



NOTICE OF REGULAR COUNCIL MEETING

In accordance with §38-431.01 of the Arizona Revised Statutes of the State of Arizona, notice is hereby given to the Members of City Council and to the general public that the Mayor and Council of the City of San Luis, Arizona will hold a Regular City Council meeting at 7:00 p.m., Wednesday, June 27, 2018. The meeting will take place at the City Council Chambers, located at 1090 E. Union Street, San Luis, Arizona, 85349. Everyone from the public is invited to attend the open meeting.

In accordance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, the City of San Luis does not discriminate on the basis of disability in the admission of or access to, or treatment of employment in its programs, activities, or services. For information regarding rights and provisions of the ADA or Section 504, or to request reasonable accommodations for participation in City programs, activities or services contact: ADA/Section 504 Coordinator, City of San Luis Human Resources Department, 1090 E. Union Street, San Luis, Arizona, 85349; [\(928\) 341-8520](tel:9283418520).

Notice is hereby given that pursuant to A.R.S. §1-602.A.9, subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the City Council are audio and/or video recorded, and, as a result, proceedings in which children are present may be subject to such recordings. Parents in order to exercise their rights may either file written consent with the City Clerk to such recordings, or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the City will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 have been waived.

THIS NOTICE IS GIVEN BY:

/s/ Sonia Cornelio, City Clerk

AVISO DE JUNTA REGULAR

De acuerdo con los Estatutos del Estado de Arizona A.R.S. §38-431.01, se le informa a los miembros del Cabildo y al público en general que el Alcalde y el Cabildo, tendrán una Junta Regular a las 7:00 p.m., el día Miercoles, 27 de Junio del 2018. La junta se llevará a cabo en la Sala del Cabildo, ubicada en el 1090 E. Union Street, San Luis, Arizona, 85349. El público está cordialmente invitado a la junta.

De acuerdo con el Acta de Americanos con Discapacidades y la Sección 504 del Acta de Rehabilitación del 1973, la Ciudad de San Luis, Arizona no discrimina por causa de discapacidad la admisión y acceso a sus programas, actividades, servicios o en el trato en cuanto a empleo. Para más información referente a derechos y provisiones del Acta de Americanos con Discapacidades o Sección 504, o para solicitar adaptaciones que sean razonables para la participación en programas, actividades o servicios de la Ciudad, contactar al: Coordinador del Acta de Americanos con Discapacidades/Sección 504, Departamento de Recursos Humanos de la Ciudad de San Luis, Arizona, ubicado en el 1090 E. Union Street, San Luis, Arizona, 85349; [\(928\) 341-8520](tel:9283418520).

Por medio de este aviso y de acuerdo con los Estatutos del Estado de Arizona A.R.S §1-602.A.9, sujeto a ciertas excepciones reglamentarias, los padres de familia tienen el derecho de dar el consentimiento ante el Estado o cualquiera de sus subdivisiones políticas para hacer una grabación de audio o video de su hijo menor de edad. Las juntas del Cabildo se graban en audio y/o video y como resultado, el hecho de que haya menores presentes puede ser sujeto a que sean grabados. Para que los padres de familia puedan ejercer sus derechos pueden dar el consentimiento por escrito con la Secretaria de la Ciudad a tal grabación, o tomar acción personal para asegurarse que su hijo menor no esté presente cuando la grabación se lleve a cabo. Si un menor de edad está presente en el momento de la grabación, la Ciudad asumirá que los padres de familia están cediendo los derechos sobre una posible grabación de acuerdo con los Estatutos del Estado de Arizona A.R.S. §1-602.A.9.

ESTE AVISO ES DADO POR:

/f/ Sonia Cornelio, Actuaría de la Ciudad



AMENDED ON JUNE 26, 2018

AGENDA

**Regular Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
San Luis, AZ 85349
June 27, 2018
7:00 p.m.**

PLEASE TAKE NOTICE THAT MEMBERS OF THE CITY COUNCIL WILL ATTEND EITHER IN PERSON, TELEPHONE, OR VIDEO CONFERENCE COMMUNICATION. THE MAYOR OR ACTING MAYOR FOR THIS MEETING MAY CHANGE THE ORDER OF THE ITEMS; IF AUTHORIZED BY LAW AND BY A MAJORITY VOTE OF A QUORUM OF CITY COUNCIL MEMBERS PRESENT, AN EXECUTIVE SESSION WILL BE HELD IMMEDIATELY FOLLOWING THE VOTE IN ACCORDANCE WITH A.R.S. §38-431.03(A) AND THE MEETING WILL BE TEMPORARILY RECESSED WHILE THE CITY COUNCIL RETIRES TO EXECUTIVE SESSION WHICH WILL NOT BE OPEN TO THE PUBLIC.

1. CALL TO ORDER/ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. INVOCATION

4. CONSENT AGENDA

All matters are considered to be routine by the City Council and will be enacted by one motion. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

4. A. DISBURSEMENTS FROM JUNE 2, 2018 THROUGH JUNE 15, 2018

Total Disbursements \$460,581.58

(Four Hundred Sixty Thousand, Five Hundred Eighty - One Dollars and Fifty - Eight Cents)

5. DISCUSSION AND POSSIBLE ACTION ITEMS:

5. A. Discussion and possible action on any and all matters regarding proposals from Border Gym Fitness, L.L.C. and 24/7 Get Fit Gym, and expanding the Gym Membership Benefit from 50 to 60 Memberships. **(Olivia Jenkins, Human Resources Manager and Fausto Gonzalez, HR Training & Programs Coordinator)**

5. B. Discussion and possible action on any and all matters regarding the contract with Cooperative Personnel Services (CPS) HR Consulting for an amendment to the scope of work and services not included in the initial contract for the compensation-salary study and waiver of formal purchasing procedures as permitted under San Luis City Code Section 36.01(H). **(Olivia Jenkins, Human Resources Manager)**

5. C. Discussion on any and all matters regarding an informational update on the modernization and expansion of Juan Sanchez Boulevard and BUILD Grants opportunity. **(Jenny Torres, Economic Development Manager & Eulogio Vera, Director of Public Works)**

5. D. Discussion and possible action on any and all matters regarding the ratification of Change Order No. 2 to the DPE Contract for the construction of the International Plaza Roadway Improvements Project. **(Eulogio Vera, Director of Public Works)**
5. E. Discussion and possible action on any and all matters regarding a lease agreement between the City of San Luis ("Landlord") and Sun State Towers ("Tenant") for the purpose of leasing City-owned property for the installation of a telecommunications tower. **(Jose A. Guzman, Director of Planning and Zoning)**
5. F. Public hearing followed by discussion and possible action on any and all matters regarding Resolution No. 2046. A resolution of the City of San Luis, Arizona, adopting the budget for Fiscal Year 2018 - 2019. **(Monica Castro, Director of Finance)**
- A. Open public hearing
 - 1. Staff Presentation
 - 2. Call to the Public on this Item
 - B. Close public hearing
 - C. Action on Resolution No. 2046
6. **SUMMARY OF CURRENT EVENTS**
Events by Mayor, Council Members and/or City Manager pursuant to A.R.S. §38-431.02 (K).
7. **CALL TO THE PUBLIC**
This is the time for the public to comment. Members of the City Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. §38-431.01 (H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date.
8. **ADJOURNMENT**



AGENDA ITEM REVIEW FORM

Regular City Council Meeting

4.A.

Meeting Date: 06/27/2018

Summary

DISBURSEMENTS FROM JUNE 2, 2018 THROUGH JUNE 15, 2018

Total Disbursements \$460,581.58

(Four Hundred Sixty Thousand, Five Hundred Eighty - One Dollars and Fifty - Eight Cents)

Attachments

Disbursements 6/27/2018



City of San Luis

Finance Department

COUNCIL MEETING JUNE 27, 2018
Disbursement Reports from 6/2/2018 to 6/15/2018

<u>Bank Accounts</u>	<u>Check Date</u>	<u>Amount</u>	<u>Schedule</u>
Accounts Payable Check Account	6/07/2018	\$ 117,766.25	Schedule A
Payroll Check Account	6/13/2018	\$ 282,966.03	Schedule B
Accounts Payable Check Account	6/14/2018	\$ 59,849.30	Schedule C

Total Disbursements: \$ 460,581.58

Please contact Ms. Monica Castro prior to the meeting if additional information is needed.

Prepared by Angelica V. Castro: *Angelica V. Castro*

Verified by Director of Finance: *Monica Castro*

For Council approval on: _____

Mayor: _____

Council: _____

RECEIVED

JUN 19 2018

Office of the City Clerk
City of San Luis, Arizona

City of San Luis

Payment Register

From Payment Date: 6/4/2018 - To Payment Date: 6/7/2018

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference	
					Total	79	\$117,766.25	\$0.00		
					All	Status	Count	Transaction Amount	Reconciled Amount	
						Open	72	\$116,975.25	\$0.00	
						Reconciled	0	\$0.00	\$0.00	
						Voided	7	\$791.00	\$0.00	
						Stopped	0	\$0.00	\$0.00	
						Total	79	\$117,766.25	\$0.00	
Grand Totals:										
					Checks	Status	Count	Transaction Amount	Reconciled Amount	
						Open	72	\$116,975.25	\$0.00	
						Reconciled	0	\$0.00	\$0.00	
						Voided	7	\$791.00	\$0.00	
						Stopped	0	\$0.00	\$0.00	
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						Voided	7	\$791.00	\$0.00	
						Stopped	0	\$0.00	\$0.00	
						Total	79	\$117,766.25	\$0.00	

Prepared By:
Maggie Dominguez
Date: 6/7/18

Miguel Ramirez
6/07/18

Payment Register

From Payment Date: 6/4/2018 - To Payment Date: 6/7/2018

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
1BYPAYABLE - 1st BY Accounts Payable									
Check									
85029	06/04/2018	Open			Accounts Payable	SUPPORT PAYMENT CLEARINGHOUSE	\$1,487.31		
85030	06/05/2018	Open			Accounts Payable	HERRERA, LAURA	\$377.39		
85031	06/07/2018	Open			Accounts Payable	BAUERMANN, RICHARD	\$191.00		
85032	06/07/2018	Voided		06/07/2018	Accounts Payable	CARRILLO, JOHN, ROBERT	\$113.00		
85033	06/07/2018	Voided		06/07/2018	Accounts Payable	CARRILLO, JOSE	\$113.00		
85034	06/07/2018	Open			Accounts Payable	CHAVEZ, NOEL	\$132.00		
85035	06/07/2018	Open			Accounts Payable	CORONADO, ARTURO	\$132.00		
85036	06/07/2018	Open			Accounts Payable	DE LA HOYA, TADEO	\$96.00		
85037	06/07/2018	Open			Accounts Payable	DE LA VARA, JOSE	\$174.30		
85038	06/07/2018	Open			Accounts Payable	GIMBUT, GLENN J.	\$81.00		
85039	06/07/2018	Voided		06/07/2018	Accounts Payable	GOMEZ, BENJAMIN, J	\$113.00		
85040	06/07/2018	Open			Accounts Payable	GONZALEZ, SAMUEL	\$150.00		
85041	06/07/2018	Open			Accounts Payable	JIMENEZ, SERGIO	\$140.92		
85042	06/07/2018	Open			Accounts Payable	KANAWHA INSURANCE CO.	\$339.42		
85043	06/07/2018	Open			Accounts Payable	LITTLE CAESARS PIZZA	\$513.00		
85044	06/07/2018	Open			Accounts Payable	LOPEZ, ENRIQUE	\$191.00		
85045	06/07/2018	Open			Accounts Payable	NEW YORK LIFE INSURANCE CO.	\$169.12		
85046	06/07/2018	Open			Accounts Payable	PREPAID LEGAL SERVICES	\$144.50		
85047	06/07/2018	Voided		06/07/2018	Accounts Payable	PRIETO, ERNESTO	\$113.00		
85048	06/07/2018	Open			Accounts Payable	RAMOS, MARIA, CECILIA	\$96.00		
85049	06/07/2018	Voided		06/07/2018	Accounts Payable	ROJAS, JOSE	\$113.00		
85050	06/07/2018	Open			Accounts Payable	ROSALES, MATIAS	\$219.00		
85051	06/07/2018	Voided		06/07/2018	Accounts Payable	RUIZ, OSCAR	\$113.00		
85052	06/07/2018	Voided		06/07/2018	Accounts Payable	SANTANA, MARCO	\$113.00		
85053	06/07/2018	Open			Accounts Payable	SOLIS, ROBERT	\$132.00		
85054	06/07/2018	Open			Accounts Payable	STANDARD INSURANCE CO.	\$1,407.15		
85055	06/07/2018	Open			Accounts Payable	TORRES, JENNY	\$219.00		
85056	06/07/2018	Open			Accounts Payable	TRANSWESTERN INSURANCE ADMIN	\$192.00		
85057	06/07/2018	Open			Accounts Payable	VISION SERVICE PLAN OF ARIZONA	\$3,914.60		
85058	06/07/2018	Open			Accounts Payable	4 IMPRINT	\$550.00		
85059	06/07/2018	Open			Accounts Payable	A & H ELECTRIC	\$457.40		
85060	06/07/2018	Open			Accounts Payable	AGUIRRE, ALICIA Z PC	\$640.00		
85061	06/07/2018	Open			Accounts Payable	ALSCO, INC	\$556.30		
85062	06/07/2018	Open			Accounts Payable	ARCTIC GLACIER USA INC	\$268.31		
85063	06/07/2018	Open			Accounts Payable	ARELLANO NIEBLAS, ISAAC	\$120.00		
85064	06/07/2018	Open			Accounts Payable	ARIZONA BRAKE & CLUTCH SUPPLY	\$384.16		
85065	06/07/2018	Open			Accounts Payable	ARIZONA SOUTHWEST UNIFORMS LLC	\$534.76		
85066	06/07/2018	Open			Accounts Payable	AUTOZONE STORES, INC	\$144.03		
85067	06/07/2018	Open			Accounts Payable	AZ STATE PRISON COMPLEX - YUMA	\$89.00		
85068	06/07/2018	Open			Accounts Payable	AZ STATE PRISON COMPLEX - YUMA	\$338.00		
85069	06/07/2018	Open			Accounts Payable	DESERT DOCUMENT SHREDDERS, LLC	\$40.00		

Payment Register

From Payment Date: 6/4/2018 - To Payment Date: 6/7/2018

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
85070	06/07/2018	Open			Accounts Payable	FAST EDDIE'S RADIO	\$834.03		
85071	06/07/2018	Open			Accounts Payable	CONTROLLED HOBBIES LLC	\$406.51		
85072	06/07/2018	Open			Accounts Payable	FREIGHTLINER OF ARIZONA, LLC	\$200.00		
85073	06/07/2018	Open			Accounts Payable	GALERIA CAFE	\$1,280.00		
85074	06/07/2018	Open			Accounts Payable	GUERRERO, JUAN, MANUEL	\$55.00		
85075	06/07/2018	Open			Accounts Payable	HOYOS, MICAELA, JUDITH	\$845.53		
85076	06/07/2018	Open			Accounts Payable	INDEPENDENT HYDRAULIC & MACHINE INC.	\$2,811.00		
85077	06/07/2018	Open			Accounts Payable	JAMES DAVEY AND ASSOCIATES	\$341.00		
85078	06/07/2018	Open			Accounts Payable	KENDALL ACQUISITIONS COMPANY, LLC	\$205.00		
85079	06/07/2018	Open			Accounts Payable	METRO FIRE EQUIPMENT INC	\$39.99		
85080	06/07/2018	Open			Accounts Payable	NEWEGG BUSINESS INC.	\$172.48		
85081	06/07/2018	Open			Accounts Payable	O'REILLY AUTO PARTS	\$230.00		
85082	06/07/2018	Open			Accounts Payable	ON TRACK OVERHEAD DOORS	\$3,300.00		
85083	06/07/2018	Open			Accounts Payable	PARTNERS FOR STRATEGIC ACTION,	\$387.43		
85084	06/07/2018	Open			Accounts Payable	PAUL CONWAY SHIELDS	\$195.14		
85085	06/07/2018	Open			Accounts Payable	PENN NEON SIGN CO., INC.	\$333.00		
85086	06/07/2018	Open			Accounts Payable	RAMON MOSQUEDA	\$227.67		
85087	06/07/2018	Open			Accounts Payable	REDBURN TIRE COMPANY	\$80.00		
85088	06/07/2018	Open			Accounts Payable	SANDOVAL, KATIA	\$180.00		
85089	06/07/2018	Open			Accounts Payable	SIMS MURRAY, LTD.	\$17,484.00		
85090	06/07/2018	Open			Accounts Payable	SMITH, RALPH E. SR.	\$7,205.58		
85091	06/07/2018	Open			Accounts Payable	SPECTRUM BUSINESS	\$174.00		
85092	06/07/2018	Open			Accounts Payable	SUN RENTAL AND SALES INC.	\$770.00		
85093	06/07/2018	Open			Accounts Payable	THE ROACH PEST CONTROL	\$969.50		
85094	06/07/2018	Open			Accounts Payable	THOMSON WEST PUBLISHING CO.	\$33,365.92		
85095	06/07/2018	Open			Accounts Payable	TOTER LLC	\$190.00		
85096	06/07/2018	Open			Accounts Payable	WESTERN SUN SYSTEMS, INC	\$1,483.00		
85097	06/07/2018	Open			Accounts Payable	YUMA SUN INC	\$3,199.00		
85098	06/07/2018	Open			Accounts Payable	ARIZONA SOUTHWEST UNIFORMS LLC	\$328.00		
85099	06/07/2018	Open			Accounts Payable	ARIZONA WESTERN COLLEGE	\$130.00		
85100	06/07/2018	Open			Accounts Payable	CARRILLO, JOHN, ROBERT	\$130.00		
85101	06/07/2018	Open			Accounts Payable	CARRILLO, JOSE	\$130.00		
85102	06/07/2018	Open			Accounts Payable	GOMEZ, BENJAMIN, J	\$24,126.23		
85103	06/07/2018	Open			Accounts Payable	PHOENIX UNIFORMS	\$130.00		
85104	06/07/2018	Open			Accounts Payable	PRIETO, ERNESTO	\$25.57		
85105	06/07/2018	Open			Accounts Payable	RELIABLE TRAILER SALES, LLC	\$130.00		
85106	06/07/2018	Open			Accounts Payable	ROJAS, JOSE	\$130.00		
85107	06/07/2018	Open			Accounts Payable	RUIZ, OSCAR	\$130.00		
					Accounts Payable	SANTANA, MARCO	\$130.00		
							\$117,766.25		

Type Check Totals:
18YPAYABLE - 1st BY Accounts Payable Totals

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	72	\$116,975.25	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	7	\$791.00	\$0.00
	Stopped	0	\$0.00	\$0.00



Schedule B

Pay Day Register

Pay Date Range 05/26/18 - 06/08/18

Pay Batch 201812

PSPRS POLICE DB RATE - TIER 3	321.87	3,238.12	BUS COMPANY AND DRIVERS	109.52	1,984.00
STANDARD LIFE ADDTNL	707.23	.00	CLERICAL OFFICE/ LIBRARY/	223.47	93,104.83
TRANSWESTERN MEXICAN	96.26	.00	Electrician	57.65	1,836.00
U.S. MEX DENTAL - EE &	592.48	.00	FIREFIGHTERS & DRIVERS	2,748.91	78,094.14
U.S. MEX DENTAL - EE &	63.48	.00	GARBAGE/ ASH/ REFUSE	339.55	5,432.80
UNITED WAY	14.00	.00	MUNICIPAL/ TOWN/	88.66	5,066.41
US & MEX DENTAL= FAMILY	581.24	.00	PARKS- NOC ALL EMPLOYEES	462.30	14,913.56
US & MEX HEALTH = C	6,141.80	.00	POLICE OFFICERS	3,584.91	81,847.31
US & MEX HEALTH = FAMILY	5,041.30	.00	RECREATION- ALL EMPLOYEES/	234.78	17,136.63
US & MEX HEALTH = SP	1,048.60	.00	SEWAGE DISPOSAL/ PLANT	598.78	17,406.28
VSP - VISION FAMILY	645.75	.00	Street or Road Construction	1,400.26	17,437.93
Net	<u>\$282,966.03</u> ✓		WATERWORKS OPERATIONS	<u>542.81</u>	<u>15,642.67</u>
			Total	<u>\$11,659.97</u>	

