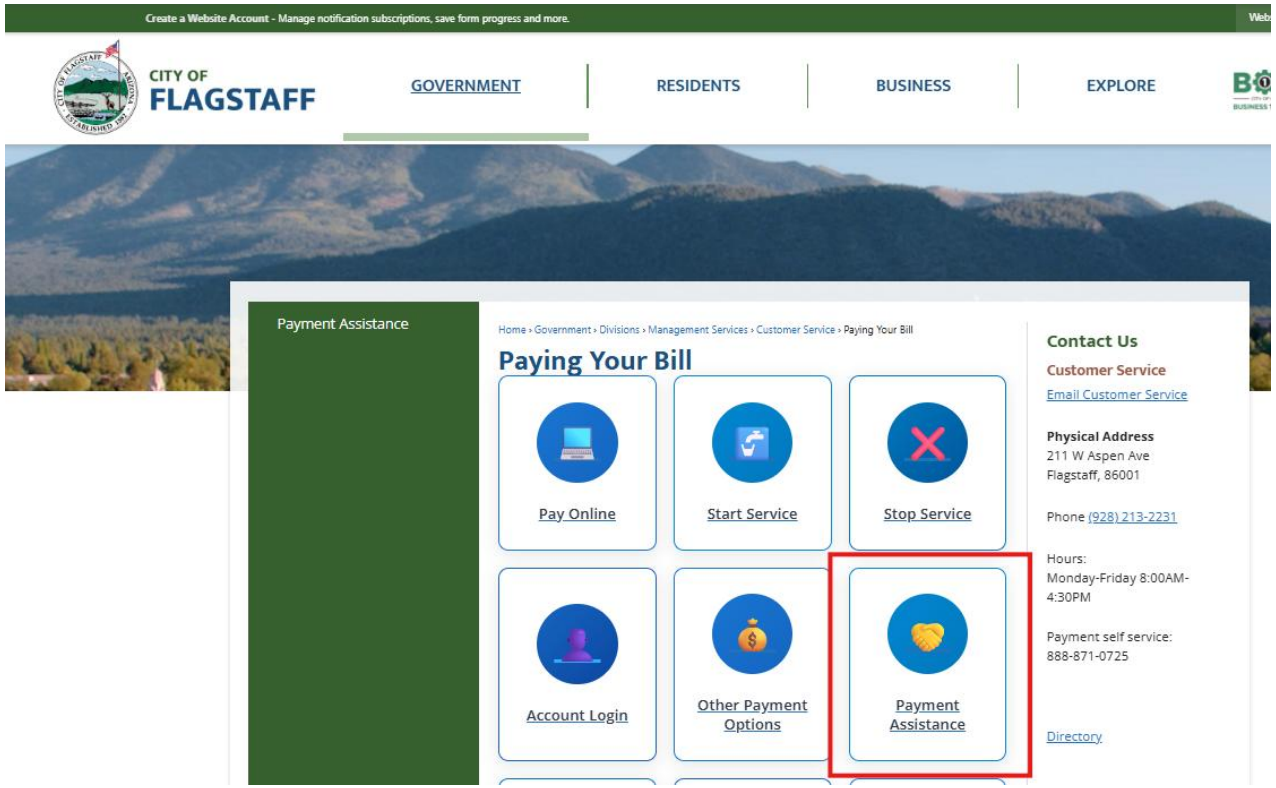
One-Time Donations

- Available through City website payment page
- Anyone can contribute to support neighbors in need
- Contributions pooled and allocated to qualifying customers

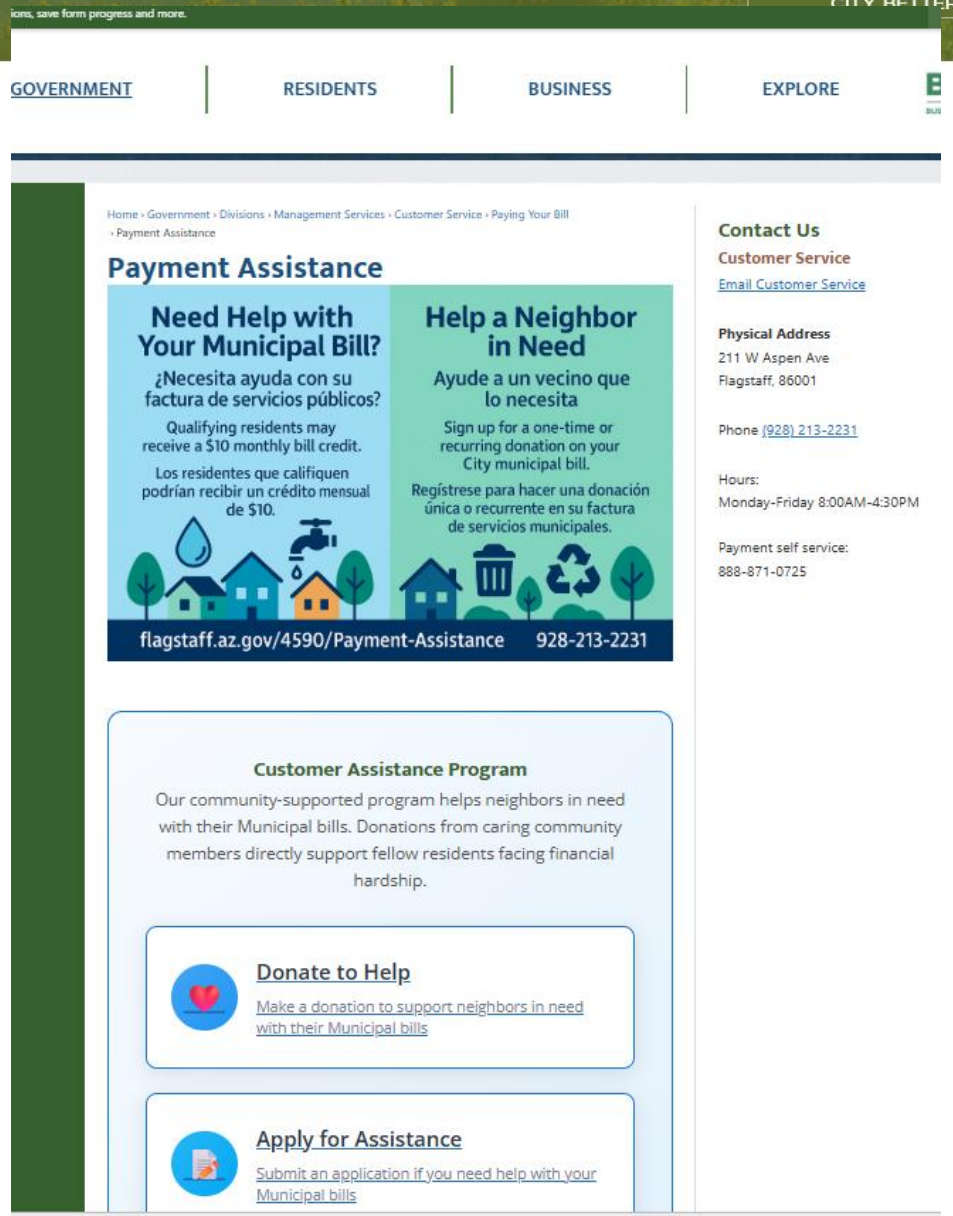
Recurring Donations

- Add to monthly municipal bills
- 70% of customers are on paperless billing
- 60% use autopay
- Contact Customer Service to enroll or discontinue

Website Navigation

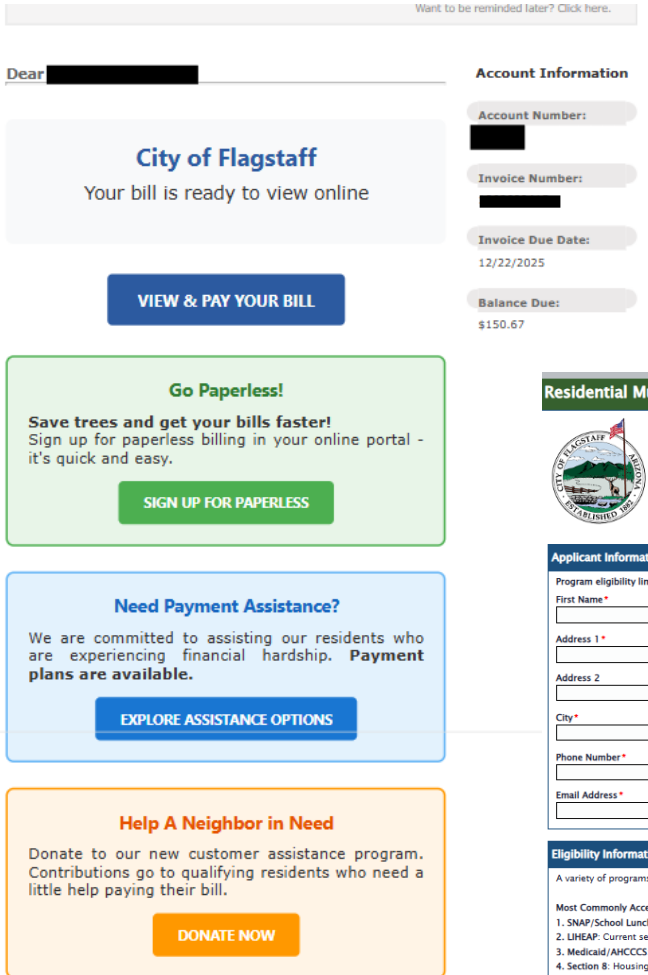


www.flagstaff.az.gov/billpay



Online Tools

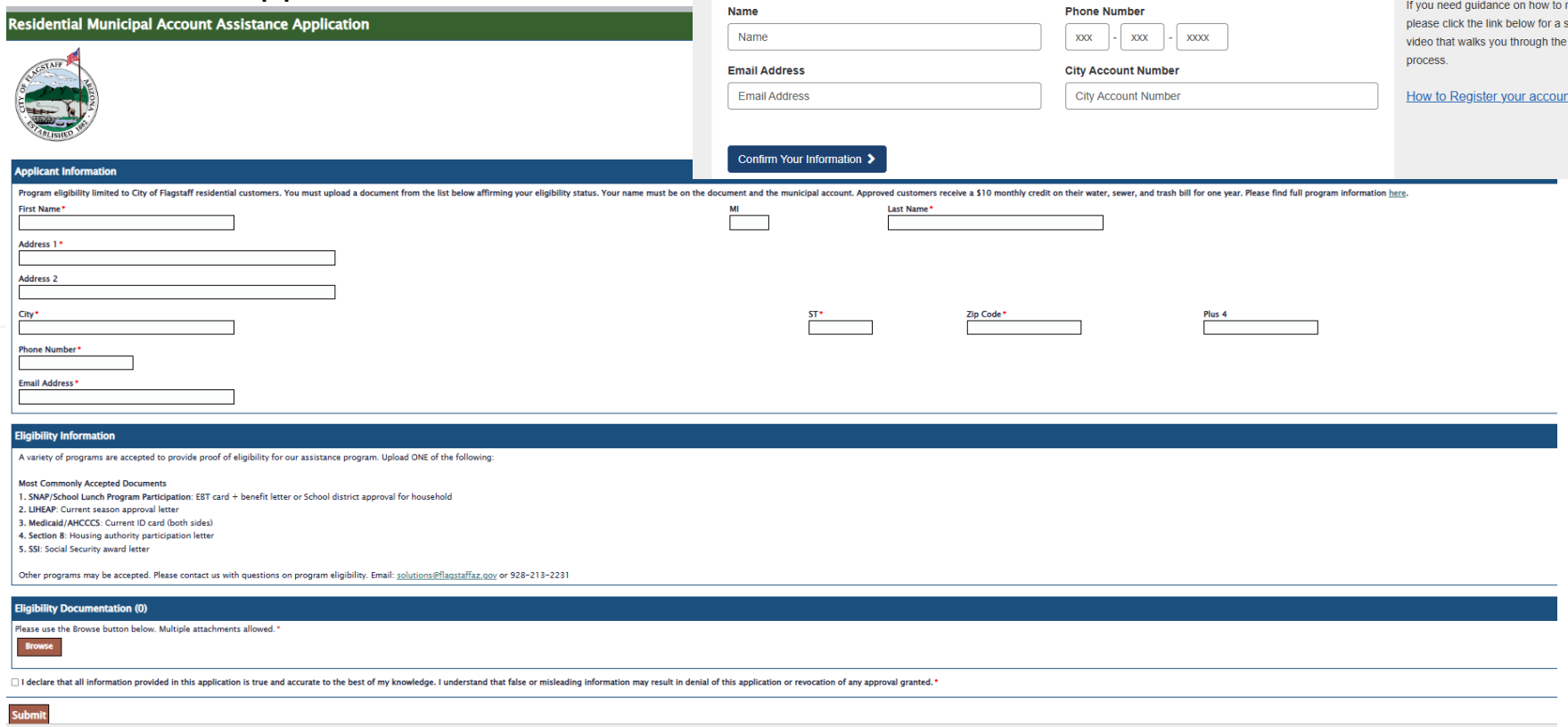
TEAM FLAGSTAFF
WE MAKE THE CITY BETTER

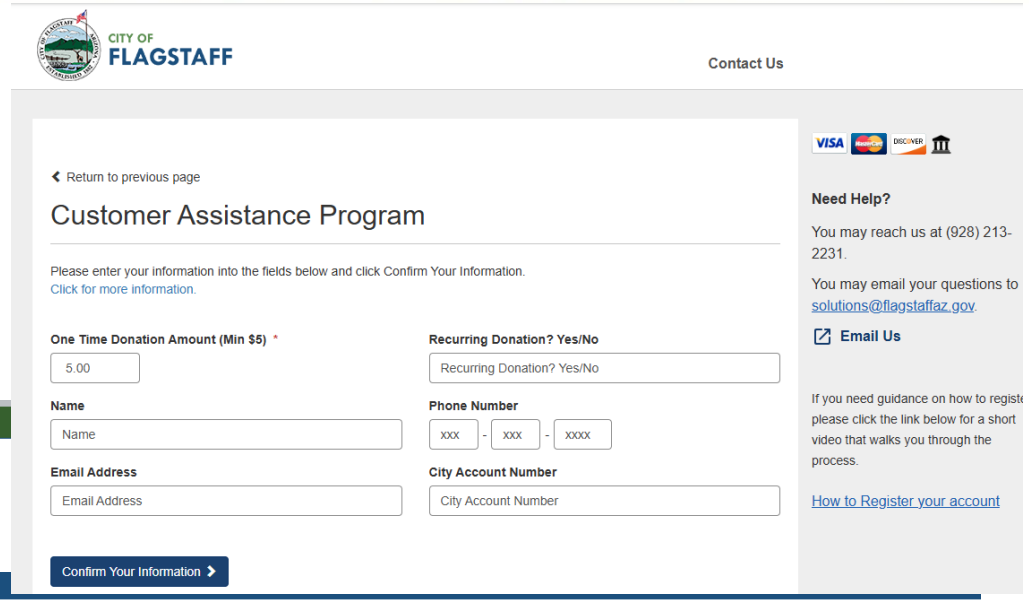


E-bill Notification

Donation Page

Assistance Application





Implementation & Outreach

Program Status

- Soft launch in early November 2025
- Applications processed within one business day
- Creative services design- coming soon!
- Bill inserts to reach full customer base
- Promote both enrollment and donation opportunities
- Spanish and English materials

Sustainability & Next Steps

Financial Model & Monitoring

- Pilot program funded primarily through community donations
- City funding not guaranteed
- Monitor donation revenue vs. program enrollment
- First-come, first-served basis if participation limits needed
- City reserves right to discontinue program based on available resources

Questions?

