



# AGENDA

**PRESCOTT CITY COUNCIL  
REGULAR VOTING MEETING  
TUESDAY, MARCH 26, 2013  
3:00 P.M.**

**Council Chambers  
201 South Cortez Street  
Prescott, Arizona 86303  
(928) 777-1100**

The following Agenda will be considered by the Prescott City Council at its **Regular Voting Meeting** pursuant to the Prescott City Charter, Article II, Section 13. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02. One or more members of the Council may be attending this meeting through the use of a technological device.

- ◆ **CALL TO ORDER**
- ◆ **INTRODUCTIONS**
- ◆ **INVOCATION**      Pastor Jane Cheek, First Congregational Church of Prescott
- ◆ **PLEDGE OF ALLEGIANCE:**      Councilman Lamerson
- ◆ **ROLL CALL:**

MAYOR AND CITY COUNCIL

Mayor Kuykendall  
Councilman Arnold  
Councilman Blair  
Councilman Carlow

Councilman Kuknyo  
Councilman Lamerson  
Councilman Scamardo

- ◆ **PROCLAMATIONS**
  - A. "Fair Housing Month"
- ◆ **SUMMARY OF CURRENT OR RECENT EVENTS**
- I. **CONSENT AGENDA**

**CONSENT ITEM I.A. LISTED BELOW MAY BE ENACTED BY ONE MOTION. ANY ITEM MAY BE REMOVED AND DISCUSSED IF A COUNCILMEMBER SO REQUESTS.**

- A. Approval of the minutes of the Prescott City Council Special Meeting of March 5, 2013; Workshop of March 5, 2013; Special Meeting of March 12, 2013; and Regular Meeting of March 12, 2013.

**RECOMMENDED ACTION: MOVE to approve Consent Agenda Item I.A.**

## II. REGULAR AGENDA

- A. Approval of Intergovernmental Agreement (“IGA”) (Contract No. 2013-149) with the Town of Chino Valley to provide prosecution services.

**RECOMMENDED ACTION: MOVE to approve entering into an IGA (Contract No. 2013-149) with the Town of Chino Valley for prosecution services.**

- B. Approval of a Teaming Agreement with the Arizona Commerce Authority for the Unmanned Aircraft System Test Site Selection Project of the Federal Aviation Administration (City Contract No. 2013-156).

**RECOMMENDED ACTION: Move to approve the Teaming Agreement with the Arizona Commerce Authority for the Unmanned Aircraft System Test Site Selection Project of the Federal Aviation Administration (City Contract No. 2013-156).**

- C. Public Hearing for CDBG 2013-2014 Annual Action Plan.

**RECOMMENDED ACTION: Move to close the Public Hearing.**

- D. Approval of Preliminary Plat PP12-001 for Madison Park Cottages, a six-lot single-family subdivision (Zoning: Multifamily/Medium Density; Owner: Habitat for Humanity).

**RECOMMENDED ACTION: MOVE to approve Preliminary Plat PP12-001 inclusive of the P&Z Commission recommended conditions, but excluding the off-site street improvements to Meany Street;**

**or,**

**MOVE to approve Preliminary Plat PP12-001 inclusive of the P&Z Commission recommended conditions with the alternative street improvements as described in the Public Works report.**

- E. Approval of night work for replacement of the roof and mechanical equipment on the Yavapai County Courthouse. Owner: Yavapai County.

**RECOMMENDED ACTION: MOVE to approve the request for night work on the Yavapai County Courthouse.**

- F. Adoption of Resolution No. 4166-1327 declaring the reorganized City Code Title 1, Section 27 a public record, and Ordinance No. 4853-1310,

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AMENDING THE PRESCOTT CITY CODE BY AMENDING CITY CODE TITLE 1, SECTION 27, BY ADOPTING THE PUBLIC RECORD DOCUMENT GENERALLY ENTITLED "CITY CODE, TITLE 1, SECTION 27, CITY OF PRESCOTT PROCUREMENT CODE".

**RECOMMENDED ACTION: MOVE to adopt Resolution No.4166-1327; and (2) MOVE to adopt Ordinance No. 4853-1310.**

- G. 2012 Annual Water Withdrawal and Use Reports and approval of payment of fees in the amount of \$11,786.74 to the Arizona Department of Water Resources.

**RECOMMENDED ACTION: MOVE to approve the payment of fees in the total amount of \$11,786.74 to the Arizona Department of Water Resources for 2012 Annual Water Withdrawal and Use.**

- H. Approval of sole source purchase of two (2) traffic signal controller cabinets from Econolite Control Products, Inc., in the total amount of \$24,920.40.

**RECOMMENDED ACTION: MOVE to approve the sole source purchase of two (2) traffic signal controller cabinets from Econolite Control Products, Inc., in the total amount of \$24,920.40.**

- I. ORDINANCE NO. 4854-1311, AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT YAVAPAI COUNTY, ARIZONA, AMENDING TITLE 8, CHAPTER 8-1, SECTION 8-1-2 OF THE PRESCOTT CITY CODE REGARDING REPAIR AND MAINTENANCE OF SIDEWALKS AND ALLEYS.

**RECOMMENDED ACTION: MOVE to adopt Ordinance No. 4854-1311.**

- J. Adoption of Resolution No. 4165-1326 approving an Intergovernmental Agreement with the City of Phoenix for temporary use of a Kubota articulated loader and transport trailer for the annual spring clean-up (City Contract No. 2013-157).

**RECOMMENDED ACTION: MOVE to adopt Resolution No. 4165-1326.**

- K. Adoption of Amendment to Resolution No. 4160-1321 (authorizing the City Clerk to enter into agreements as required for the 2013 Primary, General, and Special Elections) correcting date of Alternative Expenditure Limitation to August 27, 2013.

**RECOMMENDED ACTION: MOVE to adopt Amendment to Resolution No. 4160-1321.**

- L. [Approval of a letter to the Federal Aviation Administration re Essential Air Service to Prescott, Arizona, for the two-year period commencing May 1, 2013.](#)

***RECOMMENDED ACTION: MOVE to authorize the Mayor to sign a letter recommending that the U.S. Department of Transportation award the contract for Essential Air Service for the two-year period commencing May 1, 2013, to Great Lakes Aviation, Ltd.***

- M. Legislation

***RECOMMENDED ACTION: Council can discuss and provide direction. No formal action will be taken.***

### III. ADJOURNMENT

#### EXECUTIVE SESSION

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- (i) Discussion or consideration of personnel matters (A.R.S. §38-431.03(A)(1));
- (ii) Discussion or consideration of records exempt by law (A.R.S. §38-431.03(A)(2));
- (iii) Discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03(A)(3));
- (iv) Discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid litigation (A.R.S. §38-431.03(A)(4));
- (v) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03(A)(5));
- (vi) Discussion, consultation or consideration for negotiations by the city or its designated representatives with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city (A.R.S. §38-431.03(A)(6));
- (vii) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03(A)(7)).

#### Confidentiality

Arizona statute precludes any person receiving executive session information from disclosing that information except as allowed by law. A.R.S. §38-431.03(F). Each violation of this statute is subject to a civil penalty not to exceed \$500, plus court costs and attorneys' fees. This penalty is assessed against the person who violates this statute or who knowingly aids, agrees to aid or attempts to aid another person in violating this article. The city is precluded from expending any public monies to employ or retain legal counsel to provide legal services or representation to the public body or any of its officers in any legal action commenced for violation of the statute unless City Council takes a legal action at a properly noticed open meeting to approve of such expenditures prior to incurring any such obligation or indebtedness. A.R.S. §38-431.07(A)(B).

#### CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on \_\_\_/\_\_\_/\_\_\_ at \_\_\_:\_\_\_ m. in accordance with the statement filed by the Prescott City Council with the City Clerk.

\_\_\_\_\_  
Lynn Mulhall, MMC, City Clerk

<b>COUNCIL AGENDA MEMO – March 26, 2013</b>
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<b>DEPARTMENT:</b> Legal
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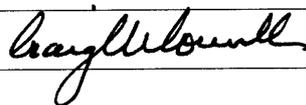
<b>AGENDA ITEM:</b> Approval of Intergovernmental Agreement (“IGA”) (Contract No. 2013-149) with the Town of Chino Valley to provide prosecution services
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<b>Approved By:</b>	<b>Date:</b>
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<b>City Attorney:</b> Jon M. Paladini	
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<b>Finance Director:</b> Mark Woodfill	
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<b>City Manager:</b> Craig McConnell	
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	3-18-13
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### Summary

Approval of this IGA will allow the City Attorney’s Office (“City”) to provide prosecution services to the Town of Chino Valley (“Town”) for violations of misdemeanor statutes and criminal ordinances within the Town’s limits. The venue for these cases will be the Chino Valley Municipal Court.

### Background

The City has the capability of providing prosecution services to the Town without additional personnel expenses to the City. Under the IGA the Town agrees to pay the City Fifty Thousand Dollars (\$50,000.00) annually for prosecution services as set forth in the IGA. The term of the IGA is for one year with an automatic renewal for successive one-year terms for five years beginning April 1, 2013.

### Financial

There will be a positive financial impact to the City’s General Fund in the amount of Fifty Thousand Dollars (\$50,000.00).

### Attachment

- IGA with the Town of Chino Valley

<b>Recommended Action:</b> MOVE to approve entering into an IGA (Contract No. 2013-149) with the Town of Chino Valley for prosecution services.
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**INTERGOVERNMENTAL AGREEMENT  
TOWN OF CHINO VALLEY, ARIZONA  
AND  
PRESCOTT, ARIZONA  
CONTRACT NO. 2013-149**

**PROSECUTION SERVICES**

**THIS INTERGOVERNMENTAL AGREEMENT**, with an effective date of April 1, 2013, is entered into by and between the TOWN OF CHINO VALLEY, a municipal corporation of the State of Arizona (hereinafter the “Town”), and PRESCOTT, a municipal corporation of the State of Arizona (hereinafter “City”) (hereinafter, individually, a “Party”, collectively the “Parties”).

**RECITALS**

**WHEREAS**, the Town prosecutes ordinance violations and misdemeanor crimes originating in the Town municipal limits; and

**WHEREAS**, the Town has determined that an Agreement whereby the City provides prosecution services through the City’s Legal Department for violations of misdemeanor statutes and Town ordinances subject to criminal prosecution within the Town limits will offer protection to persons and property within its municipal boundaries in a cost-effective manner and has proposed that the Parties enter into such an Agreement; and

**WHEREAS**, the City is willing and able to provide the prosecution services through the City’s Legal Department pursuant to the terms and conditions set forth herein; and

**WHEREAS**, the parties are authorized pursuant to A.R.S. §11-952, to enter into agreements for joint or cooperative action.

**NOW, THEREFORE, the parties agree as follows:**

- 1. Prosecution Services.** For the consideration to be paid by the Town as specified herein, to the City through its Legal Department, agrees to the following:

The City Legal Department will receive and process from authorized officers of the Town, through the Town’s staff, cases referred by the Town for possible prosecution of alleged violations of Town ordinances subject to criminal prosecution and misdemeanor violations under Arizona law. The prosecution services provided herein generally include, but are not limited to, review and preparation of case documents, attending pre-trial conferences, handling trials, and providing as-needed training and direction to Chino Valley police officers.

The Town agrees to provide staff paralegal services, including but not limited to, document processing, witness and victim notification, scheduling and other services

to assist the City's Legal Department, as needed, in prosecuting alleged violations of the criminal ordinances of the Town, and misdemeanor violations under Arizona law.

2. **Conduct of Prosecutions.** The Parties agree that general prosecution policies and the prosecution of individual cases shall be within the sole discretion of City's Legal Department after consultation with the Town.
3. **Base Compensation.** For routine prosecution services rendered by the City pursuant to this Agreement during the initial term of this Agreement the Town shall pay the City an annualized amount of \$50,000. Total payments for the initial term shall be \$50,000, payable in equal monthly installments of \$4,166.67 on or before the fifth day of each month during the effective term of this Agreement.
4. **Additional Compensation.** In addition to payment of the Base Compensation as set forth in Section 3, the Town shall make additional payments as incurred for extraordinary expenses including, but not limited to, witness fees/expenses and expert witness fees/expenses. Prior to authorizing such additional expenses the City shall submit the proposed expenditures to the Town Manager or Town designee for review and approval. The additional approved amount shall be due and payable no later than 30 days following the Town's receipt of the City's invoice for expenses incurred provided pursuant to this Section.
5. **Adjustment of Base Compensation.** Should the City determine that additional compensation is required for future Agreements commencing in calendar year 2015, the City shall, on or before September 1<sup>st</sup> of each year during the effective term of this Agreement, provide to the Town the proposed fee for the provision of routine prosecution service for the following fiscal year. On or before December 1<sup>st</sup> of each year during the effective term of this Agreement, the Town shall do one of the following: (1) Accept the fee as proposed by the City; (2) Accept a different fee amount based on negotiations between the Parties; or (3) Notify the City of the Town's intent not to renew the Agreement for the following fiscal year. Upon acceptance, the agreed-upon fee shall constitute the Base Compensation for the following fiscal year (July 1 to June 30).
6. **Facilities/Resources.** It is the responsibility of the Town to provide to City in a timely manner all information, documents, interviews, and all other evidence necessary for the analysis and prosecution of the matter referred to the City's Legal Department for prosecution.
7. **Term of Agreement; Renewals.** The initial term of this Agreement shall commence on April 1, 2013, with an automatic renewal for successive one-year terms for five years. Written Notice of either Party's intent not to renew or continue the Agreement for the subsequent fiscal year shall be provided in writing to the other Party no later than 60 days from the then-current initial or renewal term.