Direct Deposits	Amount
1st Bank Yuma	21,735.64
ACADEMY BANK	1,504.77
Bank of America	300.00
BBVA COMPASS	752.53
Charles Sch	300.00
Chase Bank	124,046.58
CHASE BANK CA	2,960.11
CHASE BANK MORGAN	1,196.73
chase centro	792.08
Federal Credit Union	32,065.80
HUGHES FCU	100.00
National Bank	500.00
Navy Federal	8,128.65
NetSpend Corporation DD	120.00
NORTH ISLAND CREDIT UNION	1,154.38
Sunbank	1,242.19
WASHINGTON FEDERAL	960.20
Wells Fargo	<u>55,762.07</u>
Total	<u>\$253,621.73</u>

Check \$29,344.30

Prepared by:
Debora Luna

Date:

Schedule C

City of San Luis

Payment Register

From Payment Date: 6/11/2018 - To Payment Date: 6/14/2018

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
Type Check Totals:					60 Transactions		\$59,849.30		
1BYPAYABLE - 1st BY Accounts Payable Totals									

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	59	\$49,849.30	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	1	\$10,000.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	60	\$59,849.30	\$0.00

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	59	\$49,849.30	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	1	\$10,000.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	60	\$59,849.30	\$0.00

Grand Totals:

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	59	\$49,849.30	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	1	\$10,000.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	60	\$59,849.30	\$0.00

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	59	\$49,849.30	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	1	\$10,000.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	60	\$59,849.30	\$0.00

Prepared By:
Maggie Dominguez
Date: 6/14/18

6/14/18
C

Payment Register

From Payment Date: 6/11/2018 - To Payment Date: 6/14/2018

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
1BYPAYABLE - 1st BY Accounts Payable									
Check									
85108	06/11/2018	Open			Accounts Payable	RAMIREZ, JOSE, FRANCISCO	\$165.00		
85109	06/12/2018	Open			Utility Management Refund	CABRERA, VIRGINIA	\$91.63		
85110	06/12/2018	Open			Utility Management Refund	COMITE DE BIENESTAR, INC	\$15.78		
85111	06/12/2018	Open			Utility Management Refund	COMITE DE BIENESTAR, INC	\$15.79		
85112	06/12/2018	Open			Utility Management Refund	COMITE DE BIENESTAR, INC	\$18.83		
85113	06/12/2018	Open			Utility Management Refund	CRUZ- FELIX, JOSE & MARIA VAZQUEZ	\$170.23		
85114	06/12/2018	Open			Utility Management Refund	DESNOYERS, RONALD & MARTHA MARTINEZ	\$69.56		
85115	06/12/2018	Open			Utility Management Refund	FLORES, CRUZ M & RAMON PADILLA	\$190.17		
85116	06/12/2018	Open			Utility Management Refund	GARCIA, JESUS	\$90.40		
85117	06/12/2018	Open			Utility Management Refund	GONZALEZ, JESUS	\$72.57		
85118	06/12/2018	Open			Utility Management Refund	HERNANDEZ DE LOPEZ, REYNA	\$89.74		
85119	06/12/2018	Open			Utility Management Refund	LOPEZ, ADILENE M & LUGO, CRISTHIAN A	\$181.91		
85120	06/12/2018	Open			Utility Management Refund	MALDONADO, MARGARITA	\$169.93		
85121	06/12/2018	Open			Utility Management Refund	MARTINEZ, MARIANA	\$186.39		
85122	06/12/2018	Open			Utility Management Refund	NEVAREZ, GUADALUPE	\$127.53		
85123	06/12/2018	Open			Utility Management Refund	ROBLES, JOSE, M	\$177.11		
85124	06/12/2018	Open			Utility Management Refund	RODRIGUEZ, REGINA, I	\$129.77		
85125	06/12/2018	Open			Utility Management Refund	SIERRAS, YASKHARA	\$117.86		
85126	06/12/2018	Open			Utility Management Refund	TORRES, VIVIANA, C	\$171.68		
85127	06/13/2018	Open			Accounts Payable	ALONSO, FRANCIA	\$128.00		
85128	06/13/2018	Open			Accounts Payable	SANCHEZ, GERARDO	\$96.00		
85129	06/14/2018	Voided		06/14/2018	Accounts Payable	MAYESTELLES PLLC	\$10,000.00		
85130	06/14/2018	Open			Accounts Payable	CALIFORNIA STATE DISBURSEMENT UNIT	\$160.61		
85131	06/14/2018	Open			Accounts Payable	CHARGO PA, GURSTEL	\$52.21		
85132	06/14/2018	Open			Accounts Payable	FOP/ALC	\$240.00		
85133	06/14/2018	Open			Accounts Payable	PIONEER CREDIT RECOVERY, INC	\$147.29		
85134	06/14/2018	Open			Accounts Payable	SAN LUIS POLICE OFFICERS ASSOC	\$465.00		
85135	06/14/2018	Open			Accounts Payable	SUPPORT PAYMENT CLEARINGHOUSE	\$4,197.81		

Payment Register

From Payment Date: 6/11/2018 - To Payment Date: 6/14/2018

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
85136	06/14/2018	Open			Accounts Payable	UNITED WAY OF YUMA COUNTY INC.	\$14.00		
85137	06/14/2018	Open			Accounts Payable	UNITED YUMA FIRE FIGHTERS- IAFF	\$600.00		
85138	06/14/2018	Open			Accounts Payable	ALDAMA, EMMANUEL	\$158.38		
85139	06/14/2018	Open			Accounts Payable	ALONSO, FRANCIA	\$500.95		
85140	06/14/2018	Open			Accounts Payable	ARANDA, JOSUE	\$46.21		
85141	06/14/2018	Open			Accounts Payable	ARELLANO NIEBLAS, ISAAC	\$66.00		
85142	06/14/2018	Open			Accounts Payable	ARIZONA PUBLIC SERVICE	\$1,303.39		
85143	06/14/2018	Open			Accounts Payable	CARRASCO, AFRICA	\$103.00		
85144	06/14/2018	Open			Accounts Payable	CORNELIO, SONIA	\$226.00		
85145	06/14/2018	Open			Accounts Payable	DE LA HOYA, TADEO	\$72.00		
85146	06/14/2018	Open			Accounts Payable	DUENAS, DEREK	\$344.00		
85147	06/14/2018	Open			Accounts Payable	FRANCO LUNA, ROSSMART, FELIPE	\$40.00		
85148	06/14/2018	Open			Accounts Payable	GOMEZ, ALEXIS, I	\$129.90		
85149	06/14/2018	Open			Accounts Payable	GONZALEZ, JAVIER	\$271.00		
85150	06/14/2018	Open			Accounts Payable	GUERRERO, JUAN, MANUEL	\$1,600.00		
85151	06/14/2018	Open			Accounts Payable	JENKINS, OLIVIA	\$167.00		
85152	06/14/2018	Open			Accounts Payable	JESSUP, RICHARD	\$85.00		
85153	06/14/2018	Open			Accounts Payable	LOPEZ, MELISSA	\$226.00		
85154	06/14/2018	Open			Accounts Payable	MECHO'S MOBIL WELDING	\$2,010.00		
85155	06/14/2018	Open			Accounts Payable	MEDINA, JOSE	\$180.00		
85156	06/14/2018	Open			Accounts Payable	MEJIA HERNANDEZ, FREDY	\$80.00		
85157	06/14/2018	Open			Accounts Payable	MORADO, MARICRUZ	\$540.00		
85158	06/14/2018	Open			Accounts Payable	NAVA RENTERIA, JOSELINA	\$48.00		
85159	06/14/2018	Open			Accounts Payable	PEREZ, SONIA, M	\$132.84		
85160	06/14/2018	Open			Accounts Payable	RODARTE, RODRIGO	\$221.40		
85161	06/14/2018	Open			Accounts Payable	SAN LUIS SPEAR POINT SOLAR I, LLC	\$19,298.23		
85162	06/14/2018	Open			Accounts Payable	SANDOVAL, KATIA	\$92.00		
85163	06/14/2018	Open			Accounts Payable	URIAS, RAYMOND	\$1,360.00		
85164	06/14/2018	Open			Accounts Payable	V & V ELECTRIC LLC	\$1,340.00		
85165	06/14/2018	Open			Accounts Payable	VALENCIA, RODRIGO	\$295.20		
85166	06/14/2018	Open			Accounts Payable	WICKLANDER-ZULAWSKI & ASSOC, INC	\$560.00		
85167	06/14/2018	Open			Accounts Payable	MAYESTELLES PLLC	\$10,000.00		



AGENDA ITEM REVIEW FORM

Regular City Council Meeting

5.A.

Meeting Date: 06/27/2018

Department Head: Olivia Jenkins, Human Resources Manager, Human Resources Department

Submitted By: Olivia Jenkins, Human Resources Manager, Human Resources Department

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding proposals from Border Gym Fitness, L.L.C. and 24/7 Get Fit Gym, and expanding the Gym Membership Benefit from 50 to 60 Memberships. **(Olivia Jenkins, Human Resources Manager and Fausto Gonzalez, HR Training & Programs Coordinator)**

SUMMARY:

Because of the popularity of the city's Gym Membership Benefit Program (Gym Benefit), this year, Human Resources (HR) has two (2) recommendations.

1. Approve the attached proposed contracts for Border Gym Fitness and 24/7 Get Fit Gym.
2. Increase from 50 to 60 the gym memberships.

Success with adding the second gym contract

Memberships per gym have remained fairly consistent with memberships split in half between both providers for the past six months.

Border Gym Fitness Proposed Contract

Border Gym Fitness proposes a six-month contract ending December 31, 2018. The owners intend to return to the city before the expiration of the 6 months to negotiate a new contract for the next 6 months.

24/7 Get Fit Proposed Contract

24/7 proposes a one-year contract ending June 30, 2019. 24/7 Get Fit's contract includes its new gym in the Foothills of Yuma County. The city's Gym Benefit will cover the same services for all 3 locations (San Luis, Somerton, and the Foothills). Employees may purchase on their own the extra services available at the new Foothills gym.

60 Gym Memberships

HR recommends that Council add ten slots to the Gym Benefit. The Gym Benefit has limited enrollment to 50 employees. The numbers support the increase to 60 employees because the Gym Benefit has kept a waitlist for the past six consecutive months with the waiting list reaching up to eleven employees.

Purpose

The Gym Benefit is part of the City's Wellness Program to

- *provide salutary options for employees,
- *encourage employees to become physically active in a non-work related environment, and
- *inspire employees to adopt and maintain healthy habits.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE THE CONTRACT WITH BORDER GYM FITNESS, THE CONTRACT WITH 24/7 GET FIT GYM, AND 60 GYM MEMBERSHIPS AS PRESENTED.

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM: YES
CITY/STATE/FEDERAL FUNDS: CITY
TOTAL: \$16,000.00
BUDGETED AMOUNT: \$16,000.00
AVAILABLE AMOUNT TO TRANSFER: N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: G/L ACCT #100-125-80005
SPECIAL SERVICES \$56,150.00

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

No budget transfer needed.

Attachments

Border Fitness Gym Contract Renewal
247 Get Fit Contract Renewal
Feb - June Gym Count & Wait List

AGREEMENT

This agreement (the "Agreement") is made this _____ day of _____, 2018, between the City of San Luis of P.O. Box 1170, San Luis, Arizona, 85349 ("City") and Border Gym Fitness, L.L.C., of P.O. Box 5107, 1938 E. Juan Sanchez Blvd, Suite 1, San Luis, Arizona, 85349 ("Contractor"). (The City and the Contractor may be referred to singularly as the "Party" and collectively as the "Parties").

A. The City is desirous of obtaining wellness health services.

B. Contractor agrees to perform these services for City under the terms and conditions set forth in this Agreement.

In consideration of the matters described above, and of the mutual benefits and obligations set forth in this agreement, the City and Contractor agree as follows:

SECTION ONE DESCRIPTION OF WORK

A. Gym Membership

The purpose of the Wellness Program shall be to help improve the overall fitness of employees of the City by providing gym membership with the Contractor for up to 50 City employees. Gym membership includes services as well as access to facilities and equipment as more fully described in Exhibit A, which is incorporated into this agreement by this reference. Contractor reserves the right to cancel any classes offered during the term of this Agreement without advance notice. The Contractor will not be responsible for providing audio equipment or any other special accommodations necessary for fitness activity participants, including but not limited to seating and water.

B. Equipment

Exercise equipment shall be in good working condition so that it may be operated safely and for the exercises for which the equipment was intended. For any equipment which is not in good working order as just described here, the Contractor shall restore it to good working order or replace it within twenty-one (21) days from the day it is no longer in good working condition.

C. Cleanliness

All locations of Contractor's gyms shall be clean, free of pests and air conditioning operational to the satisfaction of representatives of the City's H.R. Department and the Wellness Committee.

D. Invoicing

Contractor shall e-mail to the City every first Monday of every month its invoice for the previous month.

E. Reporting

Contractor shall report every month to the City the attendance of City Employees enrolled in the City's Gym Membership Benefit.

SECTION TWO PAYMENT

The City will pay Contractor \$22.00 per month per the number of City employees who are enrolled in the Gym Membership Benefit who use the services of the Contractor during that month for up to 50 employees during the term of this Agreement. Payment will be made on or before the 15th day of each month either by check or direct deposit to Contractor.

In addition, upon execution of this Contract, City will pay Contractor \$250.00 in advance for its administrative costs.

SECTION THREE RELATIONSHIP OF PARTIES

The parties intend that an independent contractor relationship will be created by this Agreement. The City is interested only in the results to be achieved and not the manner and means of achieving it. The conduct and control of the work will lie solely with Contractor. The Contractor is not to be considered an agent or employee of City for any purpose. The employees of Contractor are not to be considered agents or employees of the City. It is understood that City does not agree to use Contractor exclusively. It is further understood that Contractor is free to contract and provide similar services for others while under this Agreement with City.

SECTION FOUR LIABILITY

The work to be performed under this Agreement will be performed entirely at Contractor's risk, and Contractor assumes all responsibility for the condition of the premises and equipment used in the performance of this Agreement. The Contractor will carry, for the duration of this Agreement, public liability insurance in an amount

acceptable to City. Contractor agrees to indemnify City for any and all liability or loss arising in any way out of the performance of this Agreement.

**SECTION
FIVE
EQUIPMENT**

Contractor shall supply all equipment and supplies needed to perform this agreement without additional charge.

**SECTION
SIX
DURATION**

This Agreement shall begin on July 1, 2018, and terminate on December 31, 2018. Either party may cancel this Agreement on ten (10) days written notice; otherwise, the Agreement shall remain in force for its term. In the event of cancellation, no further monies will be owed by City to Contractor. Termination of any individual City Employee from City's Gym Benefit is determined by the Enrollment Agreement Exhibit B, which is incorporated into this agreement by this reference.

The Agreement may be renewed for an additional six months on the recommendation of the Wellness Committee, the City's HR Department and the approval of the City Council.

**SECTION
SEVEN
MISCELLANEOUS**

A. Notices

All notices to be given under this Agreement, or which may be given by either Party to the other, shall be considered validly given and fully received when made in writing and delivered or refused delivery by means of prepaid service by:

- deposit in the United States Postal Service by certified mail, return receipt requested, and postage prepaid,
- personal delivery by a process server or
- sent by a nationally recognized courier (e.g., Federal Express, UPS)

and addressed to the respective Parties as follows:

If to the CITY

**City Manager
City of San Luis
P.O. Box 1170 (by United States Postal Service)**

**1090 East Union Street (by personal process or courier)
San Luis, Arizona 85349**

With a copy

**to San Luis City Attorney
The City of San Luis
P.O. Box 1170
San Luis, AZ 85349**

If to the CONTRACTOR

**Luis Chang, Owner
P.O. Box 5107 (by United States Postal Service)
1938 E. Juan Sanchez Blvd.
Suite 1 (by personal process or courier)
San Luis, Arizona, 85349**

or such other addresses as either Party may from time to time designate in writing and deliver in a like manner. Any such change of address notice shall be given at least ten (10) days before the date on which the change is to become effective.

B. Waiver

No delay in exercising any right or remedy shall constitute a waiver thereof. The failure of either party to insist on the performance of any of the terms of this Agreement, or the waiver of any breach of any of the terms of this Agreement, shall not be construed as subsequently waiving any such terms, or any others, but the terms shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.

C. Attorneys' Fees

In the event any Party finds it necessary to bring any action at law or other proceeding, including arbitration, against the other party to enforce any of the terms, covenants or conditions hereof, or by reason of any breach or default hereunder, the party prevailing in any such action or other proceeding shall be paid all reasonable costs and reasonable attorneys' fees by the other party, and in the event any judgment is secured by said prevailing party, all such costs and attorneys' fees shall be included therein, such fees to be set by the court and not by jury.

D. Counterparts

This agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signature of all parties may be physically attached to a single document.

E. Headings

The descriptive headings of the paragraphs of this agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

F. Time of the Essence

Time is of the essence in this Agreement.

G. No Agency, Partnership or Third Parties

It is not intended by this agreement to, and nothing contained in this agreement shall create any agency, partnership, joint venture or other similar arrangement between the Contractor and the City. No term or provision of this agreement is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

H. Entire Agreement

This agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations and understandings of the parties, oral or written, are hereby superseded and merged herein.

I. Amendment

No change or additions are to be made to this agreement except by a written amendment executed by the parties hereto.

J. Governing Law

This Agreement is entered into in Arizona and shall be construed and interpreted under the laws of the State of Arizona.

K. Compliance with the Law and Provisions Required by Arizona Law

The Contractor agrees it will comply with all federal, state and local laws including but not limited to:

- (1) Contractor certifies that it does not participate in, and agrees not to participate in during the term of the contract a boycott of Israel in accordance with A.R.S. §35-393.01. I understand that my entire response will become public record in accordance with A.A.C. R2-7-C317,
- (2) Contractor certifies that pursuant to A.R.S. §41-4401(A), the undersigned is authorized to and does warrant its compliance with all federal immigration

laws and regulations that relate to its employees and its compliance with A.R.S. § 23-214, subsection A, E-verify. A breach by the undersigned or his/her employer of this warranty shall be deemed a material breach of the contract that is subject to penalties up to and including termination of the contract. The City retains the legal right to inspect the papers of any contractor or subcontractor employee who works under this Agreement to ensure that the undersigned, his/her employer or the employer's subcontractor or subcontractors are complying with this warranty.

- (3) Notice of A.R. S. §38-511: Conflict of Interest. Pursuant to Arizona law, rules and regulations, no member, official or employee of the City shall have any personal interest, direct or indirect in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is, directly or indirectly, interested. This agreement is subject to the provisions of A.R.S. §38-511.

L. Venue

Any legal action relating to this agreement shall be brought in either court of competent jurisdiction in Yuma County, Arizona or in the United States District Court for the District of Arizona at the election of the plaintiff in such legal action, provided, however, that nothing in this paragraph will be deemed to have authorized the bringing of any legal action in a court which does not otherwise have jurisdiction to adjudicate the legal action.

M. Severability

Every provision of this agreement is and will be construed to be, a separate and independent covenant. If any provision of this agreement or the application of the same is, to any extent, found to be invalid or unenforceable, then the remainder of this agreement or the application of that provision to circumstances other than those to which it is invalid or unenforceable, will not be affected by that invalidity or unenforceability, and each provision of this agreement will be valid and will be enforced to the extent permitted by the law, and the parties will negotiate in good faith for such amendments of this agreement which may be necessary to achieve its intent, notwithstanding such invalidity or unenforceability.