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Genevieve Pearthree, Senior Sustainability Planner

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE
Energy Code Update Options

STAFF RECOMMENDED ACTION:

City Council direction on updates to the Building Code, focusing on the 2024 International Energy Conservation Code (IECC). Upon receiving Council direction, staff will explore the 2024 IECC through further research and community engagement. Staff will return to Council in mid-2026 for review and possible adoption of all of the 15+ codes in the 2024 Suite of Codes, including the 2024 IECC.

Executive Summary:

The City of Flagstaff is evaluating and preparing to adopt the 2024 suite of model Building and Fire Codes--the 2024 Suite of Codes--published by the International Code Council (ICC), with local amendments. The IECC is the most effective tool to reduce building energy use in new buildings, support long-term affordability through utility cost savings, and improve health outcomes.

City staff will present four energy code options for Council consideration, ranging from the least to most aggressive in meeting Flagstaff's adopted climate goals. The IECC (or energy code) consists of a base code and optional appendices that cities can adopt (often with local amendments) to advance energy efficiency locally. The four energy code options represent different ways to use the IECC: each option includes a distinct combination of IECC amendments and appendices that Flagstaff could adopt. Staff request Council direction on which option to explore as part of the larger Building and Fire Code update process.

1. What energy code option should staff explore?
2. Should staff explore other Energy Code options, beyond those presented here?
3. What "complementary" code options should staff explore, if any?
4. What additional information will be helpful to include when staff return to Council with proposed Energy Code updates in mid-2026?

Information:

1. Background Information on Building Codes

Model codes are published every three years by the International Code Council (ICC)--a group of national and international code experts--with input from builders, building officials, researchers, and others. These codes undergo a stringent three-year development, review, and vetting process. They are written to improve health and safety, and conserve resources in new buildings. Large and small cities nationwide can adopt these base codes and appendices with local amendments to the model code language.

The City of Flagstaff is on a six-year Building and Fire Code update cycle:

- In 2013, the City adopted most of the 2012 Suite of Codes, with local amendments.
- In 2019, the City adopted most of the 2018 Suite of Codes, with local amendments.
- The 2024 Suite of Codes were published in 2024; this includes the 2024 IECC.

Flagstaff's current adopted Building and Fire Codes and local amendments are available here: https://www.flagstaff.az.gov/494/Building-Safety. Staff propose to continue this adoption schedule and are researching the 2024 codes (available here: https://codes.iccsafe.org/codes/i-codes/2024-icodes). This presentation is focused on the **2024 International Energy Conservation Code** (IECC)--one of the 15+ codes in the 2024 Suite of Codes.

Staff will review and vet the proposed codes internally and with the Board of Appeals, City Commissions, design and construction experts, and other interested parties according to the following tentative timeline:

2025

2025:

- **Step 1:** April 8: City Council presentation - Introduction to Building and Fire Codes.
  - Recording available here: https://www.youtube.com/live/LiPRlV9owLM?t=5390s; time stamp is 1:29:50.
- **Step 2:** September 25 -- December: Staff review key changes from 2018 -- 2024 for all codes
- **Step 3: TODAY, December 16, 2025: Energy Code Update Options**

2026:

- **Step 4:** January: Staff draft potential code revisions.
- **Step 5**: January - February: review and vet key code changes and potential local amendments for all codes with the City staff, the Building and Fire Codes Board of Appeals, developers, City Commissions, and the public (including open houses)
- **Step 6:** March: Incorporate feedback into proposed codes + City Attorney's Office full legal review of all proposed codes and local amendments
- **Step 7:** April/May: City Council Work Sessions
- **Step 8:** June/July: City Council -- code adoption

The City of Flagstaff's Building Safety Section is leading the Building Code update effort in partnership with the Fire Department, the Sustainability Division, and other City divisions (Sustainability is assisting due to the critical impacts of the energy code on the City's climate goals).

2. Focus of this Presentation
Staff seek Council direction on advancing energy efficiency standards to meet Flagstaff's carbon neutrality goals. Reducing energy use and greenhouse gas emissions from buildings is essential to achieving carbon neutrality by 2030. The Flagstaff Carbon Neutrality Plan contains several strategies for reducing emissions in the built environment, including for new residential construction to be net-zero energy by 2030 (net-zero homes are extremely energy efficient, and energy use is offset by renewable energy from solar panels).

Staff identified four energy code options for Council consideration. The IECC (or energy code) consists of a base code and optional appendices that cities can adopt (often with local amendments) to advance energy efficiency locally. The four energy code options represent different ways to use the IECC: each option includes a distinct combination of IECC amendments and appendices that Flagstaff could adopt. Option 1 provides no improvement in energy efficiency and makes the least progress towards Flagstaff's carbon neutrality goals; Option 4 provides the greatest improvement in energy efficiency and progress towards carbon neutrality goals.

- **Option 1:** No change. Keep the 2018 IECC and decline to adopt the 2024 IECC *(a 0% improvement in energy efficiency).*
- **Option 2:** Stay the course. Adopt the 2024 IECC base code and minor appendices *(a 15%-29% improvement in energy efficiency).*
- **Option 3:** Progress to net-zero. Adopt the 2024 IECC base code, minor appendices, and the 'stretch' code appendix *(a 24%-34%+ improvement in energy efficiency).*
- **Option 4:** Net-zero-ready. Adopt the 2024 IECC base code, minor appendices, and the net-zero-ready appendix *(31% - 42% improvement in energy efficiency).*

Staff also seek direction on whether staff should explore two "complementary" code options:

1. Allowing new large multifamily residential buildings to opt into the residential energy code.
2. Requirements for radon mitigation and/or testing in new homes.

3. Energy Code Overview
The energy code primarily applies to new construction. The 2024 IECC includes a base code and optional appendices to enhance energy efficiency beyond the base code. Each edition reflects advancements in technology and building science, incorporating cost-effectiveness, lessons learned, and expert consensus from thousands of contributors nationwide.

The IECC includes separate Residential and Commercial standards. The Residential code covers low-rise housing (up to three stories), while the Commercial code applies to all other buildings, including larger multifamily structures. Commercial standards are slightly more stringent, and both codes offer flexible compliance options for builders.

3. Why Adopt a Strong Energy Code?

Staff developed their approach to energy code options based on a core set of principles aimed at improving affordability through long-term utility cost savings, enhancing public health, and reducing energy consumption in new construction across Flagstaff.

1. We are building for the next **75+ years**
Buildings can last over a century, so today's decisions will shape Flagstaff's housing for generations. Durable, adaptable homes, like those in historic neighborhoods, have served diverse residents over time. While new housing may start as high-end, it often becomes middle-income through market filtering. Modern homes must also support emerging technologies, from energy management to climate resilience. Updating building codes is a key opportunity to ensure new construction meets future needs and challenges.

2. Healthier, more efficient buildings can benefit **everyone**
Strong energy codes ensure all new buildings, whether luxury homes, affordable housing, or commercial spaces, are healthy, comfortable, and energy-efficient. These standards benefit everyone, reducing utility costs, supporting climate goals, and promoting equity across all communities, now and for future generations.

3. Utility costs are projected to **increase** over the next 75+ years
Utility prices are projected to increase due to the cancellation of renewable energy projects, extreme weather conditions, supply constraints, and rising demand. Both APS and UniSource--the natural gas provider for Flagstaff--have rate increase cases before the Arizona Corporation Commission, which regulates utilities in Arizona. Although exact future rate increases are unknown, energy-efficient buildings will save residents money over the next 75+ years by partially insulating them from utility price increases.

4. Energy efficiency and lower monthly utility costs can help with **affordability**
Energy codes are a key climate tool, but must align with Flagstaff's urgent housing needs. The Building and Fire Code update presents an opportunity to advance both goals by promoting energy-efficient, climate-resilient buildings that reduce utility costs, enhance health, and support long-term affordability. Higher efficiency at construction can save residents thousands over time, helping them stay in their homes as energy costs rise.

5. Energy efficiency features are a **small percentage** of total housing construction costs
Energy codes account for a small portion of overall construction costs, which are primarily driven by factors such as home size, materials, layout, and finishes. Unlike many design choices, energy efficiency features pay off over time through lower utility bills. According to the National Association of Homebuilders, construction costs make up just 64.4% of a home's final price. The table below shows the components that contribute to the final sales price of a new single-family home (national average). The average sales price in Flagstaff in November 2025 for a new single-family home was $911,037. Many energy upgrades cost less than the 2.8% (of the average Flagstaff sales price) spent on sales commissions.

Figure 1: Results from the most recent National Association of Homebuilders (NAHB) national study of single-family home price and cost breakdowns.

Table 1. SINGLE-FAMILY PRICE AND COST BREAKDOWNS
2024 National Results

	Average Lot Size:	20,907
	Average Finished Area:	2,647
I. Sale Price Breakdown[1]	**Average**	**Share of Price**
A. Finished Lot Cost (including financing cost)	$91,057	13.7%
B. Total Construction Cost	$428,215	64.4%
C. Financing Cost	$10,220	1.5%
D. Overhead and General Expenses	$38,248	5.7%
E. Marketing Cost	$5,633	0.8%
F. Sales Commission	$18,955	2.8%
G. Profit	$72,971	11.0%
Total Sales Price	**$665,298**	**100.0%**

Source: National Association of Home Builders (NAHB) (2025).

6. The Energy Code is linked to **other** development code changes
It is important to consider how potential Energy Code updates are related to, and impact, other development codes. Updates to other Building and Fire codes may also impact housing construction costs (the Energy Code is one of only 15 codes in the 2024 Suite of Codes). For example, a stronger Energy Code may reduce the need to incentivize or require additional energy

2024 Suite of Codes). For example, a stronger Energy Code may reduce the need to incentivize or require additional energy efficiency standards in the Zoning Code, for example.

It is also important to consider how development codes impact costs holistically. Recent Zoning Code changes, including for Middle Housing, Resource Protection standards, Accessory Dwelling units, the Zoning Map Amendment Process, the Subdivision Review Process, and others, are intended to streamline standards and processes, thereby reducing barriers to building housing in Flagstaff.

Potential future development changes, especially those resulting from the Code Analysis Project (LASS+CAP), could continue to reduce barriers to housing development, including reducing costs. For example, reducing parking can save $3,000 to $35,000+ per space, while increasing density and/or decreasing unit sizes can lower the cost per unit. Reducing off-site transportation improvements could save tens to hundreds of thousands of dollars, depending on the scope of the improvement (the final CAP report will be delivered in 2026 and will provide code and policy recommendations and estimated cost impacts). In this context, additional construction costs from the Energy Code would be more than offset by cost savings associated with other code changes, in addition to long-term utility cost savings from energy efficiency improvements.

7. The Energy Code supports **resilience** to extreme weather and grid outages
Energy-efficient, well-insulated, air-tight buildings protect residents from wildfire smoke, extreme heat, and cold. When the power goes out, they also stay livable for longer than poorly insulated buildings. A Rocky Mountain Institute study found that **homes built with higher energy codes retained heat significantly longer during a simulated cold snap, with the highest-efficiency homes lasting six days** before dropping below 40ÃF. In contrast, a typical 1950s home took only 8 hours to drop below 40ÃF (report available here: https://rmi.org/wp-content/uploads/2020/02/Hours-of-Safety-insight-brief.pdf).

8. Flagstaff has a unique climate in Arizona, and we can learn from **other peer cities**
Flagstaff is in Climate Zone 5B (Cool, Dry). In contrast, Phoenix and Tucson are in Climate Zone 2B (Hot, Dry), and Prescott is in Climate Zone 4B (Mixed, Dry). The Pacific Northwest National Laboratory found the 2024 Residential IECC improves energy efficiency over the 2018 IECC in each of these climate zones (2B: 17.1% , 4B: 16.7%, 5B: 15.2%). Differences are due to the variation in building energy use across the climate zones. Flagstaff can learn from other cities and towns in Climate Zone 5B across the Mountain West that are national leaders in advancing energy efficiency, including Denver and Boulder.

9. The Energy Code is one of the most **effective ways** to accelerate climate action
In 2023, 55% of Flagstaff's greenhouse gas emissions came from building energy. Residential buildings accounted for almost 39% of these emissions. Flagstaff needs to drastically reduce energy use and emissions from buildings to achieve carbon neutrality by 2030. The recent *Analysis of the Costs, Benefits, and Barriers to Building Highly Energy-Efficient and All-Electric Residential Homes in Flagstaff, Arizona* (presented to City Council on December 9, 2025) found that improving energy efficiency by approximately 24% over Flagstaff's current code resulted in an 18-58% reduction in greenhouse gas emissions.

Specifically, the adopted CNP calls for new homes to be net-zero energy by 2030, which would reduce greenhouse gas emissions from buildings by 100% over Flagstaff's current code. Net-zero homes deliver extremely low utility bills, greater comfort, and zero operational emissions. Adopting strong energy codes now is a critical step toward reducing energy use and emissions from new construction.

10. Local amendments will help fit the code to our local needs
Municipalities often choose to adopt model codes, including the Energy Code (base code and appendices), with local amendments to make the code better fit the local context. Local amendments can include additions, deletions, and modifications (the City adopted the 2018 IECC with local amendments). Once staff receive Council direction, staff will work with the Building and Fire Code Board of Appeals, builders, and the Flagstaff community to identify appropriate amendments and bring them back to Council in mid-2026. It is likely that the final package of Energy Code updates brought back to Council will look slightly different than the options presented here.

5. Overview of Energy Code Options

To develop the energy code options, City staff looked to Arizona cities and energy code leaders across the country, especially in Colorado, where many cities have a similar climate to Flagstaff. Staff organized the 2024 IECC amendments and appendices into four options. Option 1 makes no improvement in energy efficiency; Option 4 makes the greatest improvement and progress toward Flagstaff's climate goals. Detailed information about the 2024 IECC and appendices is provided as an attachment.

Table 1: Residential Energy Code Options

Option 1: No change 0% improvement in energy efficiency	**Option 2: Stay the course** 15% improvement in energy efficiency	**Option 3: Progress to net-zero** 24% improvement in energy efficiency	**Option 4: Net-zero-ready** 31+% improvement in energy efficiency
	2024 IECC with	2024 IECC with	2024 IECC with

Keep Flagstaff's current energy code (decline to adopt the 2024 IECC)	local amendments: • 95% efficient gas furnace • Cold climate heat pump • Large multifamily can opt into the Residential IECC	local amendments: • 95% efficient gas furnace • Cold climate heat pump • Large multifamily can opt into the Residential IECC	local amendments: • 95% efficient gas furnace • Cold climate heat pump • Large multifamily can opt into the Residential IECC
	Appendix RE Electric Vehicle Charging Infrastructure	Appendix RE Electric Vehicle Charging Infrastructure	Appendix RE Electric Vehicle Charging Infrastructure
	Appendix RK Electric-Ready Residential Building Provisions	Appendix RK Electric-Ready Residential Building Provisions	Appendix RK Electric-Ready Residential Building Provisions
	Appendix RB Solar-Ready Provisions--Detached One- and Two-Family Dwellings and Townhouses	Appendix RL Renewable Energy Infrastructure	Appendix RL Renewable Energy Infrastructure
		Appendix RG 2024 IECC Stretch Code	Appendix RC Zero Net Energy Residential Building Provisions

Table 2: Commercial IECC Energy Code Options

Option 1: No change 0% improvement	**Option 2: Stay the course** 29% improvement	**Option 3: Progress to net-zero** 34%+ improvement	**Option 4: Net-zero-ready** 42% improvement
Keep Flagstaff's current energy code (decline to adopt the 2024 IECC)	2024 IECC with local amendments: • 95% efficient gas furnace • Cold climate heat pump • Large multifamily can opt into the Residential IECC	2024 IECC with local amendments: • 95% efficient gas furnace • Cold climate heat pump • Large multifamily can opt into the Residential IECC	2024 IECC with local amendments: • 95% efficient gas furnace • Cold climate heat pump • Large multifamily can opt into the Residential IECC
	Appendix CB Solar-Ready Zone--Commercial	Appendix CB Solar-Ready Zone--Commercial	Appendix CB Solar-Ready Zone--Commercial
	Appendix CG Electric Vehicle Charging Infrastructure	Appendix CG Electric Vehicle Charging Infrastructure	Appendix CG Electric Vehicle Charging Infrastructure
	Appendix CH Electric-Ready Commercial Building Provisions	Appendix CH Electric-Ready Commercial Building Provisions	Appendix CH Electric-Ready Commercial Building Provisions
		Appendix CI Demand Responsive Controls	Appendix CI Demand Responsive Controls
		Appendix CE	Appendix CD the

		Appendix CE Required HVAC Total System Performance	Appendix CE the 2030 Glide Path
		Appendix CF Energy Credits	

Option 1: No change from current code (0% improvement in energy efficiency)
Option 1 keeps Flagstaff's current energy code (the 2018 IECC) and keeps new construction at the current required level of energy efficiency. It veers from Flagstaff's past Building and Fire Code updates by declining to adopt the most current energy code. It holds Flagstaff back from meeting carbon neutrality goals for new construction by 2030 and will require a massive improvement in energy efficiency to get to net-zero in the next Building and Fire Code update.