- 8. Mutual Indemnification.** Each Party shall defend, hold harmless and indemnify the other Party, its agents, representatives, officials, employees and representatives from and against any claims, losses and expenses (including reasonable attorney's and expert witness fees) arising from that Party's negligent and/or intentional acts and/or omissions pursuant to this Agreement. The Parties understand and agree that the indemnification obligation pursuant to this Section 8 shall be limited to an amount not to exceed \$50,000, including attorneys' fees, to be paid by a Party to the other Party for each separate occurrence where a Party incurs costs for claims, losses and/or expenses arising from the other Party's acts or omissions pursuant to this Agreement for which the Party is not reimbursed from applicable policies of insurance obtained and maintained by the Party.
- 9. Severability.** The invalidity of any provision of this Agreement as determined by a Court of competent jurisdiction, shall in no way affect the validity of any other provision hereof, so long as the original intent of the parties is not defeated thereby.
- 10. Applicable Law.** The terms and conditions of this Agreement shall be construed and governed in accordance with the laws of the State of Arizona.

**11. Termination**

- a. Termination for Convenience.** Either Party may terminate this Agreement at any time upon 90 days written notice to the other Party of intention to terminate. The Base Compensation set forth in Paragraph 3 shall be adjusted to \$4,166.67 per month for the remaining ninety (90) day period, or such time-period as may be agreed upon by the Parties.
- b. Termination by Mutual Consent.** This Agreement may be terminated at any time by mutual consent of the Parties.
- c. Termination for Breach.** In the event of a breach of any term or condition of this Agreement by either Party, the Party claiming breach shall provide written notice to the other Party, said notice setting forth the factual basis for the determination that a breach has occurred. If the breach is not remedied within fifteen (15) days of receipt of notice, the Party claiming breach may terminate this Agreement without further notice.
- 12. Disputes; Trial by Court.** The Parties expressly covenant and agree that in the event of a dispute arising from this Agreement, each of the parties hereto waives any right to a trial by jury. In the event of litigation, the parties hereby agree to submit to a trial before the Court.
- 13. Disputes; Attorney Fees.** The Parties expressly covenant and agree that in the event of litigation arising from this Agreement, neither Party shall be entitled to an award of attorney's fees, either pursuant to the Contract, pursuant to A.R.S. § Section 12-341.01(A) and (B), 12-348.01, or pursuant to any other state or federal statute.



City of Prescott

\_\_\_\_\_  
MARLIN KUYKENDALL, MAYOR

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
Town of Chino Valley, City Clerk

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
City of Prescott, City Clerk

Date: \_\_\_\_\_

**DETERMINATIONS OF COUNSEL**

Pursuant to A.R.S. Section 11-952(D), the foregoing Agreement has been reviewed by the undersigned attorney for the City of Prescott who has determined that the Agreement is in proper form and is within the powers and authority granted under the laws of this State to the City.

\_\_\_\_\_  
Jon M. Paladini  
City Attorney

Date: \_\_\_\_\_

Pursuant to A.R.S. Section 11-952(D), the foregoing Agreement has been reviewed by the undersigned attorney for the Town of Chino Valley who has determined that the Agreement is in proper form and is within the powers and authority granted under the laws of this State to the Town.

\_\_\_\_\_  
Town Attorney

Date: \_\_\_\_\_

**COUNCIL AGENDA MEMO – March 26, 2013**

**DEPARTMENT:** Airport

**AGENDA ITEM:** Approval of a Teaming Agreement with the Arizona Commerce Authority for the Unmanned Aircraft System Test Site Selection Project of the Federal Aviation Administration (City Contract No. 2013-156)

**Approved By:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Department Head:** Jeff Tripp

**Finance Director:** Mark Woodfill

**City Manager:** Craig McConnell *Craig McConnell* **3-20-13**

**Summary**

This request is for approval of a Teaming Agreement between the Arizona Commerce Authority (ACA) and the City of Prescott, with the Airport acting as the primary team member, regarding the Unmanned Aircraft System Test Site Selection Project (UASTSS) of the Federal Aviation Administration (FAA).

**Background**

The FAA Modernization and Reform Act of 2012 directed that federal agency to develop a program to integrate unmanned aircraft systems (UAS) into the national airspace system at six (6) test ranges throughout the United States. The FAA subsequently issued an Unmanned Aircraft System Test Site Selection Screening Information Request (UASTSS SIR).

In recognition of the potential benefits to the state economy generally, and research and aerospace and technology business communities specifically, in March 2012 the Arizona House of Representatives resolved that Arizona compete in the test range selection process. This year the Arizona Senate reiterated interest in being so selected, and designated the Arizona Commerce Authority (ACA) to lead the state's application effort.

The ACA has established an interagency group for the FAA project. With the goal of enhancing business attraction and development for the UAS and related technologies, the ACA has sought comprehensive input and actively encouraged formation of research and business consortiums devoted exclusively to UAS and related activities, including the Arizona UAS Research Consortium and the AzTRC UAS Industry Consortium.

The various team members (including Embry-Riddle Aeronautical University) have extensive experience, expertise and capabilities in the field of aviation that would be important in the event one or more of the candidate test ranges identified by the ACA in its Proposal is (or are) selected by the FAA. The Teaming Agreement is the means to accomplish this.

**Agenda Item:** Approval of a Teaming Agreement with the Arizona Commerce Authority for the Unmanned Aircraft System Test Site Selection Project of the Federal Aviation Administration (City Contract No. 2013-156)

### **Financial Impact**

The Airport operating budget will not be affected by approval of this Agreement. The involvement of Prescott in the Project would be accompanied by financial benefits to the City's economy derived from new research and development enterprises at and in proximity to the Airport.

With the establishment of flight test operations at the Airport, additional revenues may also be realized through ground leases and/or ground lease development.

**Recommended Action:** **MOVE** to approve the Teaming Agreement with the Arizona Commerce Authority for the Unmanned Aircraft System Test Site Selection Project of the Federal Aviation Administration (City Contract No. 2013-156).

**TEAMING AGREEMENT**  
**between**  
**THE ARIZONA COMMERCE AUTHORITY**  
**and**  
**THE CITY OF PRESCOTT**  
**(represented by the Prescott Municipal Airport)**  
**CONTRACT NO. 2013-156**

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**FAA UASTSS PROJECT PROPOSAL**

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This Teaming Agreement, together with any and all attachments hereto (this "Agreement"), dated effective as of March 26, 2013, is entered into by and between the Arizona Commerce Authority, an agency of the State of Arizona (the "ACA"), with a principal place of business located in Phoenix, Arizona, and the City of Prescott, an Arizona municipal corporation, (represented by the Prescott Municipal Airport as the "Team Member"), with a principal place of business located in Prescott, Arizona. The ACA and the Team Member may hereinafter be referred to individually as a "Party" and hereinafter be referred to collectively to as the "Parties."

**1. DEFINITIONS**

- 1.1 "FAA" means the U.S. Federal Aviation Administration.
- 1.2 "Program" means the operation and management of an Arizona UAS test range, assuming that one or more of the test ranges identified by the ACA in its Proposal is (or are) selected by the FAA as an approved UAS test range.
- 1.3 "Program Contract" means the final contractual agreement between the FAA and the ACA (or other operator or manager of an approved Arizona UAS test range) relating to the terms governing the Program.
- 1.4 "Proposal" means that certain submission to the FAA contemplated to be made by the ACA in accordance with the UASTSS SIR for the purpose of seeking the State of Arizona to be selected by the FAA as one of six (6) approved UAS test ranges.
- 1.5 "UAS" shall mean unmanned aircraft systems and related technologies.
- 1.6 "UASTSS SIR" means that certain Screening Information Request No. DTFAC-13-R-0002 pertaining to the FAA's Unmanned Aircraft System Test Site Selection Project that was issued by the FAA on February 14, 2013, as amended.

**2. BACKGROUND**

- 2.1 The FAA Modernization and Reform Act of 2012 directed the FAA to develop a program to integrate unmanned aircraft systems into the national airspace system at six (6) test

ranges throughout the United States. In pursuance of the selection of the six (6) test ranges, the FAA issued the UASTSS SIR.

- 2.2 In recognition of the potential benefits to the State of Arizona associated with selection by the FAA of Arizona as the location of one of the six (6) UAS test ranges, including in respect to the State's economy generally and the State's research and aerospace and technology business communities specifically, the Arizona House of Representatives in March 2012 directed that Arizona compete for selection by the FAA as one of the six (6) UAS test ranges. An Arizona Senate resolution in 2013 similarly directed that Arizona compete for selection as one of the six (6) UAS test ranges and specifically directed the ACA to lead that effort.
- 2.3 In response to such direction by the Arizona Legislature, the ACA has established an inter-agency division the exclusive purpose of which is to facilitate Arizona's selection as one of the six (6) FAA-approved UAS test ranges. The ACA has extensive experience, skills and capabilities in the area of business attraction and development generally. In order to enhance its business attraction and development capabilities in the specific area of UAS and related technologies, the ACA has, for the approximately one-year period preceding the Effective Date, sought input from the research, technology, and aerospace communities in the State of Arizona, including the Team Member, as well as other experts throughout the United States, and has also actively encouraged the development of research and business consortiums devoted exclusively to UAS and related issues, including the Arizona UAS Research Consortium and the AzTRC UAS Industry Consortium.
- 2.4 The Team Member has extensive experience, expertise and capabilities in the field of aviation that would be important in the context of the Program assuming that one or more of the test ranges identified by the ACA in its Proposal is (or are) selected by the FAA as an approved UAS test range. More particularly, the Team Member has extensive experience, expertise and capabilities in aviation operations, including especially air safety protocols, procedures, and training, as well as experience in community outreach endeavors to the extent that aviation operations of the Team Member affect areas outside of the Team Member's location.
- 2.5 The Parties believe that by combining as a team the complementary skills and capabilities set forth in Sections 2.3 and 2.4, the Parties will help to demonstrate Arizona's suitability as one of the six (6) FAA-authorized UAS test ranges.

NOW, with the foregoing Background intended to form an integral part of this Agreement, and in consideration of the mutual promises contained herein, the Parties hereby agree as follows:

### **3. RESPONSIBILITIES**

- 3.1 The ACA intends to prepare and submit the Proposal to the FAA and shall act as the "Applicant" or "proponent" in respect to the Proposal (as such terms are defined in the UASTSS SIR). In connection with submission of the Proposal to the FAA, the ACA shall be authorized to disclose the relationship with the Team Member and to include appropriate recognition of the Team Member's participation in and contributions to the Proposal, as well as a recommendation that the Team Member serve as an advisor to the

Program, and, further, engage in such aviation advisory and related services to or on behalf of the Program (if any) as may be agreed by the Parties in that certain Memorandum of Understanding described in Section 3.4.

- 3.2 The ACA shall conduct any and all discussions and negotiations with the FAA that may arise in connection with submission and review of the Proposal. However, if the FAA seeks to conduct a "pre-award survey" of the Team Member in accordance with Section 17 of the UASTSS SIR (presumably to examine the capabilities of the Team Member's operations in connection with the FAA's review of the Proposal), the Team Member agrees to participate therein and to fully apprise the ACA of all matters arising in connection therewith.
- 3.3 The ACA and the Team Member acknowledge and agree that the UASTSS SIR requires the ACA to provide the FAA, on or before the by the deadline specified therefor, with copies of all executed agreements relating to the use of airport facilities entered into between the ACA and any and all local airports that form a part of the Proposal. To that end, the ACA and the Team Member agree to use all reasonable efforts to, on or before April 9, 2013, negotiate and execute an agreement relating to future use by the Program of the Team Member's facilities in the event that one or more of the test ranges identified by the ACA in its Proposal is (or are) selected by the FAA as an approved UAS test range.
- 3.4 Assuming that one or more of the test ranges identified by the ACA in its Proposal is (or are) selected by the FAA as an approved UAS test range, then, following negotiation of the Program Contract, and assuming that the Parties determine it to be mutually beneficial, the Parties shall be authorized to also negotiate a Memorandum of Understanding relating to specific areas of advisory and/or other services that the Team Member may undertake in respect to the Program.

#### **4. RELATIONSHIP OF THE PARTIES**

- 4.1 Notwithstanding any provision hereof, this Agreement does not create, and is not intended to create a joint venture, partnership, or agency relationship between the Parties. For all purposes of this Agreement, each Party shall be and act as an independent contractor and not as a partner, joint venturer or agent of the other. Unless agreed to in writing (whether in this Agreement or otherwise), neither Party shall make any commitments, representations, warranties, or agreements binding on the other Party, nor will either Party represent itself as having authority to do so. There shall be no joint control, joint property, joint liability for losses and expenses or joint participation in profit or losses. No relationship, other than that created by and set forth in this Agreement, shall be established by any reference to the Parties operating as a "team" or as "team members" whether in the Proposal or otherwise.
- 4.2 Except as otherwise agreed by the Parties, each Party shall bear all expenses, costs, risks, and liabilities it may incur in connection with its obligations and efforts hereunder.

**5. NON-DISCLOSURE OF POTENTIAL CONFIDENTIAL AND PROPRIETARY INFORMATION**

5.1 If requested by the Team Member, then, contemporaneous with the execution of this Agreement, the Parties shall also execute that certain “Non-Disclosure Agreement” in the form attached as “Attachment 1” hereto. If so requested, such agreement shall be incorporated into this Agreement and made a material part hereof. The expiration date set forth in such agreement shall be controlling.