N. No Personal Liability

No member, official or employee of the City shall be personally liable to Contractor, or any successor or assignee, (a) in the event of any default or breach by the City, (b) for any amount which may become due to the Contractor or its successor or assign, or (c) pursuant to any obligation of the City under the terms of this Agreement.

O. Business License

Contractor shall obtain and maintain during the term of this Agreement a City business license.

P. Authority

The undersigned represent to each other that they have full power and authority to enter into this Agreement and that all necessary actions have been taken to give full force and effect to this Agreement.

Q. Notice of Conveyance or Assignment

The Contractor shall give notice to the City of any sale of Contractor's gym business at least 10 days prior to the effective date of the sale. The Contractor may assign all of its rights under this Agreement to any one or more persons or entities, on such terms as Contractor may deem appropriate, provided that Contractor may not convey said rights unless the corresponding obligations of the Contractor are assumed by the assignee of the Contractor's rights. Notice of the assignment of rights and assumption of obligations shall be in a document signed by the Contractor and such assignee. Contractor shall be released from the obligations assumed by the assignee once the City receives notice under the notice requirements of the Agreement.

[Intentionally left blank, signature page follows]

The Parties have executed this agreement on the day and year first above written.

BORDER GYM FITNESS, L.L.C.

by _____
Luis Chang, Owner

CITY OF SAN LUIS, ARIZONA

Gerardo Sanchez, Mayor

ATTEST:

APPROVED AS TO FORM:

Sonia Cornelio, City Clerk

Kay Marion Macuil, City Attorney

Exhibit A

Border Gym Fitness L.L.C Gym Membership for up to 50 City of San Luis Employees

Locations:

1938 Juan Sanchez Blvd Suite 1 & 2
San Luis, Arizona

240 W. Main St.
Somerton, Arizona

Access and Services:

Access to open gym and exercise equipment 24 hours per day, 7 days per week at both locations;

Classes at the San Luis location only (Zumba, Yoga, Spinning, Cross-Training and Cardio Boxing, all of which are subject to change or cancellation without notice);

Three (3) scheduled free orientations with a trainer which includes instruction on how to use each of our machines;

30-minute circuit;

Kids-care area Monday through Thursday from 6 p.m. to 8 p.m. ; and

Kids-rest area in Somerton.

BORDER FITNESS

Employee's Agreement for Gym Membership Benefit July - December 2018

Acuerdo del Empleado(a) Para Beneficio de membresía de Gimnasio – julio – diciembre 2018

Purpose / Propósito

For the purpose of promoting a healthy workforce, the City of San Luis, Arizona (further referred to as "City") wishes to provide voluntary gym membership free of charge to its full-time, non-temporary, non-seasonal employees.

Con el propósito de promover una fuerza laboral saludable, la Ciudad de San Luis, Arizona (de aquí en adelante referida como "Ciudad") desea proveer, a los empleados que así lo deseen, una membresía libre de costo a los empleados de tiempo completo, pero no a empleados temporales ni estacionales.

Agreement / Acuerdo

By signing below, I verify, understand and agree that:

Al firmar, verifico, entiendo y estoy de acuerdo que:

1. I am a full-time, non-temporary, non-seasonal employee of the City of San Luis, Arizona.
Soy empleado(a) de tiempo completo, no temporal ni estacional de la Ciudad de San Luis, Arizona.
2. This gym membership is voluntary and is offered for my personal benefit and it is not related to my work duties or functions.
Esta membresía del gimnasio es voluntaria y se ofrece para mi beneficio personal y no tiene relación alguna con mis funciones o deberes laborales.
3. If I am injured in the scope of using this Gym benefit, I understand I am not covered by City of San Luis workers' compensation insurance benefit.
En caso de lesión en uso del beneficio del gimnasio, entiendo que el beneficio que ofrece la Ciudad de San Luis de compensación al trabajador no será disponible.
4. Gym membership is offered through **Border Gym Fitness** which has facilities in Somerton and San Luis, Arizona.
La membresía del gimnasio es ofrecida a través de Border Gym Fitness, el cual tiene instalaciones en Somerton y San Luis, Arizona.
5. Border Gym Fitness is a third-party, independent contractor and it is not to be considered an agent, representative, or employee of the City for any purpose.
Border Gym Fitness es un contratista tercero e independiente y no debe ser considerado un agente, representante, o empleado de la Ciudad.
6. The City assumes no responsibility for the premises, equipment, or employees of Border Gym Fitness for any reason or purpose, whatsoever.
La Ciudad no asume ninguna responsabilidad por las instalaciones, el equipo, o empleados de Border Gym Fitness por cualquier motivo o finalidad, en absoluto.
7. Border Gym Fitness might cancel any classes offered during the term of the membership without advanced notice. Note: Classes only available in San Luis facility.
Border Gym Fitness reserva el derecho de cancelar cualquiera de las clases que ofrezca durante el término de la membresía sin previa notificación previo aviso. Nota: Clases solo disponibles en el local de San Luis.
8. I agree to attend Border Gym Fitness at least 8 times per calendar month unless my absence is excused through the Human Resources Department of the City (HR).
Me comprometo asistir a Border Gym Fitness por lo menos 8 veces por mes, a menos de que mi ausencia sea justificada por el Departamento de Recursos Humanos de la Ciudad (referido de aquí en adelante como "HR").

9. I understand that if I fail to attend Border Gym Fitness at least 8 times in one calendar month without an excuse accepted by HR then I will be suspended from the program the next calendar month. After the month of suspension, I may apply for the Gym Benefit.
Entiendo que si no cumplo con mi asistencia a Border Gym Fitness por lo menos 8 veces en un mes sin una razón que haya sido justificada por HR, seré suspendido del programa por un mes. Al cumplir con el mes de suspensión, puedo solicitar por el beneficio del Gimnasio.
10. I understand that HR has the sole reasonable discretion to excuse my non-attendance at Border Gym Fitness.
Entiendo que HR usará una discreción razonable para justificar mi falta de asistencia a Border Gym Fitness.
11. I understand that the City cannot exceed 50 memberships per month by contract with Border Gym Fitness. I understand that HR must take into consideration this limit on membership when deciding whether to excuse non-attendance.
Entiendo que la Ciudad de San Luis no puede exceder el límite de 50 membresías por mes especulado en el contrato con Border Gym Fitness. Entiendo que HR debe tener en cuenta este límite de membresías a la hora de decidir si se debe excusar la falta de asistencia.
12. I understand that HR has the sole reasonable discretion to permanently terminate my gym benefit or require me to reimburse the City for the cost of my benefit if I am not using my gym benefit to participate in fitness activities.
Entiendo que HR es la única entidad que tiene poder de decidir terminación de mi beneficio de gimnasio. Entiendo que HR usará discreción razonable sobre la cancelación permanente del uso del beneficio o exigirme que reembolse a la ciudad por el costo del beneficio de gimnasio si no participo en actividades de acondicionamiento físico.
13. I agree that I must contact HR immediately to request to be excused from attendance. If I do not contact HR immediately, HR will not consider my request after the first business day of the following month of my absence. (For example: if an employee couldn't go to the gym at least 8 times in July because the employee was sick, the employee must contact HR to be excused, no later than first Monday in August.)
Estoy de acuerdo en comunicarme con HR inmediatamente para solicitar una justificación por cualquier ausencia. Si no me comunico con HR inmediatamente, HR no considerará mi solicitud después del primer día de labores del mes siguiente de mi ausencia. (Por ejemplo: si un empleado(a) no puede ir al gimnasio por lo menos 8 veces en Julio porque el empleado(a) estaba enfermo(a), el empleado(a) deberá de comunicarse con HR para solicitar un justificante que no pase del primer Lunes de Agosto).
14. My free membership benefit through Border Gym Fitness continues until December 31, 2018 unless it is terminated sooner because I am no longer employed through the City of San Luis, or I failed to follow the rules of Border Gym Fitness, or I failed to attend *Border Gym Fitness* at least 8 times per month without an excuse accepted by HR.
Mi beneficio de membresía gratuita a través de Border Gym Fitness continuará hasta el 31 de diciembre 2018, a menos de que sea terminada antes porque ya no estoy empleado(a) por la Ciudad de San Luis, o porque no seguí las reglas de Border Gym Fitness, o dejé de ir al Border Gym Fitness por lo menos 8 veces al mes sin justificación alguna que no haya sido aprobada por HR.
15. I understand that it will be employee's responsibility to pay \$20.00 for proxy key to Border Fitness, if I request one.
Entiendo que sera la responsabilidad del empleado de pagar \$20 por una llave electronica a Border Firtness, si yo la solicito.

Employee Signature / Firma De Empleado(a)

Date/Fecha

Print Employee Name / Nombre De Empleado(a) Por Escrito



**CORPORATE AGREEMENT BETWEEN
24-7 GET FIT SL, LLC and THE CITY OF SAN LUIS**

This Agreement is made and entered into this 27th day of June 2018, by and between 24-7 GET FIT SL, LLC, Contractor (hereinafter "GET FIT"), an Arizona Limited Liability Company operating at 1922 E Juan Sanchez Blvd, in San Luis, Arizona and The City of San Luis, Customer (hereinafter "CITY") located at 1090 E. Union Street, in San Luis, Arizona.

RECITALS:

- A. That CITY and GET FIT agree to all the terms and conditions hereinafter set forth.
- B. That this is the renewal contract between GET FIT and CITY.

NOW, THEREFORE, in consideration of the mutual promises, the parties agree as follows:

1. The recitals are hereby incorporated by reference as agreements of the parties.
2. That the term of this Agreement shall be for the period of twelve (12) months, commencing on July 1st, 2018, and ending on June 30th, 2019.
3. CITY agrees to keep the FIVE HUNDRED US DOLLARS (\$500.00) refundable deposit with GET FIT. If the CITY is not in default, then the deposit will be refunded at the end of the term of this contract, applied to account balance, or rolled over to the next contract at the CITY's request.
4. CITY's corporate account must maintain at a minimum 15 GET FIT club members at all time or otherwise fees will be deducted from deposit as per paragraph 5.
5. If CITY does not maintain the minimum required 15 members, then CITY agrees that the difference in the total monthly fee (15 member fees minus actual fees) will be deducted from the \$500.00 deposit on a month to month basis. At the end of the term of this agreement, GET FIT will refund the remaining balance of the deposit to the CITY as per paragraph 2. Under no circumstances, the difference in monthly fees over the six-month term will exceed the \$500 Deposit.
6. If CITY cancels the contract before June 30th, 2019 then CITY is hereby waiving its right to the \$500.00 deposit and NO refund will be issued.
7. GET FIT will issue gym memberships to CITY employees under CITY's corporate account and provide access to the facility as per GET FIT policies. Employees will have single membership benefits to all 24-7 Get Fit clubs. Please refer to exhibit A for plan membership benefits.
8. CITY agrees to pay the dues on behalf of its employees.
 - A- GET FIT agrees to waive the enrollment fee, the key card cost, and the pro-rated monthly dues for the initial month. The cost to join will only be the monthly dues.
 - B- The monthly membership fee is \$19.99 per person.
 - C- CITY agrees to issue a check for the full amount to GET FIT no later than the 20th day of each month for the total dollar amount due for memberships and signups under the corporate account.

With a copy to: San Luis City Attorney
The City of San Luis
P.O. Box 1170
San Luis, AZ 85349

If to the CONTRACOR: Scott Awar
P.O. Box 736 (by United States Postal Service)
Somerton, AZ 85350

1922 E. Juan Sanchez Blvd.
Suite 6 (by personal process or courier)
San Luis, Arizona, 85349

or such other addresses as either party may from time to time designate in writing and deliver in a like manner. Any such change of address notice shall be given at least ten (10) days before the date on which the change is to become effective. Notices, approvals, changes of addresses and other communications provided for herein shall be effective upon receipt as hereinabove provided, prepaid and addressed as set forth above.

B- Waiver.

No delay in exercising any right or remedy shall constitute a waiver thereof. The failure of either party to insist on the performance of any of the terms of this Agreement, or the waiver of any breach of any of the terms of this Agreement, shall not be construed as subsequently waiving any such terms, or any others, but the terms shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.

C- Attorneys' Fees.

In the event any party finds it necessary to bring any action at law or other proceeding, including arbitration, against the other party to enforce any of the terms, covenants or conditions hereof, or by reason of any breach or default hereunder, the party prevailing in any such action or other proceeding shall be paid all reasonable costs and reasonable attorneys' fees by the other party, and in the event any judgment is secured by said prevailing party, all such costs and attorneys' fees shall be included therein, such fees to be set by the court and not by jury.

D- Counterparts.

This agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signature of all parties may be physically attached to a single document.

E- Headings.

The descriptive headings of the paragraphs of this agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

F- Time of the Essence.

Time is of the essence of this Agreement.

G- No Partnership and Third Parties.

It is not intended by this agreement to, and nothing contained in this agreement shall, create any partnership, joint venture or other similar arrangement between Get Fit and City. No term or provision of this agreement is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

H- Entire Agreement.

This agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations and understandings of the parties, oral or written, are hereby superseded and merged herein.

I- Amendment.

No change or additions are to be made to this agreement except by a written amendment executed by the parties hereto.

J- Governing Law.

This agreement is entered into in Arizona and shall be construed and interpreted under the laws of the State of Arizona.

K- Arizona Laws.

- i. Get Fit certifies that it does not participate in, and agrees not to participate in during the term of the contract a boycott of Israel in accordance with A.R.S. §35-393.01. I understand that my entire response will become public record in accordance with A.A.C. R2-7-C317,
- ii. Get Fit certifies that pursuant to A.R.S. §41-4401(A), the undersigned is authorized to and does warrant its compliance with all federal immigration laws and regulations that relate to its employees and its compliance with A.R.S. § 23-214, subsection A, e-verify. A breach by the undersigned or his/her employer of this warranty shall be deemed a material breach of the contract that is subject to penalties up to and including termination of the contract. The City retains the legal right to inspect the papers of any contractor or subcontractor employee who works under this Agreement to ensure that the undersigned, his/her employer or the employer's subcontractor or subcontractors are complying with this warranty.
- iii. **Notice of A.R. S. §38-511: Conflict of Interest.** Pursuant to Arizona law, rules and regulations, no member, official or employee of the City shall have any personal interest, direct or indirect in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is, directly or indirectly, interested. This agreement is subject to the provisions of A.R.S. §38-511.

L- Venue.

Any legal action relating to this agreement shall be brought in either court of competent jurisdiction in Yuma County, Arizona or in the United States District Court for the District of Arizona at the election of the plaintiff in such legal action, provided, however, that nothing in this paragraph will be deemed to have authorized the bringing of any legal action in a court which does not otherwise have jurisdiction to adjudicate the legal action.

M- Severability.

Every provision of this agreement is, and will be construed to be, a separate and independent covenant. If any provision of this agreement or the application of the same is, to any extent, found to be invalid or unenforceable, then the remainder of this agreement or the application of that provision to circumstances other than those to which it is invalid or unenforceable, will not be affected by that invalidity or unenforceability, and each provision of this agreement will be valid and will be enforced to the extent permitted by the law, and the parties will negotiate in good faith for such amendments of this agreement which may be necessary to achieve its intent, notwithstanding such invalidity or unenforceability.

N- No Personal Liability.

No member, official or employee of the City shall be personally liable to Get Fit, or any successor or assignee, (a) in the event of any default or breach by the City, (b) for any amount which may become due to Get Fit or its successor or assign, or (c) pursuant to any obligation of the City under the terms of this Agreement.

O- Business License.

Get Fit shall obtain and maintain during the term of this Agreement a City business license.

The parties have executed this agreement on the day and year first above written.

24-7 GET FIT SL, LLC

CITY OF SAN LUIS

by _____
S. Scott Awar, President

by _____
Gerardo Sanchez, Mayor

ATTEST:

APPROVED AS TO FORM:

Sonia Cornelio, City Clerk

Kay Marion Macuil, City Attorney

Exhibit A

Membership Plan Benefits

- Single Membership: Allows member access to any 24-7 Get Fit Club and use of the facility. Membership excludes any add-ons such as premium package or Fit Kids Club. Please see Club for details.
- Joint Membership: Membership offered for couples living at the same address. Membership allows both members access to any 24-7 Get Fit Club and use of the facility. Membership excludes any add-ons such as premium package or Fit Kids Club. Please see Club for details.
- Family Membership: Membership offered for families. It includes 2 adults and 2 kids between the ages of 13 and 17. Membership allows all 4 members' access to any 24-7 Get Fit Club and use of the facility. Membership excludes any add-ons such as premium package or Fit Kids Club. Please note that minors do not receive entry tokens and are not allowed to work out without parent supervision. Please see Club for details.
- Fit Kids Club Add-on: Service to watch your child/ children while you are using the facility. Service is limited to 2 hours per day during Fit Kids Club hours. Each child is \$10 per month. Please note that if membership is canceled or Fit Kids Club service is removed from member's account, no further services will be provided after cancellation or downgrade and no further fees will be charged upon notice of cancellation or downgrade.
- Premium Package: Varies by club, please see club for rules and details. Some of the benefits are access to tanning bed, massage bed, Beauty Angel and classes such as Yoga, Zumba, kickboxing, etc. Please note that if membership is canceled or Premium Package is removed from member's account, no further services will be provided after cancellation or downgrade and no further fees will be charged upon notice of cancellation or downgrade.
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February 2018	
24/7 Get Fit Gym Member Count:	26
Border Fitness Gym Member Count:	23
Number of Waitlisted Employees:	8

March 2018	
24/7 Get Fit Gym Member Count:	26
Border Fitness Gym Member Count:	24
Number of Waitlisted Employees:	3

April 2018	
24/7 Get Fit Gym Member Count:	26
Border Fitness Gym Member Count:	24
Number of Waitlisted Employees:	3

May 2018	
24/7 Get Fit Gym Member Count:	24
Border Fitness Gym Member Count:	26
Number of Waitlisted Employees:	11

June 2018	
24/7 Get Fit Gym Member Count:	29
Border Fitness Gym Member Count:	21
Number of Waitlisted Employees:	6



AGENDA ITEM REVIEW FORM

Regular City Council Meeting

5.B.

Meeting Date: 06/27/2018

Department Head: Olivia Jenkins, Human Resources Director, Human Resources Department

Submitted By: Olivia Jenkins, Human Resources Manager, Human Resources Department

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding the contract with Cooperative Personnel Services (CPS) HR Consulting for an amendment to the scope of work and services not included in the initial contract for the compensation-salary study and waiver of formal purchasing procedures as permitted under San Luis City Code Section 36.01(H). **(Olivia Jenkins, Human Resources Manager)**

SUMMARY:

Summary: Human Resources requested a change in scope of work in the methodology used for compensation study as part of Salary Study by CPS HR Consulting. After review and discussions with Finance Department, it was determined that the factor comparison method would be more appropriate, these factors are in relation to the minimum qualifications of the position. These factors will provide a just basis for minimum qualifications for entry-level employees and a fair foundation for base pay. The factor comparison method uses the following criteria:

- Knowledge
- Skills
- Authority & Accountability
- Working Conditions

Need for waiver of formal purchasing procedures:

Human Resources is seeking a waiver of the purchasing procedures for expenses to be incurred not to exceed the amount of **\$10,00.00** as permitted under the San Luis City Code Section 36.01 (H). For a sum of \$10,000.00 the purchasing procedures of the City Code would be to request three (3) quotes. In this circumstance, the public treasury would be better served in not seeking three (3) quotes. The city would have to pay any other company for its time to study the San Luis classification system and salaries. This is time the city has already paid for through CPS. The city hired the company CPS HR Consulting (CPS) for a Salary Study. CPS in coordination with Human Resources and Finance has been studying the job descriptions minimum qualifications. The city currently holds the main contract with CPS HR for the city's salary survey.

Staff Recommendation:

Human Resources is seeking ratification for expense being incurred for the change in scope of work and additional consulting service. Human Resources considers this request to be imperative in the current process.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE AND RATIFY THE AMENDMENT TO THE CPS CONTRACT AS PRESENTED IN THE AMOUNT OF \$10,000.