Option 2: Maintain Flagstaff's current course (15% - 29% improvement in energy efficiency)
Option 2 adopts the base 2024 IECC with minor appendices. It is a similar approach to the City's recent energy code update. Option 2 reduces energy use while adding new standards for electric-ready construction. It is better than Option 1 for energy efficiency, but it still holds Flagstaff back from meeting its carbon neutrality goals for new construction by 2030. It will require a dramatic increase in energy efficiency to get to net-zero in the next Building and Fire Code update.

Option 3: Intermediate step to net-zero (24% - 34% improvement in energy efficiency)
Option 3 builds on Option 2 and is an intermediate step to net-zero construction. It takes a more aggressive approach to energy efficiency. Option 3 builds on Option 2 by including stronger standards for solar-readiness and energy efficiency. Option 3 is better than Options 1 and 2 for energy efficiency, and it moves Flagstaff closer to meeting its carbon neutrality goals for new construction by 2030. It will require an increase in energy efficiency to get to net-zero in the next Building and Fire Code update.

Option 4: Net-zero-ready construction (31% - 42% improvement in energy efficiency)
Option 4 gets to net-zero-ready new construction. It builds on Option 3 by including stronger energy efficiency standards. Net-zero-ready buildings can easily become net-zero with the future addition of solar panels to offset their annual energy use. Net-zero-ready homes include energy efficiency improvements to the building envelope that are easy to install during construction, but extremely difficult to retrofit. Option 4 is better than Options 1-3 for energy efficiency, and it gets Flagstaff on track to meet its carbon neutrality goals for new construction by 2030. The next Building and Fire Code update will need to require new construction to install solar panels to offset annual energy use to get to net-zero.

Beyond Option 4: Net-zero construction (100% improvement in energy efficiency)
To meet the Carbon Neutrality Plan goal for net-zero construction, Council can require net-zero construction now (five years ahead of the 2030 goal) or choose to require net-zero construction in the next building code update.

Cost Implications of Energy Code Options
Estimates of the impacts of the Energy Code options on construction costs and utility cost savings are provided in the presentation and other attachments. Costs and savings are provided as a range (when multiple data points are available). Values should be taken as a ballpark estimate, given the potential for large variations in construction costs and utility savings based on building type, available electricity rate plans, heating and cooling system types, actual future utility cost increases, building occupant behavior, and other external factors.

Estimates are based on multiple local and national data sources. Local Flagstaff data is primarily from the recent *Analysis of the Costs, Benefits, and Barriers to Building Highly Energy-Efficient and All-Electric Residential Homes in Flagstaff, Arizona* (presented to Council on December 9, 2025). National data sources include: the National Association of Homebuilders (NAHB), the Rocky Mountain Institute (RMI), and the Department of Energy (DOE), including the Pacific Northwest National Laboratory (PNNL) and the Energy Information Administration (EIA).

Attachments: Additional Information on the 2024 IECC and Appendices - FINAL
Presentation
Potential Cost Impacts of Energy Code Updates

Additional Information on the 2024 IECC and Appendices

1. 2024 IECC Compliance Options

The 2024 Residential and Commercial IECC provide multiple ways that builders can meet code requirements, thereby increasing flexibility and allowing builders to pick what works best for them:

1. Prescriptive Compliance Path – Sets specific standards that builders need to meet.
2. Simulated Building Performance Path – Uses energy modeling to compare estimated energy costs of the proposed home with energy costs of a reference home.
3. Energy Rating Index Path (Residential Only) – Uses energy modeling to calculate an energy rating index (ERI). The ERI must be less than the maximum allowed for that climate zone.

2. 2024 IECC Adoption in Other Cities and States

Among Arizona cities, Phoenix and Chandler have already adopted the 2024 Residential and Commercial IECC base code with local amendments. Mesa, Avondale, Tempe, Tucson, and others are considering adopting the 2024 IECC. These cities were (or still are) on the 2018 IECC. The City of Scottsdale is on a staggered 6-year code update cycle (they are on the 2021 IECC).

Nationally, the state of Rhode Island and the City of Austin, Texas have adopted the 2024 IECC. Several other states and cities are considering adopting the 2024 IECC, including Nevada, Illinois, California, Colorado, New York, Oregon, and Washington.

The IECC was fully released in mid-late 2024 and the code adoption cycle typically takes 1-3 years to give municipalities time to review, vet, and propose local amendments to model codes. Many municipalities, like Flagstaff, are still reviewing the 2024 IECC. It is likely that the list of municipalities that adopt the 2024 IECC will grow as they complete their code update process.

3. Key IECC Changes from 2018 – 2024

The Pacific Northwest National Laboratory found the 2024 IECC base code improves energy efficiency, lowers utility costs, and reduces greenhouse gas (GHG) emissions over the 2018 IECC base code in Flagstaff's Climate Zone (Zone 5).

Table 1: Pacific Northwest National Laboratory (PNNL) findings on the 2024 IECC vs. the 2018 IECC

2024 Residential IECC	2024 Commercial IECC*
• 15% improvement in energy efficiency • 13% reduction in energy costs • 12% reduction in greenhouse gas (GHG) emissions	• 29% improvement in energy efficiency • 28% reduction in energy costs • 29% reduction in GHG emissions

\Commercial.code.assumptions.are.preliminary.because.PNNL.has.not.released.their.final.determination¡

Potential cost implications: High energy efficiency standards add to construction costs, but can lower utility bills for residents throughout the 75+ year lifetime of the building, leading to long-term savings that more than offset additional costs.

2024 Residential IECC

The 2024 Residential IECC is available here: Chapter Re 1 Scope And Administration - International Energy Conservation Code (IECC). It impacts the design of individual building systems (and the building as a whole) that could affect energy use, including:

- Wall, roof, and floor insulation
- Windows and skylights
- Space cooling and heating equipment (air conditioners, furnaces, heat pumps)
- Air distribution systems
- Air sealing and ventilation
- Water heaters
- Electrical power and lighting systems
- Appliance efficiency

The 2024 Residencial IECC improves energy efficiency over the 2018 IECC through:

1. Inspections for air barriers and insulation
2. Higher efficiency windows
3. Higher efficiency skylights
4. Higher insulation values for wood frame walls
5. Additional options for floor insulation
6. Increased depth for slab edge insulation
7. Expanded ductwork design requirements to size HVAC equipment
8. Required testing of 100% of ductwork (provides for flexibility to meet standards, especially for large and smaller homes)
9. Increased insulation for hot water pipes
10. Controller added to bathroom exhaust fans (such as a timer or sensor)
11. Limits the amount of electric resistance heating to 2 kW unless a heat pump is installed
12. Increased controls for ice melt systems to prevent use when not necessary
13. Gas fireplace systems cannot be equipped with a continuous pilot light
14. Minimum efficiency for vented gas fireplace heaters
15. Minimum efficiency standards for permanent lighting
16. Automatic lighting shutoff requirements
17. Homes that choose the Prescriptive Compliance Path must earn additional energy efficiency credits (they can choose from over 50 options)

The National Association of Homebuilders provides a detailed analysis on key code changes from the 2018 to the 2024 Residential IECC: Microsoft Word - 2024 IECC Major Changes for Tool Kit V6 Draft.

2024 Commercial IECC

The 2024 Commercial IECC is available here: CHAPTER CE 1 SCOPE AND ADMINISTRATION - 2024 INTERNATIONAL ENERGY CONSERVATION CODE (IECC). It impacts the design of individual building systems (and the building as a whole) that could affect energy use, including:

- Wall, roof, and floor insulation
- Windows and skylights
- Cooling equipment (air conditioners, chillers, and cooling towers)
- Heating equipment (boilers, furnaces, and heat pumps)
- Pumps, piping, and liquid circulation systems
- Heat rejection equipment (fan cooling towers, air-cooled condensers)
- Service water heating (kitchens, lavatories, and pools)
- Electrical power and lighting systems (lighting types, densities, zones, and controls)
- Energy-using equipment (walk-in coolers and freezers, electric transformers and motors, elevators and escalators)

The 2024 Commercial IECC improves energy efficiency over the 2018 IECC through:

1. Requirements for additional information on construction documents:
    a. Identifying the energy code compliance path
    b. Documentation confirming air sealing
    c. Location of pathways for routing raceways or cables from on-site renewable energy systems to electrical distribution equipment
    d. Location and layout of designated areas for an energy storage system (ESS) and specify the rated energy and power capacity of an installed or planned ESS.
2. A thermal envelope certificate to be completed by an approved party and posted in an approved location (includes insulation values for ceilings, roofs, walls, foundations, and slabs, U-factors, solar heat gain coefficients for windows, and air leakage test results
3. Additional insulation for metal-frame buildings
4. Alternatives for energy code compliance for balancing aesthetics and performance while maintaining key energy efficiency measures
5. Clarity in roof and ceiling insulation for projects that use the Prescriptive Compliance path
6. Requirements specifying where perimeter insulation must be installed for slab-on-grade and heated slab floors
7. Higher efficiency windows
8. Additional required items for air barrier design and documentation
9. Specific air sealing requirements for electrical and communication boxes
10. Mandatory whole-building air leakage testing for commercial buildings, raising the standard for envelope airtightness and accountability
11. Buildings that choose the Prescriptive Compliance Path must earn additional energy efficiency credits (they can choose from 40 options).
12. Solar and renewable energy requirements

3. Amendments and Appendices in Energy Code Update Options

*IMPORTANT NOTE: It is likely that the Flagstaff Community, Building and Fire Codes Board of Appeals, City Commissions, design and construction professionals, and City staff will generate additional local amendments to the 2024 IECC base code and appendices as part of the larger code vetting and review process starting in early 2026. These amendments, along with any amendments and appendices that Council direct staff to explore, will be brought for consideration during Council work sessions in mid-2026. As such, the options presented below should be viewed as a starting point for conversations about how far to advance energy efficiency with the next Building and Fire Code update. It is likely that the final package of code updates brought to Council for consideration and adoption in mid-2026 will look different than the options presented here.

Local Amendments to the 2024 Residential and Commercial IECC base code

Energy Code options 2-4 include two local amendments to the 2024 Residential and Commercial IECC that Flagstaff could adopt.

1. **Gas furnaces installed in new construction must be at least 95% efficient.**
    a. **Overview:** This amendment would not require the installation of gas furnaces. Instead, if a builder chooses to install a gas furnace in a new building, it must meet minimum efficiency standards. A 95% efficient furnace means at least 95% of the natural gas fuel is converted into usable heat.
    b. **Comparison to Flagstaff's current code:** Gas furnaces can be installed under current code. This amendment would increase minimum efficiency standards from 90% to 95% for gas furnaces installed in new construction (Flagstaff adopted a local amendment in 2018 requiring 90% efficient furnaces at minimum).
    c. **Potential cost impacts:** Several Flagstaff builders already install high efficiency furnaces, including over 97%, so this amendment may not increase construction costs over current practice. Higher efficiency furnaces are more costly than lower efficiency furnaces (exact costs are unknown but may be **under $1,000**). Costs are included in the 2024 IECC base code cost estimate for mixed-fuel homes. Installing a high efficiency furnace during construction can save residents thousands in costly and difficult future retrofits and may lower utility costs for residents by reducing energy use.
2. **Air source heat pumps installed in new construction must be rated to operate efficiently in a cold climate (for example, as low as -22°).**
    a. **Overview:** This amendment would not require the installation of heat pumps. Instead, if a builder chooses to install an air source heat pump in a new building, it must meet minimum efficiency standards. Air source heat pumps provide heating and cooling by moving heat from one place to another (basically, they are an air conditioner that can also operate in reverse: they bring warm air into the home when it is cold outside, and take warm air out of the home when it is hot outside). Minimum efficiency standards will prevent the installation of heat pumps in new construction that are inappropriate for Flagstaff's climate. Non-cold climate heat pumps do not operate efficiently at cold temperatures and may be unable to meet Flagstaff's heating needs.

b. **Comparison to Flagstaff's current code:** Typical air source and cold climate air source heat pumps can be installed under current code. This amendment would add new efficiency standards for air source heat pumps.

c. **Potential cost impacts:** Cold climate heat pumps are more costly than non-cold climate heat pumps due to their improved efficiency at cold temperatures. The cost difference between an air source heat pump and a cold-climate air source heat pump can be **several thousand dollars**, depending on the heat pump size and model, and whether it is ducted or ductless. Costs are included in the 2024 IECC base code cost estimate for all-electric homes. This amendment may lower utility costs for residents by reducing energy use.

Residential Appendices

Options 2-4 include six appendices to the Residential IECC that Flagstaff could adopt. The Residential IECC contains 12 optional appendices to provide municipalities the opportunity to advance energy efficiency locally beyond the base code. In comparison, the 2018 IECC only had one appendix—for solar-ready requirements). Staff selected the six appendices below because they are likely to have the greatest benefits for residents and the largest greenhouse gas emissions reductions compared to upfront costs.

Appendices in Options 2, 3, and 4:

1. **Appendix RB Solar-Ready Provisions–Detached One- and Two-Family Dwellings and Townhouses.**

    - **Overview:** This appendix continues Flagstaff's current solar-ready requirements by ensuring it is feasible to add solar panels to a building in the future. This appendix is available at: Appendix Rb Solar Ready Provisions Detached One And Two Family Dwellings And Townhouses - International Energy Conservation Code (IECC).

    - **Comparison to Flagstaff's current code:** Flagstaff adopted the residential solar-ready appendix with local amendments in 2018.

    - **Other cities that adopted this appendix or related standards:** Phoenix adopted this appendix in 2024. Tucson has required solar-ready construction since 2008. Colorado and Massachusetts require cities to include solar-ready provisions. Austin, Boston, New Castle, DE, New York City, and Seattle are also among the cities that require solar-ready construction.

    - **Potential cost implications:** The NAHB estimates that this appendix costs approximately $100. However, it would not add to current construction costs because Flagstaff already has a solar-ready appendix. This appendix helps residents avoid costly future electrical panel upgrades, which can cost thousands of dollars, and ensures residents don't have to spend thousands to move roof obstructions to create a solar-ready zone.

    - **Included in Energy Code Update Options:** 2, 3, and 4.

2. **Appendix RE Electric Vehicle Charging Infrastructure**

    - **Overview:** This appendix supports electric vehicle (EV) charging through minimum standards for EV electrical infrastructure in garages and parking lots for single-family

homes, duplexes, townhomes, and smaller multifamily residential developments. Appendix RE requires new residential garages to provide one EV-capable space, EV-ready space, or full EV space. New residential parking lots (for residential buildings 3 stories or less) are required to provide one EV-capable space, EV-ready space, or full EV space for 40 percent of the dwelling units or automobile parking spaces, whichever is less.