**6. REPRESENTATIONS /COVENANTS/LIMITATION OF LIABILITY**

6.1 General Representations. Each Party to this Agreement represents and warrants to the other Party that: (a) such Party has the full corporate right, power and authority to enter into this Agreement and to perform all acts required of it hereunder; (b) the execution of this Agreement by such Party, and the performance by such Party of its obligations and duties hereunder, do not and will not violate any agreement to which such Party is a Party or by which it is otherwise bound; and (c) when executed and delivered by such Party, this Agreement will constitute the legal, valid and binding obligation of such Party.

6.2 Compliance With Laws. Each Party agrees to comply with all applicable laws and regulations relating to performance under his Agreement.

6.3 LIMITATION ON LIABILITY. EXCEPT AS OTHERWISE PROVIDED HEREIN, NEITHER PARTY, NOR THEIR RESPECTIVE, EMPLOYEES, AGENTS, MEMBERS, OFFICERS, AND DIRECTORS, SHALL HAVE LIABILITY TO THE OTHER PARTY FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, INDIRECT OR CONSEQUENTIAL DAMAGES, COSTS, LOSSES OR EXPENSES (INCLUDING WITHOUT LIMITATION LOST PROFITS AND OPPORTUNITY COSTS) ARISING FROM ANY CLAIM OR ACTION HEREUNDER, WHETHER BASED ON CONTRACT, TORT OR OTHER LEGAL THEORY.

**7. TERMINATION**

7.1 Either Party may terminate this Agreement, except for rights and obligations under Section 4.2 (expenses), Section 5.1 (nondisclosure if applicable), and Section 6.3 (limitation on liability), upon the happening of any of the following events:

7.1.1 The expiration of one (1) year from the Effective Date during which no decision is made by the FAA with respect to the location of UAS test ranges; provided, however, that in no event shall any Party terminate this Agreement pursuant to this Section 7.1.2 earlier than the expiration of the “period of offer” described in Section 11 of the UASTSS SIR.

7.1.2 The failure of the Parties to enter into a Memorandum of Understanding relating to the matters described in Section 3.3 within 180 days from the date of the commencement of negotiations between the ACA and the Team Member relating thereto.

- 7.2 This Agreement shall terminate, except for rights and obligations under Section 4.3 (expenses), Section 5.1 (nondisclosure if applicable), and Section 6.3 (limitation on liability) upon the happening of any of the following events:
- 7.2.1. The FAA cancels the UASTSS SIR on the basis of an insufficient number of proposal submittals in accordance with Section 9.2.1.4 of the UASTSS SIR.
  - 7.2.2. The FAA announces that test ranges other than those identified in the Proposal and in proximity to the Team Member's location have been selected as UAS test ranges.
- 7.3 Notwithstanding anything that may be to the contrary in this Agreement, it is hereby expressly acknowledged and agreed that the ACA may, in its sole discretion and without liability of any kind, elect to not submit the Proposal in which case, this Agreement shall terminate upon notification of such decision to the Team Member.

## 8. MISCELLANEOUS

- 8.1 Notices. Any notices required under this Agreement shall be in writing and shall be sent to the Parties at their respective addresses as set forth in Tab 3 of Attachment 1 to the Proposal. Any such notice may be delivered by hand, by overnight courier, by first class pre-paid letter or by facsimile transmission, and shall be deemed to have been received: (a) by hand delivery, at the time of delivery; (b) by overnight courier, on the succeeding business day; (c) by first class mail, two business days after the date of mailing; and (d) by facsimile, immediately upon confirmation of transmission provided a confirmatory copy is sent by first class pre-paid, by overnight courier or by hand by the end of the next business day. A copy of all notices shall be sent to:

For the ACA:

Arizona Commerce Authority  
 Attn: Mr. Greg Linaman  
 333 North Central Ave., Suite 1900  
 Phoenix, Arizona 85004  
 Facsimile: 602-845-1201

For the Team Member:

City of Prescott  
 Attn: City Manager  
 201 S. Cortez St.  
 Prescott, Arizona 86303  
 Facsimile: 928-777-1255

- 8.2 Publicity. The Team Member shall obtain prior written approval from the ACA before issuing any news release, public announcement, advertisement, publicity or otherwise communicating to the news media concerning any matters related to the Team Member's activities regarding the Program or this Agreement.
- 8.3 Severability. The invalidity or illegality of one or more provisions of this Agreement shall not affect the enforceability of the remaining provisions.
- 8.4 Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. Neither Party may assign or transfer its rights or obligations as provided in this Agreement without the prior written consent of the other; provided, however, that either Party may, without consent, assign this Agreement as a result of a merger or a sale of all or substantially all of the assets or stock

of that Party or to a parent, subsidiary or affiliate as part of any internal reorganization. Anything in this Section 8.4 to the contrary notwithstanding, the inter-agency division of the ACA referred to in Section 2.3 shall be expressly authorized to enter into contracts on behalf of the ACA.

- 8.5. Headings. The headings and sub-headings included in this Agreement are for convenience only and shall not in any way alter or affect the terms of this Agreement.
- 8.6 Section References. Except as otherwise provided herein, any reference to the term “Section” shall refer to the corresponding section of this Agreement.
- 8.7 Survivability. This Article and the following sections: 4.3 (expenses), 5.1 (non-disclosure) and 6.3 (limitation on liability) shall survive any termination of this Agreement
- 8.8 Entire Agreement. This Agreement sets forth the entire understanding between the Parties in connection with the Proposal and related matters and supersedes any previous or contemporaneous understandings, commitments, or agreements, written or oral, regarding the subject matter hereof; Any amendment, supplement, modification or change to this Agreement shall be in writing and signed by each Party. No other act, document, usage or custom shall be deemed to amend or modify this Agreement.

*[Signatures are set forth on the following page.]*

IN WITNESS OF THIS AGREEMENT, the Parties, through their respective authorized representatives, have executed this Agreement.

**ARIZONA COMMERCE AUTHORITY**

By: \_\_\_\_\_  
Name: Greg Linaman  
Title: Chief Operating Officer

Date: \_\_\_\_\_

**CITY OF PRESCOTT**

ATTEST: \_\_\_\_\_  
Lynn Mulhall, Clerk

By: \_\_\_\_\_  
Name: Marlin D. Kuykendall  
Title: Mayor

Date: \_\_\_\_\_

APPROVED AS TO FORM: \_\_\_\_\_  
Jon M. Paladini, City Attorney

Attachment 1  
Non-Disclosure Agreement

<b>COUNCIL AGENDA MEMO – March 26, 2013</b>
---

<b>DEPARTMENT:</b> Community Development - CDBG
---

<b>AGENDA ITEM:</b> Public Hearing for CDBG 2013-2014 Annual Action Plan
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<b>Approved By:</b>	<b>Date:</b>
---------------------	--------------

<b>Department Head:</b> Tom Guice	
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<b>Finance Director:</b> Mark Woodfill	
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<b>City Manager:</b> Craig McConnell	
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	3-21-13
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### Item Summary

As a CDBG entitlement community, the City of Prescott is charged with developing an Annual Action Plan that sets forth how CDBG federal funding will be expended. The plan is an adjunct to the Consolidated Plan 2010-2014 approved by Council May 11, 2010.

### Background

The CDBG Citizens Advisory Committee scheduled a public hearing for January 16, 2013, to receive requests from non-profit providers and comments from the public. More than 720 postcards were sent to persons residing in the low- to moderate- income Dexter Neighborhood advising them of the meeting. Letters were also sent to 30 non-profit service providers inviting them to apply for funding. At the public hearing on January 16, 2013, the Citizens Advisory Committee received 14 requests for non-profit funding.

The *anticipated* funding allocation for 2013-2014 is \$211,750.00. Of this amount, a maximum of 15% (\$31,762) may be used for public service projects; 20% for administrative costs (\$42,350) which include legal notification, advertisements, training, and personnel. The balance (\$137,638 plus a \$60,000 carry-over) is to fund rehabilitation, renovation and/or housing activities that benefit low- to moderate- income persons.

Requirements of the Annual Action Plan include a 30-day public comment period which began March 18, 2013, and will end April 16, 2013. Comments received will be attached to the draft Annual Action Plan scheduled for adoption by Council April 23, 2013.

To be eligible for funding, one of three CDBG national objectives must be met by an application:

- the project must benefit low- to moderate-income persons or clientele
- the project must eliminate slums or blight on an "area" or "spot" basis
- the project must meet an recent "urgent" need that poses a serious and immediate threat to the health or welfare of the community and cannot be corrected with other sources of funding.

**Agenda Item: CDBG 2013-2014 Annual Action Plan Public Hearing**

Using the Consolidated Plan 2010-2014 and the CDBG national objectives as guides, the Citizens Advisory Committee met January 30, 2013, February 13, 2013 and March 13, 2013, and is recommending that the following projects be funded with the *anticipated* \$271,750.00 (\$211,750.00 allocation plus \$60,000 carry-over):

PROGRAM NAME	PROGRAM TYPE	FUNDING AMOUNT
Fair Housing (CDBG required element)	Fair housing programs, events, education <b>Administration</b>	FY13 Funds \$1,500
Prescott Meals on Wheels	Weekend emergency meals to homebound elderly and special needs populations. LMC Availability/Sustainability <b>Public Services</b>	FY13 Funds \$27,862
Habitat for Humanity <i>*Should this not be required, the Alternative project would be funded</i>	Engineering for off-site improvements <b>Decent Housing LMI/Sustainability</b>	FY13 Funds \$30,000
Coalition for Compassion & Justice	Repair heating / roofing in senior low-income mobile homes LMC Availability/Sustainability <b>Decent Housing</b>	FY13 Funds \$10,000 (to be managed by Habitat)
Adult Care Services	Rehab patio, erosion control, remove shade structure <b>LMI/Sustainability</b>	FY13 Funds \$40,000
Cornucopia	Rehabilitation of 1 <sup>st</sup> time offenders <b>Public Services</b>	FY13 Funds \$3,900
City of Prescott	ADA ramps, safety lighting improvements <b>LMI/ Sustainability</b>	FY13 Funds \$36,638
Prescott Area Women's Shelter	Rehab building for LMI apartments <b>LMI/ Decent Housing</b>	FY13 Funds \$76,000
West Yavapai Guidance Clinic	Stair Rehab carry over <b>LMI Availability/Sustainability</b>	FY13 Funds \$5,000
Administration	All administrative costs to implement and complete FY12 grant, including: advertising, noticing, bid preparation costs, wages, postage, etc. <b>Administration</b>	FY13 Funds \$40,850
<b>Alternative project should additional funds become available:</b>		
Habitat for Humanity <i>*To be funded if monies become available</i>	Repair heating / roofing in senior low-income mobile homes LMC Availability/Sustainability <b>Decent Housing</b>	FY13 Funds \$30,000 (Separate from CCJ funds above)
<b>Anticipated Total FY2013</b>		<b>\$271,750</b>

**Agenda Item: CDBG 2013-2014 Annual Action Plan Public Hearing**

**Fiscal Impact**

The recommended allocations are subject to change upon receipt of the final allocation amount from HUD.

**Attachment**

- 2013-2014 CDBG Annual Action Plan

**Recommended Action: MOVE to close the Public Hearing.**

# **Attachment “E”**

## **Substantial Amendment to the 2012-2013 Annual Action Plan**

Community Development  
Block Grants  
2013-2014  
Annual Action Plan  
*DRAFT – 03-26-13*



Please direct comments to:

Office of Grants Administration  
Community Development Department  
City of Prescott, 201 S. Cortez Street, Prescott, AZ 86303  
Phone: 928-777-1143

The 30-day comment period for the Draft Action Plan 2012  
begins on March 18, 2013 and ends on April 16, 2013.

**CITY OF PRESCOTT**  
**2013-2014 ANNUAL ACTION PLAN**

Mayor

Marlin D. Kuykendall

City Council Members

Charles Arnold  
Alan Carlow (CDBG Liaison)  
Steve Blair  
Chris Kuknyo  
James Lamerson  
Len Scamardo

Citizens Advisory Committee

Mary Ann Suttles, Chair  
Miriam Haubrich  
James Johnson  
Jerome (Jerry) Jones  
Eleanor Laumark  
Tracey McConnell  
Pamela Wickstrom

City Staff

Craig McConnell, City Manager  
Alison Zelms, Deputy City Manager  
Tom Guice, Community Development Director  
Kathy Dudek, Grants Administrator  
Suzanne Derryberry, Recording Secretary

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# 2013-2014 ANNUAL ACTION PLAN

## Executive Summary

The City of Prescott is proposing projects in the 2013-2014 Annual Action Plan (2013-2014 AAP) that implement the goals enumerated in the City of Prescott Consolidated Plan 2010-2014. The public service projects address a first-time juvenile offender restoration/rehabilitation process by Cornucopia Community Advocates and delivery of emergency weekend meals to the elderly homebound and disabled by Prescott Meals on Wheels. Other projects ranked high on the priority list by the Citizens Advisory Committee CDBG include (in alphabetical order): Adult Care Services patio revitalization and erosion control for Alzheimer's LMC; Habitat for Humanity combined with Coalition for Compassion and Justice home repairs, safety and ADA improvements; Habitat for Humanity engineering for off-site improvements for their Madison Park subdivision; and Prescott Area Women's Shelter rehabilitation of a newly-purchased structure for six units of LMI family housing for formerly homeless women and families. An educational workshop for Fair Housing will be presented.

The term of this plan is from July 1, 2013 through June 30, 2014.

The proposed projects will create decent living environments for the very low- to moderate-income population and will assist with decreasing homelessness in Prescott. The City of Prescott CDBG program has been tentatively allocated \$211,750 in funding for Program Year 2013-2014 by HUD, with an additional \$60,000 carry-over from last year. At the time of this publication, the funding allocation has not been released by HUD; therefore, non-profit requests have been prioritized and are not to assume that the request will receive funding.