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM: YES
CITY/STATE/FEDERAL FUNDS: CITY
TOTAL: \$10,000.00
BUDGETED AMOUNT: 0.00
AVAILABLE AMOUNT TO TRANSFER: \$10,000.00
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: Contractual Services
100-110-8000 \$73,168.36

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

Budget transfers from: Special Services 100-125-80005 \$4,000; Travel and Per Diem \$3,000; Tuition Reimbursements \$3,000

Attachments

Second Amendment to Statement of Work 1
Total Compensation Study – Factor Comparison Method Services

THIS SECOND AMENDMENT (this "Amendment") is made by and between Cooperative Personnel Services dba **CPS HR Consulting**, ("CPS HR") located at 2450 Del Paso Road, Suite 220, Sacramento, California, 95834 and **the City of San Luis** ("Client" or "City") with offices at 1090 E. Union Street, San Luis, AZ 85349.

Whereas, CPS HR and Client have entered into the Agreement (as defined below); and

Whereas, CPS HR and Client desire to modify the Agreement on the terms and conditions set forth herein;

Now, therefore, CPS HR and Client agree as follows:

1. **Definitions:** The following definitions shall apply to this Amendment:

- (a) **Agreement.** The term "Agreement" shall mean the Agreement dated September 1, 2016 by and between CPS HR and Client.
- (b) **Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

2. **Modifications to the Agreement.** The Agreement is hereby reinstated and modified to extend the completion date and to include factor comparison method services and funding for those services as follows:

- (a) **Page 1, Section 1.** Provide Client with the factor comparison method as described below:

The factor comparison method is a job evaluation technique used in compensation studies for pay related decision making. The factor comparison method uses a systematic approach of determining the value/worth of a job in relation to other jobs in the agency for the purposes of establish a rational pay structure. Points are assigned to each classification based on the degree of each factor and its associated weight. The total amount of points for each classification serve as a guide to help slot non-benchmark classifications into their appropriate pay grades.

The factor comparison method for this study uses the following factors:

- Knowledge
- Skills
- Authority & Accountability
- Working Conditions

- (b) **Page 1, Section 4.** August 31, 2018

- (c) **Page 1, Section 7.** This section will be updated to include time and materials billing for the additional services.

- d. Services provided to Client by CPS HR hereunder are priced on a TIME AND MATERIALS basis. Any estimates provided by CPS HR to Client, whether written herein or given orally, shall not be binding on CPS HR or convert the additional services listed in this Amendmnet into a fixed price engagement. CPS HR will invoice Client and be bound to the following rates for a total not to exceed \$10,000 for the factor comparison method:

Staff	Consulting Cost	Travel Time Cost
Managing Consultant/Project Mgr.	\$120 per hour	\$60.00 per hour
Consultants	\$105 per hour	\$52.50 per hour
Technical/Clerical	\$60 per hour	None

3. **Effective Date.** Each of the modifications set forth in Section 2 shall be effective on and after May 9, 2018.
4. **Legal Effect.** Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, CPS HR and CLIENT have executed this Amendment as of the date below.

**Cooperative Personnel Services dba
CPS HR Consulting**

City of San Luis

By: _____
Authorized Signature

By: 
Authorized Signature

Name: _____

Name: CHRISTINE SELEZ

Title: _____

Title: MANAGEMENT ANALYST



AGENDA ITEM REVIEW FORM

Regular City Council Meeting

5.C.

Meeting Date: 06/27/2018

Department Head: Jenny Torres, Economic Development Manager, Administration, Economic Development

Submitted By: Dania Castillo, Economic Development Assistant, Administration, Economic Development

Action Requested: Motion

ITEM:

Discussion on any and all matters regarding an informational update on the modernization and expansion of Juan Sanchez Boulevard and BUILD Grants opportunity. (**Jenny Torres, Economic Development Manager & Eulogio Vera, Director of Public Works**)

SUMMARY:

The City of San Luis Economic Development and Public Works Departments are requesting the opportunity to provide information regarding the status of the modernization and expansion of Juan Sanchez Boulevard and the funding opportunity and constraints for this project.

RECOMMENDATION / SUGGESTED MOTION:

Discussion and possible directions to staff only, no action.

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM: No

CITY/STATE/FEDERAL FUNDS: N/A

TOTAL: N/A

BUDGETED AMOUNT: N/A

AVAILABLE AMOUNT TO TRANSFER: N/A

ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: N/A

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

No fiscal impact associated with this item at this time.

Attachments

Report

Juan Sanchez Exhibits

BUILD GRANTS

(Better Utilizing Investments to Leverage Development Transportation Discretionary Grants Program)

- \$1.5 billion multimodal, merit-based discretionary grant program. Including planning grants and construction grants.
- Rural areas do not require a match, there is special consideration to projects located in rural areas.
- Maximum award is \$25 million per project, up to 3 projects per applicant. \$150 million maximum per State.
- NOFA release April 20, 2018. Application are due July 19, 2018. All pre-construction tasks need to be completed by June 30, 2020.
- Merit Criteria
 - Safety-reduction of transportation related accidents, serious injuries, fatalities.
 - State of Good Repair-Improve and contribute to support border security.
 - Economic Competitiveness-Enhance the movement of good and people, reduce cost of doing business, freight connectivity.
 - Quality of Life-Improves connectivity for citizens to jobs, health care, and other critical destinations.
 - Environmental Protection-reduction of energy consumption, storm water runoff or other benefits.
 - Innovation-Innovative strategies in technology. For example, including fiber optic on Juan Sanchez Blvd as part of this project to provide the service in the area.
 - Partnership-Collaboration between public and private.
 - Nonfederal Revenue for transportation infrastructure investments-newly secure and committed revenues for transportation investment. For example, establishing a property tax or increasing sales tax where portion of those will be allocated for transportation.
- Project Readiness-Technical feasibility, project schedule, approvals and assessment of project risks and mitigation. For example, appropriate level of design, NEPA, ROW acquisition, local and state approvals, utility relocations.
- Benefit Cost Analysis- Identify, quantify, and compare expected benefits and cost.

Juan Sanchez Boulevard Project to be considered for BUILD Grant.

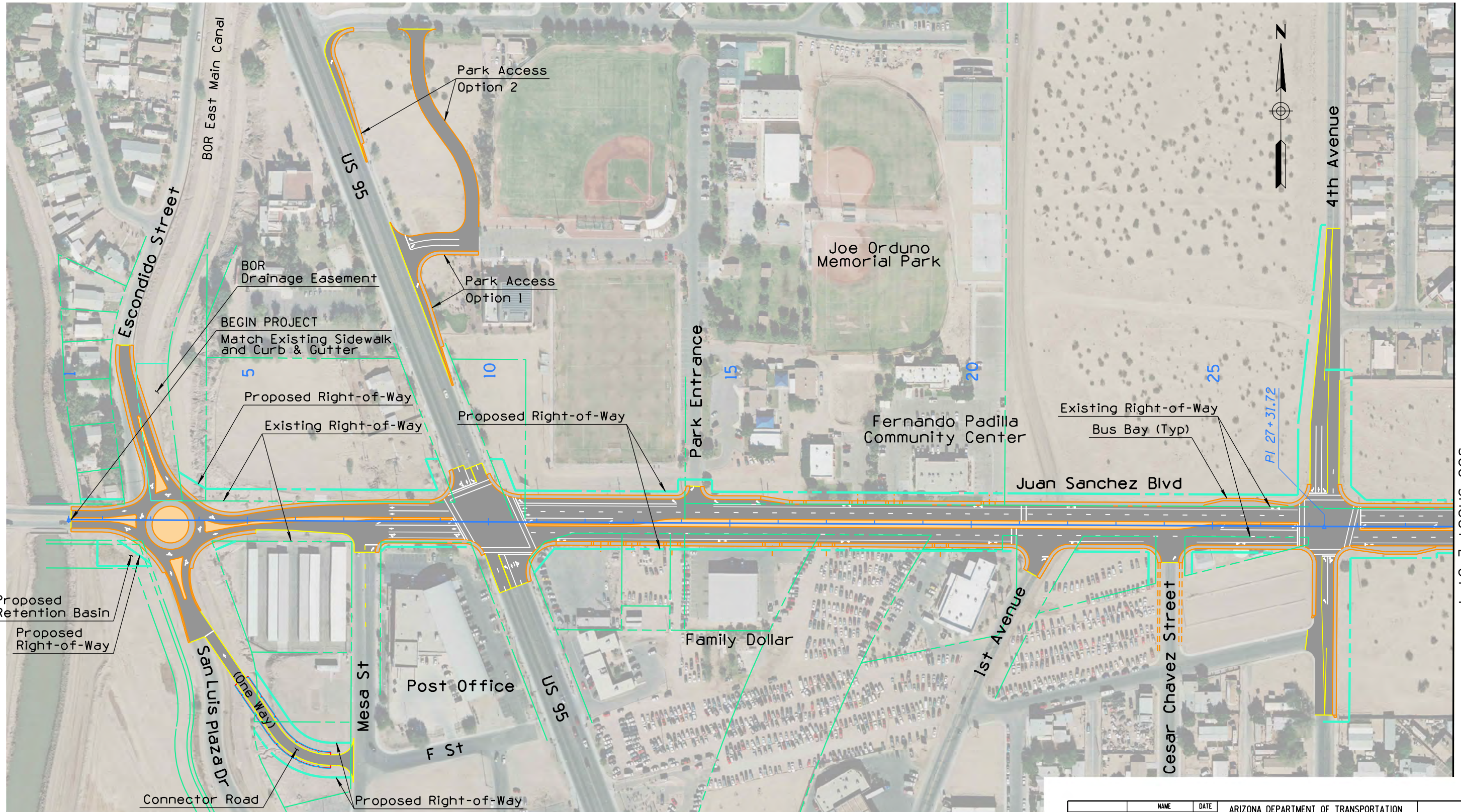
- Project qualifies under rural and meets most of the merit criteria with the exception of two merit items (innovation and nonfederal revenue investment) that can be considered for the application to be more competitive.
- Project readiness-
 - ADOT is currently funding the design and technical feasibility tasks for this project. The status is as follow:
 - 30% design, NEPA to be completed by December 2018. NEPA will be required to apply for state and federal right of way. NEPA will provide exhibits of ROW require and ownership. There is private row acquisition that will need to be acquire. There are still \$400,000 funds available to complete the design.

- An APS utility relocation will need to be done. Cost will need to be barred by either City or APS. Staff to determine.
 - Estimated cost of project \$33 million
 - Estimated cost of row acquisition approximately \$600,000
 - Timeframe:
 - Private- 3-6 months
 - State-6-12 months
 - Federal-12-18 months
- **Factors to consider:**
 - Need to partner with AZDOT in order for ADOT to administer the grant (reimbursable grant).
 - Applications are very competitive. USDOT expects between 1,000-1,500 applications to be submitted.
 - Projects are very political, support needed at state and federal levels.
 - 42 Arizona applications have been submitted since 2009. 8 applications have received allocations with 3 applications submitted by ADOT representing rural areas. City of Phoenix, Tucson, Pima County and Hope Tribe as past awardees.
 - We will need to contract with a consultant to developed complex application. ADOT and the City of Yuma has contracted with consultants to develop their grant.
 - Estimated cost to contract with a consultant is between \$50,000-\$70,000.
 - USDOT confirmed that BUILD grants will most likely be available next year with similar criteria. However, it's not a guarantee.
 - If USDOT funds \$25 million and cost is \$33,000, we need to consider options to cover the gap or phase the project.

Staff recommendation:

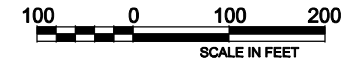
- Staff believes that the application will not be funded due to insufficient evidence of project readiness. We will not obtain commitments by federal and state agencies to complete the ROW acquisition by the June 30, 2020 deadline.
- Staff recommends the following plan:
 - Begin the process to acquire the ROW at local, state and federal levels. We will need elected officials support for the ROW acquisition to be completed by April of 2019 to be able to apply for BUILD grant funds next year.
 - Allocate and/or make funds available to acquire the private, state and federal ROW.
 - Allocate funds and/or make funds available to contract with a consultant to begin the process early and be able to provide sufficient evidence to meet the merit criteria.
 - Staff and elected officials to work with ADOT to obtain a commitment to become a sponsor for this project.
 - Staff to meet with utility companies to incorporate fiber optic as part of the project and obtain commitment from APS to relocate the utility line within the timeframe require.

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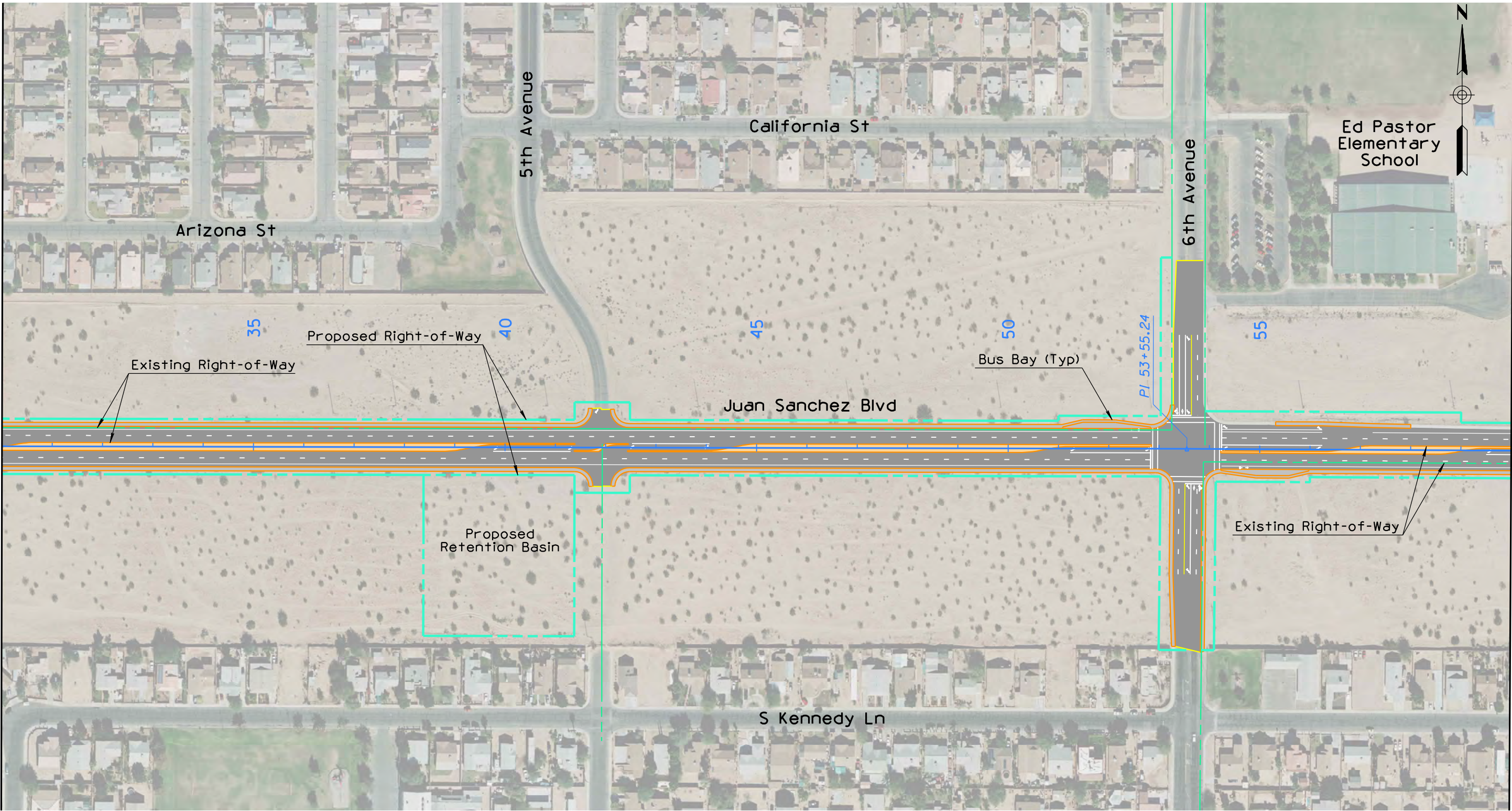
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DRAWN	JBC	DATE	3/14		
CHECKED	BDO	DATE	3/14		
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LOCATION				JUAN SANCHEZ BLVD IMPROVEMENTS FROM US 95 TO SR 195	SHEET 1 OF 7
TRACS NO. SZ018 03D					OF

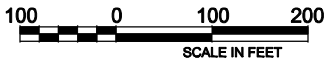
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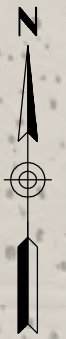
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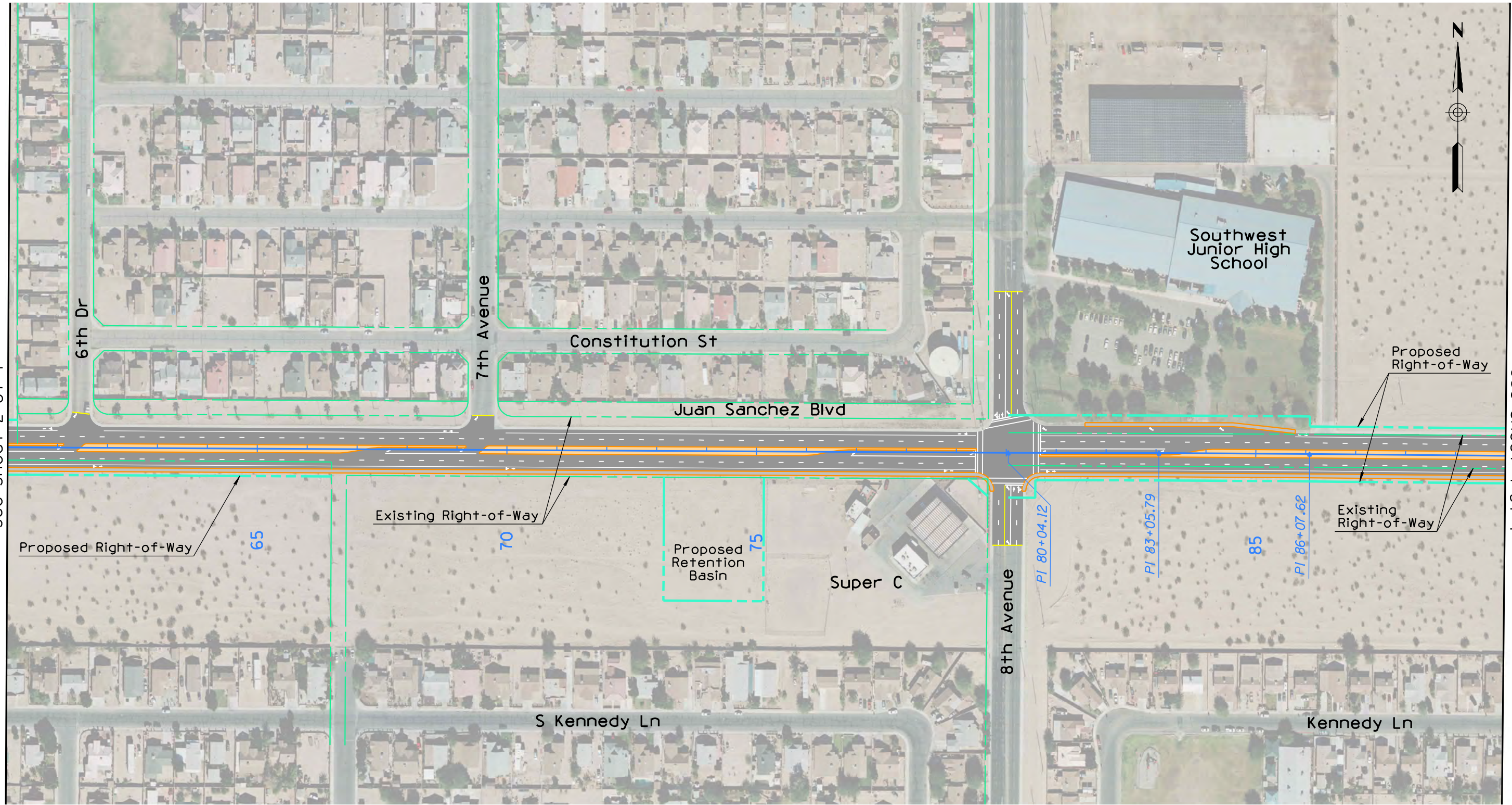
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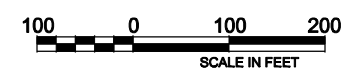