This appendix is available at: Appendix Re Electric Vehicle Charging Infrastructure - International Energy Conservation Code (IECC).

- **Comparison to Flagstaff's current code:** This appendix did not exist in the 2018 IECC, so Flagstaff adopted local amendments to the 2018 International Residential Code (IRC) and the International Building Code (IBC) to require minimum standards for EV charging infrastructure. Flagstaff's current code requires:

    i. An EV-ready space in residential garages (a 240-volt outlet). To charge an EV, the resident would need to separately purchase an EV charger. Residents can also use the 240-volt outlet for other high-electricity appliances (such as a clothes dryer, welding machine, and an air compressor).

    Appendix RE requires one EV-capable, EV-ready, or full EV space in new residential garages. If Council directs staff to move forward with Appendix RE, Sustainability staff recommend adding a local amendment to make EV-ready spaces in residential garages the minimum standard (to match Flagstaff's current code).

    ii. Flagstaff's code requires up to three EV-capable spaces in parking lots associated with new development for buildings subject to the International Building Code. The number of EV parking spaces required in this appendix is higher than Flagstaff's current code. These spaces cannot be used for EV charging without adding an EV charger.

- **Other cities that adopted this appendix or related standards:** The Colorado Model Electric Ready and Solar Ready Code requires cities statewide to include EV-ready provisions when they update their energy codes. Phoenix adopted this appendix as part of the 2024 IECC. Cities across the U.S., including Denver, San Francisco, Portland, New York City, Charlotte, Columbus, Orlando, Chicago, and others, have adopted minimum standards to support EV charging in new construction.

- **Potential cost implications:** The NAHB estimates that an EV-ready space (240-volt outlet) in a residential garage costs approximately **$650**.

    i. This appendix would not add to current construction costs for residential garages because Flagstaff's code already requires an EV-ready space. It would increase costs for residential parking lots because the required number of EV spaces is higher than Flagstaff's current code.

ii. It is easiest to install EV electrical infrastructure during construction and can save residents thousands of dollars on costly future retrofits. Owning an EV can provide residents with long-term cost savings, as it offers lower fuel and maintenance costs compared to gasoline-powered vehicles.

- **Included in Energy Code Update Options:** 2, 3, and 4.

3. **Appendix RK Electric-Ready Residential Building Provisions**

- **Overview:** This appendix ensures electric wiring and outlets are in place for mixed-fuel (natural gas/electric) homes to easily switch to electric appliances in the future (stove, water heater, and clothes dryer). It supports residents who want to improve indoor air quality and reduce greenhouse gas emissions by switching to electric appliances in the future.
- **Comparison to Flagstaff's current code:** This appendix adds new requirements for electric-ready construction compared to Flagstaff's current code. This appendix did not exist in the 2018 IECC.
- **Other cities that have adopted this appendix or related standards:** Cities and states across the country have adopted codes to require or encourage all-electric appliances in new buildings.
- **Potential cost implications:** NAHB estimates this appendix adds approximately **$1,050** to the construction costs of mixed-fuel homes. It adds **$0** to all-electric homes. It is much easier and less costly to install this infrastructure during construction. It helps residents avoid costly future electrical upgrades, which can cost thousands of dollars per appliance.
- **Included in Energy Code Update Options:** 2, 3, and 4.

Appendices in Options 3 and 4 only:

2. **Appendix RL Renewable Energy Infrastructure**

- **Overview:** This appendix applies solar-ready requirements to a greater variety of residential building types and has more requirements for solar-ready electrical infrastructure than Appendix RB. It makes it easier for residents to install solar panels in the future. It is available at: Appendix Rl Renewable Energy Infrastructure - International Energy Conservation Code (IECC).
- **Comparison to Flagstaff's current code:** This appendix would expand Flagstaff's current solar-ready requirements by extending requirements to a larger variety of residential building types, and including additional standards for electrical wiring for detached single-family homes, townhomes, and duplexes.
- **Other cities that have adopted this appendix or related standards:** Colorado and Massachusetts require cities to include solar-ready provisions. Austin, Boston, New Castle, DE, New York City, and Seattle are also among the cities that require solar-ready construction.
- **Potential cost implications:** The NAHB estimates that this appendix costs approximately **$700**. This appendix helps residents avoid costly future electrical panel upgrades, which

can cost thousands of dollars, and ensures residents don't have to spend thousands to move roof obstructions to create a solar-ready zone. It also avoids some of the costs of electrical infrastructure for solar panels.

- **Included in Energy Code Update Options:** 3 and 4 only.

3. **Appendix RG 2024 IECC Stretch Code**

    - **Overview:** This appendix provides improves energy efficiency by an estimated 24% improvement over Flagstaff's current code. This appendix is available at: Appendix Rg 2024 Iecc Stretch Code - International Energy Conservation Code (IECC).

    - **Comparison to Flagstaff's current code:** This appendix adds new minimum energy efficiency standards compared to Flagstaff's current code. This appendix did not exist in the 2018 IECC.

    - **Other cities that have adopted this appendix or related standards:** Nine states (California, Colorado, Illinois, Maine, Massachusetts, New York, Oregon, Rhode Island, and Vermont) have adopted statewide "stretch" codes intended to advance energy efficiency beyond the base IECC.

    - **Potential cost implications:** High energy efficiency standards add to construction costs, but can lower utility bills for residents throughout the 75+ year lifetime of the building, leading to long-term savings that more than offset additional costs.

    - **Included in Energy Code Update Options:** 3 only.

4. **Appendix RC Zero Net Energy Residential Building Provisions**

    - **Overview:** This appendix provides improves energy efficiency by an estimated 31% improvement over Flagstaff's current code. These homes are so energy-efficient that they can easily become net-zero (a 100% improvement in energy efficiency) with the future addition of solar panels to offset their annual energy use. This appendix is available at: Appendix Rc Zero Net Energy Residential Building Provisions - International Energy Conservation Code (IECC).

    - **Comparison to Flagstaff's current code:** This appendix adds new minimum energy efficiency standards compared to Flagstaff's current code. It did not exist in the 2018 IECC.

    - **Other cities that adopted this appendix or related standards:** Nine states (California, Colorado, Illinois, Maine, Massachusetts, New York, Oregon, Rhode Island, and Vermont) have adopted statewide "stretch" codes intended to advance energy efficiency beyond the base IECC.

    - **Potential cost implications:** High energy efficiency standards add to construction costs, but can lower utility bills for residents throughout the 75+ year lifetime of the building, leading to long-term savings that more than offset additional costs.

    - **Included in Energy Code Update Options:** 4 only.

2024 IECC Commercial Appendices

The 2024 Commercial IECC consists of 10 appendices that cities can choose to adopt to enhance energy efficiency beyond the base code (in comparison, the 2018 IECC only had one appendix for solar-ready requirements). Staff identified seven appendices that are likely to have the greatest benefits for building tenants and owners, and have the largest greenhouse gas emissions reductions compared to costs.

Cost estimates are not provided for the 2024 IECC Commercial appendices because cost data is not available (estimating typical commercial cost data is not feasible because there are many different commercial building types, and costs vary greatly). However, commercial buildings are more likely to be constructed and occupied by the same person or company, which allows the building owner to benefit directly from upfront investments in energy efficiency. Commercial buildings are also designed to stronger building construction standards and protection systems, and can last longer than residential buildings, providing for even greater utility costs savings over the long-term. Finally, out-of-state commercial building developers work under building codes across the country, including codes that are stronger than Flagstaff's, and may already be familiar with these Energy Code provisions.

\IMPORTANT.NOTE¿These.appendices.can.be.adopted.with.local.amendments.(additions?deletions?and.modifications)¡

Appendices in Options 2, 3, and 4:

1. **Appendix CB Solar-Ready Zone—Commercial**
    - **Overview:** This appendix continues Flagstaff's current solar-ready requirements by ensuring it is feasible to add solar panels to a building in the future. This appendix is available at: Appendix Cb Solar Ready Zone Commercial - International Energy Conservation Code (IECC).
    - **Comparison to Flagstaff's current code:** Flagstaff adopted the commercial solar-ready appendix with local amendments in 2018.
    - **Other cities that adopted this appendix or related standards:** Colorado and Massachusetts require cities statewide to include solar-ready provisions when they update their energy codes. Austin, Boston, New Castle, DE, New York City, and Seattle are also among the cities that require solar-ready construction.
    - **Potential cost implications:** This appendix would not add to construction costs because Flagstaff already has a solar-ready appendix. This appendix helps building owners avoid costly future electrical panel upgrades, which can cost thousands of dollars, and ensures they don't have to spend thousands to move roof obstructions to create a solar-ready zone.
    - **Included in Energy Code Update Options:** 2, 3, and 4.
2. **Appendix CG Electric Vehicle Charging Infrastructure**
    - **Overview:** This appendix supports electric vehicle (EV) charging in new parking lots by requiring a minimum number of EV-capable, EV-ready, and EV-installed spaces; requirements vary based on building type. It is available at: Appendix Cg Electric Vehicle Charging Infrastructure - International Energy Conservation Code (IECC).
    - **Comparison to Flagstaff's current code:** Flagstaff's code requires up to three EV-capable spaces in parking lots associated with new development for buildings subject to the

International Building Code. The number of EV parking spaces required in this appendix is higher than Flagstaff's current code.

- **Other cities that have adopted this appendix or related standards:** The Colorado Model Electric Ready and Solar Ready Code requires cities statewide to include EV-ready provisions when they update their energy codes. Cities across the U.S., including Denver, San Francisco, Portland, New York City, Charlotte, Columbus, Orlando, Chicago, and others, have adopted minimum standards to support EV charging in new construction.
- **Included in Energy Code Update Options:** 2, 3, and 4.
- **Potential cost implications:** This appendix will likely add to construction costs. However, it helps avoid costly future electrical upgrades, which can cost thousands per parking space.

3. **Appendix CH Electric-Ready Commercial Building Provisions**
    - **Overview:** This appendix ensures electric wiring is installed in mixed-fuel buildings (natural gas/electric) so tenants can easily switch to electric appliances in the future (for space heating, hydronic heating, water heating, cooking, and clothes drying). It is available at: Appendix Ch Electric Ready Commercial Building Provisions - International Energy Conservation Code (IECC).
    - **Comparison to Flagstaff's current code:** This appendix adds new requirements for electric-ready construction compared to Flagstaff's current code. This appendix did not exist in the 2018 IECC.
    - **Other cities that have adopted this appendix or related standards:** Cities and states across the country have adopted codes to require or encourage all-electric appliances in new buildings.
    - **Potential cost implications:** This appendix will likely add to construction costs. However, it helps avoid costly future electrical upgrades, which can cost thousands per appliance.
    - **Included in Energy Code Update Options:** 2, 3, and 4.
4. **Appendix CI Demand Responsive Controls**
    - **Overview: This appendix** provides the electrical infrastructure to allow buildings to opt into the Arizona Public Survey (APS—Flagstaff's electricity provider) Cool Rewards program to reduce demand for electricity during peak hours (and receive energy cost savings). It is available at: Appendix Ci Demand Responsive Controls - International Energy Conservation Code (IECC).
    - **Comparison to Flagstaff's current code:** This appendix adds new minimum energy efficiency standards compared to Flagstaff's current code. It did not exist in the 2018 IECC.
    - **Other cities that have adopted this appendix or related standards:** California, New York, Massachusetts, Illinois, Washington, and Colorado either require or encourage demand response controls in new construction statewide.
    - **Potential cost implications:** This appendix will likely add to construction costs. However, residents and tenants who opt into the APS Cool Rewards program can experience lower

electricity bills. It helps avoid costly future electrical upgrades, which can cost thousands per residential unit or commercial tenant space.

- **Included in Energy Code Update Options:** 2, 3, and 4.

Appendices in Options 3 and 4 only:

5. **Appendix CE Required HVAC Total System Performance Ratio (TSPR)**
    - **Overview:** This appendix improves the efficiency of mechanical systems by 5% over minimum efficiency standards. It applies to systems that provide building heating, cooling, ventilating, and refrigeration. It is available at: Appendix Ce Required Hvac Total System Performance Ratio Tspr - International Energy Conservation Code (IECC).
    - **Comparison to Flagstaff's current code:** This appendix adds new minimum energy efficiency standards compared to Flagstaff's current code. It did not exist in the 2018 IECC.
    - **Other cities that have adopted this appendix or related standards:** Massachusetts, New York, Illinois, and Maine are among the states that have adopted statewide stretch codes that include commercial provisions
    - **Included in Energy Code Update Options:** 3 only.
6. **Appendix CF Energy Credits**
    - **Overview:** This appendix allows builders to choose from a menu of options to enhance energy efficiency. It increases the required number of credits buildings must achieve over the base code (credits are associated with installing energy efficiency features). It is available at: Appendix Cf Energy Credits - International Energy Conservation Code (IECC).
    - **Comparison to Flagstaff's current code:** This appendix adds new minimum energy efficiency standards compared to Flagstaff's current code. It did not exist in the 2018 IECC.
    - **Other cities that have adopted this appendix or related standards:** Massachusetts, New York, Illinois, and Maine are among the states that have adopted statewide stretch codes that include commercial provisions
    - **Included in Energy Code Update Options:** 3 only.
7. **Appendix CD the 2030 Glide Path**
    - **Overview:** This appendix improves energy efficiency by 29% over the 2024 Commercial IECC base code (42% over Flagstaff's current code) through an increase in energy efficiency over the base code and a greater requirement for renewable energy generation. It is intended to be adopted by jurisdictions that will require new construction to be net-zero by 2030. It is available at: Appendix Cd The 2030 Glide Path - International Energy Conservation Code (IECC).
    - **Comparison to Flagstaff's current code:** This appendix adds new minimum energy efficiency standards compared to Flagstaff's current code. It did not exist in the 2018 IECC.

- **Other cities that have adopted this appendix or related standards:** Massachusetts, New York, Illinois, and Maine are among the states that have adopted statewide stretch codes that include commercial provisions
- **Included in Energy Code Update Options:** 4 only.

4. Complementary Code Options

Staff seek Council direction on whether to explore two "complementary" code options, in addition to the four energy code options discussed above.

Amend the 2024 Residential and Commercial IECC to Allow Large Multifamily Construction to Opt into the Residential Energy Code

Staff seek Council direction on whether to explore an amendment to the Residential and Commercial IECC to allow large new multifamily buildings to opt into the Residential IECC instead of the Commercial IECC. The Residential IECC applies to single-family homes, duplexes, townhomes, and other residential structures three stories or less in height. The Commercial IECC applies to all other buildings, including large multifamily residential buildings.

- **Overview:** Without this amendment, new large multifamily residential buildings will be required to comply with the Commercial IECC. The Commercial IECC energy efficiency standards are slightly stronger than the Residential IECC standards. It also contains additional standards for solar and renewable energy generation, building design, and commissioning that are not present in the Residential IECC.
- **Comparison to Flagstaff's current code:** Large multifamily residential buildings are currently required to comply with the 2018 Commercial IECC.
- **Other cities that adopted this appendix or related standards:** Several Arizona cities, including Phoenix, Chandler, Avondale, Tucson, and others, have adopted or are considering adopting this amendment.
- **Potential cost impacts:** This amendment **may lower the design and construction costs by tens if not hundreds of thousands of dollars** of large multifamily residential developments by avoiding costs associated with additional Commercial IECC standards.

Require Radon Mitigation in New Construction

Staff seek Council direction on whether to explore the adoption of International Residential Code (IRC) Appendix BE: Radon Control Methods and the 2024 International Mechanical Code (IMC) to require radon mitigation and/or testing in new construction. Installing radon mitigation features during construction can improve indoor air quality, reduce lung cancer cases, and save residents thousands of dollars in costly future retrofits. Eleven U.S. states already require radon-resistant new construction.