The City of Prescott supports those organizations providing housing for special needs populations as well as low-income housing projects. Projects within, but not administered by the City of Prescott, are identified in the body of this action plan. Although the overall housing market continues to be unstable, a small increase in housing prices and raw land has begun; however, affordable housing continues to be out of reach for a significant segment of the low- to moderate-income persons and families living in Prescott. Very few homes in the "affordable" price range have been, or are, on the market; and, ever-rising development costs continue to contribute to the lack of success in expanding the affordable housing arena.

During the 2012-2013 program year, the public service component of funding was accomplished. Meals on Wheels served 90 different persons (elderly homebound, disabled and special needs clientele) 2,500 emergency meals on weekends.

The LMI Dexter Neighborhood revitalization project added 17,951 square feet of sidewalks and 17 ADA-compliant ramps to increase access to shopping, schools and the hospital.

Project Aware's uninhabitable structure at 502 S. Montezuma Street was demolished and will be replaced with six units of affordable housing for formerly homeless women and their small children.

Catholic Charities duplex housing low- to moderate- income persons was the recipient of energy-efficient window replacement.

Projects being continued to the 2013-2014 program year include Coalition for Compassion and Justice (CCJ) roof, heating and ADA repairs. This project will be a collaboration between CCJ and Prescott Habitat for Humanity. A carryover of funds to repair/replace concrete steps at West Yavapai Guidance Clinic is also slated if/when funding becomes available.

Efforts will continue in reducing homelessness, caring for Prescott's special needs populations, and providing CDBG funding to those organizations that are providing services to the low- to moderate-income population and/or clientele.

In addition, a revised application process for non-profit provider requests was presented at a first annual workshop held on November 14, 2012. Over 20 persons representing non-profit agencies attended the workshop. Ultimately, this new activity caused an increase in the number of requests received for PY 2013-2014.

The City of Prescott's Annual Action Plan for 2013-2014 has been developed in conjunction with input from low- to moderate-income residents of the Dexter Neighborhood (LMI), citizens, social service agencies, non-profit providers, the Citizens Advisory Committee and other interested persons.

Prescott City Council continually supports the efforts of the Community Development Block Grants program.

# 2013-2014 ANNUAL ACTION PLAN

## Introduction

The Annual Action Plan for Program Year (PY) 2013-2014 is the City of Prescott's fourth Action Plan under the 2010-2014 Consolidated Plan.

Prescott was notified of "Entitlement Status" by the U. S. Department of Housing and Urban Development (HUD) in August, 2003. The City of Prescott initiated activity associated with the development of its first Consolidated Plan and Action Plan in Autumn, 2004. Both plans were adopted by City Council in May, 2005 and approved by HUD in July, 2005.

The 2010-2014 Consolidated Plan identifies 22 priority goals and strategies:

- Homeless and special needs populations (3)
- Affordable housing (11)
- Minority and low-income neighborhoods (3)
- Barriers to affordable housing (2)
- Fair housing (1)
- Lead-based paint mitigation (1)
- Public infrastructure (1)

All of the individual goals are considered to have "equal weight" in relation to the needs of the community. An annual review of the goals occurs as part of the planning process for the Action Plan. The process includes the evaluation of proposed projects in relation to the goals and the readiness of a project for funding.

## Primary Activities of the PY12-13 Action Plan

The following projects and activities were suggested for funding during the community participation process that occurred as part of the PY12-13 Action Plan Process:

- Prescott Meals on Wheels – Homebound elderly program serving weekend emergency meals to the homebound and/or disabled. \$32,000 public service support. Public Service LMI/LMC.
- Catholic Charities – Replace windows at 218-220 Virginia Street duplex units that are rented to low- to moderate-income persons. LMH Sustainability/Accessibility.
- City of Prescott – Fair Housing education program. \$1,200 public service support.

- West Yavapai Guidance Clinic – facility improvements were adjusted in November. Many of the components prioritized mid year by WYGC were “routine maintenance” items, and the Citizens Advisory Committee CDBG realized that the items could not be realized during the program year due to the *many environmental* assessments required at the various WYGC locations. Also, it has been difficult to get contractors to bid/quote “small projects” in Prescott due to increases in the general building market. LMC Availability/Sustainability. PY12-13 carry over \$5,000.
- Project Aware – demolition of property at 502 S. Montezuma Street for six units of rental housing for the formerly homeless. LMC Availability/Accessibility, Homeless.

### **Requests Received for the PY2013-2014 Action Plan**

The following requests were submitted by 501(c)3 non-profit agencies for funding consideration during the 2013 cycle (alphabetically):

- **Adult Care Services** -- \$51,270 to rehabilitate the backyard patio including erosion control for Alzheimer’s patients.
- **Coalition for Compassion and Justice** -- \$10,000 for re-roofing, replacement heating units and ADA ramps for low- to moderate-income elderly and disabled.
- **Cornucopia Community Advocates** -- \$9,000 to \$16,000 for a restorative justice program for first-time juvenile offenders.
- **Dexter Neighborhood Community Center** -- \$4,200 to hire a coordinator to study the need for a community center for LMI residents.
- **Dexter Gateways Neighborhood** -- \$14,445 to create a 20/20 neighborhood, i.e., 20 minutes walking time to schools, hospitals, shopping, etc. and 20 miles per hour speed limit throughout the neighborhood.
- **Habitat for Humanity** – \$29,574 for a program to help owners of homes who are unable to perform critical repairs for safety (ADA ramps, fire detectors, etc., with a goal of helping 20 homeowners.
- **Habitat for Humanity/City of Prescott** – \$30,000 Dexter Neighborhood (LMI) Meany Street improvement engineering fees.
- **New Horizons Independent Living Center**-- \$26,410 for 10% cost of vehicle and drivers’ wages.
- **Prescott Creeks** -- \$11,904 for lower Miller Creek revitalization / restoration plan.
- **Prescott Area Women’s Shelter** (in conjunction with United Way) -- \$4,500+ for anger management class, basic job skills training and counseling; --plus-- \$76,000 for rehabilitation of newly-purchased building for six family units (including fire sprinklers, structural repairs, etc.).
- **Project Aware, Inc.** -- \$30,706 for architectural and engineering fees for six

LMI apartments at site of previously demolished building.

- **West Yavapai Guidance Clinic** – \$54,766 for improvements to Hillside Center and Stone House (refloor, repaint, HVAC units, ADA ramp, paved driveway).
- **Habitat for Humanity/City of Prescott** – \$30,000 for Engineering for off-site street improvements associated with proposed Madison Park Cottages plat.

The following is requested by the City of Prescott:

- **Dexter Neighborhood (City of Prescott)** – approximate amount to be determined for Dexter Neighborhood revitalization (including, but not limited to: safety, engineering and infrastructure costs for street installation at Meany Street, safety lighting, ADA accessibility, etc.).
- **Fair Housing** -- \$1,500 for the Southwest Fair Housing Council to conduct fair housing activities for LMI/LMC residents, homeowners associations, rental agencies, real estate companies, City staff, etc. (This is a required element of the CDBG program and is funded under the general CDBG administration).
- **General Administration** – amount unknown until funds are allocated and capped at 20% of yearly funding [includes Fair Housing activities].

## **Lead Agency**

The City of Prescott is the lead agency for implementation of the Consolidated Plan, Action Plans and the CDBG Program.

The 2013 Annual Action Plan includes the following:

- 1) Introduction
- 2) Citizen Participation
- 3) Community Profile
- 4) Sources of Funds for Community Development Activities
- 5) Annual Action Plan, including Activities to Occur in the  
City of Prescott's FY13 and HUD 2013-2014 funds
- 6) Other Community Needs/ CDBG/HUD Projects in Progress
- 7) Summary of City FY2021-2013 Budget
- 8) Relationship of Activities to Consolidated Plan Priorities
- 9) Minority and Low-Income Neighborhoods
- 10) Community Development Needs
- 11) Homeless and Special Needs Populations
- 12) Coordination with Other Organizations and Agencies
- 13) Affordable Housing
- 14) Barriers to Affordable Housing
- 15) Public Housing
- 16) Anti Poverty Strategy
- 17) Lead-Based Paint Hazard Reduction
- 18) Fair Housing
- 19) Geographic Distribution
- 20) Monitoring Plan
- 21) HUD Forms, Application
- 22) Local Government Certifications
- 23) Maps
- 24) Major Amendment to 2010-2014 Consolidated Plan
- 25) Substantial Amendment to the 2012-2013 Annual Action Plan

## **Citizen Participation in Consolidated and Action Plan Development**

The Citizens Advisory Committee (CAC), appointed by the Mayor and City Council, was increased to seven persons on February 12, 2013. The CAC works with City staff, advisors and the community on issues and subjects associated with housing and community development that fall within CDBG purview. Previously, the committee consisted of five persons and, at times a lack of quorum necessitated that meetings be cancelled and rescheduled. Increasing the committee to seven members will, it is anticipated, reduce having a lack of quorum.

- The committee held regular meetings on the following dates:
  - November 14, 2012 (Workshop for non-profit providers regarding application requirements, deadline, eligibility/non-eligibility of projects)
  - January 11, 2013 (Special meeting to review status of projects and adjust anticipated funding allocations)
  - January 30, 2013 (Committee meeting to begin prioritizing requests for PY2013-2014)
  - February 13, 2013 (Committee meeting to continue prioritization of requests and to introduce newly-appointed CAC members)
  - March 13, 2013 (Committee meeting to finalize prioritization and to review draft Annual Action Plan PY2013-2014).
  
- Public hearings were held on the following dates:
  - January 16, 2013 (Public Hearing #1: requests non-profit providers and public commentary)
  - March 26, 2013 (Public Hearing #2: draft annual plan presented at City Council)
  - April 23, 2013 (approval of annual plan at City Council)

Additional meetings and/or public hearings are anticipated for the year and will be held when necessary. Meetings will be posted on the City of Prescott's website. Should a public hearing be necessary, a legal advertisement will be published in *The Daily Courier* 14 days prior to the public hearing.

The City of Prescott actively solicited participation of residents, community stakeholders, and other local non-profit agencies in identifying housing and community development needs in Prescott and received input on prioritizing the

expenditure of CDBG funds. Public meetings and public hearings were conducted at City Hall which is ADA accessible. A Spanish translator is on staff to answer questions, both spoken and written, that may arise on any aspect of the CDBG program. Several comments were received at the public hearings: 1) a person questioned the “extremely low income limits” (the Committee addressed this comment and noted HUD determines the definition of “extremely low income limits” at the federal level); and, 2) a woman whose daughter works for Community Legal Services stressed the need for more CDBG dollars as the staff is greatly overworked (the Committee took her comment under advisement during allocation prioritization).

During 2013, a 30-day public comment period began on March 18, 2013 and ended on April 16, 2013. The 2013-2014 Annual Action Plan was made available for public review during this period. Copies were made available at: City Hall, Office of Grants Administration and in the lobby area, 201 S. Cortez Street, Prescott; Prescott Downtown Library, 215 E. Goodwin Street, Prescott; and on the City’s website, [www.cityofprescott.net](http://www.cityofprescott.net).

The City worked proactively with agencies throughout the process. Fourteen agencies submitted requests for the 2013-2014 Annual Action Plan. Contact was made with 38 non-profit provider agencies informing them of the process, dates of committee meetings and public hearings. Requests from non-profit providers showed an increase of approximately 10% over the 2012-2013 Annual Action Plan.



## History

Prescott was founded in 1863 and incorporated in 1883. During the late 1800s, Prescott twice served as the territorial capital of Arizona. The Governor's Mansion is now preserved on the grounds of the Sharlot Hall Museum.

In 1864, the town site of Prescott was surveyed and laid out along Granite Creek where gold had been panned. The town was designated the capital of the new territory of Arizona after it was separated from New Mexico. President Lincoln wanted the territorial capital in the northern part of the territory, far away from the Confederate sympathizing cities to the south.

Lincoln also decided to populate this new capital with Northerners and Midwesterners; and, this decision resulted in Prescott being the most Midwestern-looking city in Arizona. Victorian homes and peaked-roof houses were built—a far cry from the adobe structures that were more common in the Southwest.

The early economy of the area centered on cattle ranching and mining. In July 1900, a fire destroyed much of Prescott's commercial district. Within hours, makeshift shelters were erected on the Courthouse Plaza, and businesses began rebuilding. Following the fire, most buildings in the downtown area were reconstructed of brick, providing today's rich architectural heritage.

Dubbed "*Everyone's Hometown*," Prescott is culturally diverse—from its downtown Courthouse Plaza, famous "Whiskey Row", historic preservation emphasis with 809 buildings on the National Register of Historic Places, the World's Oldest Rodeo, Prescott Fine Arts Association, Sharlot Hall Museum,

Phippen Art Museum, Folk Arts Fair, Frontier Days and Territorial Day--to the official designation by the State of Arizona as "*Arizona's Christmas City*". On February 14, 2012, the City of Prescott celebrated 100 years of statehood with the opening of a time capsule from 1962; consequently, sesquicentennial candidates will, once again, open the time capsule in 2062.

### **Location**

Located in the mountains of north central Arizona approximately 90 miles northwest of Phoenix and 90 miles southwest of Flagstaff, the City borders the Prescott National Forest to the south and west. The average elevation is 5,400 feet. The local climate is mild, with average high temperatures ranging from 50° to 90° Fahrenheit; and, the average precipitation recorded at 19.8 inches, most of which is rain. Prescott and the nearby towns of Chino Valley, Prescott Valley and the newly-incorporated Dewey-Humboldt form what is known locally as the "Quad-City" area.