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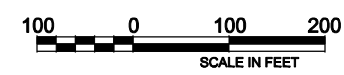
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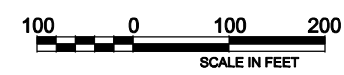
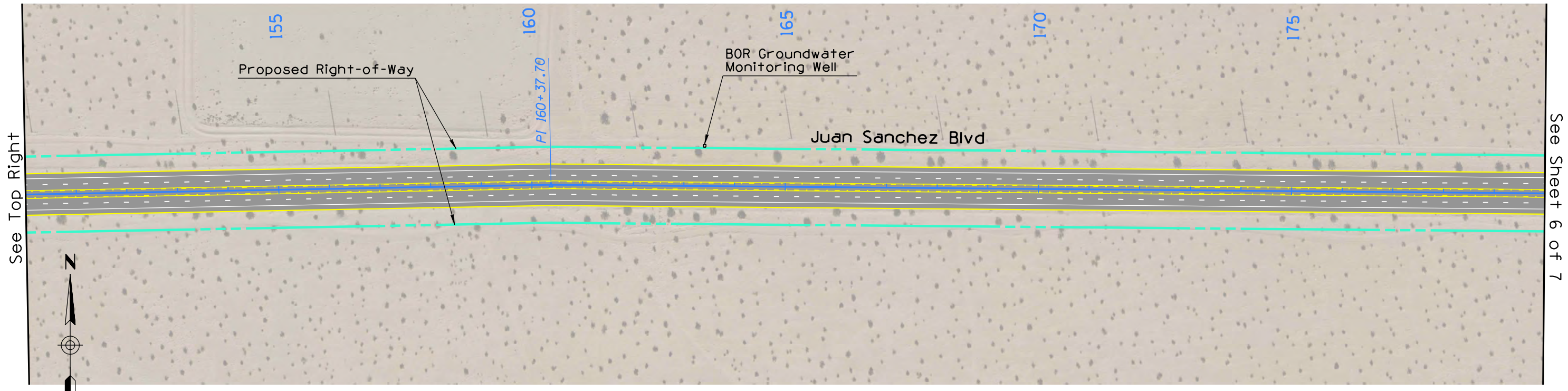
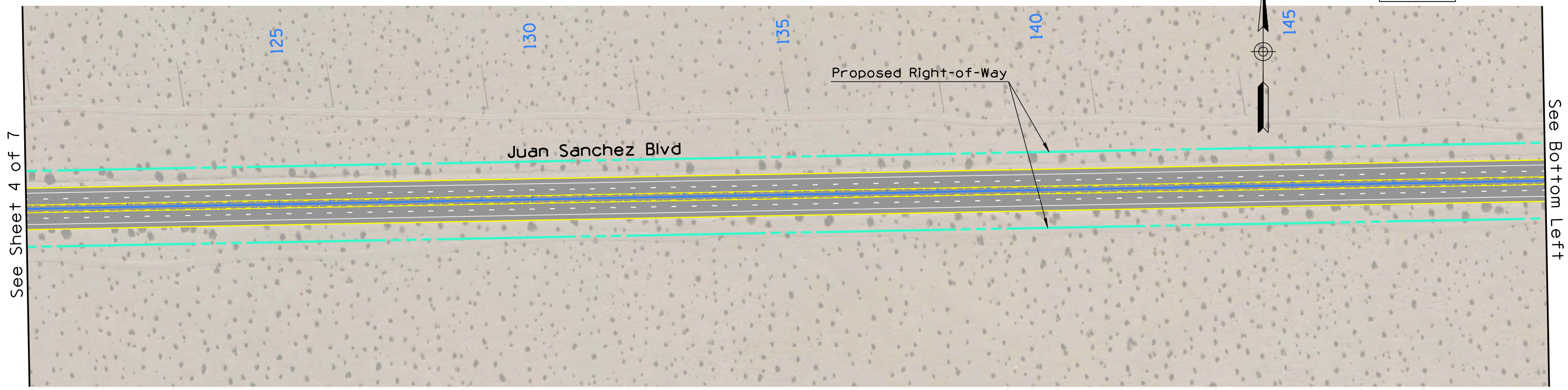
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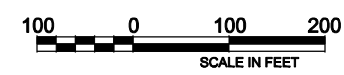
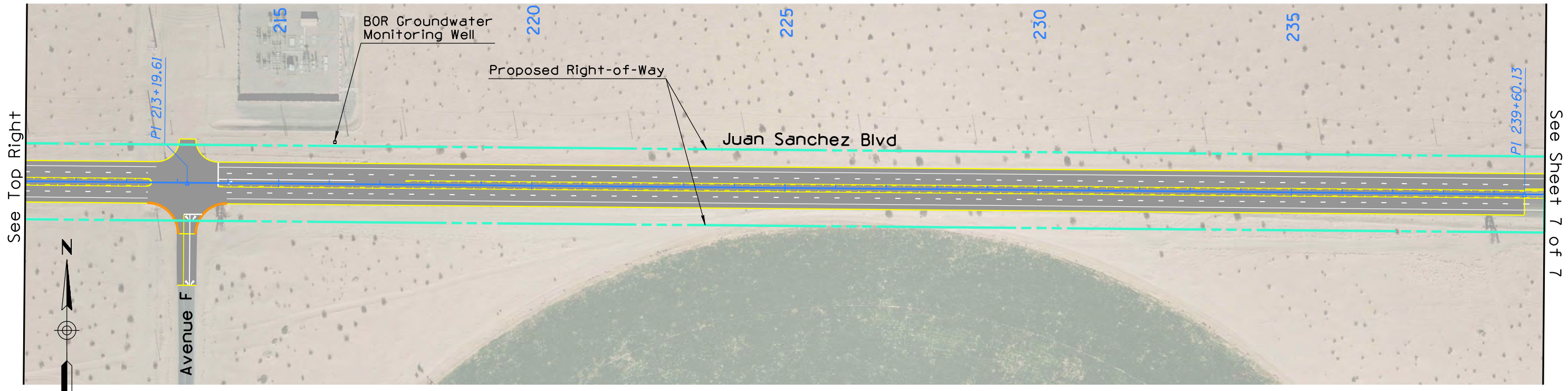
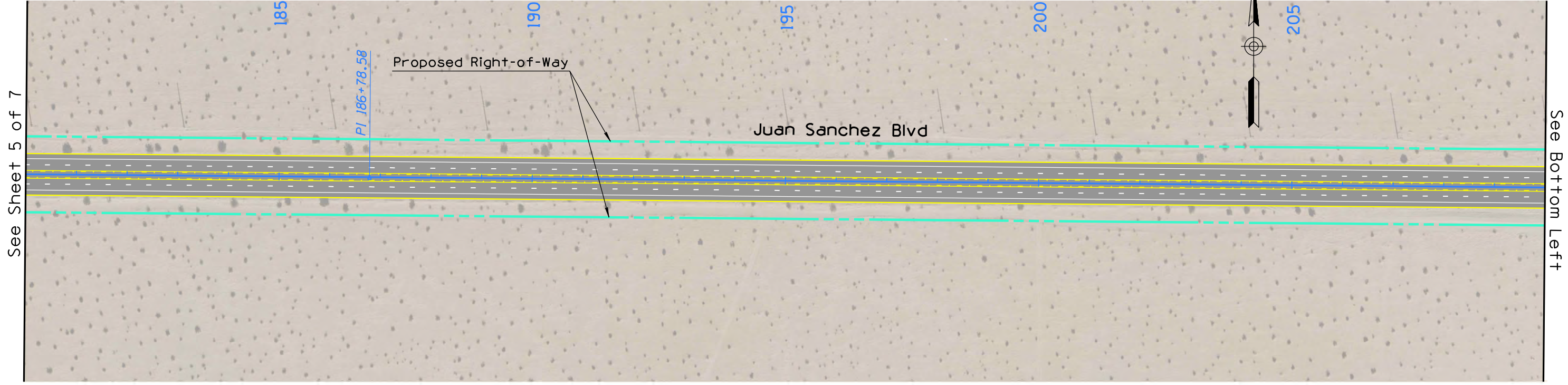


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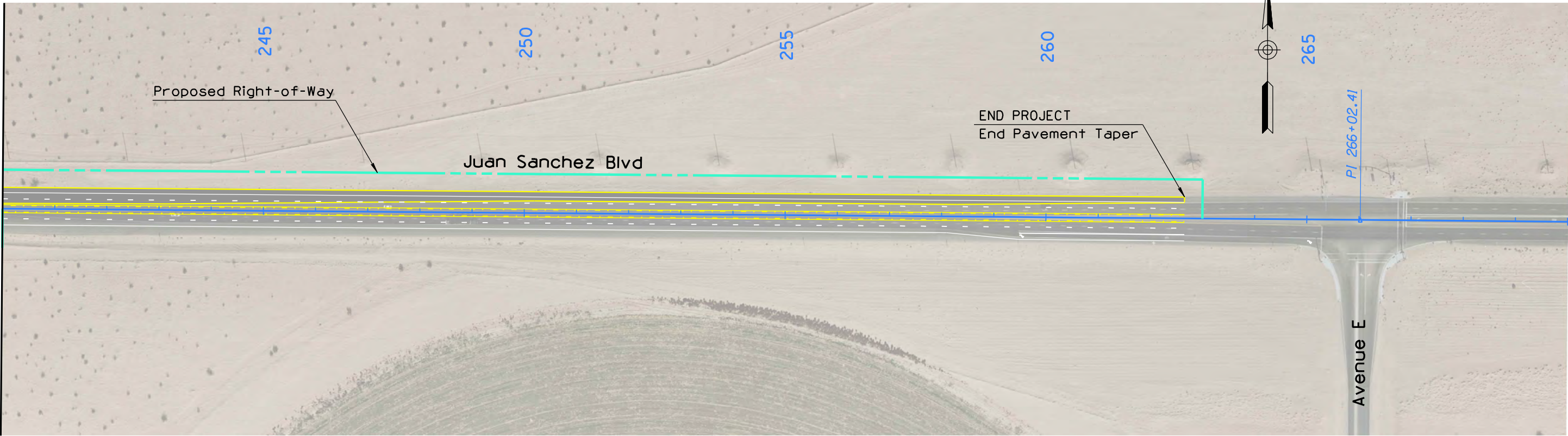
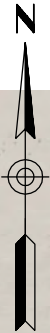
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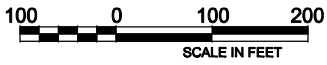
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F.H.W.A. REGION	STATE	PROJECT NO.	SHEET NO.	TOTAL SHEETS	AS BUILT
9	ARIZ.	SLS-0(203)A			



See Sheet 6 of 7

DATE: LOCATION: REVISIONS: FINISHED PLANS: SURVEY NO.



DESIGN	PNB	3/14	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY DESIGN SERVICES	NOT FOR CONSTRUCTION OR RECORDING
DRAWN	JBC	3/14		
CHECKED	BDO	3/14		
JACOBS			PLAN VIEW	
LOCATION JUAN SANCHEZ BLVD IMPROVEMENTS FROM US 95 TO SR 195				SHEET 7 OF 7
TRACS NO. SZ018 03D				OF



AGENDA ITEM REVIEW FORM

Regular City Council Meeting

5.D.

Meeting Date: 06/27/2018

Department Head: Eulogio Vera, Director of Public Works, Public Works Department

Submitted By: Eulogio Vera, Director of Public Works, Public Works Department

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding the ratification of Change Order No. 2 to the DPE Contract for the construction of the International Plaza Roadway Improvements Project.

(Eulogio Vera, Director of Public Works)

SUMMARY:

In late March, Council approved a construction contract with DPE for roadway improvement of Bentu Avenue, Cadena Avenue, Dimas Avenue, and sections of Piceno Drive in International Plaza I subdivision for \$182,932.05. In late May, Council approved a \$32,727 change order to pave the west end of Piceno Drive, which is in poor condition and was not a part of the ongoing project or the future CDBG grant-funded project.

While doing the pavement removals, Contractor removed approximately 250 linear feet of asphalt on the south half of Piceno Drive that was not a part of the ongoing project. That portion was included for repairs in the future CDBG funded project as there is a sewer line repair that needed to happen in that section. Due to it being a contractor mistake, the City could have made DPE repave at no cost to the City and even though the new pavement would have to come out for the underground repairs when the second project goes in construction. Considering that the Piceno was already closed for paving work, DPE got direction to do the underground repairs at this time so that all major work is completed at this time and won't need to be closed in the near future. Proceeding in this matter would cause less impact to the business preventing a future roadway closure. DPE has submitted Change Order No. 2 with an increase to the contract amount of \$38,711.82 and a 7-day extension to the contract period.

With the Change Order No. 1, a 15-day time extension was requested to the contract time to allow the completion of the additional work. The project is now scheduled to be completed by July 6, 2018.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE AND RATIFY DPE CHANGE ORDER NO. 2 TO EXPAND THE PROJECT TO THE SOUTH PART OF PICENO DRIVE FOR SEWER LINE AND PAVING, INCREASE THE CONTRACT AMOUNT BY \$38,711.82 AND EXTEND THE CONTRACT 7 DAYS AS PRESENTED.

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM: Yes

CITY/STATE/FEDERAL FUNDS: HURF
TOTAL: \$38,711.82
BUDGETED AMOUNT: 0
AVAILABLE AMOUNT TO TRANSFER: N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: 200-210-900010 Capital Outlay -
Improvement Roads / Balance
\$692,820.00

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

200-210-900010 Capital Outlay - Improvement Roads / Balance \$692,820.00

Attachments

Change Order #2

Change Order No.2 Work Exhibit



DPE Construction

1636-A E. 20th St., Yuma, AZ 85365
Phone: 928-783-7885 Fax: 928-782-5524

LETTER OF TRANSMITTAL

DATE	Monday, June 04, 2018
ATTENTION	Tomas Sanchez
JOB NO.	01-12-18039
PROJECT	City of San Luis- International Plaza

COMPANY **James Davey & Associates, Inc.**
1025 W 24th Street
Yuma, Arizona 85364

Deliver By:

1st Class Mail	
Courier	<input checked="" type="checkbox"/>
Will Call	
Hand	
UPS	

PHONE 928-782-7926 Fax _____

- | | | |
|---|---|--|
| <input type="checkbox"/> ATTACHMENT | <input type="checkbox"/> PLANS | <input type="checkbox"/> SAMPLES |
| <input type="checkbox"/> SHOP DRAWINGS | <input type="checkbox"/> PRINTS | <input type="checkbox"/> SPECIFICATIONS |
| <input type="checkbox"/> COPY OF LETTER | <input checked="" type="checkbox"/> CHANGE ORDER(S) | <input type="checkbox"/> PAY APPLICATION |
| <input type="checkbox"/> UNDER SEPARATE COVER VIA _____ | | |

COPIES	DATE	DESCRIPTION
1	June 4, 2018	Change Order #2

THESE ARE TRANSMITTED AS:

- | | | |
|--|---|---|
| <input type="checkbox"/> For Approval | <input type="checkbox"/> Approved Submittals | <input type="checkbox"/> Submit _____ Copies for Distribution |
| <input checked="" type="checkbox"/> Your Use | <input type="checkbox"/> Approved as Noted | <input type="checkbox"/> Return _____ Corrected Prints |
| <input checked="" type="checkbox"/> As Requested | <input type="checkbox"/> Returned for Corrections | <input type="checkbox"/> For Bids Due _____ |
| <input type="checkbox"/> Review & Comment | <input type="checkbox"/> Resubmit _____ Copies for Approval | <input type="checkbox"/> Prints returned after loan to us |

REMARKS /COMMENTS _____

COPY TO:

SIGNED

Michelle L. Allen
 Michelle L. Allen, Project Manager

CHANGE ORDER

Distribution to:
OWNER
ENGINEER
CONTRACTOR
FIELD
OTHER

PROJECT: CITY OF SAN LUIS
INTERNATIONAL PLAZA 1 ROADWAY IMPROVEMENTS
(PICENO DRIVE, BENTU AVENUE, CADENA AVENUE, AND DIMAS AVENUE)

TO (Contractor): Michelle Allen, Project Manager
DPE Construction, Inc.
1636 E. 20th Street
Yuma, AZ 85365

CHANGE ORDER NO.: 2
INITIATION DATE: June 4, 2018
JDA PROJECT NO: CSL-17
CONTRACT FOR: New Construction
CONTRACT DATE: March 29, 2018

The following change is made to the Contract:

1. The increase in scope of work involves increasing the amount of pavement removal and replacement and sewerline replacement on Piceno Drive between Arden Avenue and Bentu Avenue.

Not valid until signed by both the Owner and Engineer.
Signature of the Contractor indicates his agreement herewith, including any adjustment in the Contract Sum or Contract Date

The original Base Bid.....\$174,221.00
The original 5% Base Bid Contingency.....\$8,711.05
The original Contract Sum.....\$182,932.05

Net change by previously authorized Change Orders\$32,727.92
The Contract Sum prior to this Change Order Was\$ 215,659.97

This Change Order will modify the Contract Sum as following:

2. Bid Item #1: Remove Existing Asphalt (Any Thickness)
(647 SY x \$2.50/SY = \$1,617.50),\$1,617.51
3. Bid Item #4: 3"AC/8"ABC
(647 SY x \$27.00/SY = \$17,469),\$17,469.00
4. Bid Item #6: Grading for Pavement
(647 SY x \$3.00/SY = \$1,941),\$1,941.00
5. Bid Item #7: Roadway Over Excavation/Geogrid
(205 CY x \$60.00/CY = \$12,300),\$12,300.00
6. Bid Item #11: Adjust Ex. SS MH (1 EA x \$950.00/EA = \$950),\$950.00
7. Bid Item #12: Adjust Ex. GW (3 EA x \$250.00/EA = \$750),\$750.00
8. Bid Item #14: Survey Monument (1 EA x \$400.00/EA = \$400),\$400.00
9. Remove and Replace 8" Sewermain SDR-35 (139.9965 LF X \$23.46/LF),...\$3,284.32

To be added to Contract Amount: \$38,711.82

The new Contract Sum including this Change Order will be\$254,371.79

The Contract Time will be changed by(7) Calendar Days

The Date of Substantial Completion as of the date of this Change Order therefore is July 13, 2018.