Radon overview: Radon is the leading cause of lung cancer in non-smokers. The Environmental Protection Agency (EPA) estimates the national average indoor radon concentration in homes is about 1.3 pCi/L (picocuries per liter). The EPA estimates that radon exposure at this level is the cause of 21,000 deaths

from lung cancer in the U.S. annually. However, this is far below the EPA's maximum recommended exposure level of 4.0 pCi/L—the equivalent of smoking eight cigarettes per day.

Radon is a colorless, odorless radioactive gas released from the natural breakdown of uranium and other radioactive elements in the soil, rock, and water. Radon will seep into and concentrate in the home when radioactive elements are present underneath a home, and the home does not have radon-resistant construction features. Indoor radon concentrations tend to peak during the winter months in cold climates.

Radon is present in Arizona because radium and uranium are common in the rocks and soil. The Arizona Department of Health found that the average radon concentration in homes across Arizona is 2.9 pCi/L, while 26% of Arizona homes may contain radon at concentrations that exceed 4/0 pCi/L. Anecdotal evidence from Flagstaff community members and local radon mitigation installers suggests that radon is prevalent in Flagstaff, including at levels that exceed 4.0 pCi/L.

Energy efficiency improvements and radon: Studies suggest that indoor radon concentrations increase as homes become more energy-efficient and air-tight unless radon mitigation features are installed. This is because air-tight homes provide fewer opportunities for radon to exit once it is inside the home.

Radon mitigation: Radon mitigation consists of passive and active measures. Radon in new construction can be mitigated through passive and active means, while active mitigation is generally most feasible for existing construction.

- Passive radon mitigation is much easier and less costly to install in new construction. It can include preparation of the subfloor to ensure good air flow, a soil-gas-retarder and sealing of floor openings, concrete joints, masonry walls, drains, air handling units, and crawlspace floors to prevent radon from seeping into the home, ventilation pipes that use air pressure to provide an easy path for radon to escape from under the home, and a junction box to allow the future installation of an active radon mitigation system (a fan). The EPA estimates passive radon mitigation in new construction can reduce indoor radon by 99%.
- Active radon mitigation includes the installation of a fan that pulls the radon out from under the home and out through a pipe that vents above the home's roof. On existing construction, a radon fan can be installed in less than a day and can reduce indoor radon by 90%.

Flagstaff's current code:

- In 2018, the City adopted the IRC.Appendix.F.- .Radon.Control.Methods?which includes standards for passive radon mitigation. However, the EPA identifies Coconino County as having moderate radon potential, which means mitigation is not required in Flagstaff. Instead, the appendix provides standards for builders who voluntarily.choose to install radon mitigation.
- The 2018 International Mechanical Code (IMC) includes provisions for a subslab soil exhaust system (passive radon mitigation), when one is provided. However, a subslab soil exhaust system is not required. The IMC applies to all buildings subject to the International Building Code (IBC)—all buildings excluding detached one- and two-family dwellings and townhouses not more than three stories.

2024 Code:

- If the City adopts the 2024 IRC Appendix BE Radon Control Methods, the standards will be optional without a local amendment to make the standards mandatory. The 2024 appendix also includes

standards for radon testing after construction, and for the installation of a fan if radon is found to be greater than 4 pCi/L.

- The 2024 International Mechanical Code (IMC) contains similar provisions to the 2018 IMC. If the City adopts the 2024 IMC, installing a subslab exhaust system will be optional without a local amendment to make it mandatory.

Other cities that adopted this appendix or related standards: Eleven states (Connecticut, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, New Jersey, Oregon, and Washington), as well as several cities and counties in Colorado and Virginia, require radon-resistant new construction. The Arizona Department of Health provides resources for radon testing and mitigation, but radon-resistant construction is not required in Arizona.

Cost implications:

- Passive mitigation: The Arizona Department of Health estimates passive radon mitigation during construction costs $350 - $500. It can be extremely difficult and costly to retrofit these features in existing construction.
- Active mitigation: The cost of installing a radon fan in Flagstaff in an existing building can start at $2,300. The average operating cost for a fan in Arizona is $3.00/month, and the expected fan lifespan is 11 years (fan replacement cost is approximately $500).
- Costs of a subslab exhaust system in commercial buildings are unknown.

Energy Code Update Options

Genevieve Pearthree

Flagstaff City Council | December 16, 2025

TEAM FLAGSTAFF

WE MAKE THE CITY BETTER

Seeking Council Direction

- Today, staff seek direction from Council on which energy code option to **explore**
  - 4 specific questions

- Based on Council direction, staff will:
  - Explore the preferred option through **further research**
  - **Meet** with development and building partners and the Flagstaff community to review barriers and opportunities

- Staff will **return to Council in 2026** to share community feedback received, additional research performed, proposed local amendments, and draft code language - for **all** of the 2024 codes

Seeking Council Direction

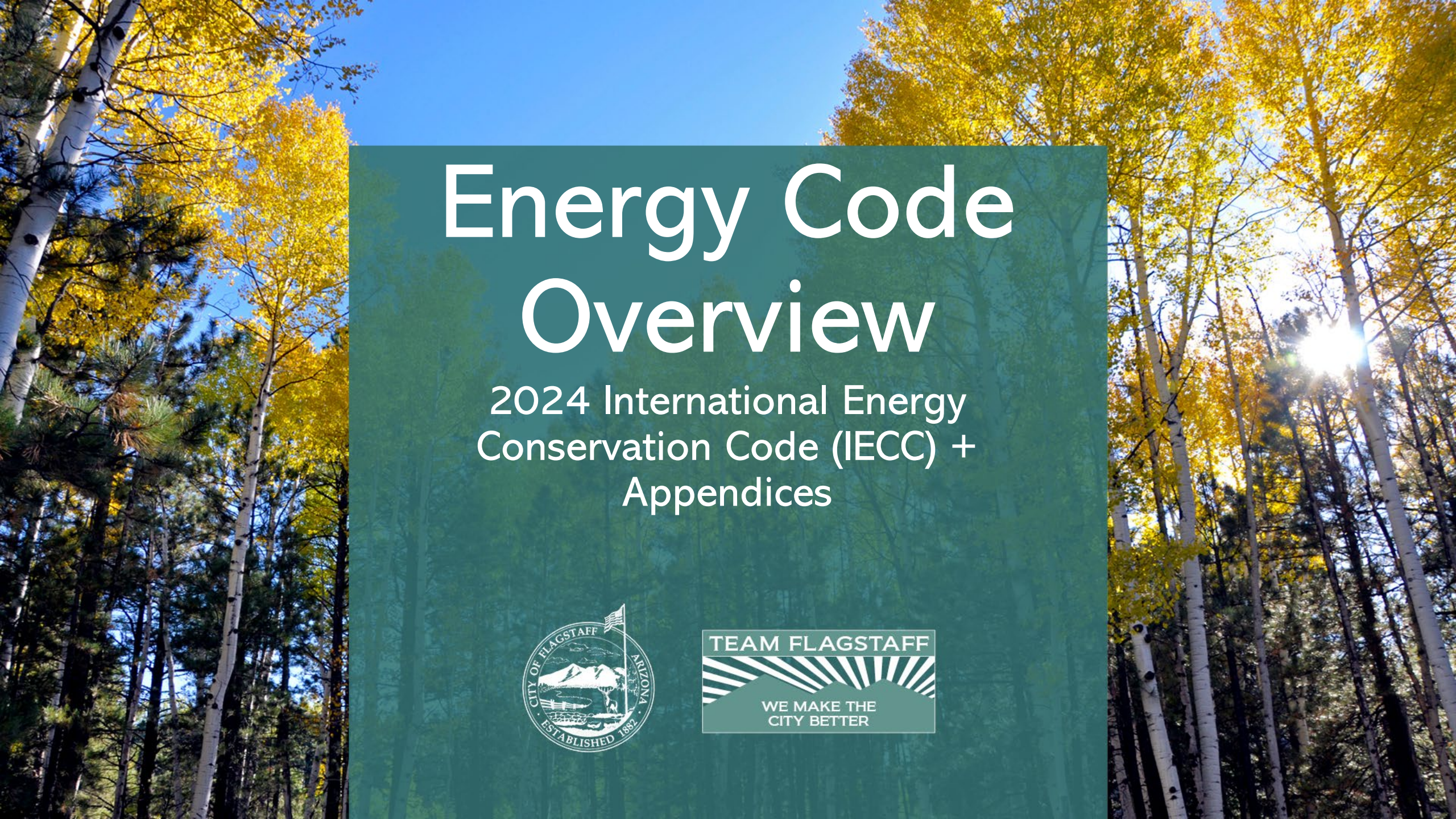
1. What energy code **option** should staff explore?
2. Are there any **other energy code options** that staff should explore, beyond the options presented here?
3. What **“complementary”** code options should staff explore, if any?
4. What **additional information** should be included when staff return to Council with proposed energy code updates in mid-2026?

Agenda

1. Energy code overview
2. Guiding principles
3. Energy code options and costs
4. Summary and questions

Energy Code Overview

2024 International Energy Conservation Code (IECC) + Appendices



Why Are We Here Today?

The City is on a 6-year update cycle for building and fire codes

- **Current code:** 2018 Suite of Codes (adopted in June 2019)
- 2024 codes are published; **goal is to adopt in mid-2026**
- City is preparing to vet potential code updates with the Flagstaff community before bringing them to City Council

Model codes are created by **national experts** at the International Code Council (ICC)

- ICC creates a standardized set of building regulations that incorporate advancements in technology, sustainability, and construction practices to enhance safety, efficiency, and resilience
- States, counties, and cities adopt these codes, often with local amendments

Flagstaff's Adopted Building Codes

Adopted in June 2019

- 2018 International…
  - **Building** Code (IBC)
  - **Fire Code** (IFC)
  - **Residential** Code (IRC)
  - **Existing Building** Code (IEBC)
  - **Mechanical** Code (IMC)
  - **Plumbing** Code (IPC)
  - **Fuel Gas** Code (IFGC)
  - **Swimming Pool and Spa** Code (ISPSC)
  - **Solar Energy** Provisions (ISEP)
  - **Energy Conservation** Code (IECC)

- Other codes
  - NFPA 70 / National **Electrical** Code (NEC) (2017)
  - ICC A117.1-2017 **Accessible and Usable** Buildings and Facilities
  - Uniform Code for the **Abatement of Dangerous Buildings** (1997)
  - Uniform Administrative Code (1997)
  - Uniform Housing Code (1997)
  - Wildland Urban Interface (IWUIC) (2006)

Today's focus for *preliminary* discussion

2024 Suite of Codes

- 2024 International…
  - **Building** Code (IBC)
  - **Fire Code** (IFC)
  - **Residential** Code (IRC)
  - **Existing Building** Code (IEBC)
  - **Mechanical** Code (IMC)
  - **Plumbing** Code (IPC)
  - **Fuel Gas** Code (IFGC)
  - **Swimming Pool and Spa** Code (ISPSC)
  - **Solar Energy** Provisions (ISEP)
  - **Green Construction Code** (IgCC)
  - **Energy Conservation** Code (IECC)

- Other codes
  - NFPA 70 / National **Electrical** Code (NEC) (2017)
  - ICC A117.1-2017 **Accessible and Usable** Buildings and Facilities
  - Uniform Code for the **Abatement of Dangerous Buildings** (1997)
  - Uniform Administrative Code (1997)
  - Uniform Housing Code (1997)
  - Wildland Urban Interface (IWUIC) (2006)

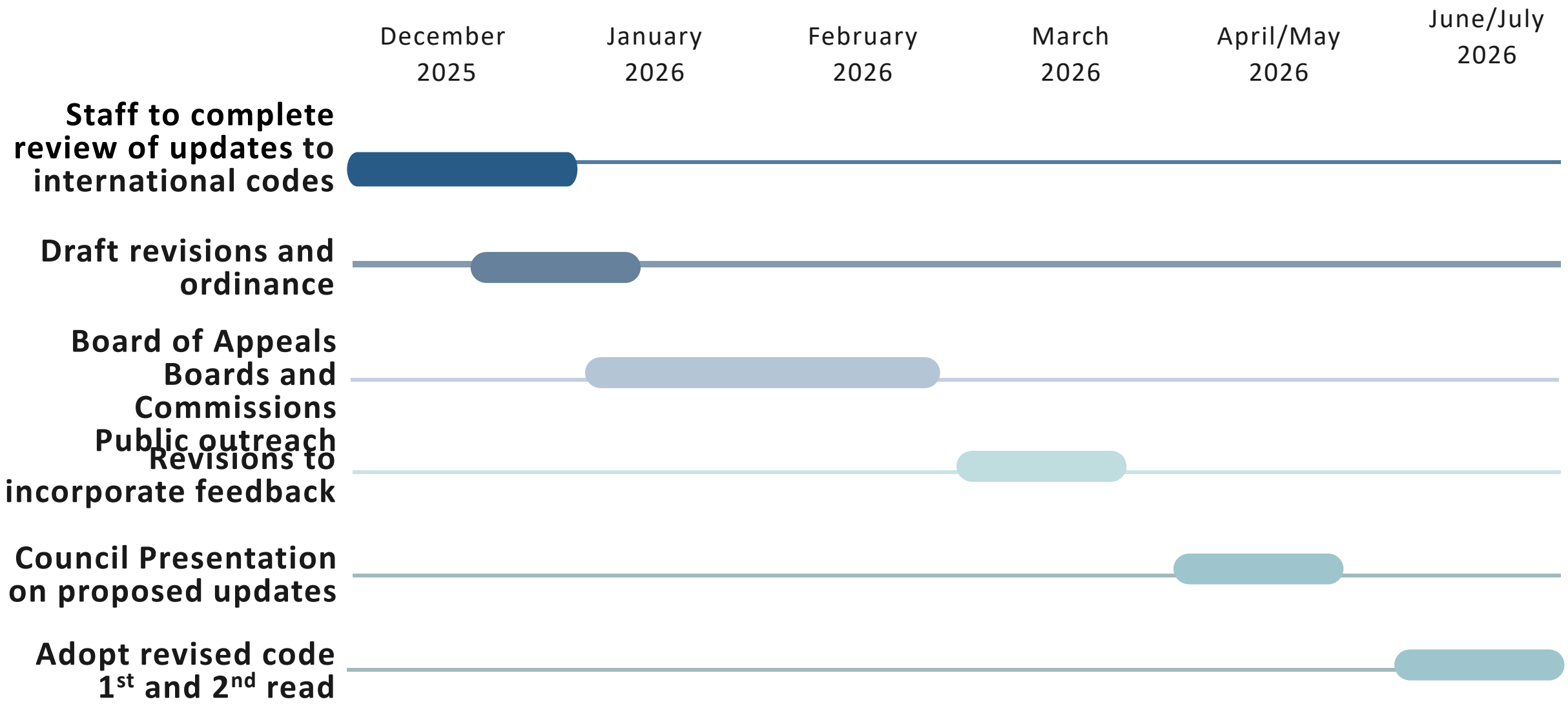
Today's focus for *preliminary* **discussion**

Flagstaff's Energy Code History

- The City has **adopted past versions** of the International Energy Conservation Code (IECC) with local amendments
  - 2012 IECC: adopted in 2013
  - 2018 IECC: adopted in 2019

- The 2024 Suite of Codes, including the 2024 IECC, were **published in 2024**
  - Staff provided an introduction to Building and Fire Codes via an April 2025 presentation to City Council