### **City Government**

The council-manager form of government was adopted in 1958. The mayor is elected on a non-partisan ballot to represent the City of Prescott for a two-year term. The six members of the City Council are elected at large for four-year terms on a non-partisan ballot. Three of the six positions and the mayor's position are up for re-election at the same time. Under the provisions of the City Charter, City Council appoints a city manager responsible for carrying out its established policies and administering operations.

The City's General Plan acts as the primary guide for housing and community development practices. The General Plan was ratified by voters in May 2004, amended in October 2009; and, an 11-member 2011 General Plan Committee, appointed by the mayor and council, is working to update the plan during 2013. Currently, the approved General Plan in effect includes the following elements: Land Use, Growth and Cost of Development, Circulation, Open Space, Environmental Planning, Water Resources, Economic Development and Community Quality. Goals and strategies that address the varied needs of Prescott's low- and moderate-income households are found throughout the General Plan. Many of these goals and strategies are incorporated into the Consolidated and Annual Action Plans.

**Source of Funds for Community Development Activity &  
Annual Action Plan Activities to Occur in Federal Fiscal Year 2013**

The development of the 2010-2014 Consolidated Plan and this 2013-2014 Action Plan provide a foundation for the use of federal, state and local resources to address community development priorities. For this, the fourth year program, the HUD Community Development Block Grant FY2013 allocation is projected at \$211,750 (subject to change upon release of funding).

Projects listed on the following table are advised that these are anticipated funding amounts; consequently, funds may be eliminated, reduced or increased when the actual HUD funding allocations for PY2013-2014 occur. No funding is to be spent before an actual “notice to proceed” is issued by the City of Prescott, Office of Grants Administration.

A city goal is to increase the ability to leverage federal, state and local funds to support community development and housing improvements. The following amounts are based on the *anticipated* funding and are subject to change:

TENTATIVE CDBG FUNDING FOR PROGRAM YEAR 2013-2014  
PRIORITIZED BY THE CITIZENS ADVISORY COMMITTEE

PROGRAM NAME	PROGRAM TYPE	FUNDING AMOUNT
Fair Housing (CDBG required element)	Fair housing programs, events, education <b>Administration</b>	FY13 Funds \$1,500
Prescott Meals on Wheels	Weekend emergency meals to homebound elderly and special needs populations. LMC Availability/Sustainability <b>Public Services</b>	FY13 Funds \$27,862
Habitat for Humanity	Engineering for off-site improvements <b>Decent Housing LMI/Sustainability</b>	FY13 Funds \$30,000
Coalition for Compassion & Justice	Repair heating / roofing in senior low-income mobile homes LMC Availability/Sustainability <b>Decent Housing</b>	FY13 Funds \$10,000 (to be managed by Habitat)
Adult Care Services	Rehab patio, erosion control, remove shade structure <b>LMI/Sustainability</b>	FY13 Funds \$40,000
Cornucopia	Rehabilitation of 1 <sup>st</sup> time offenders <b>Public Services</b>	FY13 Funds \$3,900
City of Prescott	ADA ramps, safety lighting improvements <b>LMI/ Sustainability</b>	FY13 Funds \$36,638
Prescott Area Women's Shelter	Rehab building for LMI apartments <b>LMI/ Decent Housing</b>	FY13 Funds \$76,000
West Yavapai Guidance Clinic	Stair Rehab carry over <b>LMI Availability/Sustainability</b>	FY13 Funds \$5,000
Administration	All administrative costs to implement and complete FY12 grant, including: advertising, noticing, bid preparation costs, wages, postage, etc. <b>Administration</b>	FY13 Funds \$40,850
<b>Alternative project should additional funds become available:</b>		
Habitat for Humanity	Repair heating / roofing in senior low-income mobile homes LMC Availability/Sustainability <b>Decent Housing</b>	FY13 Funds \$30,000 (Separate from CCJ funds above)
<b>Anticipated Total FY2013</b>		<b>\$271,750</b>

If the estimated CDBG funding changes, adjustments, including reductions of funding to the above-captioned projects, may occur.

### **Other Community Projects Supported by the City and/or Federal Funds**

#### **LIHTC / LITFC**

#### **Bradshaw Senior Apartments**

The Bradshaws Senior Apartments, a LIHTC tax-credited complex, consists of 170 units of non-assisted, independent living for seniors who are 62 years of age or older or disabled persons. Currently, 162 units are completed with a waiting list of prospective tenants. This project is located in central Prescott, approximately one mile east of the Courthouse Plaza and within one block of public transportation. The project received site-plan approval in 2008; and, the water service agreement was reached with a portion of the City's water supply allocation that was set aside by City Council for affordable housing and workforce housing. According to the last update, 52.2% of the units are rented by households with incomes at or below 50% AMGI; and, 41.3% of the units are rented by households with incomes at or below 40% AMGI. Persons must income qualify to be able to rent these apartments.

- Phase I: A 46-unit, 3-story senior apartment with 1- 2- and 3-bedroom units. (LIHTC)
- Phase II: A 52-unit family apartment complex of 3 buildings with 2- and 3-bedroom units. (LIHTC)
- Phase III: A 46-unit, 3-story senior apartment building similar to Phase 1. (LIHTC)
- Phase IV: A 20-unit, a 2.5 and 3-story apartment building with 2- and 3-bedroom units. (LITFC)
- Phase V: An 8-unit, 2-story apartment building of 1 bedroom units is still to be constructed.

#### **Habitat for Humanity**

Habitat for Humanity has two major, on-going affordable housing projects in addition to several smaller rehabilitation projects. The major projects include:

- Sonora Street – a multi-family, phased development project planned by Michael Payatek, Architect. The development of this affordable housing project is scheduled to take place within a three- to five-year time frame; however, due to the slow economy, there has been no progress since 2010.
- Madison Cottages – plans for six single-family homes are in the planning stage. The platting process will be submitted to the City in 2013-2014. Along with

alternate sources of funding, Habitat will request CDBG funding for engineering, infrastructure, etc., when the project is anticipated to go forward.

**City of Prescott FY2012-13 Budget Process:**

**Budget Amendments and Basis of Presentation**

<b>FY2012-2013 Budget Calendar</b>	
January 31, 2013	Council Budget Action Plan session.
February 15, 2013	Departments/Divisions provided with budget preparation instructions for FY2013-14. Instructions located on the City's portal under link, "Budget Blog," <a href="http://www.cityofprescott.net">www.cityofprescott.net</a> .
March 1, 2013	Base budgets due.
March 15, 2013	Capital requests for FY2013, including estimated endings and carry-over of FY2012 projects. Anticipated FY2013 grants information due.
April (mid)	Review of base budgets, capital, new personnel and issues identified by city manager, budget and all departments.
May, 2013 TBA	Budget presented to City Council and the public at a workshop.
June 25, 2013	Council adopts "tentative budget" and sets date for public hearing on final budget, expenditure limitation, and tax levy.
June 25, 2013	Public hearing on final budget, Council adoption of final budget and five-year capital improvement program as well as establishment of expenditure limitation.
July 9, 2013	Council adoption of tax levy ordinance.

**AMENDING THE BUDGET, BUDGET BASIS, AND FUND STRUCTURE**

**AMENDING THE BUDGET**

Control of each legally adopted annual budget, according to City Charter, is at the department level. The City Manager may at any time transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditure (object codes) within an office, department or agency. The City Manager generally gives authority to department heads to exceed one line item as long as other line items are reduced by a like amount. These arrangements are usually made directly between the requesting department and the Budget and Finance Department.

At the request of the City Manager, the Council may transfer any unencumbered appropriation balance or portion thereof between one office, department or agency to another.

The other option in amending the budget, according to state law, is for the Council to declare an emergency and then transfer the monies from one project to another. In essence, any approved Council transfers do amend the budget,

although the budget is never reprinted. All transfers are reflected on the following year's legal schedules as required by the Auditor General's Office.

## **BUDGET BASIS**

The City of Prescott budget as adopted is substantially consistent with generally accepted accounting principles (GAAP) with major differences being (1) encumbrances are treated as expenditures at fiscal year end; (2) certain liabilities, such as vacation and sick pay, are not accrued at year end for budget purposes; (3) interest expense has been accrued for GAAP in some General Fund departments, but not expenses in the budget comparisons; (4) depreciation is not budgeted as an expenditure in budgetary accounting; and (5) capital outlay is an expenditure in budgetary accounting and an asset in GAAP.

## **FUND STRUCTURE**

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The City of Prescott uses the following funds in its budget process:

The **GENERAL FUND** is established for the revenue and expenditures necessary to carry out basic governmental activities of the City such as police protection, recreation, planning, legal services, administrative services, etc. General Fund expenditures are made primarily for current day-to-day operating expenses and operating equipment. Capital expenditures for large-scale public improvements such as parks or streets are accounted for elsewhere in the Special Revenue Funds, Capital Project Funds, Enterprise Funds or Expendable Trust Funds.

**SPECIAL REVENUE FUNDS** are used to account for revenues derived from specific Budgetary Funds, Governmental Funds, Proprietary Funds, General Fund, Special Revenue Funds, Enterprise Funds, Internal Service Fund, Fleet Maintenance, Risk Management, Engineering, Facilities Maintenance, Water, Wastewater, Solid Waste/Transfer Station, Airport, Golf Course, Parking Garage, Streets, Open Space, and Transient Occupancy, Grants, Impact Fees, Miscellaneous Gifts and Donations, Debt Service Funds, Permanent Funds and Acker Trust.

**Streets and Open Space – 1% Additional Tax and Highway User Revenues**  
In September, 1995, the voters approved increasing the sales tax rate from 1.0% to 2.0% for the purpose of street repairs and improvements for a ten year period

effective January 1, 1996. In May, 2000, the voters expanded the use of the funds to include open space acquisitions and extended the sunset to January 1, 2016. In September of 2009, the voters approved the extension of this tax at ¾% for street repairs and improvements. Financing for this fund is also provided by the City's share of State gasoline taxes. State law requires these gasoline taxes to be used to maintain or construct streets. Beginning in FY2011, the Highway User Fund and Streets and Open Space Funds were combined. The accumulation and expenditure of these funds are accounted for in this area.

**Transient Occupancy Tax Fund** – In 1987 the voters established a two percent (2.0%) transient occupancy (hotel/bed) tax. By ballot provision, these revenues can only be used for tourism promotion and development of recreational facilities.

**Grants Fund** – This represents projects which expend grant monies received for various projects. Grant funds must be used for the stated purpose of the grant and must meet grantor expenditure guidelines.

**Impact Fee Funds** – These funds represent accounts to expend impact fees received to offset the cost of growth-related projects.

**Miscellaneous Gifts Fund** – Provide an account to track any contributions for miscellaneous gifts which the City may receive as well as the expenditures made.

**PERMANENT FUNDS** are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

**Acker Trust Fund** – Accounts for the assets willed to the City by J.S. Acker. Revenue from investments and land sales are to be expended for cultural and recreational purposes only.

**DEBT SERVICE FUNDS** are established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The City of Prescott's Debt Service Fund was established during FY1999 to pay for the principal and interest of general obligation debt for the police station construction and the Watson and Willow Lakes water rights and land purchase as well as improvement district bond payments.

**ENTERPRISE FUNDS** are established to account for operations that (1) are financed and operated in a manner similar to private business operations where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy,

management control, accountability or other purposes. The City of Prescott has six enterprise funds as follows:

**Water Fund** – To account for the provision of water services to the residents of the City and some residents of the County. All activities necessary to provide for water services are accounted for in this fund.

**Golf Course Fund** – To account for the provision of year-round golf to the residents of the City, county and visitors to the area. Beginning in FY1994, the Golf Course was established as a separate department. Prior to FY1994 the Golf Course was under direction of Recreation Services.

**Airport Fund** – To account for the provision of airport services to the general aviation and commercial flying public. Services include fueling, hangar and tie-down rentals, etc.

**Solid Waste/Transfer Station Fund** – To account for sanitation, landfill, and recycling services provided to City and County residents along with the operations of the City's transfer station facility that opened in September, 1991. All activities necessary to provide these services are accounted for in this fund. Since April of 1994, only fill materials have been accepted at the City's landfill.

**Parking Garage Fund** – To account for the operations of the City's parking garage. This facility was opened in June, 2005, and all activities necessary to maintain and operate the parking garage facility are accounted for in this fund.

**INTERNAL SERVICE FUNDS** are used to account for services and commodities furnished by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

**Fleet Maintenance** – To account for the cost of operating a maintenance facility for automotive and other equipment used by various departments. These costs are billed to the various using departments. The various user departments who acquire automotive and other equipment are responsible for replacement costs.

**Risk Management** – To account for the costs, both direct and indirect, of maintaining comprehensive property damage and general liability and workers' compensation insurance coverage. Revenue to this fund is derived from charges to City departments.

**Engineering Services** – To account for the costs, both direct and indirect, of the engineering department, which does work for other departments of the City. Revenue to this fund is derived from charges to City departments based on the work performed for the department.

**Facilities Maintenance** – To provide maintenance and custodial service to all city owned facilities.

### **Relationship of Activities to Consolidated Plan Priorities**

The City of Prescott's 2010 – 2014 Consolidated Plan identifies housing and community development activities to be pursued in order to provide decent, affordable and safe housing along with needed community services and facilities for its residents. While the Consolidated Plan identifies a number of priority needs and strategies, the City will not pursue all areas of need in each program year because of limited resources. The City, during 2012-2013, will focus its resources and efforts on increasing housing for the homeless and special needs populations; continuation of providing weekend emergency meals to the elderly homebound and disabled; and repairs to service-provider buildings that identify with special needs clientele. All the projects being undertaken meet one of the three national objectives and will benefit low- to moderate-income persons and clientele. Accessibility, safety and infrastructure projects in the Dexter Neighborhood (LMI) have been designated as a priority.