James Davey and Associates
Engineer
1025 W. 24th Street, Suite No.2
Yuma, AZ 85364

By *James Sanchez*
Name TOMAS SANCHEZ
Date: 6-4-2018

DPE Construction, Inc.
Contractor
1636 E. 20th Street
Yuma, AZ 85365

By *Michelle Allen*
Name Michelle Allen
Date: 6/4/18

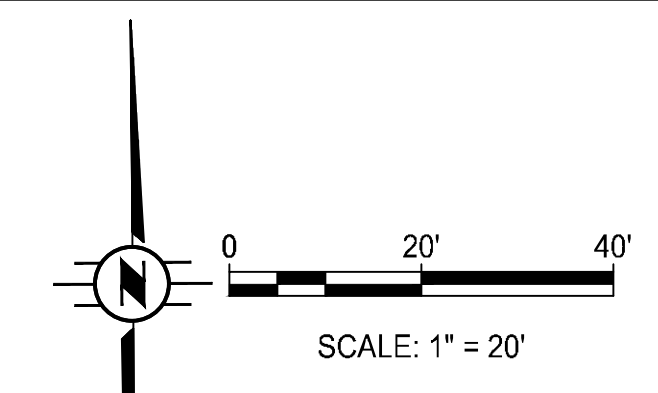
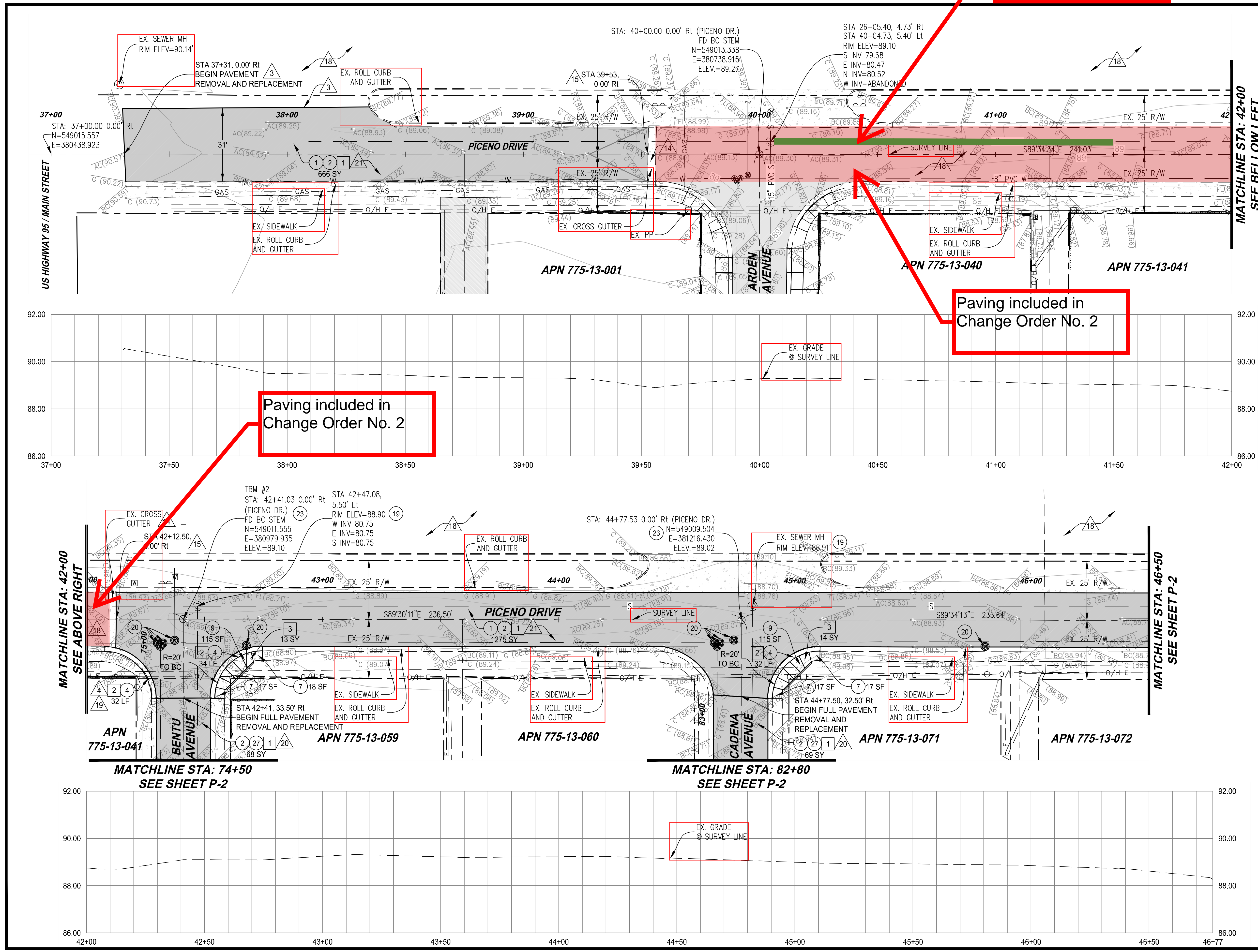
City of San Luis, Arizona
Owner
1090 E. Union Street
San Luis, AZ 85346

By *Eulogio Vara*
Name J Eulogio Vara
Date: 6/7/18

140 Lineal Feet of New 8" Sewer Line as part of Change Order No. 2

Paving included in Change Order No. 2

Paving included in Change Order No. 2



REMOVAL NOTES		UM	QTY
1	REMOVE EXISTING ASPHALT (ANY THICKNESS)	SY	2078
2	REMOVE EXISTING CONCRETE CURB (ANY TYPE)	LF	98
3	REMOVE SIDEWALK, DRIVEWAY, AND SLAB (FLAT WORK)	SY	27

CONSTRUCTION NOTES		UM	QTY
1	PAVEMENT STRUCTURAL SECTION No. 1 (3" AC-3/4" MAG MIX / 8" ABC)	SY	1941
2	GRADING FOR PAVEMENT	SY	2078
4	ROLLED CURB AND GUTTER / 4" ABC (CITY OF YUMA STD. 3-140)	LF	98
7	CONCRETE SIDEWALK (T-6" / 4" ABC) (CITY OF YUMA STD 3-270)	SF	69
9	SIDEWALK RAMP (CITY OF YUMA STD. 3-280)	SF	230
19	ADJUST EX. SANITARY SEWER MANHOLE WITH NEW FRAME & COVER (CITY OF YUMA STD. 5-044)	EA	2
20	ADJUST EXISTING WATER VALVE WITH NEW FRAME & COVER (CITY OF YUMA STD. 5-210)	EA	10
23	SURVEY MONUMENT (CITY OF YUMA STD. 4-080)	EA	2
27	PAVEMENT STRUCTURAL SECTION No. 2 (3" AC-3/4" MAG MIX / EX. ABC)	SY	137

GENERAL NOTES	
18	SAWCUT AND MATCH EXISTING PAVEMENT.
19	STORM WATER PONDS ON THE EXISTING PAVEMENT / CURB. REPAIR AS NOTED.
14	PROTECT IN PLACE EXISTING CROSS CUTTER.
15	MATCH THE EXISTING CROSS CUTTER.
18	PROTECT IN PLACE EXISTING PAVEMENT.
19	REMOVE AND REPLACE THE ROLLED CURB FROM CURB RETURN TO CURB RETURN.
20	REMOVE EXISTING AC, REGRADE EXISTING SUBBASE, AND PLACE NEW 3" AC. NOTE: THE EXISTING AC THICKNESS VARIES 2" TO 3". REGRADE EXISTING SUBBASE TO ACCOMMODATE FOR NEW 3" THICK AC SECTION.
21	FULL PAVEMENT SECTION REMOVAL AND REPLACEMENT.
22	PAVEMENT REPLACEMENT SHALL HAVE A 2% MINIMUM CROSS SLOPE WITH A TYPICAL CENTER CROWN.



JAMES DAVEY AND ASSOCIATES
CONSULTING CIVIL ENGINEERS
 1025 W. 24th Street, Ste. #2 - YUMA, AZ 85364 - (928) 782-7926

CITY OF SAN LUIS
INTERNATIONAL PLAZA 1
ROADWAY IMPROVEMENTS

PLAN AND PROFILE
PICENO DRIVE - STA 37+31 TO STA 46+50

PREPARED FOR:
 CITY OF SAN LUIS
 COMMUNITY DEVELOPMENT
 SAN LUIS, AZ 85349
 (928) 341-8584

DESIGNED BY: T.S.
 DRAWN BY: O.J.Z.
 APPROVED BY: J.V.D.

SHEET P-1
 MARCH 09, 2018



AGENDA ITEM REVIEW FORM

Regular City Council Meeting

5.E.

Meeting Date: 06/27/2018

Department Head: Jose A. Guzman, Director of Planning & Zoning, Planning & Zoning Department

Submitted By: Jose A. Guzman, Director of Planning & Zoning, Planning & Zoning Department

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding a lease agreement between the City of San Luis ("Landlord") and Sun State Towers ("Tenant") for the purpose of leasing City-owned property for the installation of a telecommunications tower. **(Jose A. Guzman, Director of Planning and Zoning)**

SUMMARY:

Sun State Towers has requested permission to locate a telecommunications pole to mount antennas and a small structure to house telecommunications equipment at the retention basin located at 821 N. Garcia Lane. They will operate this site for expanding wireless coverage to the area for Verizon Wireless Services both voice and data. The proposed wireless communications facility will consist of an 80' mono-elm. The mono-elm will have four (4) Verizon Wireless antennas per sector, and there will be three (3) sectors. The equipment cabinets will be state-approved pre-fabricated equipment cabinets on a concrete slab. The equipment area and the mono-elm will be enclosed with an 8" high CMU wall for security purposes.

The subject property and all adjacent properties are zoned Medium-High Density Residential. To the north, west and south are all single-family homes. Adjacent to the east is Chicanos Por La Causa Preschool.

The City of San Luis is the owner of the subject property, and Sun State Towers is looking to lease an area of approximately 675 square feet. Staff is negotiating the terms of the lease agreement, and the proposed agreement will be presented to Council at the time of the meeting.

As per City Code Section 152.319(A), Wireless communication towers and antennas may only be permitted in any zoning district with a conditional use permit. The applicant submitted an application for a Conditional Use Permit (Case No. 2018-0155) which was approved with one of the conditions being that Sun Towers enter into a lease agreement with the city.

The required setback for any structure in the R-2 district is 10 feet street side and 10 feet rear side. However, provided in Section 152.318(C) of the City Code, "towers shall be set back a distance equal to at least one hundred percent (100%) of the height of the tower from any adjoining lot line." The tower should provide a "fall zone" of its height, in other words, if the tower fails, it would fall entirely on the property on which is located. The proposed tower is 80' and the setbacks as proposed are 212' to the north, 20' south, 20' east and 260' west; therefore it will require a variance prior to construction for the south and east side. The applicant has applied for a variance (Case No. 2018-0154) which was approved.

Assistant City Attorney Glenn Gimbut researched industry standards in the area and possible problems for the city to be prevented in the lease. Sun State Towers representative reviewed the changes and had

other changes of their own for the start time to be December 1, 2018, when they will be starting construction. They put in 2 years advanced rent for being able to renew the lease 4 times rather than 2 times. Staff was agreeable to these changes.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE AND ADOPT THE LEASE WITH SUN STATE TOWERS AS PRESENTED.

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM: Yes

CITY/STATE/FEDERAL FUNDS: City

TOTAL: N/A

BUDGETED AMOUNT: N/A

AVAILABLE AMOUNT TO TRANSFER: N/A

ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: N/A

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

There will be income from the lease. There will be costs involved in administering the lease.

Attachments

Lease

Site Name: Baja
Site Number: AZ15-030

EXECUTED PRIME LEASE INSTRUCTIONS TO LANDLORD

In order to ensure the prompt execution and processing of all Prime Leases, Sun State Towers respectfully requests that the instructions below are followed when preparing to return executed agreements.

1. Prior to returning to Sun State Towers, please sign and date the signature page of all copies of the Prime Lease and Memorandum of Lease.
2. Ensure that all necessary witness signatures have been obtained (if witnesses are required).
3. Ensure that all applicable notary fields are completed and stamped with the notary's stamp (only if required by law).
4. Please complete a W-9, Payment Authorization Form, and if applicable, a mortgage information form.
5. Sun State Towers will retain two (2) originals of each document. Please print as many copies as you plan to retain, along with two (2) originals for Sun State Towers.
6. Please print all signed documents on one-sided paper.
7. Send original documents to the following address:

Sun State Towers III, LLC
Attn: Tower Development
1426 North Marvin Street #101
Gilbert, AZ 85233

8. Sun State Towers will return your fully executed originals to the notice address provided.

Site Name: Baja
Site Number: AZ15-030

LEASE AGREEMENT

THIS LEASE AGREEMENT ("**Prime Lease**") is made effective as of the date of the latter signature hereof (the "**Execution Date**") and is by and between the City of San Luis, Arizona ("Landlord") and Sun State Towers ("Tenant").

RECITALS

- A. WHEREAS, Landlord is the owner of that certain parcel of land (the "**Property**") located in the County of Yuma, State of Arizona, as more particularly described on Exhibit A;
- B. WHEREAS, Landlord desires to lease to Tenant a portion of the Property (the "**Compound**"), together with easements for ingress and egress and the installation and maintenance of utilities (the "**Easement**" and together with the Compound, the "**Site**") both being approximately located as shown and/or described on Exhibit B; and

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

1. **Business and Defined Terms.** For the purposes of this Prime Lease, the following capitalized terms have the meanings set forth in this paragraph 1.

- (a) **Tenant :** Sun State Towers III, LLC,
a Delaware limited liability company
- (b) **Notice Address of Tenant:** Sun State Towers III, LLC
1426 North Marvin Street #101
Gilbert, AZ 85233
Attn: Land Management
- (c) **Landlord:** City of San Luis,
an Arizona municipal corporation
- (d) **Notice Address of Landlord:** P.O Box 1170
San Luis, AZ 85349
- (e) **Initial period:** Ten years
- (f) **Renewal Period(s):** Four (4) periods of five (5) years.
- (g) **Rent during initial term:** \$1,200.00 per month subject to Section 1 (m) herein below.

Site Name: Baja
Site Number: AZ15-030

(h) **Rent during extension period: \$1,200.00 per month. Commencement Date:** December 1, 2018, subject to Section 1 (m) herein below or the first day in which Tenant commences construction whichever occurs first.

(i) **Initial Term:** Ten (10) years, commencing on the Commencement Date and continuing until midnight of the day immediately prior to the tenth (10th) anniversary of the Commencement Date.

(j) **Renewal Terms:** Each of the four (4) successive periods of five (5) years each, with the first Renewal Term commencing upon the expiration of the Initial Term and each subsequent Renewal Term commencing upon the expiration of the immediately preceding Renewal Term.

(k) **Term:** The Initial Term with any and all Renewal Terms.

(l) **Rent:** The monthly amount of \$1,200.00.

(m) **Increase Amount:** In year two (2) of the Initial Term, and every year thereafter, including throughout any Renewal Terms exercised, the yearly Rent will increase by two percent (2%) over the Rent paid during the previous year.

2. Term.

(a) Initial Term. The Initial Term is as provided in paragraph 1(i).

(b) Renewal Terms. Tenant will have the right to extend this Prime Lease for each of the Renewal Terms. Each Renewal Term will be on the same terms and conditions provided in this Prime Lease except that Rent will escalate as provided in paragraph 3(b). This Prime Lease will automatically be renewed for each successive Renewal Term unless Tenant notifies Landlord in writing of Sun State Towers' intention not to renew the Prime Lease at any time at least ninety (90) days prior to the expiration of the Initial Term or the Renewal Term which is then in effect.

3. Consideration.

(a) Tenant will make its first payment of Rent within thirty (30) days of the Commencement Date. The first payment will be 12 months of Rent in advance, \$1,200.00 times 12 for a total of \$14,400.00. Thereafter, starting on the first day of the thirteenth month of the lease, Rent is due and payable in advance on the first day of each calendar month to Landlord at Notice Address of Landlord.

(b) On the Increase Date, the Rent will increase by the Increase Amount.

(c) In the event Tenant makes an overpayment of Rent or any other fees or charges to Landlord during the Term of this Prime Lease, Tenant may, but will not be

Site Name: Baja
Site Number: AZ15-030

required, to treat any such overpayment amount as prepaid Rent and apply such amount as a credit against future Rent due to Landlord.

(d) Tenant will not be required to remit the payment of Rent to more than two (2) recipients at any given time.

(e) Tenant will make a one-time payment of \$5,000.00 within thirty (30) days of full execution to the Notice Address of Landlord.

4. Use.

(a) Tenant will be permitted to use the Site for the purpose of constructing, maintaining, removing, replacing, securing, and operating a communications facility and uses incidental thereto, including, but not limited to, the construction or installation and maintenance of a telecommunications tower (the "**Tower**"), structural tower base(s), guy anchors, guy wires, communications equipment, one or more buildings or equipment cabinets, equipment, radio transmitting and receiving antennas, personal property and related improvements and facilities on the Compound (collectively, the "**Tower Facilities**"), to facilitate the use of the Site as a site for the transmission and receipt of communication signals including, but not limited to, voice, data and internet transmissions and for any other uses which are incidental to the transmission and receipt of communication signals of any kind and frequency (the "**Intended Use**"). The Intended Use shall include Sun State's ability to install utilities (including, but not limited to, electricity and electric power sources or creation of any kind, fiber optic lines, cable lines, and any cabling or transmission conduits of any kind or type) in, on, and to the Site. The Intended Use shall also include the Sun State's right to access, ingress, and egress the Site at its sole discretion 24 hours a day, seven (7) days a week, 365 days a year. It is understood and agreed that the primary purpose of the Property being leased is that of a retention basin for the purposes of retaining runoff water. No action of the construction, installation, or maintenance of the Tower or any action of occupation by Sun State Towers, or any successor thereto, including a Collocator, shall interfere in or affect the use of the Property for its primary purpose as a retention basin. It is further understood that a secondary purpose is for park and recreation purposes and certain improvements exist for that purpose. Any damage to the present improvements caused by construction of Tower Facilities shall be repaired, and such park and recreation improvements shall be restored at least to the condition they were in prior to the establishment of said Tower Facilities.

(b) Sun State Towers, at its sole discretion, will have the right, without prior notice or the consent of Landlord, to license or sublease all or a portion of the Site or the Tower Facilities to other parties (each, a "**Collocator**" and collectively, the "**Collimators**"). Notwithstanding anything in this Prime Lease to the contrary, Tenant shall be required to pay additional Rent for any Collocator, in the amount of ten percent of its gross revenue from the Collocator. The Collimators will be entitled to modify the Tower Facilities and to erect additional improvements on the Compound, including, but not limited to antennas, dishes, cabling, additional buildings or shelters ancillary to the Intended Use. The Collimators will be entitled to all rights of ingress and egress to the Site and the right to

Site Name: Baja
Site Number: AZ15-030

install utilities on, in, and to the Site that Tenant has under this Prime Lease, and shall have all rights and inclusions of the Site's Intended Use described herein including, but not limited to, the use of any easement described below and on the same terms as Sun State Towers, and to all other rights set forth herein. In allowing these Collocator rights, it is understood that the primary purpose of the Property being leased is that of a retention basin for the purposes of retaining runoff water. No action of the construction, installation, or maintenance of the Tower or any action of occupation by Sun State Towers, or any successor thereto, including a Collocator, shall interfere in or affect the use of the Property for its primary purpose as a retention basin.

5. Tower Facilities.

(a) Tenant will have the right, at Tenant's sole cost and expense, to erect the Tower Facilities which will be the exclusive property of Tenant throughout the Term as well as upon the expiration or termination of this Prime Lease.

(b) Landlord grants Tenant a non-exclusive license in, over, across and through the Property, as more particularly described and/or depicted on Exhibit B, and other real property owned by Landlord contiguous to the Site as may be reasonably required for construction, installation, maintenance, and operation of the Tower Facilities including: (i) access to the Site for construction machinery and equipment, (ii) storage of construction materials and equipment during construction of the Tower Facilities, and (iii) use of a staging area for construction, installation and removal of equipment. It is understood and agreed that the primary purpose of the Property being leased is that of a retention basin for the purposes of retaining runoff water. No action of the construction, installation, or maintenance of the Tower or any action of occupation by Tenant, or any successor thereto, including a Collocator, shall interfere in or affect the use of the Property for its primary purpose as a retention basin. The license granted hereunder shall terminate upon the termination or expiration of this lease.

(c) Tenant may, at its sole expense, use any and all appropriate means of restricting access to the Compound or the Tower Facilities, including, without limitation, construction of a fence and may install and maintain identifying signs or other signs required by any governmental authority on or about the Site, including any access road to the Site. It is understood that the primary purpose of the Property being leased is that of a retention basin for the purposes of retaining runoff water. No action of the Tenant or any Collocator shall interfere in or affect the use of the Property for its primary purpose as a retention basin. It is also understood that a secondary purpose of the Property is as park and recreation facilities. Any fence constructed by Tenant shall not be greater than 25' by 25' square, and no restriction on access shall interfere in the present-day park and recreational use of the Property.