Draft Timeline: 2024 Building and Fire Code Update

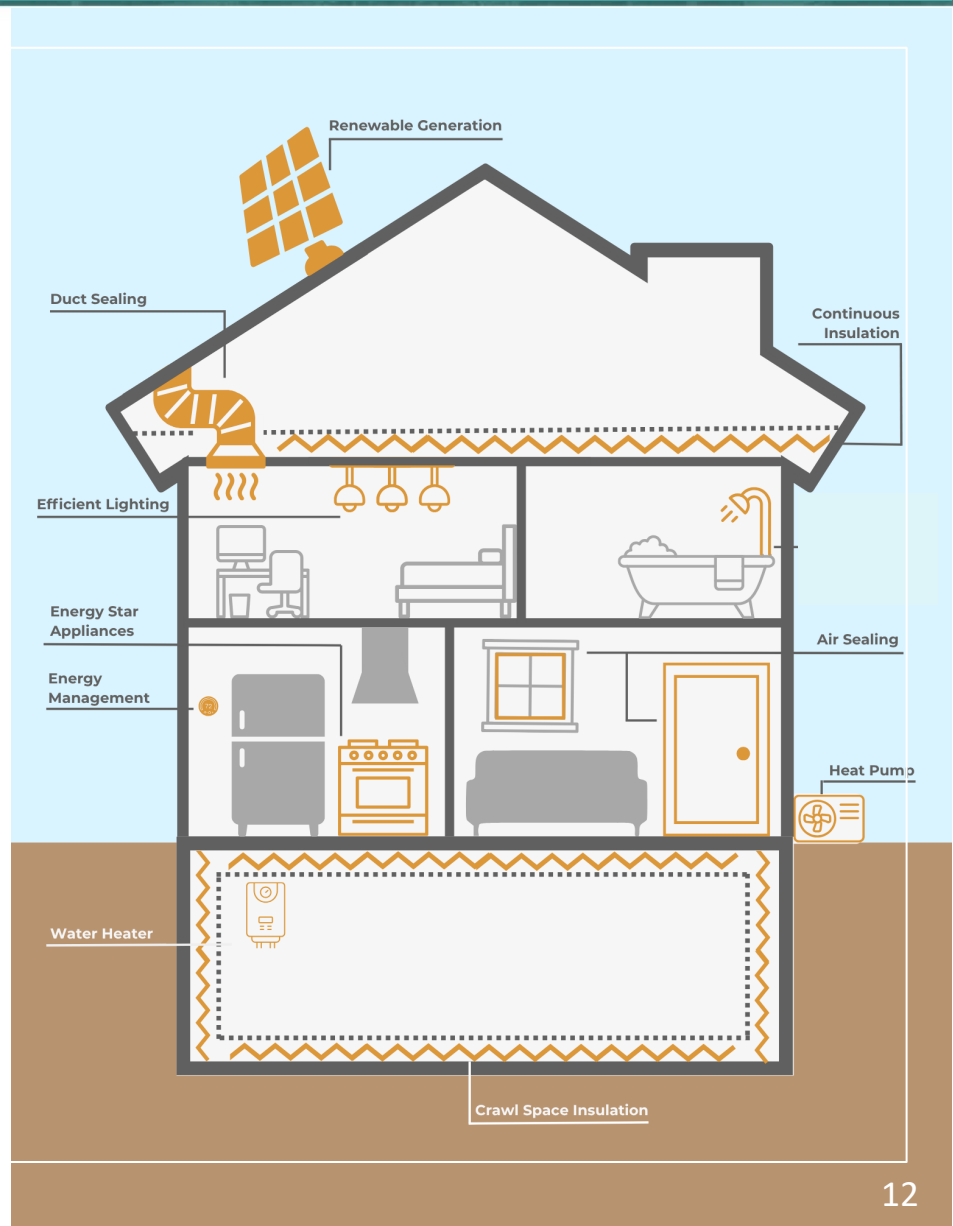


The Energy Code Is…

- A technical code developed by thousands of national **building science experts** over a rigorous 3-year process
- Designed to be **broadly adopted** by small and large cities, states, and counties across the U.S.
- Sets **minimum energy efficiency standards** in new buildings
- Standards vary by type of construction
  - **Residential:** single-family homes, duplexes, townhomes, and other residential structures three stories or less in height
  - **Commercial:** all other buildings, including large multifamily residential buildings

What the Energy Code Regulates

1. Insulation amount and location
2. Window and skylight efficiency
3. Ductwork design and requirements
4. Duct and building envelope testing
5. Efficiency of appliances and mechanical systems
6. Lighting and electrical outlet efficiency
7. Standards for gas fireplaces and heaters
8. Minimum amount of renewable energy, if required
9. Other energy-using equipment
10. Pumps, piping, circulation systems
11. **Many more features**



What the Energy Code Is Not

The energy code **does not:**

- Regulate development patterns, building placement (height, setbacks), land use, site design, etc.
- Regulate transportation patterns or infrastructure
- Usually apply to existing construction
- **Require one building energy type over another**

2018 vs. 2024 Energy Code

- Both codes include a **base code and optional appendices**
  - Provides **flexibility** to advance energy efficiency locally

Energy efficiency + cost savings for Flagstaff's climate zone:

2024 Residential IECC vs 2018	2024 Commercial IECC vs 2018
• 15% improvement in energy efficiency • 13% reduction in energy costs • 12% reduction in greenhouse gas (GHG) emissions	• 29% improvement in energy efficiency • 28% reduction in energy costs • 29% reduction in GHG emissions

Source: Pacific Northwest National Laboratory (PNNL). Commercial code assumptions are preliminary because PNNL has not released their final determination.

Our Approach: Key Principles

TEAM FLAGSTAFF

WE MAKE THE CITY BETTER

Key principles

1. We are building for the **next 75+ years**
2. Healthy, more efficient buildings can benefit **everyone**
3. Utility costs are projected to **increase** over the next 75+ years
4. Energy efficiency and lower monthly utility costs can help with **affordability**
5. Energy efficiency features are a **small %** of total housing construction costs
6. The energy code is linked to **other** development code changes
7. The energy code supports **resilience** to extreme weather and grid outages
8. Flagstaff has a unique climate in Arizona, and we can learn from **other peer cities**
9. The energy code is one of the **most effective ways** to accelerate climate action
10. **Local amendments** will help fit the code to our local needs

1. We are building for the next 75+ years

- The buildings we build today will last 50-100+ years
- New construction is the least expensive way to avoid costly retrofits later
- Our building stock is part of our resilience to climate change
- Operational costs impact a home over its life expectancy
- Durable, well-built housing can endure for generations

2. Healthy, more efficient buildings can benefit everyone

- Codes can lead to long-term benefits for building occupants including improved health outcomes
- Codes can help reduce exposure to harmful pollutants generated outside and inside of the house, including wildfire smoke



3. Utility costs are expected to increase over the next 75 years

- Electricity and natural gas rates are projected to increase
  - APS and Unisource have requested rate increases
  - Arizonans are expected to spend $92,500 on utilities over the next 25 years
- Energy-efficient buildings will save occupants thousands over the building's lifespan by partially insulating them from future utility price increases

4. Energy efficiency and lower monthly operational costs can help with affordability

- We can address housing and climate goals concurrently through more energy-efficient buildings, which can lower utility costs
  - Low-income households pay up to 15% of their income on energy costs
- Residents benefit from lower utility bills every month over the building's life

5. Energy efficiency features are a small % of total housing construction costs

- Energy efficiency features represent less than 5% of the average sales price of a new single-family home in Flagstaff
- Cost of energy efficiency features can be equivalent to the cost of countertops, windows, and other features, or the sales commission
- Energy efficiency features can lower monthly utility bills and save residents money—unlike many other design decisions

Energy efficiency is a small % of housing development costs

Table 1. SINGLE-FAMILY PRICE AND COST BREAKDOWNS
2024 National Results

Average Lot Size:	20,907
Average Finished Area:	2,647

I. Sale Price Breakdown[1]	Average	Share of Price
A. Finished Lot Cost (including financing cost)	$91,057	13.7%
B. Total Construction Cost	$428,215	64.4%
C. Financing Cost	$10,220	1.5%
D. Overhead and General Expenses	$38,248	5.7%
E. Marketing Cost	$5,633	0.8%
F. Sales Commission	$18,955	2.8%
G. Profit	$72,971	11.0%
Total Sales Price	**$665,298**	**100.0%**

Source: National Association of Homebuilders (NAHB), 2025.

Average sales price in Flagstaff for a new single-family home in November 2025: $911,037

Source: Realtor.com

6. The energy code is linked to other development code changes

- Energy code updates should be considered holistically with other development code updates
- Other Building and Fire Code updates may impact costs
- Several recent code changes aim to reduce housing barriers and costs
- Future code changes from LASS+CAP could also reduce costs
- Energy code costs may be small compared to potential cost savings

7. The energy code support resilience to extreme weather and grid outages

- Well-insulated, energy-efficient homes are more comfortable and protect occupants from extreme weather
- The Federal Emergency Management Agency (FEMA) sees the adoption of current building codes, including the energy code, as a key tool in building natural hazard-resistance
- Homes enhance passive survivability—how long a resident can stay in their home when the power goes out

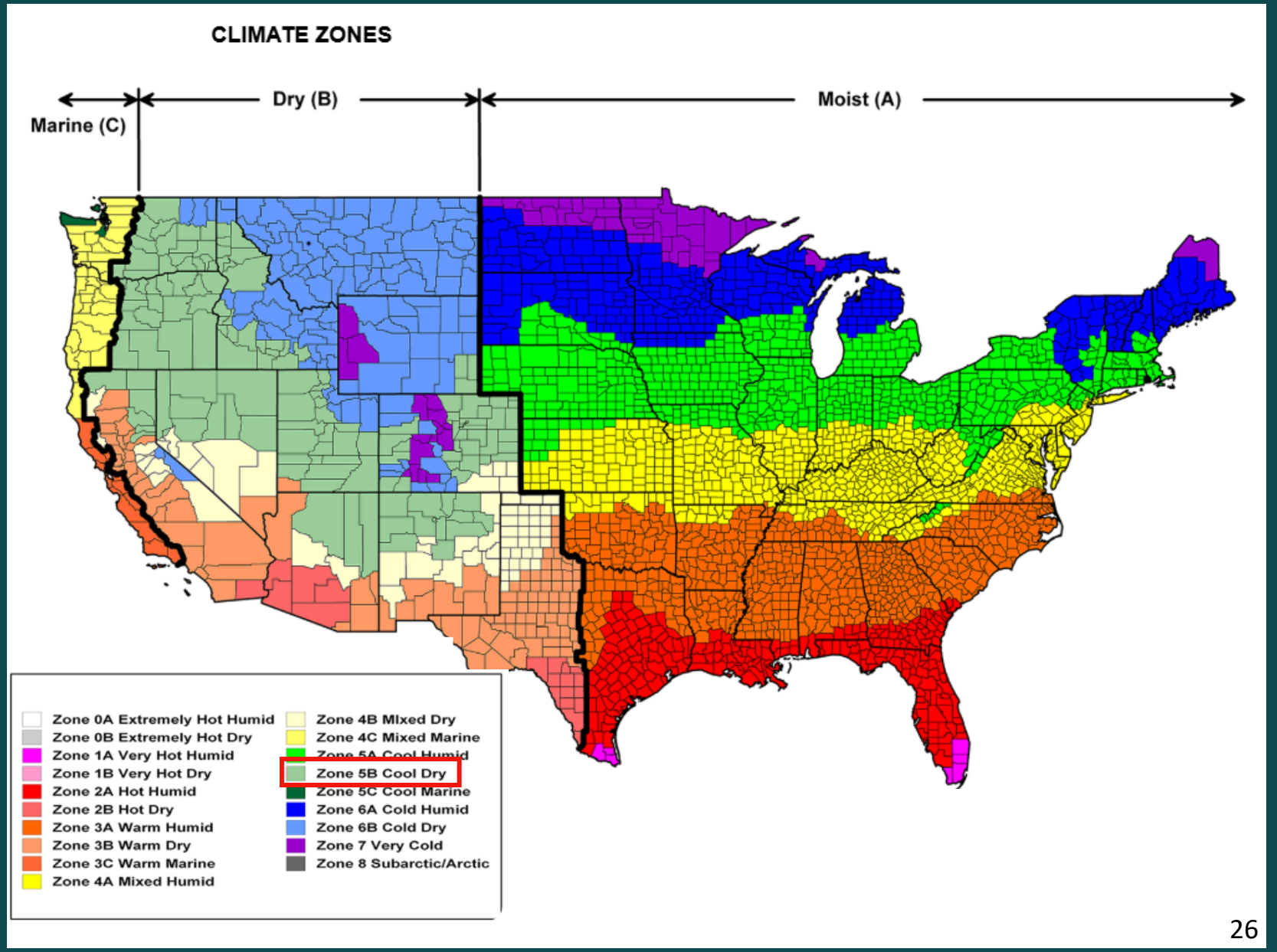
More Efficient Homes Stay Warm Longer

Time to Fall Below 40°F in a Power Outage

House model	Number of hours
Typical 1950s home	8
Typical 1980s home	23
Code-compliant 2009 home	45
Net-zero energy ready home	61
Passive House	152

Source: Rocky Mountain Institute, 2020.

8. Flagstaff has a unique climate in Arizona, and we can learn from other peer cities



9. The energy code is one of the best ways to accelerate climate action

- Buildings account for 55% of Flagstaff's greenhouse gas emissions
- The energy code is the most effective way to reduce emissions from our built environment
  - Reaching CNP goals requires net-zero construction by 2030
- A building's operations and environmental impact is largely determined by up-front decisions before construction
- Retrofits are costly and difficult



10. Local amendments will help fit the code to our local needs

- Easy to adopt the 2024 IECC with additions, deletions, and modifications to the base code and appendices
- Common for cities to adopt with local amendments
  - Flagstaff adopted the 2018 IECC with local amendments
- Building and Fire Code Board of Appeals, developers, the Flagstaff community, and staff will generate additional amendments
- Final energy code update will be slightly different than the options presented here

Energy Code Options



Energy Code Options

Option 1	**No change** Remain on the 2018energy code. Flagstaff will be behind in meeting its climate goals.
Option 2	**Stay the course** Continue using base codes: Adopt the 2024 energy code + minor appendices. Flagstaff will be closer, but still behind its climate goals.
Option 3	**Progress to net-zero** An intermediate step beyond the base code, prioritizing energy efficiency. Flagstaff will be closer to meeting its climate goals.
Option 4	**Net-zero-ready** Buildings can become net-zero with the future addition of solar panels. Flagstaff will be on track to meet its climate goals.