The following priorities identified in the City of Prescott's Consolidated Plan follow. [A complete list of the City's Consolidated Plan Goals, Strategies and Priorities is available for viewing at the Office of the Grants Administrator, City Hall, 201 S. Cortez Street and on the City's website: [www.cityofprescott.net](http://www.cityofprescott.net).]

#### **Homeless and Special Needs Population**

**Goal:** Increase the supply of permanent housing for homeless and other special needs populations.

**Project:** Rehabilitation/conversion of structure for six apartment units of low- to moderate-income housing for formerly homeless families.

**Priority Strategy:** Support organizations that develop and provide permanent supportive housing and other populations including those moving from transitional housing.

**Objective:** Decent Housing

**Outcome:** Affordability/Accessibility

**Goal:** Increase supportive services to homeless and special populations.

**Projects:** Delivery of weekend emergency meals to Prescott Meals-on-Wheels. (PMOW also receives funding from NACOG for weekday meals; however, NACOG does not fund weekend meals). Establish a rehabilitation/restitution program for first time juvenile offenders in the City

of Prescott through Cornucopia Community Advocates.

**Priority Strategy:** Support organizations that provide supportive services to homeless and special populations.

**Objective:** Decent Living Environment

**Outcome:** Availability/Accessibility

The City's General Plan and the Consolidated Plan both list affordable housing as a major issue. The Consolidated Plan includes the following goals and priority strategies to address affordable housing. In the current economic environment housing prices, although lower in cost, are still not in the range to be affordable for the workforce population's income-to-payment ratio. Additionally, financial institutions have tightened loan qualifications.

**Goal:** Increase the supply of rental units affordable in close proximity to employment and services to extremely low-income households.

**Project:** Rehabilitation/conversion of structure for six apartment units of low- to moderate-income housing for formerly homeless families

**Priority Strategy:** Support the development of rental units affordable to extremely low-income households.

**Objective:** Decent Housing

**Outcome:** Affordability

**Goal:** Rehabilitate existing housing stock.

**Project(s):** Habitat for Humanity / Coalition for Compassionate Justice' home repairs for Prescott LMI owner-occupied housing.

**Priority Strategy:** Support owner-occupied housing rehabilitation programs for low- and moderate-income homeowners.

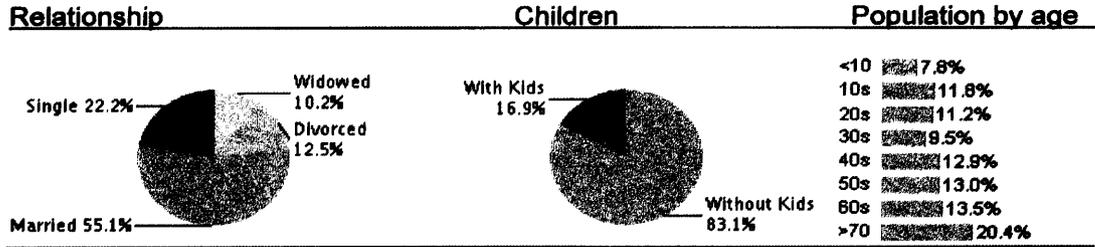
**Objective:** Decent Housing

**Outcome:** Affordability/Accessibility

The organizations represented include those serving special populations: the seriously mentally ill, veterans, individuals recovering from drug and alcohol dependency and the chronically homeless as well as those serving the basic needs of homeless, at-risk and low-income families. These individuals and organizations confirm the significant, unmet need for emergency, transitional and permanent housing and services for homeless, at-risk and low-income households. The greatest identified, unmet need is for housing and services for homeless families. It is agreed that this population represents the silent and

unseen homeless, primarily because families fear the loss of their children to temporary, or even permanent, state custody. The following chart is taken from the Consolidated Plan 2010-2014:

**Household Composition**



**Table 1A  
Homeless and Special Needs Populations**

**Continuum of Care: Housing Gap Analysis Chart**

		Current Inventory	Under Development	Unmet Need/ Gap
<b>Individuals</b>				
<b>Example</b>	<b>Emergency Shelter</b>	100	40	26
<b>Beds</b>	Emergency Shelter	67		42
	Transitional Housing	107		45
	Permanent Supportive Housing	14	6	50
	<b>Total</b>	188	6	137
<b>Persons in Families With Children</b>				
<b>Beds</b>	Emergency Shelter	43		100
	Transitional Housing	40		75
	Permanent Supportive Housing	0		40
	<b>Total</b>	83		215

**Continuum of Care: Homeless Population and Subpopulations Chart**

<b>Part 1: Homeless Population</b>	<b>Sheltered</b>		<b>Unsheltered</b>	<b>Total</b>
	<b>Emergency</b>	<b>Transitional</b>		
Number of Families with Children (Family Households):	13	98/	92	200
1. Number of Persons in Families with Children	8	3	5	16
2. Number of Single Individuals and Persons in Households without children	19	6	15	40
<b>(Add Lines Numbered 1 &amp; 2 Total Persons)</b>	30	104	107	240
<b>Part 2: Homeless Subpopulations</b>	<b>Sheltered</b>		<b>Unsheltered</b>	<b>Total</b>
a. Chronically Homeless	40		292	332
b. Seriously Mentally Ill	49			
c. Chronic Substance Abuse	93			
d. Veterans	97			
e. Persons with HIV/AIDS	0			
f. Victims of Domestic Violence	6			
g. Unaccompanied Youth (Under 18)	7			

**Goal:** Increase the supply of transitional housing for families.

**Project:** The City of Prescott is working with organizations such as Project Aware to increase the number of transitional and permanent housing units. In addition, the Bradshaw Senior Community and Bradshaw Family Community is funded by LIHTC.

**Priority Strategy:** Support organizations that develop and provide transitional housing for families.

**Objective:** Decent Housing  
**Outcome:** Availability/Accessibility

### ***Coordination with the Public, Agencies and Service Providers***

Many of the organizations that serve the special needs population and those with low- to moderate-incomes participate in the Affordable Housing and Homeless Coalition (AHC). The Coalition provides an avenue for the member organizations to work cooperatively towards meeting unmet needs. A perceived lack of a concentrated effort by the City to address affordable housing and homelessness issues continues to be a major concern, as has the lack of coordination among local government jurisdictions.

The list of projects and activities provided in the Introduction and Executive Summary of this action plan is intended to assist with future coordination between the City and other organizations wanting to develop housing projects. The City participates in a regional coalition to find solutions to the impediments to workforce and affordable housing issues. Municipalities participating in the regional coalition include the City of Prescott, the Town of Prescott Valley and Chino Valley.

Given the limited financial resources and the combined capacity of the City and other organizations to deliver needed housing services, the system functions satisfactorily. With the availability of CDBG funds annually, and with a CDBG-dedicated staff person, the delivery system may be further refined as follows:

**Goal:** Increase coordination within city government, with other organizations and with organizations that serve low- and moderate-income and special needs populations.

**Project:** Update and maintain a current list of non-profit 501(c)(3) providers; and, offer a workshop for understanding the goals, eligible and ineligible activities, timeliness, monitoring and reporting requirements of the CDBG program. (Workshop to be held in the month of November, 2013).

**Strategy:** Participate in the Affordable Housing and Homeless Coalition Meetings.

**Strategy:** Continue participation in the Central Yavapai Metropolitan Planning Organization.

**Strategy:** Participate in the Dexter Neighborhood area meetings when possible.

## ***Barriers to Affordable Housing***

The Prescott City Council has identified workforce housing as a planning priority with an expectation that a housing plan will be developed. A General Plan Committee, appointed by the mayor and Council and tasked with updating the General Plan, has been meeting since May, 2011. Both the Consolidated Plan and the General Plan support this effort. Both plans suggest that government policies, regulations and procedures may impede development and/or increase the cost of development. Both plans provide information on: the local real estate market, the increasing land values and increasing construction costs; subsequently, the following priority strategies involve the local decision-making process.

**Goal:** Provide for a balanced community with a diversity of neighborhoods and residential housing types and prices.

**Priority Strategy:** Rezone property and allocate water to housing development that provides a diversity of residential housing types and prices, including units affordable to low- and moderate-income households in accordance with the affordable housing strategy.

City Council previously allocated 20% of the remaining water supply for affordable and/or workforce housing. The allocation is still in effect in 2012.

**Objective:** Decent Housing

**Outcome:** Availability/Accessibility

**Priority Strategy:** Evaluate the effectiveness of waiving or paying permit fees and paying impact fees for housing that is affordable for low- to moderate-income households.

**Objective:** Decent Housing

**Outcome:** Availability/Accessibility

## ***Public Housing***

The City of Prescott does not participate in, or operate, a public housing program. No program of this type exists within the community.

## ***Anti-Poverty Strategy***

Consistent with the Consolidated Plan, reducing the number of households living below the poverty level include the following goal and related strategies:

**Goal:** Reduce the number of poverty-level households in Prescott.

**Strategy:** Identify the populations with the greatest poverty level and incorporate housing and services for these populations into program development.

**Strategy:** Support Low Income Housing Tax Credit and other similar projects that incorporate housing and/or services for poverty-level households.

**Strategy:** Expand job availability for low-income persons through the enforcement of the Section 3 initiative which mandates that contractors on federally-funded construction projects attempt to recruit low-income subcontractors and employees.

### ***Lead-Based Paint Hazard Reduction***

The Residential Lead-Based Paint Hazard Reduction Act of 1992 emphasizes prevention of childhood lead poisoning through housing-based approaches. The City has established the following goals and strategies to address lead-based paint hazards. Houses or facilities built before 1978 that are being rehabilitated with CDBG assistance will be tested for lead in painted surfaces; consequently, if lead is present, it will be abated through removal or encapsulation as part of the rehabilitation contract.

**Goal:** Strengthen efforts to educate the public and private sector about lead-based paint poisoning hazards.

**Project:** Conduct a fair housing workshop / seminar for residents of Prescott, landlord/tenants, non-profit agencies, real estate agents, homeowner association representatives, LIHTC personnel, etc.

**Strategy:** Incorporate lead-based paint information and notification procedures into appropriate city-operated and sponsored housing and public service programs.

**Strategy:** Ensure sufficient equipment and environmental service resources are available to provide the testing necessary to conduct public facility and housing rehabilitation programs or projects.

### ***Fair Housing***

The City of Prescott was notified of CDBG “Entitlement” eligibility in August 2003; consequently, there was a requirement to update the Analysis of Impediments to

Fair Housing (AI), a supporting document to the Consolidated Plan. The 2005 Analysis of Impediments to Fair Housing was outsourced to the Southwest Fair Housing Council (SWFHC) and was approved by Council on July 26, 2005. Due to constraints in the current economy, the updated Analysis of Impediments to

Fair Housing (AI) was accomplished under the aegis of the Community Development Department planning staff. The revision to the AI was approved by City Council on August 31, 2010.

The City has and continues to make use of media tools (public service announcements, advertisements and mailings) to apprise the public on fair housing topics including predatory lending practices and landlord-tenant rights. A fair housing workshop was held at City Hall on March 28, 2013 by the Southwest Fair Housing Council. Area realtors, homeowners associations, management companies, and the general public were invited. The fair housing seminar notification occurred by direct mailing, radio announcement, website posting and poster display throughout high-traffic areas of the city. Additionally, Fair Housing Month was acknowledged by City Council with a proclamation on March 26, 2013.

**Goal:** Ensure equal housing access for all persons regardless of race, color, religion, sex, handicap, familial status or national origin.

**Project:** Conduct a fair housing workshop for residents of Prescott, landlord/tenants, non-profit agencies, real estate agents, homeowner association representatives, LIHTC personnel, etc.

**Strategy:** Develop a partnership with the local real estate sales industry to promote fair housing and justice in determining housing values and insurance ratings, especially in older neighborhoods and those undergoing transition.