(d) Tenant will maintain the Compound, including the Tower Facilities, in a reasonable condition throughout the Term. Tenant is not responsible for reasonable wear and tear or damage from casualty and condemnation. Landlord grants Sun State the

Site Name: Baja
Site Number: AZ15-030

right to clear all trees, undergrowth, or other obstructions and to trim, cut, and keep trimmed all tree limbs which may interfere with or fall upon the Tower Facilities or the Site.

(e) Tenant (and any Collocators — which are collectively referred to herein as “**Sun State**”) may replace and augment Sun State’s equipment or portions thereof and add or modify the frequencies upon which such equipment operates as needed to meet Sun State’s business objectives, whether such equipment or frequencies are specified or not on any attachments to the applicable site lease supplement with a respective Collocator. Sun State shall be permitted to make “**Equipment Modifications**” (as defined below) without incurring any increase in the then current Rent, and without Landlord’s approval thereof conditioned upon any extension of the remaining Term or other change to the terms and conditions of any such supplement (including the terms and conditions of this Prime Lease). For purposes of this Prime Lease, “**Equipment Modifications**” means removal of Sun State’s equipment installed at the Site, (collectively, the “**Old Equipment**”), and replacing the same with new equipment (collectively, the “**Replacement Equipment**”).

(f) Tenant will remove or cause to be removed all of the above-ground portions of the Tower Facilities within one hundred eighty (180) days following the expiration or termination of this Prime Lease. Tenant or their successor will remain responsible for the payment of rent during any holdover period following the expiration or termination of this Prime Lease.

6. Utilities.

(a) Sun State will have the right to install utilities, at Tenant expense, and to improve existing utilities on the Property and the Site. Sun State will have the right to place utilities on permanently (or to bring utilities across or under) the Site to service the Compound and the Tower Facilities. It is understood that the primary purpose of the Property being leased is that of a retention basin for the purposes of retaining runoff water and a secondary purpose as park and recreation facilities. No action of the construction, installation, or maintenance of the Tower, the installation of utilities, or any action of occupation by Sun State Towers, or any successor thereto, including a Collocator, shall interfere in or affect the use of the Property for its primary purpose as a retention basin or its secondary purpose as park and recreation facilities

(b) If utilities necessary to serve the equipment of Sun State cannot be located within the Site, Landlord agrees to allow the installation of utilities on the Property or other real property owned by Landlord without requiring additional compensation from Sun State. Landlord will, upon Sun State Towers’ request, execute a separate recordable written easement or lease to the utility company providing such service evidencing this right.

(c) Sun State may install backup generator(s).

(d) Sun State shall solely be responsible for and promptly pay all charges for any utility service used or consumed by the Tower Facilities. If necessary, Sun State

Site Name: Baja
Site Number: AZ15-030

shall have an electrical current meter installed on the leased premises, and the cost of the meter and of installation, maintenance, and repair thereof shall be paid by Sun State.

7. Access.

(a) In the event that the Site loses access to a public right of way during the Term, Landlord and Tenant will amend this Prime Lease, at no imposed cost to either Party, to provide access to a public way by: (i) amending the location of the Easement; or (ii) granting an additional easement to Sun State.

(b) To the extent damage (including wear and tear caused by normal usage) to the license or any other route contemplated hereunder intended to provide Sun State with access to the Site and the Tower Facilities is caused by Landlord or Landlord's tenants, licensees, invitees or agents, Landlord will repair the damage at its own expense.

(c) Landlord will maintain access to the Compound from a public way in a free and open condition so that no interference is caused to Sun State by Landlord or lessees, licensees, invitees or agents of Landlord. In the event that Sun State's access to the Compound is impeded or denied by Landlord or Landlord's lessees, licensees, invitees or agents, in addition to any and all rights and remedies set forth in this Prime Lease, Sun State shall have the right to pursue any and all rights and remedies that it may have at law or in equity.

8. Holding Over

Should Sun State or any successor thereto hold possession of the Property or any portion thereof after the date of expiration or termination of this lease or any extension thereof, Sun State or its successor shall become a tenant on a month-to-month basis upon all the terms, covenants, and conditions of this Lease except those pertaining to the Lease term and during any such month-to-month tenancy, Tenant shall pay monthly rent in one hundred twenty percent (120%) of the amount which was paid by tenant during the immediately preceding lease year. Nothing in this Section is to be construed as a consent by Landlord to the occupancy or possession of the leased premises by Tenant after the expiration of the lease term.

9. Representations and Warranties of Landlord. Landlord represents and warrants to Sun State and Sun State's successors and assigns:

(a) Landlord has the full right, power, and authority to execute this Prime Lease;

(b) There are no pending or threatened administrative actions, including bankruptcy or insolvency proceedings under state or federal law, suits, claims or causes of action against Landlord or which may otherwise affect the Property;

(c) The Property is not presently subject to an option, lease or other contract which may adversely affect Landlord's ability to fulfill its obligations under this Prime Lease, and the execution of this Prime Lease by Landlord will not cause a breach or an event of default of any other agreement to which Landlord is a Party. Landlord agrees

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that it will not grant an option or enter into any contract or agreement which will have any adverse effect on the Intended Use or Sun State's rights under this Prime Lease;

(d) No licenses, rights of use, covenants, restrictions, easements, servitudes, subdivision rules or regulations, or any other encumbrances relating to the Property prohibit or will interfere with the Intended Use;

(e) Landlord has good and marketable fee simple title to the Site, the Property and any other property across which Landlord may grant a license to Sun State. Landlord covenants that Sun State will have the quiet enjoyment of the Compound during the term of this Prime Lease. Tenant will at all times during this Prime Lease enjoy ingress, egress, and access from the Site twenty four (24) hours a day, seven (7) days a week, three hundred sixty five (365) days a year, to an open and improved public road which is adequate to service the Site and the Tower Facilities; and

(f) These representations and warranties of Landlord and Tenant survive the termination or expiration of this Prime Lease.

10. Interference. Except for the primary use as a Retention basin and secondary purpose as Park and Recreation facilities, which uses shall have primacy over the use as a Tower Facility, Landlord will not use, nor will Landlord permit its tenants, licensees, invitees or agents to use any portion of the Property in any way which interferes with the Intended Use, including, but not limited to, any use on the Property or surrounding property that causes electronic or physical obstruction or degradation of the communications signals from the Tower Facilities ("**Interference**"). Interference will be deemed a material breach of this Prime Lease by Landlord and Landlord will have the responsibility to terminate Interference immediately upon written notice from Sun State Towers. Notwithstanding anything in this Prime Lease to the contrary, if the Interference does not cease or is not rectified as soon as possible, but in no event longer than 24 hours after Tenant written notice to Landlord, Landlord acknowledges that continuing Interference will cause irreparable injury to Sun State, and Tenant will have the right, in addition to any other rights that it may have at law or in equity, to bring action to enjoin the Interference.

11. Termination. This Prime Lease may be terminated, without any penalty or further liability upon written notice as follows:

(a) By either Party upon a default of any covenant or term of this Prime Lease by the other Party which is not cured within sixty (60) days of receipt of written notice of default (without, however, limiting any other rights available to the parties in law or equity); provided, that if the defaulting Party commences efforts to cure the default within such period and diligently pursues such cure, the non-defaulting Party may not terminate this Prime Lease as a result of that default.

(b) Upon thirty (30) days' written notice by Tenant to Landlord if Tenant is unable to obtain, maintain, renew or reinstate any agreement, easement, permit, certificates, license, variance, zoning approval, or any other approval which may be

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required from any federal, state or local authority necessary to the construction and operation of the Tower Facilities or to the Intended Use (collectively, the "**Approvals**"); or

(c) Upon thirty (30) days' written notice from Tenant to Landlord if the Site is or becomes unsuitable, in Tenant's sole, but reasonable judgment for use as a wireless communications facility by Sun State or by Sun State's licensee(s) or sub lessee(s). In the event that Tenant should give notice of such termination, Tenant shall pay to Landlord an amount equal to twelve (12) months' rent as an early termination fee.

12. Taxes.

(a) Tenant will pay any personal property taxes assessed on or attributable to the Tower Facilities. Tenant will reimburse Landlord for any increase to Landlord's real property taxes that are directly attributable to Sun State Towers' Site and/or Tower Facilities upon receipt of the following: (1) a copy of Landlord's tax bill; (2) proof of payment; and (3) written documentation from the assessor of the amount attributable to Sun State Towers. Tenant shall have no obligation to reimburse Landlord for any taxes paid by Landlord unless Landlord requests reimbursement within twelve (12) months of the date said taxes were originally due. Additionally, as a condition precedent to Landlord having the right to receive reimbursement, Landlord shall, within three (3) days of receipt of any notice from the taxing authority of any assessment or reassessment, provide Tenant with a copy of said notice. Tenant shall have the right to appeal any assessment or reassessment relating to the Site or Tower Facilities and Landlord shall either (i) designate Tenant as its attorney-in-fact as required to effect standing with the taxing authority, or (ii) join Tenant in its appeal.

(b) Landlord will pay when due all real property taxes and all other fees and assessments attributable to the Property, Compound and Easement. If Landlord fails to pay when due any taxes affecting the Property or the Site, Tenant will have the right, but not the obligation, to pay such taxes and either: (i) deduct the full amount of the taxes paid by Tenant on Landlord's behalf from future installments of Rent, or (ii) collect such taxes by any lawful means.

13. Environmental Compliance.

(a) Landlord represents and warrants that:

(i) No Hazardous Materials have been used, generated, stored or disposed of, on, under or about the Property in violation of any applicable law, regulation or administrative order (collectively, "**Environmental Laws**") by either Landlord or to Landlord's knowledge, any third party; and

(ii) To Landlord's knowledge, no third party has been permitted to use, generate, store or dispose of any Hazardous Materials on, under, about or within the Property in violation of any Environmental Laws.

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(b) Landlord will not, and will not permit any third party to use, generate, store or dispose of any Hazardous Materials on, under, about or within the Property in violation of any Environmental Laws.

(c) Tenant covenants throughout the term of this lease, at Tenant's sole cost and expense, promptly to comply with all laws and ordinances and the orders, rules and regulations, and requirements of all federal, state, and municipal governments and appropriate departments, commissions, boards, and officers of these entities, or any other body now or subsequently constituted exercising similar functions, and whether or not the same require structural repairs or alterations, which may be applicable to the premises, or the use or manner of use of the premises. Tenant will likewise observe and comply with the requirements of all policies of public liability, fire and all other policies of insurance at any time in force with respect to the premises and the improvements and equipment on the premises.

(d) In addition to all other provisions of this lease, Tenant, at its cost and expense, shall comply with all laws, statutes, ordinances, rules, and regulations of any governmental authority having jurisdiction concerning environmental matters, including but not limited to any discharge into the air, waterways, sewers, soil, or groundwater of any substance or "pollutant."

(e) Landlord and its agents and representatives shall have reasonable access to the premises for the purpose of ascertaining the nature of the activities being conducted on the premises and of determining the type, kind and quantity of all products, materials, and substances brought onto the premises or made or produced on the premises. Tenant and all occupants of the premises claiming under Tenant shall provide to Landlord copies of all manifests, schedules, correspondence, and other documents when filed or provided to an appropriate governmental agency or otherwise required to be maintained by such an agency or as such matters are received from any governmental agency having jurisdiction over these matters. Landlord and its agents and representatives shall have the right to take samples in quantity sufficient for scientific analysis of all products, materials and substances present on the premises including but not limited to samples of products, materials, or substances brought onto or made or produced on the premises by Tenant or an occupant claiming under Tenant or otherwise present on the premises.

(f) Notwithstanding any provision of this lease or applicable statutes or judicial decisions to the contrary, with reference to any assignment, subletting, grant of license, concession, or any other permission to use the premises by any person other than Tenant, Landlord shall have the right to withhold Landlord's consent if, in Landlord's sole judgment and discretion, the assignee, subtenant, licensee, concessionaire, or any other person is not capable of performing or is not sufficiently qualified to perform in accordance with the requirements of this section. Any assignment, sublease, license, or other permission to use the premises from which lessor withholds its consent as provided in this section, shall be void.

(g) If Tenant breaches the obligations stated in this section, or if the presence of hazardous material on the premises caused or permitted by Tenant results in contamination of the premises, or if contamination of the premises by hazardous material otherwise occurs for which Tenant is legally liable to Landlord for damage resulting from the same, then Tenant shall indemnify, defend and hold Landlord

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harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including but not limited to diminution in value of the premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the premises, damages arising from any adverse impact on marketing of the premises, and sums paid in settlement of claims, attorney's fees, consultant fees, and expert fees) which arise during or after the term of the lease as a result of such contamination. This indemnification of Landlord by Tenant includes but is not limited to costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state, or local governmental agency or political subdivision because of hazardous material present in the soil or groundwater on or under the premises. Without limiting the above, if the presence of any hazardous material on the premises caused or permitted by Tenant results in any contamination of the premises, Tenant shall promptly take all actions at its sole expense as are necessary to return the premises to the condition existing prior to the introduction of any such hazardous material to the premises provided that Landlord's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as these actions would not potentially have any material adverse long-term or short-term effect on the premises.

(h) As used in this lease, the term "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of Arizona or the United States Government.

(i) The term "Hazardous Material" includes but is not limited to any material or substance which is (i) defined as a "hazardous waste" or other hazardous material or substance under any of the laws of the State where the premises are located, (ii) petroleum, (iii) asbestos, (iv) designated as a "hazardous substance" pursuant to the Federal Water Pollution Control Act, (v) defined as a "hazardous waste" pursuant to the Federal Resource Conservation and Recovery Act, as amended, or (vi) defined as a "hazardous substance" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, as amended.

14. Indemnification.

(a) General.

(i) Landlord, its heirs, grantees, successors, and assigns will exonerate, hold harmless, indemnify, and defend Sun State from any claims, obligations, liabilities, costs, demands, damages, expenses, suits or causes of action, including costs and reasonable attorney's fees, which may arise out of: (A) any injury to or death of any person; (B) any damage to property, if such injury, death or damage arises out of or is attributable to or results from the acts or omissions of Landlord, or Landlord's principals, employees, invitees, agents or independent contractors; or (C) any breach of any representation or warranty made by Landlord in this Prime Lease.

(ii) Tenant, its grantees, successors, and assigns will exonerate, hold harmless, indemnify, and defend Landlord from any claims, obligations, liabilities,

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costs, demands, damages, expenses, suits or causes of action, including costs and reasonable attorney's fees, which may arise out of: (A) any injury to or death of any person; (B) any damage to property, if such injury, death or damage arises out of or is attributable to or results from the negligent acts or omissions of Sun State Towers, or Sun State Towers' employees, agents or independent contractors; or (C) any breach of any representation or warranty made by Tenant in this Prime Lease.

(b) Environmental Matters.

(i) Landlord, its heirs, grantees, successors, and assigns will indemnify, defend, reimburse and hold harmless Sun State from and against any and all damages arising from the presence of Hazardous Materials upon, about or beneath the Property or migrating to or from the Property or arising in any manner whatsoever out of the violation of any Environmental Laws, which conditions exist or existed prior to or at the time of the execution of this Prime Lease or which may occur at any time in the future through no fault of Sun State Towers. Notwithstanding the obligation of Landlord to indemnify Sun State pursuant to this Prime Lease, Landlord will, upon demand of Sun State Towers, and at Landlord's sole cost and expense, promptly take all actions to remediate the Property which are required by any federal, state or local governmental agency or political subdivision or which are reasonably necessary to mitigate environmental damages or to allow full economic use of the Site, which remediation is necessitated from the presence upon, about or beneath the Property of a Hazardous Material. Such actions include but not be limited to the investigation of the environmental condition of the Property, the preparation of any feasibility studies, reports or remedial plans, and the performance of any cleanup, remediation, containment, operation, maintenance, monitoring or actions necessary to restore the Property to the condition existing prior to the introduction of such Hazardous Material upon, about or beneath the Property notwithstanding any lesser standard of remediation allowable under applicable law or governmental policies.

(ii) Tenant, its grantees, successors, and assigns will indemnify, defend, reimburse and hold harmless Landlord from and against environmental harm and damage as set forth in Section 13 above. Landlord be responsible for all obligations of compliance with any and all environmental and industrial hygiene laws, including any regulations, guidelines, standards, or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene conditions or concerns as may now or at any time hereafter be in effect, that are or were in any way related to activity now conducted in, on, or in any way related to the Site or Property, unless such conditions or concerns are caused by the specific activities of Tenant in the Site.

(iii) In the event that abatement of Hazardous Materials is required in connection with the construction of the Site, Landlord shall take responsibility as generator of the waste resulting from the abatement and shall cooperate with any

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necessary abatement procedures, including signing all necessary documents and manifest required for abatement.

15. Casualty.

a) In the event of damage by fire or other casualty to the Site or Property that cannot reasonably be expected to be repaired within forty-five (45) days following same or, if the Property is damaged by fire or other casualty so that such damage may reasonably be expected to disrupt Tenant's operations at the Site for more than forty-five (45) days, then Sun State may, at any time following such fire or other casualty, provided Landlord has not completed the restoration required to permit Tenant to resume its operation at the Site, terminate this Prime Lease upon fifteen (15) days prior written notice to Landlord. Any such notice of termination shall cause this Prime Lease to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Prime Lease and the parties shall make an appropriate adjustment, as of such termination date, with respect to payments due to the other under this Prime Lease. Notwithstanding the foregoing, the rent shall abate during the period of repair following such fire or other casualty in proportion to the degree to which Tenant's use of the Site is impaired.

16. Assignment.

(a) Any sublease, license or assignment of this Prime Lease that is entered into by Landlord or Tenant is subject to the provisions of this Prime Lease.

(b) Landlord may assign this Prime Lease in its entirety to any third party in conjunction with a sale of the Property in accordance with paragraph 16 of this Prime Lease. Landlord will not otherwise assign less than Landlord's full interest in this Prime Lease without the prior written consent of Sun State Towers.

(c) Tenant may assign this Prime Lease only upon the consent of Landlord. Consent shall not be unreasonably withheld.

(d) Tenant may mortgage or grant a security interest in this Prime Lease and the Tower Facilities and may assign this Prime Lease and the Tower Facilities to any such mortgagees or holders of security interests including their successors and assigns (collectively, "**Secured Parties**"). If requested by Sun State Towers, Landlord will execute such consent to such financing as may reasonably be required by Secured Parties. In addition, if requested by Sun State Towers, Landlord agrees to notify Tenant and Tenant Secured Parties simultaneously of any default by Tenant and to give Secured Parties the same right to cure any default as Sun State Towers. If a termination, disaffirmance or rejection of the Prime Lease by Tenant pursuant to any laws (including any bankruptcy or insolvency laws) occurs, or if Landlord will terminate this Prime Lease for any reason, Landlord will give to Secured Parties prompt notice thereof and Secured Parties will have the right to enter upon the Compound during a 30-day period commencing upon Secured Parties' receipt of such notice for the purpose of removing any Tower Facilities. Landlord acknowledges that Secured Parties are third-party

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beneficiaries of this Prime Lease. Landlord shall be entitled to rent during any period of occupation of the demised premises by the Tower Facilities and shall be entitled to a landlord's lien to secure payment of any unpaid rent. The right of Secured Parties to remove any Tower Facilities shall be subject to this lien.