Option 1: No change from current code

0% improvement in energy efficiency over Flagstaff's current code

Stay on the 2018 IECC (decline to adopt the 2024 IECC)

Maintain current energy efficiency standards

Option 2: Maintain Flagstaff's current path

15% - 29% improvement in energy efficiency over Flagstaff's current code

Adopt the 2024 base code with amendments

- Gas furnaces in new construction must be at least **95% efficient**
- Heat pumps in new construction must be **cold-climate heat pumps**

Adopt these 2024 appendices

- **Solar-ready**
- **Electric vehicle charging** (w/ amendment to ensure minimum standards are not less than current code)
- **Electric-ready**
- **Demand responsive controls** (Commercial only)

Option 2: Base 2024 IECC + Minor Appendices

Appendices

Solar-Ready Zone Appendix





Electric Ready + EV Charging Appendices





Demand Responsive Controls Appendix (commercial only):



Option 3: More progress to net-zero

24 - 34%+ improvement in energy efficiency over Flagstaff's current code

Adopt the 2024 base code with the amendments in Option 2

Adopt the 2024 appendices in Option 2 plus the following:

- **Stronger solar-ready** standards (residential)
- **Stretch code** (residential): additional +10% energy efficiency over base code
- **HVAC Total System Performance** (commercial): +5% energy efficiency
- Additional **energy credits** over 2024 IECC base code (commercial)

Option 4: Net-zero ready

31 - 42%+ improvement in energy efficiency over Flagstaff's current code

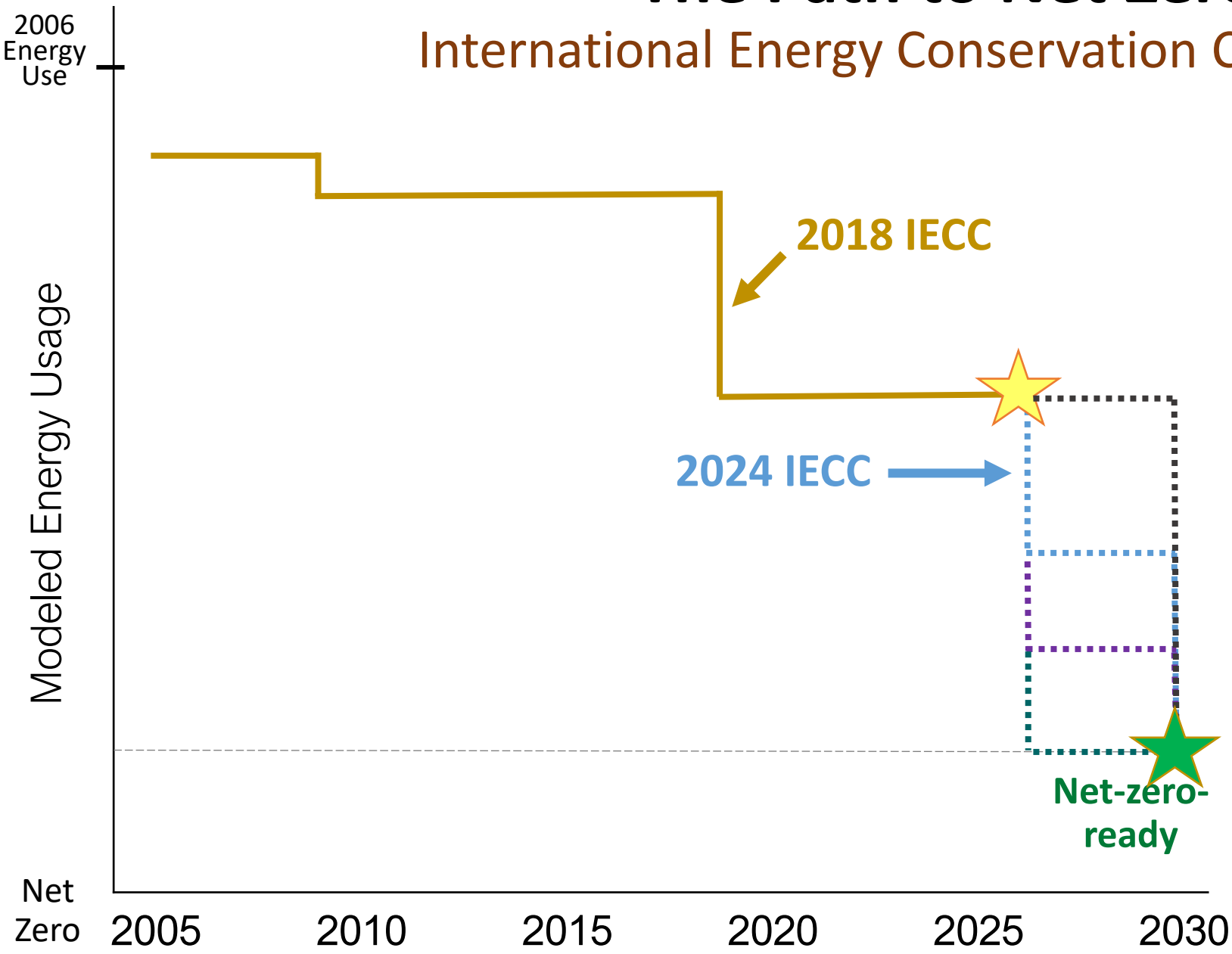
Adopt the 2024 base code with the amendments in Option 2

Adopt the 2024 appendices in Option 2 plus the following:

- **Stronger solar-ready** standards (Residential)
- **Net-zero-ready** standards (Residential: +16% energy efficiency)
- **2030 glide path** (Commercial: +29% energy efficiency)

The Path to Net Zero

International Energy Conservation Code (IECC)



Flagstaff energy code

Where we are today

Energy Code Option 1

Energy Code Option 2

Energy Code Option 3

Energy Code Option 4

Net-zero ready
becomes net-zero with renewable energy

Potential Cost Impacts of Energy Code Updates

TEAM FLAGSTAFF

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Additional Information on Costs Estimates

- Construction cost and utility savings estimates are for **single-family homes** because more data are available
- Provided as a **range** when multiple data points are available
- Should be taken as **ballpark estimates**, due to large variation in construction costs and utility cost savings based on:
  - Building type, heating and cooling system types, available utility rate plans, actual future utility rate increases, building occupant behavior, other external factors

Data Sources

- Local and national data sources:
  - *Analysis of the Costs, Benefits, and Barriers to Building Highly Energy-Efficient and All-Electric Residential Homes in Flagstaff, Arizona* – (data from 13 local builders and energy modeling)
  - Capstone Homes
  - U.S. Department of Energy (DOE)
    - Energy Information Administration
    - Pacific Northwest National Laboratory
  - National Association of Homebuilders (NAHB)
  - Rocky Mountain Institute (RMI)

Staff will continue to update cost estimates when additional data are available.

Option 1: No change

Keep the 2018 IECC: 0% improvement in energy efficiency

Additional up-front cost	$0
Additional mortgage cost	$0
Annual utility cost savings	$0
Total utility cost savings over 75 years	$0
Simple payback period (average cost)	N/A

Option 2: Stay the Course

Adopt the 2024 IECC + minor appendices: *15% improvement in energy efficiency*

Additional up-front cost	$4,300 - $14,900 ($9,700 average)	
Additional mortgage cost	$24 - $119 monthly	
Average utility cost savings	Year 1: $250 Year 12: $350 Year 30: $600 Year 75: $2,250	$21 monthly $29 $50 $188
Average utility cost savings over 75 years	$68,700	
Simple payback period	11 – 33 years *(national estimate for Flagstaff's climate zone: 16.7 years)*	

Option 3: Progress to Net-Zero

Adopt the 2024 IECC + minor appendices + Stretch Code Appendix:
24% improvement in energy efficiency

Additional up-front cost	$7,300 - $19,300 ($13,300 average)	
Additional mortgage cost	$39 - $154 monthly	
Average utility cost savings	Year 1: $350 Year 12: $500 Year 30: $850 Year 75: $3,150	$29 monthly $42 $71 $263
Average utility cost savings over 75 years	$96,300	
Simple payback period	16 – 27 years	

Option 4: Net-Zero Ready

Adopt the 2024 IECC + minor appendices + Net-Zero-Ready Appendix:
31% improvement in energy efficiency

Additional up-front cost	$8,550 – $27,400 ($18,000 average)	
Additional mortgage cost	$64 - $175 monthly	
Average utility cost savings	Year 1: $500 Year 12: $700 Year 30: $1,150 Year 75: $4,350	$42 monthly $58 $96 $363
Average utility cost savings over 75 years	$133,050	
Simple payback period	13 - 30 years	

Going Further: Net-Zero

100% improvement in energy efficiency over Flagstaff's current code

Additional up-front cost	$25,800 - $44,550 ($35,200 average)	
Additional mortgage cost	$151 - $356 monthly	
Average utility cost savings	Year 1: $1,150 – $1,700 Year 12: $1,600 – $2,450 Year 30: $2,750 – $4,400 Year 75: $10,450 – $17,550	$96 - $140 monthly $134 - $204 $229 - $366 $872 – 1,461
Utility cost savings over 75 years	$318,900 – $521,950 ($420,400 average)	
Simple payback period	12 – 25 years	

Cost Estimates for All Energy Code Options

Option	Average Additional Construction Costs	Additional Monthly Mortgage Costs	Average Monthly Utility Cost Savings (over 30 years)	Average Total Utility Cost Savings (over 75 years)	Simple Payback Period (Years)
Option 1	$0	$0	$0	$0	N/A
Option 2	$9,700	$24 - $119	$45	$64,800	11 – 33
Option 3	$13,300	$39 - $154	$47	$96,300	16 – 27
Option 4	$18,000	$64 - $175	$65	$133,050	13 – 30
Beyond Option 4	$35,200	$145 - $349	$195	$420,400	12 – 25

Commercial IECC Costs

- Costs are not provided because there is **very little data**
- Often constructed and occupied by same company
  - **Owner benefits directly** from investments in energy efficiency through lower utility costs
- Commercial buildings often **last longer** than residential
  - Utility cost savings can accrue over a longer period
- Out of state commercial developers work with building codes across the country, including codes stronger than Flagstaff's

“Complementary” code update options for Council consideration



“Complementary” Code Options

1. Should staff explore a local amendment to allow large multifamily construction to opt into the Residential IECC?
2. Should staff explore a local amendment to make standards for radon mitigation and/or testing required for new residential construction?

Large Multifamily Can Opt Into the Residential IECC

- Large multifamily residential required to meet Commercial IECC standards in the 2024 IECC
- Commercial standards are higher than Residential
- Allowing these buildings to opt into the Residential IECC may **decrease design and construction costs**
- Several AZ cities have adopted or are considering this amendment
  - Phoenix, Tucson, Chandler, Avondale

Radon Gas Overview

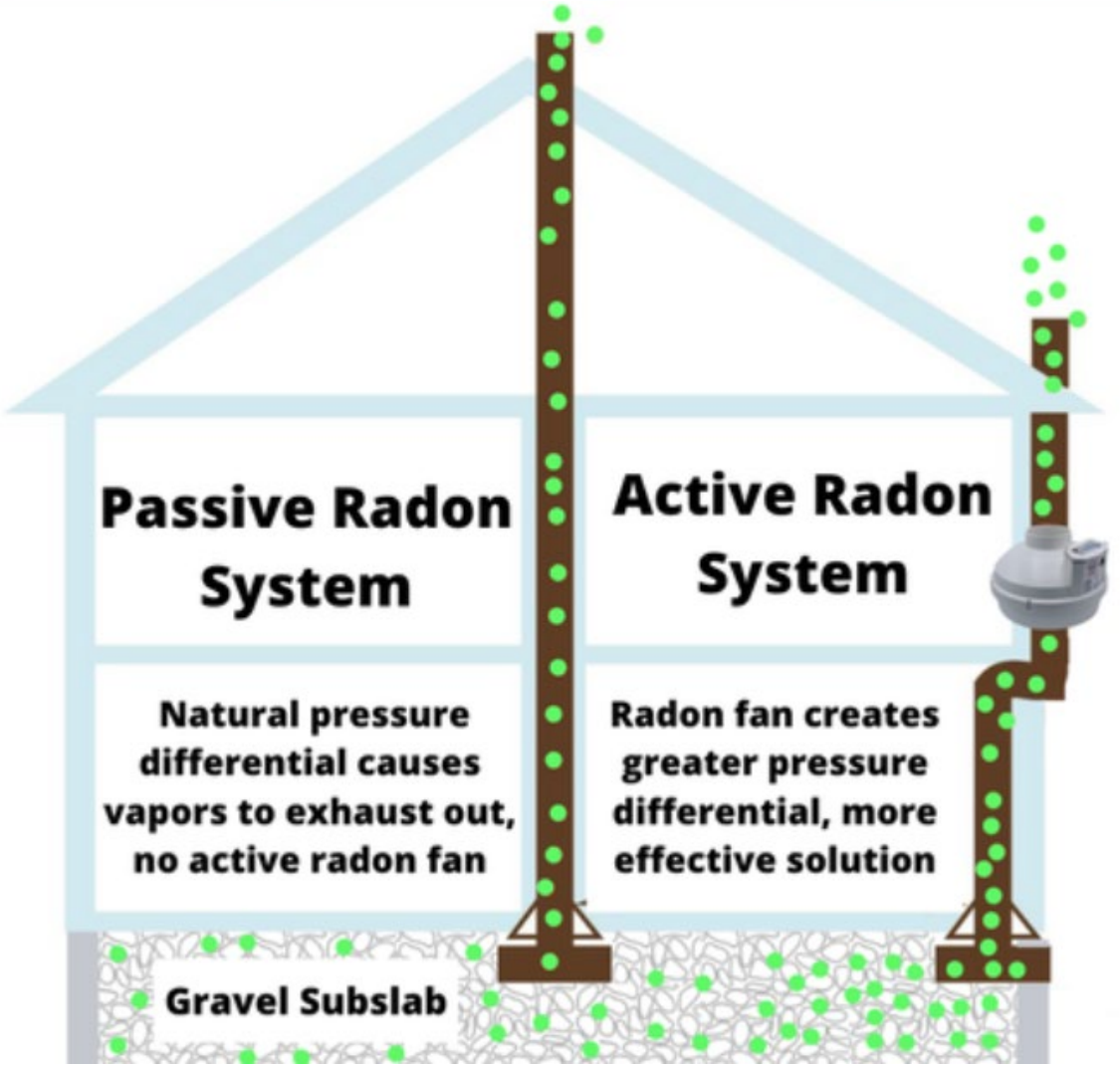
- **Leading cause of lung cancer in non-smokers**
  - 21,000 people die annually in the U.S. from lung cancer caused by radon
- No safe level of radon
  - EPA maximum recommended level of 4.0 pCi/L is the equivalent of **smoking 8 cigarettes a day**
- Colorless, odorless radioactive gas from the breakdown of uranium
  - Concentrates in buildings without radon-resistant features

Why are we talking about radon?