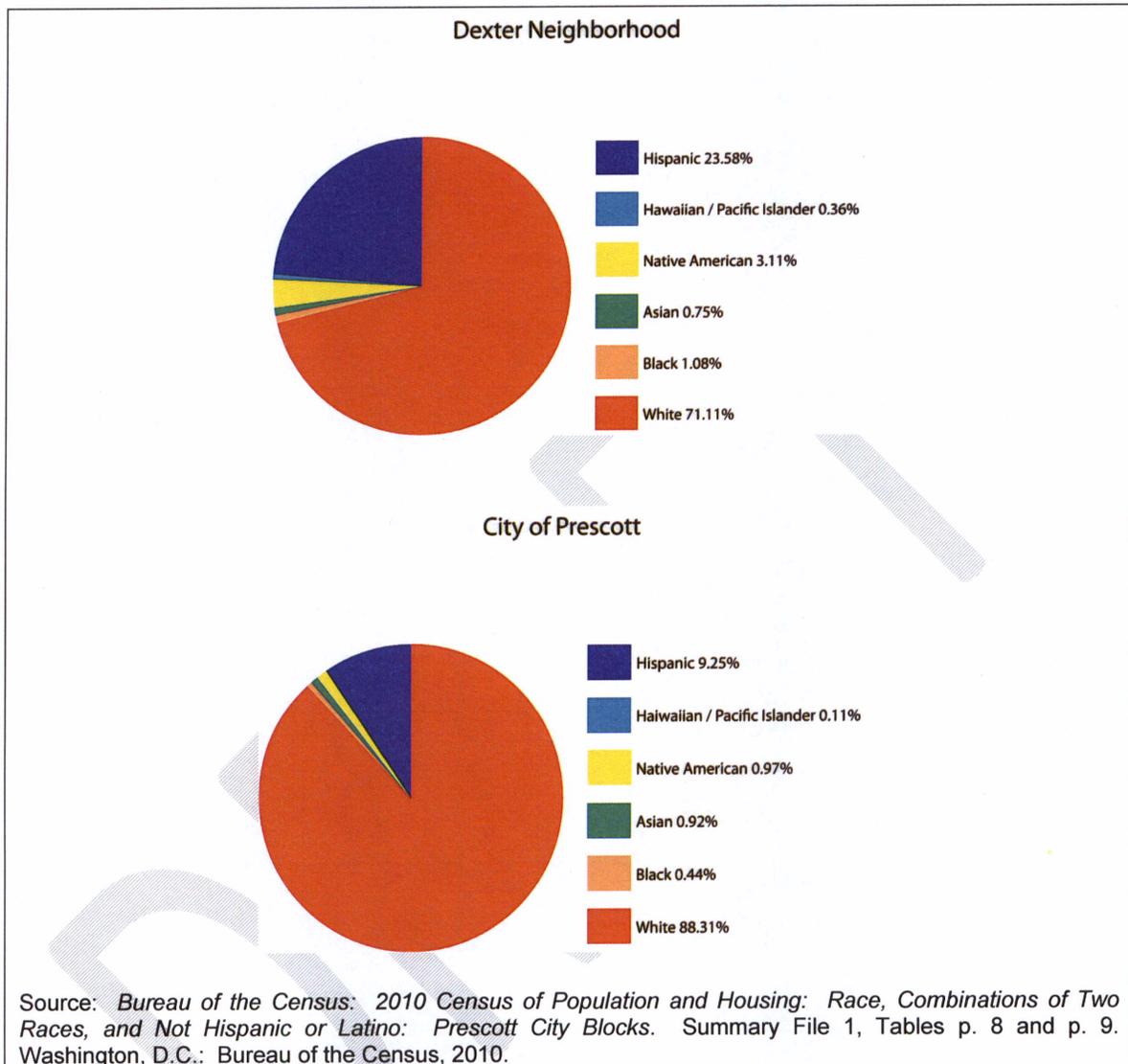
### ***Geographic Distribution***

The City, with limited resources and identified housing and community development needs, has elected to maximize the effectiveness of current CDBG funds by channeling the funds to support low- to moderate-income neighborhood improvements. These activities are located within two- to five-miles of the city center and within five miles of major employment centers. Based on the 2010 American Community Survey (ACS) Data (5 year average from 2005 – 2009) the census tract that encompasses the Dexter neighborhood produced these results:

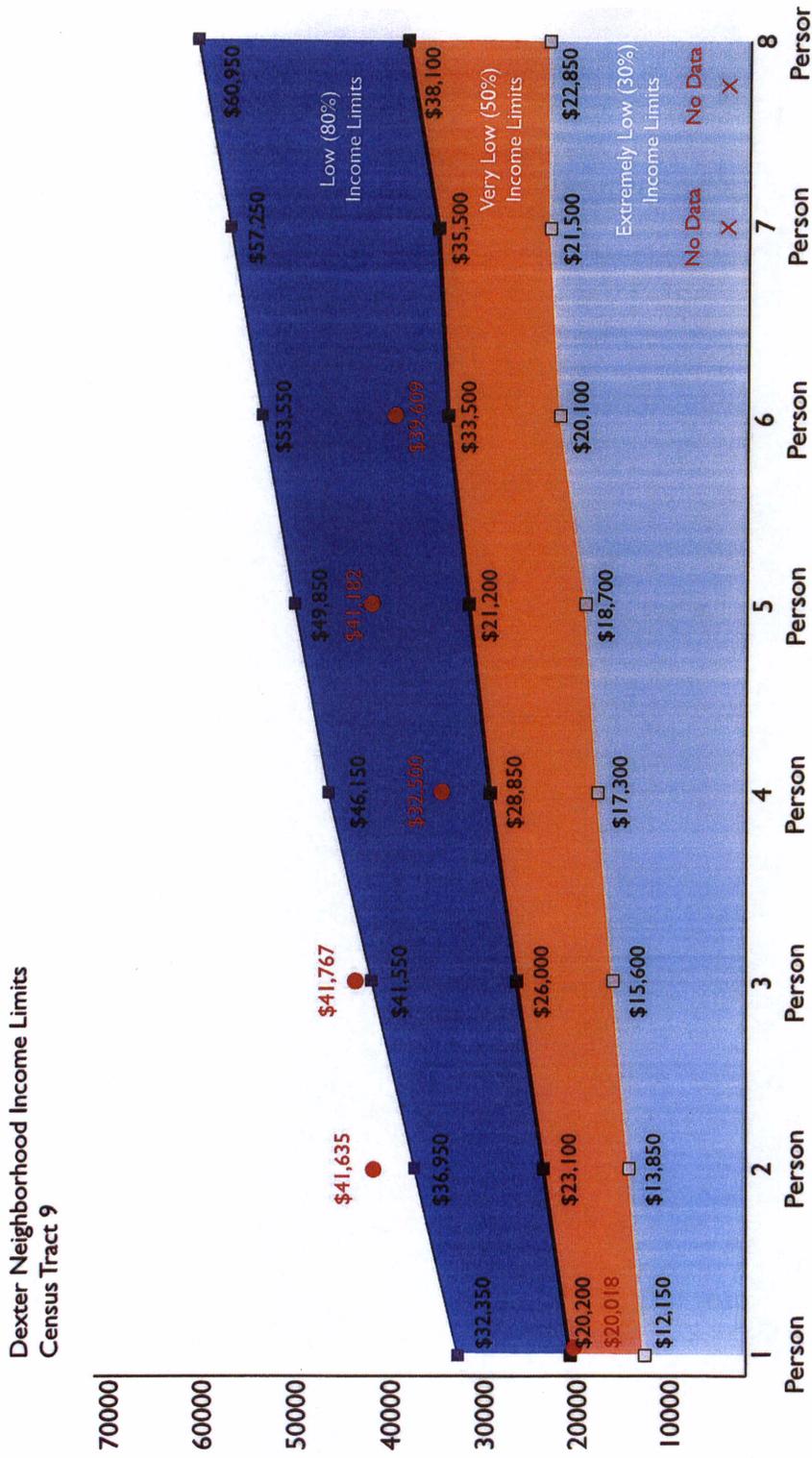
Mean Household Income - \$33207 (+/- \$2938 MOE)  
Median Household Income - \$27078 (+/- \$5586 MOE)



## Comparison of Racial & Ethnic Data Dexter Neighborhood & City of Prescott



## Dexter Neighborhood Income Limits Census Tract 9



Sources:  
 2006-2010 American Community Survey  
 Arizona. Population and Housing Characteristics.  
 Washington, DC: Bureau of the Census, December 2011

"FY 2012 Income Limits Summary, Yavapai County, Arizona."  
 FY 2012 Income Limits Documentation System.  
 U.S. Department of Housing and Urban Development, 13-12-2011.  
 Web. 11 Jun 2012.  
 <<http://www.huduser.org/portal/datasets/il/2012/2012summary.odp>>

This graph depicts the Income Limits for household size in Yavapai County, Arizona in relation to the median income per household size for the census tract containing the Dexter neighborhood. Census data is derived from the American Community Survey 2006-2010 5-year Estimates. Median income values for census tract 9 are illustrated in red. For seven and eight person household sizes there was no data presented.

Houshold Median Income for Block Groups  
within Census Tract 9, Yavapai County, AZ

This chart illustrates the number of households that fall below or meet the 80% income threshold for the block groups containing the Dexter neighborhood. Block groups 2 & 3, specifically comprise 98% of the Dexter neighborhood and are indicated with a grey box around their census data. Based on calculations for the U.S. Department of Housing and Urban Development the 80% income threshold for a 4 person household is **\$46,150**. Data that falls below this standard is demonstrated in **red** while the income breakdown that contains the 80% threshold is demonstrated in **blue**. It is important to note due to the aggregated nature of economic census data there is no way to definitively ascertain how many households in the \$45,000 to \$49,999 are either below or meet the 80% income threshold.

Block Groups	Less than 10000	10000 to 14999	15000 to 19999	20000 to 24999	25000 to 29999	30000 to 34999	35000 to 39999	40000 to 44999	45000 to 49999
1	56	48	15	67	56	110	12	49	13
2	66	40	74	82	27	27	14	105	63
3	0	12	69	74	29	0	39	13	0
4	118	94	53	111	27	12	33	30	29

 = 100 households

 2101 total households

 1562 households below 80% threshold

 105 households within the 80% threshold

Sources:  
2006-2010 American Community Survey Arizona. Population and Housing Characteristics. Washington, DC: Bureau of the Census, December 2011  
"FY 2012 Income Limits Summary, Yavapai County, Arizona." FY 2012 Income Limits Documentation System. U.S. Department of Housing and Urban Development. 13-12-2011 Web. 11 Jun 2012. <<http://www.huduser.org/portal/datasets/il/fy2012/2012summary.pdf>>

## ***Monitoring Plan***

In order for the CDBG program to be effective, housing policies, goals, strategies and activities must be consistently monitored and revised as necessary. The City of Prescott has dedicated a full-time grants administrator to coordinate and implement the CDBG program. The grants administrator will conduct monitoring reviews to insure that the programs and activities are being carried out in a timely manner in accordance with the Five-Year Consolidated Plan and Annual Action Plan.

Monitoring will occur to insure that the statutory and regulatory requirements of the CDBG program are being met. The grants administrator will determine whether a project is eligible under the CDBG program and the National Objectives of the HUD Program: 1) benefiting low- and moderate-income persons/clientele; 2) preventing or eliminating slums or blight on a spot or area basis; and, 3) addressing an urgent community need.

In addition, the grants administrator will monitor costs associated with each on-going funded activity. Monitoring will include: determining that the costs are necessary and reasonable in relation to federal guidelines and policies; environmental review; clearance procedures; and reporting procedures.

The City of Prescott will employ several tools of measuring the success of the CDBG activities in meeting local housing and community development needs. HUD requirements will be followed in carrying out the program goals of both the Consolidated Plan and the Consolidated Annual Performance and Evaluation Report (CAPER).

To increase CDBG program success, the grants administrator is working on the following and plans to continue the changes made during the 2013-2014 program year:

- offering an educational workshop to non-profit organizations outlining the application process, monitoring practices, subrecipient agreements, timeliness requirements and recordkeeping for non-profit agencies during 2013-2014 and ensuing years;
- revising the non-profit application form to include additional, pertinent information—i.e., project cost estimation, project timeline, proposed budget, program team, etc.; and,
- attending training workshops when offered by HUD.

# **Attachment A**

## **Public Participation**

**Attachment B**  
**SF424**  
**Certifications**  
**Projects**

# **Attachment “C”**

## **Map Section Geographic Information**

# **Attachment “D”**

## **Major Amendment 2010-2014 Consolidated Plan**

<b>COUNCIL AGENDA MEMO – March 26, 2013</b>
<b>DEPARTMENT:</b> Community Development
<b>AGENDA ITEM:</b> Approval of Preliminary Plat PP12-001 for Madison Park Cottages, a six-lot single-family subdivision (Zoning: Multifamily/Medium Density; Owner: Habitat for Humanity)

<b>Approved By:</b>	<b>Date:</b>
<b>Department Head:</b> Tom Guice	
<b>Finance Director:</b> Mark Woodfill	
<b>City Manager:</b> Craig McConnell <i>Craig McConnell</i>	<b>3-21-13</b>

**Item Summary**

This is a preliminary plat to create six single-family lots located between Madison and Meany Streets west of Short Street. The purpose is to allow Habitat for Humanity to construct a single-family home on each lot. Since four of six units are planned to be accessed via Meany Street, improvement of that street has been recommended by the Planning and Zoning Commission as a condition of approval.

**Background**

The property was acquired by Habitat several years ago for the purpose of building homes for their client families. The zoning would allow up to 13 dwelling units if developed as apartments, but significant grading would be required. The terrain is difficult due to a large rock outcropping running east-west through the site. Habitat has developed a design to avoid extensive grading of the site, which is reflected by the plat.

The plat was reviewed by the P&Z Commission at two meetings in November 2012. Staff recommended a number of conditions related to easements, parking and access. Several neighbors attended the meeting and voiced concerns over post-development drainage and the condition of Meany Street. The drainage concerns will be addressed in the Final Plat submittal, as required by Code. Meany Street is narrow and unimproved except for a thin asphaltic (chipseal) surface for dust control. Planning and Public Works staff did not recommend that improvements to Meany Street be required due to the minimal additional traffic volumes which will be generated from the four units accessed by that facility.

Following discussion, the P&Z Commission recommended approval of the plat (6-0 with one abstention), but with the conditions that the applicant be required to improve Meany Street to meet current City street standards, and the Final Plat be reviewed by the P&Z Commission before going to Council (Attachment 5).

**Agenda Item:** Approval of Preliminary Plat PP12-001 for Madison Park Cottages, a six-lot single-family subdivision (Zoning: Multifamily/Medium Density; Owner: Habitat for Humanity)

In recent months Habitat has worked with Planning and Public Works to ascertain if a lesser street standard could be considered. As a result, the Public Works Department re-evaluated the proposed plat and has provided the attached synopsis and recommendation (Attachment 4).

The Public Works Department has not changed its view that no improvements to Meany Street need be required, however, it has provided an option for an alternative street design consisting of 24 feet of pavement without curb, gutter or sidewalks, should the Council choose to impose a street improvement condition. Two alternative motions are provided below for Council's consideration regarding this aspect.