17. Condemnation. In the event of any condemnation of all or any portion of the Property, and as a result of such condemnation, Sun State Towers, in Sun State Towers' sole discretion, is unable to use the Site for the purposes intended hereunder, or if such condemnation may reasonably be expected to disrupt Sun State Towers' operations at the Site for more than forty-five (45) days, Tenant may, at Tenant's option, to be exercised in writing within fifteen (15) days after Landlord shall have given Tenant written notice of such taking (or in the absence of such notice, within fifteen (15) days after the condemning authority shall have taken possession), terminate this Prime Lease effective as of the date the condemning authority takes such possession. Tenant shall be entitled to and shall receive and retain that part of the award or price paid by the condemning authority which is attributable to the improvements, fixtures, conduits, antennas, equipment; and all other things of Tenant situated on the Site or the Property which cannot be removed, (collectively, "**Losses**"). In addition, Tenant may on its own behalf make a claim for its Losses in any condemnation proceeding involving the Site. Any such notice of termination shall cause this Prime Lease to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Prime Lease and the Parties shall make an appropriate adjustment as of such termination date with respect to payments due to each other under this Prime Lease. If Tenant does not terminate this Prime Lease in accordance with the foregoing, this Prime Lease shall remain in full force and effect as to the portion of the Site remaining, except that the rent shall be reduced in the same proportion as the rentable area of the Site taken bears to the total rentable area of the Site. In the event that this Prime Lease is not terminated by reason of such condemnation, Landlord shall promptly repair any damage to the Site caused by such condemning authority. In the event this Prime Lease is not terminated, Tenant shall also be entitled to an award for its Losses.

18. Insurance.

(a) Tenant will purchase and maintain in full force and effect throughout the Option Period, and the Term such general liability and property damage policies as Tenant may deem necessary. Said policy of general liability insurance will at a minimum provide a combined single limit of \$1,000,000.00.

(b) Landlord will purchase and maintain in full force and effect throughout the Option Period, and the Term such general liability and property damage policies as Landlord may deem necessary. Said policy of general liability insurance will at a minimum provide a combined single limit of \$1,000,000.00.

19. Recording. Landlord agrees to execute a Memorandum of this Prime Lease which Tenant may record with the appropriate officer. The date set forth in the Memorandum of Lease is for recording purposes only and bears no reference to the commencement of either the Term of rent payments.

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20. Notices. All notices or demands by or from Tenant to Landlord, or Landlord to Sun State Towers, required under this Prime Lease will be in writing and sent (United States mail postage pre-paid, certified with return receipt requested or by reputable national overnight carrier service, transmit prepaid) to the other Party at the addresses set forth in paragraph 1 of this Prime Lease or to such other addresses as the parties may, from time to time, designate consistent with this paragraph 24, with such new notice address being effective thirty (30) days after receipt by the other Party. Notices will be deemed to have been given upon either receipt or rejection.

21. Memorandum of Lease. Simultaneously with the execution of this Prime Lease, the parties will enter into the Memorandum of Lease attached to this Prime Lease as Exhibit C which Tenant may record in the public records of the county of the Property. Landlord acknowledges and agrees that after Landlord signs the Memorandum of Lease, but before Tenant records the Memorandum of Lease, Tenant may add both: (a) a reference to the recording granting Landlord its interest in the Property; (b) a legal description of the Property as Exhibit A to the Memorandum of Lease, and (c) a legal description of the Site as Exhibit B to the Memorandum of Lease. Landlord agrees to execute and return to Tenant a recordable amendment to the Memorandum of Lease in a form supplied by Tenant if: (i) the information included in the Memorandum of Lease changes, or (ii) if it becomes clear that such information is incorrect or incomplete or if this Prime Lease is otherwise amended.

22. Miscellaneous.

(a) This Prime Lease runs with the Property and is binding upon and will inure to the benefit of the parties, their respective heirs, successors, personal representatives and assigns.

(b) Tenant may, at Sun State Towers' sole cost and expense, procure an abstract of title, a commitment to issue a policy of title insurance, or an owner's policy of title insurance with respect to Sun State Towers' leasehold interest in the Property (collectively "**Title Coverage**").

(c) The substantially prevailing Party in any litigation arising hereunder is entitled to its reasonable attorney's fees and court costs, including appeals if any.

(d) Each Party agrees to furnish to the other, within thirty (30) days after a request, such estoppel information as the other may reasonably request.

(e) This Prime Lease constitutes the entire agreement and understanding of Landlord and Tenant with respect to the subject matter of this Prime Lease and supersedes all offers, negotiations and other agreements. There are no representations or understandings of any kind not stated in this Prime Lease. Any amendments to this Prime Lease must be in writing and executed and delivered by Landlord and Sun State Towers.

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(f) If either Landlord or Tenant is represented by a real estate broker in this transaction, that Party is fully responsible for any fees due to such broker and will hold the other Party harmless from any claims for commission by such broker.

(g) The Prime Lease will be construed in accordance with the laws of the state in which the Site is situated.

(h) Landlord recognizes that this Prime Lease is a lease of real property under which Sun State, in addition to all rights and privileges it receives herein, is entitled to all rights and protections under 11 U.S.C. § 365(h), as amended from time to time.

(i) If any term of the Prime Lease is found to be void or invalid, the remainder of this Prime Lease will continue in full force and effect.

(j) With respect to Sun State Towers' acquisition of Title Coverage, Landlord will cooperate by promptly executing any documentation required by the title insurance company.

(k) This Prime Lease may be executed in two (2) or more counterparts, all of which are considered one and the same agreement and become effective when one or more counterparts have been signed by each of the parties, it being understood that all parties need not sign the same counterpart.

(l) Landlord will not, during the Option Period or the Term, enter into any other lease, license, or other agreement for the same or similar purpose as the Intended Use, on or adjacent to the Property.

(m) Failure or delay on the part of either Party to exercise any right, power or privilege hereunder will not operate as a waiver thereof, and waiver of breach of any provision hereof under any circumstances will not constitute a waiver of any subsequent breach.

(n) The parties agree that irreparable damage would occur if any of the provisions of this Prime Lease were not performed in accordance with their specified terms or were otherwise breached. Therefore, the parties agree the parties will be entitled to an injunction(s) in any court in the state in which the Site is located to prevent breaches of the provisions of this Prime Lease and to enforce specifically the terms and provisions of the Prime Lease, this being in addition to any other remedy to which the parties are entitled at law or in equity.

(o) Each Party executing this Prime Lease acknowledges that it has full power and authority to do so and that the person executing on its behalf has the authority to bind the Party.

(p) The parties agree that a scanned or electronically reproduced copy or image of this Prime Lease will be deemed an original and may be introduced or submitted in any action or proceeding as competent evidence of the execution, terms and existence hereof notwithstanding the failure or inability to produce or tender an original, executed

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counterpart of this Prime Lease and without the requirement that the unavailability of such original, executed counterpart of this Prime Lease first be proven.

- (q) This lease is subject to the cancellation provisions of A.R.S. §38-511.
- (r) Tenant hereby certifies that it is not boycotting Israel.
- (s) Time is of the essence of this lease.
- (t) Venue. Any legal action relating to this agreement shall be brought in either the Yuma County Superior Court or in the United States District Court for the District of Arizona at the election of the plaintiff in such legal action, provided, however, that nothing in this paragraph will be deemed to have authorized the bringing of any legal action in a court which does not otherwise have jurisdiction to adjudicate the legal action.
- (u) No Personal Liability. No member, official or employee of the Landlord shall be personally liable to Sun State, any Collocator or subtenant, or any successor or assignee, (a) in the event of any default or breach by the Landlord (b) for any amount which may become due to Sun State or its successor or assign, or (c) pursuant to any obligation of the Landlord under the terms of this contract.
- (v) Employment Eligibility. Sun State hereby warrants and shall require its contractors or subcontractors to warrant, that it is in compliance with all federal immigration laws and regulations that relate to its employees and with A.R.S. §23-214 relating to verification of employment eligibility. A breach of this warranty shall be deemed a material breach of the agreement and is subject to penalties up to and including termination of this agreement. Landlord retains the legal right to inspect the papers of Sun State and any contractor or subcontractor employee of Sun State to ensure that Sun State and any of its contractors or subcontractors are compliant with this warranty

[SIGNATURES APPEAR ON NEXT PAGE]

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IN WITNESS WHEREOF, Landlord and Tenant have each executed this Prime Lease as of the respective dates written below.

LANDLORD:

CITY OF SAN LUIS,
an Arizona municipal corporation

By: _____

Name: _____

Title: _____

Date: _____

STATE OF _____

COUNTY OF _____

Before me, _____ the undersigned, a Notary Public for the State, personally appeared _____, who is the _____ of CITY OF SAN LUIS, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official stamp or seal, this _____ day of _____, 2018.

[Affix Notary Seal]

Notary Public
My commission expires:

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SUN STATE TOWERS:

SUN STATE TOWERS III, LLC,
a Delaware limited liability company

By: _____

Name: _____

Title: _____

Date: _____

STATE OF _____

COUNTY OF _____

Before me, _____ the undersigned, a Notary Public for the State, personally appeared _____, who is the _____ of SUN STATE TOWERS III, LLC, a Delaware limited liability company, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official stamp or seal, this _____ day of _____, 2018.

[Affix Notary Seal]

Notary Public
My commission expires:

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EXHIBITS

The following exhibits are attached to this Prime Lease and incorporated into this Prime Lease:

- Exhibit A Description of Property
- Exhibit B Description of Site
- Exhibit C Memorandum of Lease

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EXHIBIT A

DESCRIPTION OF PROPERTY

LANDLORD'S LEGAL DESCRIPTION

TRACT "A," LAS VILLAS DE SAN LUIS PHASE 1, ACCORDING TO BOOK 15 OF PLATS, PAGE 81, RECORDS OF YUMA COUNTY, ARIZONA;

EXCEPT ALL OIL, GAS, OTHER HYDROCARBON SUBSTANCES, HELIUM OR OTHER SUBSTANCES OF A GASEOUS NATURE, COAL, METALS, MINERALS, FOSSILS, FERTILIZERS OF EVERY NAME AND DESCRIPTION TOGETHER WITH ALL URANIUM, THORIUM OR ANY OTHER MATERIAL WHICH IS OR MAY BE DETERMINED BY THE LAWS OF THE UNITED STATES, OR OF THIS STATE, OR DECISIONS OF COURT, TO BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE RIGHT THERETO, ON, IN, OR UNDER THE ABOVE DESCRIBED LANDS, SHALL BE AND REMAIN AND ARE HEREBY RESERVED IN AND RETAINED BY THE STATE OF ARIZONA, TOGETHER WITH THE RIGHT OF THE STATE OF ARIZONA, ITS LESSEES OR PERMITTEES TO ENTER UPON THOSE LAND FOR THE PURPOSE OF SUBSTANCES AS PROVIDED BY THE RULES AND REGULATIONS OF THE STATE LAND DEPARTMENT AND THE LAWS OF ARIZONA.

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EXHIBIT B

DESCRIPTION OF SITE

LEASE AREA LEGAL DESCRIPTION

A PORTION OF TRACT "A," LAS VILLAS DE SAN LUIS PHASE 1, ACCORDING TO BOOK 15 OF PLATS, PAGE 81, RECORDS OF YUMA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID TRACT "A"; THENCE NORTH 89°40'26" WEST ALONG THE SOUTH LINE OF SAID TRACT, 19.39 FEET; THENCE DEPARTING SAID SOUTH LINE NORTH 00°00'00" EAST, 8.17 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 90°00'00" WEST, 8.88 FEET; THENCE NORTH 00°00'00" EAST, 25.00 FEET; THENCE NORTH 90°00'00" EAST, 25.00 FEET; THENCE SOUTH 00°00'00" EAST, 17.18 FEET; THENCE SOUTH 42°19'58" WEST, 10.57 FEET; THENCE NORTH 90°00'00" WEST, 9.00 FEET TO THE POINT OF BEGINNING.

ACCESS AND UTILITY EASEMENT LEGAL DESCRIPTION

A 12.00 FOOT WIDE STRIP OF LAND BEING A PORTION OF TRACT "A," LAS VILLAS DE SAN LUIS PHASE 1, ACCORDING TO BOOK 15 OF PLATS, PAGE 81, RECORDS OF YUMA COUNTY, ARIZONA, LYING 6.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE SOUTHEAST CORNER OF SAID TRACT "A"; THENCE NORTH 89°40'26" WEST ALONG THE SOUTH LINE OF SAID TRACT, 19.39 FEET TO THE POINT OF BEGINNING.

THENCE DEPARTING SAID SOUTH LINE NORTH 00°00'00" EAST, 8.17 FEET TO THE POINT OF TERMINUS.

Site Name: Baja
Site Number: AZ15-030

EXHIBIT C

MEMORANDUM OF LEASE

[see following pages]

Prepared by and Return To:
Sun State Towers III, LLC
1426 North Marvin Street #101
Gilbert, AZ 85233
Site # AZ15-030
Site Name: Baja
Tax Parcel No.: 776-35-900

Memorandum of Lease Agreement

THIS MEMORANDUM OF LEASE AGREEMENT ("**Memorandum**") is executed this ____ day of _____, 2018 by and between CITY OF SAN LUIS, an Arizona municipal corporation, with a mailing address of _____ ("**Landlord**") and SUN STATE TOWERS III, LLC, a Delaware limited liability company, with a mailing address of 1426 North Marvin Street #101, Gilbert, AZ 85233 ("**Tenant**") and evidences that on the _____ day of _____, 2018, a Lease Agreement ("**Agreement**") was entered into by and between Landlord and Sun State Towers.

1. 2. **Property.** Landlord owns certain real property described in Exhibit A ("**Property**"). Subject to the terms of the Agreement, Landlord has granted to Sun State Towers an option to lease a portion of the Property ("**Compound**") and to acquire certain easements for ingress, egress and utilities for the benefit of Sun State Towers and Sun State Towers' sublessees and invitees ("**Easements**" and collectively with the Compound, the "**Site**", as shown on Exhibit B), a license to use certain other portions of the Property and a right of first refusal to purchase the Site and/or the Property.

3. **Lease.** The Initial Term of the lease will be for ten (10) years commencing June 1, 2018. The Agreement will automatically renew for two additional periods of five (5) years each, unless Tenant notifies Landlord of its decision not to renew the Agreement.

4. **Notices.** All notices, requests, demands, and other communications to Landlord or Sun State Towers will be made at the following addresses:

Landlord: City of San Luis
P.O. Box 1170
San Luis, AZ 8549
Attn: City Manager

Sun State Towers: Sun State Towers III, LLC
1426 North Marvin Street #101
Gilbert, AZ 85233
Attn: Land Management

5. **Construction of Memorandum; Availability of Agreement.** This Memorandum is not a complete summary of the terms and conditions contained in the Agreement. Provisions in the Memorandum will not be used in interpreting the Agreement provisions. In the event of a conflict between this Memorandum and the Agreement, the Agreement will control. The Agreement is a public record of the City of San Luis, Arizona and is available for inspection and copying at the Office of the City Clerk of the City of San Luis, Arizona.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Memorandum as of the date first set forth above.

LANDLORD:

CITY OF SAN LUIS,
an Arizona municipal corporation

By: _____

Name: _____

Title: _____

Date: _____

STATE OF _____

COUNTY OF _____

Before me, _____ the undersigned, a Notary Public for the State, personally appeared _____, who is the _____ of CITY OF SAN LUIS, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official stamp or seal, this _____ day of _____, 2018.

[Affix Notary Seal]

Notary Public
My commission expires:

SUN STATE TOWERS:

SUN STATE TOWERS III, LLC,
a Delaware limited liability company

By: _____

Name: _____

Title: _____

STATE OF _____

COUNTY OF _____

Before me, _____ the undersigned, a Notary Public for the State, personally appeared _____, who is the _____ of SUN STATE TOWERS III, LLC, a Delaware limited liability company, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official stamp or seal, this _____ day of _____, 2018.

[Affix Notary Seal]

Notary Public
My commission expires:

EXHIBIT A

DESCRIPTION OF PROPERTY

LANDLORD'S LEGAL DESCRIPTION

TRACT "A," LAS VILLAS DE SAN LUIS PHASE 1, ACCORDING TO BOOK 15 OF PLATS, PAGE 81, RECORDS OF YUMA COUNTY, ARIZONA;

EXCEPT ALL OIL, GAS, OTHER HYDROCARBON SUBSTANCES, HELIUM OR OTHER SUBSTANCES OF A GASEOUS NATURE, COAL, METALS, MINERALS, FOSSILS, FERTILIZERS OF EVERY NAME AND DESCRIPTION TOGETHER WITH ALL URANIUM, THORIUM OR ANY OTHER MATERIAL WHICH IS OR MAY BE DETERMINED BY THE LAWS OF THE UNITED STATES, OR OF THIS STATE, OR DECISIONS OF COURT, TO BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE RIGHT THERETO, ON, IN, OR UNDER THE ABOVE DESCRIBED LANDS, SHALL BE AND REMAIN AND ARE HEREBY RESERVED IN AND RETAINED BY THE STATE OF ARIZONA, TOGETHER WITH THE RIGHT OF THE STATE OF ARIZONA, ITS LESSEES OR PERMITTEES TO ENTER UPON THOSE LAND FOR THE PURPOSE OF SUBSTANCES AS PROVIDED BY THE RULES AND REGULATIONS OF THE STATE LAND DEPARTMENT AND THE LAWS OF ARIZONA.

EXHIBIT B

DESCRIPTION OF SITE

LEASE AREA LEGAL DESCRIPTION

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AGENDA ITEM REVIEW FORM

Regular City Council Meeting

5.F.

Meeting Date: 06/27/2018

Department Head: Monica Castro, Director of Finance, Finance Department

Submitted By: Carlos Cortes, Assistant Director of Finance, Finance Department

Action Requested: Motion
Public Hearing
Resolution

ITEM:

Public hearing followed by discussion and possible action on any and all matters regarding Resolution No. 2046. A resolution of the City of San Luis, Arizona, adopting the budget for Fiscal Year 2018 - 2019. **(Monica Castro, Director of Finance)**

- A. Open public hearing
 - 1. Staff Presentation
 - 2. Call to the Public on this Item
- B. Close public hearing
- C. Action on Resolution No. 2046

SUMMARY:

Pursuant to State Statute, the City Council is required to hold a public hearing before adopting the final budget that will establish the maximum ceiling for the City's budget.

Several budget preparation workshops were held during the months of April and May followed by the submission of a tentative recommended budget that was provided to City Council on June 06, 2018. At this point, staff has reviewed, revised, and compiled the data from all the work sessions for expected Fiscal Year 2018-19 revenues and expenditures. Therefore, we are submitting the final budget to Council for acceptance.

RECOMMENDATION / SUGGESTED MOTION:

- A. I MOVE TO OPEN THE PUBLIC HEARING**
 - 1. Presentation by Staff**
 - 2. Call to the Public on this Item**
- B. I MOVE TO CLOSE THE PUBLIC HEARING**
- C. I MOVE TO APPROVE AND ADOPT RESOLUTION NO. 2046.**

Supporting information is attached to this Agenda Item Review Form.

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	YES
CITY/STATE/FEDERAL FUNDS:	YES
TOTAL:	TBD
BUDGETED AMOUNT:	TBD

AVAILABLE AMOUNT TO TRANSFER:

N/A

ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: TBD

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

Monica please place your input

Attachments

Res No. 2046 Final Budget



Resolution

No. 2046

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

RESOLUTION FOR THE ADOPTION OF BUDGET FISCAL YEAR 2018 – 2019

Whereas, in accordance with provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes (A.R.S.), the City Council did, on June 27, 2018, make an estimate of the different amounts required to meet public expenditures/expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and

Whereas, in accordance with said chapter of said title, and following due public notice, the Council met on June 27, 2018, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses, and

Whereas, it appears that publication has been duly made as required by law of said estimates together with a notice that the City Council would meet on June 27, 2018 at the office of the Council for the purpose of hearing taxpayer, therefore be it

Resolved, that the said estimates of revenues and expenditures/expenses shown on the accompanying schedules, as now increased, reduced, or changed, are hereby adopted as the budget of the City of San Luis for the Fiscal Year 2018-2019.

Passed and adopted by the San Luis City Council this **27th** day of **June 2018**, in the City of San Luis, Arizona.

Gerardo Sanchez, Mayor

ATTEST:

APPROVED AS TO FORM:

Sonia Cornelio, City Clerk

Kay Macuil, City Attorney