- Energy efficiency can **increase** indoor radon
  - Air-tight homes offer fewer pathways for radon to escape
  - Not part of the IECC (but can offset a potential impact of the IECC)
- Flagstaff adopted **Appendix F: Radon Control Methods** and the **International Mechanical Code** in 2018
  - Provides standards for **passive** radon mitigation in new construction
  - Standards are **optional** because the EPA identifies Coconino County as having *moderate* radon potential (2-4 pCi/L)
- Anecdotal evidence suggests **radon is present in Flagstaff**, and at higher concentrations than 4pCi/L

Benefits of Radon Mitigation during Construction

- *Passive* mitigation during construction is **easier, less costly, and more effective**
  - National estimate: $350 - $500
  - Can reduce radon by **99%**
- Active mitigation (retrofit) is **more costly, difficult, and less effective**
  - Radon fan costs $2,300 in Flagstaff
  - Can reduce radon by **90%**
- **2024 IRC and the IMC standards are for passive mitigation**
  - 2024 IRC radon appendix also requires testing (and active mitigation if needed)



Summary and Questions

TEAM FLAGSTAFF

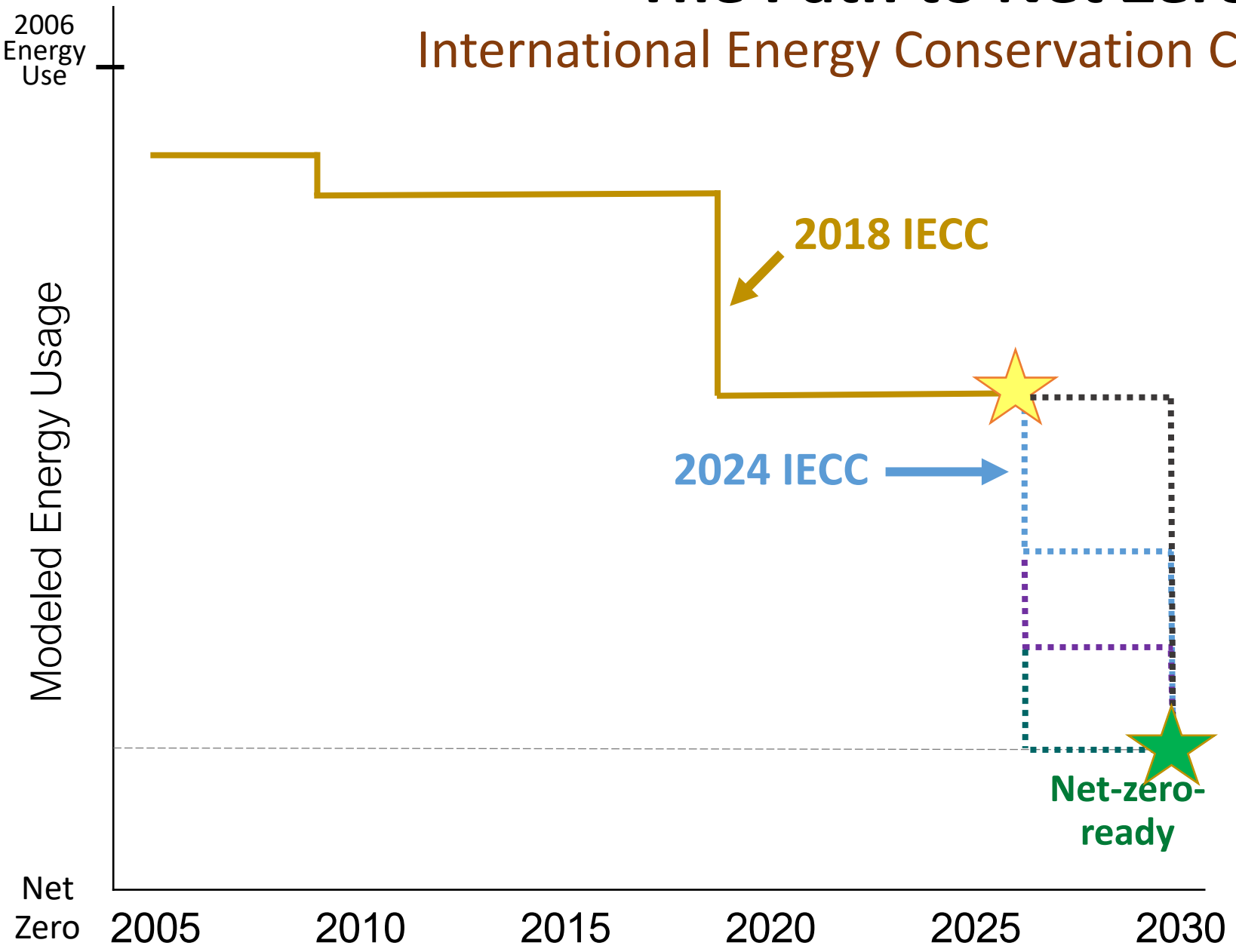
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Next Steps

Today	City Council direction on preliminary energy code options
January – March 2026	Staff research on energy code options, based on Council direction
	Community engagement on *all codes*: staff (including legal review), design community, developers, City commissions, Board of Appeals, community members
April - May	City Council work sessions to review all proposed code updates and finalize draft amendments
June-July	City Council review and adoption process

The Path to Net Zero

International Energy Conservation Code (IECC)



Flagstaff energy code

Where we are today

Energy Code Option 1

Energy Code Option 2

Energy Code Option 3

Energy Code Option 4

Net-zero ready
becomes net-zero with renewable energy

Seeking Council Direction

1. What energy code **option** should staff explore?
2. Are there any **other energy code options** that staff should explore, beyond the options presented here?
3. What **“complementary”** code options should staff explore, if any?
4. What **additional information** should be included when staff return to Council with proposed energy code updates in mid-2026?

Council Direction: Question 1

What energy code option should staff explore?

Option 1	**No change** Remain on the 2018 energy code. Flagstaff will be behind in meeting its climate goals.
Option 2	**Stay the course** Continue using base codes: Adopt the 2024 energy code + minor appendices. Flagstaff will be closer, but still behind its climate goals.
Option 3	**Progress to net-zero** An intermediate step beyond the base code, prioritizing energy efficiency. Flagstaff will be closer to meeting its climate goals.
Option 4	**Net-zero-ready** Buildings can become net-zero with the future addition of solar panels. Flagstaff will be on track to meet its climate goals.

Council Direction: Question 2

Are there any other energy code options that Council would like staff to pursue, beyond the options presented here?

Council Direction: Question 3

What "complementary" code options should staff explore, if any?

1. Allow new large multifamily buildings to opt into the Residential IECC
2. Require radon mitigation and/or testing for new residential construction?

Council Direction: Question 4

What additional information will be helpful to include when staff return to Council with proposed energy code updates in mid-2026?

Thank you

Genevieve Pearthree
gpearthree@flagstaffaz.gov
928-213-2156

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Potential Cost Impacts of Energy Code Updates

TEAM FLAGSTAFF

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Option 1: No change

Keep the 2018 IECC: 0% improvement in energy efficiency

Additional up-front cost	$0
Additional mortgage cost	$0
Annual utility cost savings	$0
Total utility cost savings over 75 years	$0
Simple payback period (average cost)	N/A

Option 2: Stay the Course

Adopt the 2024 IECC + minor appendices: *15% improvement in energy efficiency*

Additional up-front cost	$4,300 - $14,900 ($9,700 average)	
Additional mortgage cost	$24 - $119 monthly	
Average utility cost savings	Year 1: $250 Year 12: $350 Year 30: $600 Year 75: $2,250	$21 monthly $29 $50 $188
Average utility cost savings over 75 years	$68,700	
Simple payback period	11 – 33 years *(national estimate for Flagstaff's climate zone: 16.7 years)*	

Option 2 Costs: Stay the Course

Code Section	Upfront Cost	Cost Savings
2024 Residential IECC Base Code	$3,300 - $14,900	Potential for utility cost savings from a 15% reduction in energy use
95% efficiency gas furnace amendment	$0*	- Can reduce natural gas utility cost by 5% - Helps avoid $1,000s in costly retrofits
Cold climate heat pump amendment	$0*	- Can reduce electricity costs by installing high efficiency heat pumps
Solar-ready appendix	($100)**	- Helps avoid $1,000s in costly retrofits - Already in Flagstaff code
EV charging appendix	($650)**	- Helps avoid $1,000s in costly retrofits - Already in Flagstaff code
Electric-ready appendix	$1,000	Helps avoid $1,000s in costly retrofits

*Cost already included in the IECC base code.

**Standard is in Flagstaff's current code.

Option 3: Progress to Net-Zero

Adopt the 2024 IECC + minor appendices + Stretch Code Appendix:
24% improvement in energy efficiency

Additional up-front cost	$7,300 - $19,300 ($13,300 average)	
Additional mortgage cost	$39 - $154 monthly	
Average utility cost savings	Year 1: $350 Year 12: $500 Year 30: $850 Year 75: $3,150	$29 monthly $42 $71 $263
Average utility cost savings over 75 years	$96,300	
Simple payback period	16 – 27 years	

Option 3 Costs: Progress to Net-Zero

Code Section	Upfront Cost	Cost Savings
2024 IECC + minor appendices	$4,300 - $14,900	- Potential for lower utility costs - Savings from avoiding costly retrofits
Stronger solar-ready requirements	$600	Helps avoid $1,000s in costly retrofits
Stretch Code Appendix	$2,400 - $3,800	Potential for utility cost savings from a 24% reduction in energy use

Option 4: Net-Zero Ready

Adopt the 2024 IECC + minor appendices + Net-Zero-Ready Appendix:
31% improvement in energy efficiency

Additional up-front cost	$8,550 – $27,400 ($18,000 average)	
Additional mortgage cost	$64 - $175 monthly	
Average utility cost savings	Year 1: $500 Year 12: $700 Year 30: $1,150 Year 75: $4,350	$42 monthly $58 $96 $363
Average utility cost savings over 75 years	$133,050	
Simple payback period	13 - 30 years	

Option 4 Costs: Net-Zero-Ready

Code Section	Upfront Cost	Cost Savings
2024 IECC + minor appendices	$4,300 - $14,900	- Potential for lower utility costs - Savings from avoiding costly retrofits
Stronger solar-ready requirements appendix	$600	Helps avoid $1,000s in costly retrofits
Net-zero-ready appendix	$3,600 – $12,000	Potential to lower utility costs from a 31% reduction in energy use

Going Further: Net-Zero

100% improvement in energy efficiency over Flagstaff's current code

Additional up-front cost	$25,800 - $44,550 ($35,200 average)	
Additional mortgage cost	$151 - $356 monthly	
Average utility cost savings	Year 1: $1,150 – $1,700 Year 12: $1,600 – $2,450 Year 30: $2,750 – $4,400 Year 75: $10,450 – $17,550	$96 - $140 monthly $134 - $204 $229 - $366 $872 – 1,461
Utility cost savings over 75 years	$318,900 – $521,950 ($420,400 average)	
Simple payback period	12 – 25 years	

Beyond Option 4 Costs: Net-Zero

Code Section	Upfront Cost	Cost Savings
2024 IECC + minor appendices	$4,300 - $14,900	- Potential for lower utility costs - Savings from avoiding costly retrofits
Net-zero-ready appendix	$3,600 – $12,000	- Prepares homes to be net-zero with the addition of solar panels
Solar Panels	$13,000 - $23,750	- 100% improvement in energy efficiency = extremely low utility costs (starting at $30 month)

The sums of the low and high costs on this slide do not match the range provided on the previous slide due to different solar PV system sizes needed to offset annual energy use and differences in costs to improve energy efficiency across building fuel types.

Cost Estimates for All Energy Code Options

Option	Average Additional Construction Costs	Additional Monthly Mortgage Costs	Average Monthly Utility Cost Savings (over 30 years)	Average Total Utility Cost Savings (over 75 years)	Simple Payback Period (Years)
Option 1	$0	$0	$0	$0	N/A
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Additional Information on Costs Estimates

- Construction cost and utility savings estimates are for **single-family homes** because more data are available
- Provided as a **range** when multiple data points are available
- Should be taken as **ballpark estimates**, due to large variation in construction costs and utility cost savings based on:
  - Building type, heating and cooling system types, available utility rate plans, actual future utility rate increases, building occupant behavior, other external factors
  - Actual utility rate increases

Data Sources

- Local and national data sources:
  - *Analysis of the Costs, Benefits, and Barriers to Building Highly Energy-Efficient and All-Electric Residential Homes in Flagstaff, Arizona* – (data from 13 local builders and energy modeling)
  - Capstone Homes
  - U.S. Department of Energy (DOE)
    - Energy Information Administration
    - Pacific Northwest National Laboratory
  - National Association of Homebuilders (NAHB)
  - Rocky Mountain Institute (RMI)

Staff will continue to update cost estimates when additional data are available.

Utility and Mortgage Rate Assumptions

- Approximate home size: 2,000 – 2,500 sq ft
- Utility costs from recent Flagstaff *Energy Efficiency Costs, Benefits…* study
- Utility rate increases – based on industry standard & EIA projections
  - 2026 increase: 3.5% (electricity), 5% (natural gas)
  - 3% annual increase after 2026
  - Do not account for pending APS and UniSource rate increase ACC cases
- Mortgage rate assumptions
  - Low: 3% interest, 20% downpayment (based on lowest construction cost)
  - High: 6% interest, 10% downpayment (based on highest construction cost)
- Simple payback period
  - Time it takes for utility cost savings to offset additional construction costs

Commercial IECC Costs Notes

- Costs are not provided because there is **very little data**
- Often constructed and occupied by same company
  - **Owner benefits directly** from investments in energy efficiency through lower utility costs
- Commercial buildings often **last longer** than residential
  - Utility cost savings can accrue over a longer period
- Out of state commercial developers work with building codes across the country, including codes stronger than Flagstaff's

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Stacy Saltzburg, City Clerk

Date: 12/11/2025

Meeting Date: 12/16/2025

TITLE

Future Agenda Item Request (F.A.I.R.): A Citizen Petition titled "Provide representation for individuals with disabilities in Flagstaff."

STAFF RECOMMENDED ACTION:

Council Direction

Executive Summary:

In accordance with Art. II, Sect. 17 of the Flagstaff City Charter, any citizen may present a written petition to the City Manager, signed by a minimum of 25 citizens from the City who shall present it to the Council at its next regular meeting. The attached petition was filed with the City Clerk's Office on December 1, 2025, requesting Council to resume the Commission on Inclusion and Adaptive Living meetings.

Information:

None

Attachments: Petition #2025-05

RECEIVED
DEC 0 1 2025
BY: Hand delivered

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17 and Flagstaff City Code Title I Chapter 12

Pursuant to the Flagstaff City Charter and the City Code, any citizen (resident) of the City may present a written petition to the City Manager, signed by a minimum of 25 citizens from the City of Flagstaff, which shall be presented to the City Council.

Title of Issue: To provide representation for individuals with disabilities in Flagstaff.

Action Requested: The immediate resumption of the Commission on Inclusion and Adaptive Living meetings and activity to provide the Flagstaff disability community a voice and participation in public policy decisions.

Printed Name of Submitter: Joseph Angel Spence

JOSEPH SPENCE **(Submitter must also sign below and complete information)**

Contact Information: [redacted]

(Phone Number and/or e-mail address)

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
11/18/2025	Mary Aldworth	[redacted]	Mary Aldworth
11/19/25	Russell R. Rundell		Russell R. Rundell
11/19/25	Judith J Blubaum		Judith J Blubaum
11-19-25	Thomas E Blubaum		Thomas E Blubaum
11-22-25	DAVE WERTZ		Dave Wertz
11-22-25	MARK JULIAN		Mark Julian
11/22/25	Paul Gianelli		Paul Gianelli
11/22/25	JONATHAN EDWARDS		J Edwards
11/22/25	TIM HAMRA		Tim
11/22/25	RODNEY AORY		Rodney Aory

PETITION TO FLAGSTAFF CITY COUNCIL (Continued)

TITLE OF ISSUE: To provide representation for individuals with disabilities in Flagstaff **PAGE** 2 **OF** 2

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
12/22/25	TERRILL RYPKEMA	[redacted]	Terrill Rypkema
12/1/25	Krystina Nuñez		
12/1/25	Juliana Nuñez		Juliana
12-1-25	Dennis Homan		
12-1-25	Katelyn Lambson		Katelyn
12-1-25	Jonathan Garcia		
12-1-25	Ryan Kellogg		Ryan
12-1-25	Jessica Wilhelm		
12/1/25			
12/1/25	Lois Ball		Lois Ball
12/1/25	Cameron BALL		Cameron Ball
12/1/25	HANNAH SCHAUSS		
01Dec2025	Christopher York		Christopher
12/1/25	Caeden Dwyer		Caeden Dwyer
Dec 1, 2025	Joseph Spence		Joseph Spence

Joseph Spence
4510 N Bonner St
928-890-4863
jsgordon11gmail.com

Russell Randall
1199 W. Coy Drive
928-607-8410
russrandall11@gmail.com

December 1, 2025

The City of Flagstaff Mayor and City Council Members
City Manager Keene
211 W Aspen Ave
Flagstaff, AZ 86001

To: City Manager Joanne Keene

RE: Petition to the City Council

Title of Issue: To provide representation for individuals with disabilities in Flagstaff

Action Requested: The immediate resumption of the Commission on Inclusion and Adaptive Living meetings and activity to provide the Flagstaff disability community a voice and participation in public policy decisions.

We, Joseph Spence and Russell Randall, per Article II, Section 17 of the Flagstaff City Charter, on December 1, 2025, are submitting to you, City Manager Keene, a written petition signed by 25 citizens in a form prescribed by ordinance, for you to present it to the City Council at its next regular meeting which will be December 2, 2025.

Signed: Joseph Spence Russell Randall

Joseph Spence