The Land Development Code provides discretion to the Council to require or waive various improvements on a case by case basis:

#### **9.10.13 / Waivers**

The City Council may approve, approve with conditions, or disapprove waivers of the standards in Sec. 7.4, Subdivision Design Standards, or to the procedural requirements of Sec. 9.10, Subdivision and Land Split Review, when it is demonstrated to be appropriate for a project's viability, to not to detract from the public good, and to be consistent with the Sec. 1.5, Purpose and Intent, of these regulations.

#### **Fiscal Impact**

This project will not result in a significant fiscal impact to the City. The six additional homes will generate a minor amount of new property tax revenue.

#### **Attachments**

1. Location Map
2. Preliminary plat
3. Aerial photo of site and vicinity
4. Report by Public Works Department
5. P&Z Commission recommended conditions

**Recommended Action: Two alternative motions are provided for Council consideration:**

**(1) MOVE** to approve Preliminary Plat PP12-001 inclusive of the P&Z Commission recommended conditions, but excluding the off-site street improvements to Meany Street.

OR

**(2) MOVE** to approve Preliminary Plat PP12-001 inclusive of the P&Z Commission recommended conditions with the alternative street improvements as described in the Public Works report.

Parcel Report for APN: **113-14-053**

Site Address **238 MEANY ST  
301 MADISON AVE**

Owner:

**HABITAT FOR HUMANITY  
1230 WILLOW CREEK RD  
PRESCOTT AZ 863011428**

Subdivision Name: **BASHFORD ADDITION**

Max. Lot Coverage -  
Max Bldg Height -  
Setbacks -  
Front -  
Side -  
Rear -  
Corner -

Acres  
Square Ft  
TRS **T5-R1-S**

DOR Usage Code **Vacant**  
Description: **0011-VACANT RESIDENTIAL**

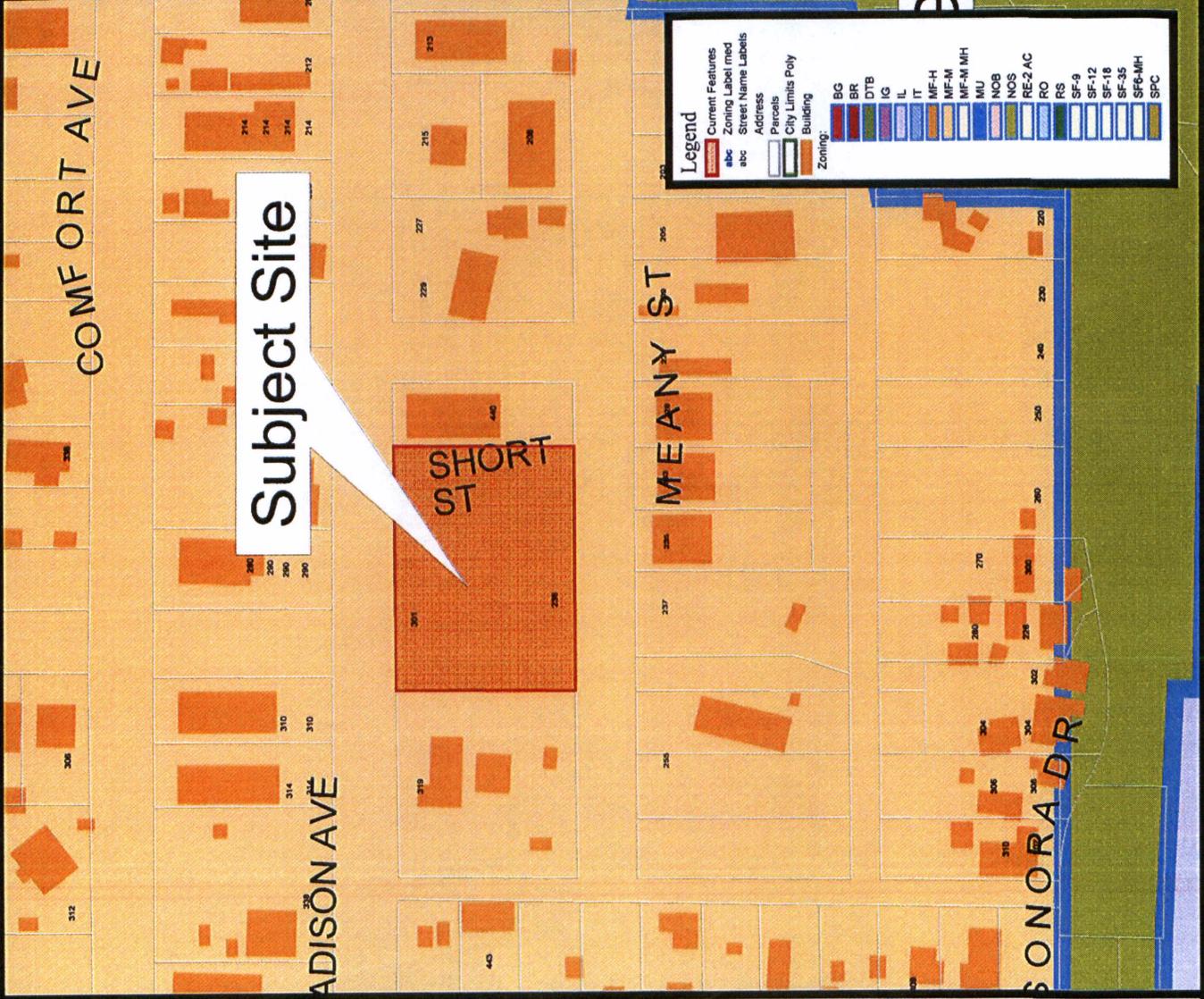
**Zoning Information**

Zoning **MF-M (MH)**  
Flood Zone **X:**  
FIRM Panel **04025C2061G**

**Overlay District Information**

HPD District **Outside**  
NR District **Outside**  
Willow Creek District **Outside**  
Whipple-Zuma District **Outside**  
Hwy 69 District **Outside**  
Prescott East Area Plan **Inside**  
Prescott Enterprise **Outside**  
Airport Noise District **Outside**  
Wildlife Urban Interface **Outside**

**Planner's Actions:**



238 MEANY ST

This map is a product of The City of Prescott



1" = 134'

This document is a graphic representation only of best available information. The City of Prescott assumes no responsibility for any errors.

# PRELIMINARY PLAT

FOR A REVISION PLAT OF  
**LOTS 1, 2, 3 & 4 OF BLOCK 5 OF THE BASHFORD ADDITION FIRST  
 SUBDIVISION - A PLANNED AREA DEVELOPMENT**  
 APN# 113-14-053

PER PLAT RECORDED IN BOOK 2 OF MAPS AND PLATS, PAGE 94, ON FILE IN THE YAVAPAI COUNTY RECORDER'S OFFICE,  
 YAVAPAI COUNTY, ARIZONA, LOCATED IN A PORTION OF SECTION 33, TOWNSHIP 14 NORTH, RANGE 2 WEST, OF THE GILA AND  
 SALT RIVER BASE AND MERIDIAN, YAVAPAI COUNTY, ARIZONA.



**MADISON AVENUE**

**DEVELOPER/OWNER:**

Habitat for Humanity  
 1230 Willow Creek Road  
 Prescott, AZ 86301  
 928-445-8003  
 info@prescotthabitat.org

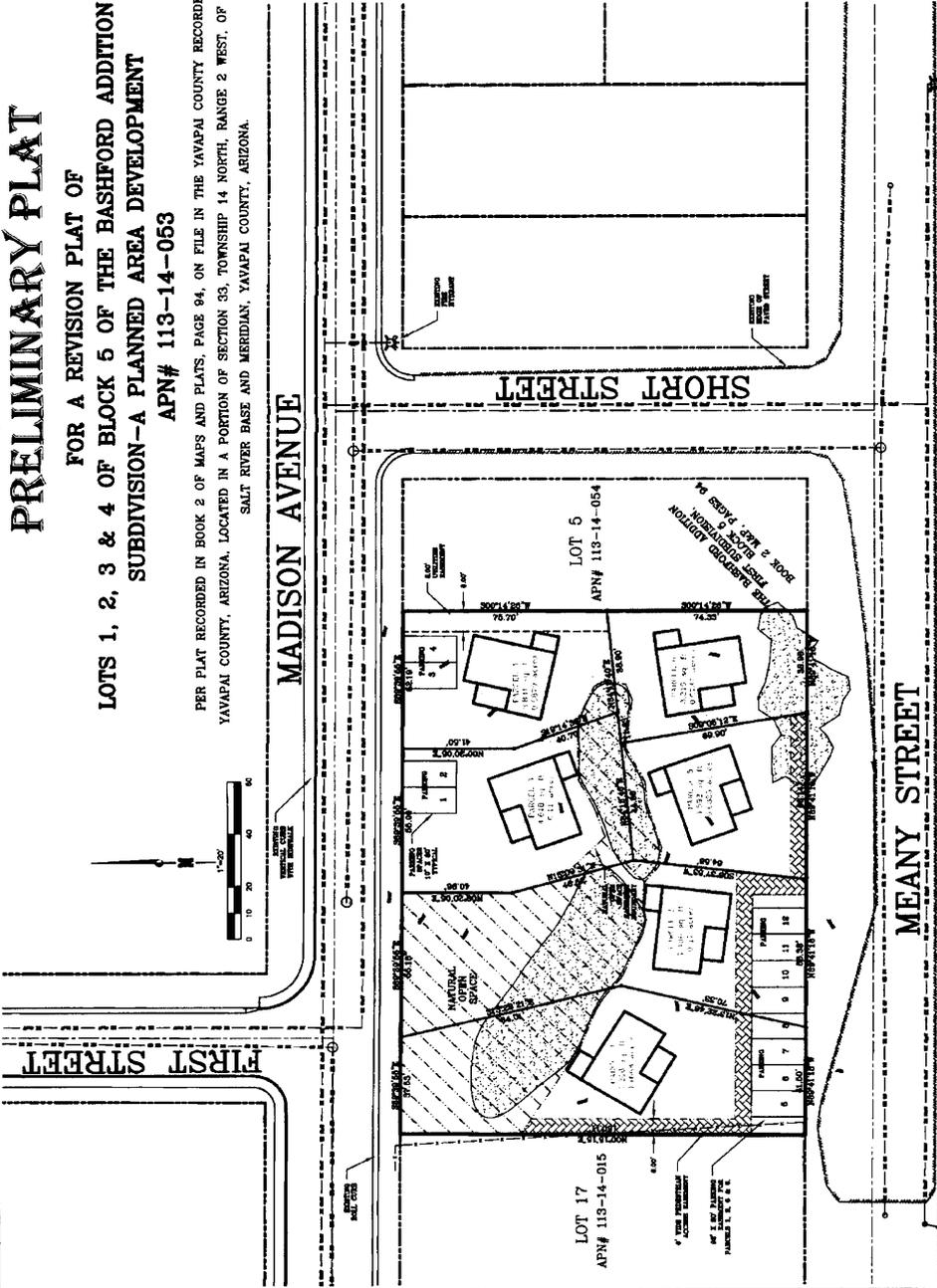
**SURVEYOR:**

Nexus Southwest, LLC.  
 212 S. Marina Street  
 Prescott, AZ 86303  
 Phone: 928-778-5101  
 Contact: Michael Haywood, LS# 13941

Parcel No: 113-14-053

Current Zoning: MF-M(MH)  
 Proposed Zoning: MF-M(MH)  
 Setbacks: Standard per MF-M(MH)  
 Each Building Footprint is 844 sq. ft.

PARCEL	SQ. FT.	ACRES
PARCEL 1	7,245	0.1653
PARCEL 2	4,316	0.0960
PARCEL 3	3,583	0.0782
PARCEL 4	3,710	0.0815
TOTAL AREA	30,065	0.6688
OPEN SPACE AREA	9,439	0.2085
OPEN SPACE PERCENT	31.39%	
* OPEN SPACE	20,626	0.4603



**UTILITIES**  
 Water: City of Prescott  
 Sewer: City of Prescott  
 Electric: Arizona Public Service  
 Gas: Arizona Public Service  
 Cable: Cable One  
 Cell: Cellular

**BENCHMARK**  
 CITY OF PRESCOTT CONTROL CORNER POINTS  
 ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫ ⑬ ⑭ ⑮ ⑯ ⑰ ⑱ ⑲ ⑳ ㉑ ㉒ ㉓ ㉔ ㉕ ㉖ ㉗ ㉘ ㉙ ㉚ ㉛ ㉜ ㉝ ㉞ ㉟ ㊱ ㊲ ㊳ ㊴ ㊵ ㊶ ㊷ ㊸ ㊹ ㊺ ㊻ ㊼ ㊽ ㊾ ㊿ ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫ ⑬ ⑭ ⑮ ⑯ ⑰ ⑱ ⑲ ⑳ ㉑ ㉒ ㉓ ㉔ ㉕ ㉖ ㉗ ㉘ ㉙ ㉚ ㉛ ㉜ ㉝ ㉞ ㉟ ㊱ ㊲ ㊳ ㊴ ㊵ ㊶ ㊷ ㊸ ㊹ ㊺ ㊻ ㊼ ㊽ ㊾ ㊿



**NEXUS SOUTHWEST, LLC**  
 REGISTERED LAND SURVEYORS  
 212 S. MARINA STREET  
 PRESCOTT, ARIZONA 86303  
 (928) 778-5101  
 FAX: (928) 778-5102  
 LICENSE # 113-14-053  
 CARYN HAYWOOD  
 MICHAEL HAYWOOD  
 MICHAEL HAYWOOD  
 LICENSE # 113-14-053

**ATTACHMENT 3**





## Public Works Department

433 N. Virginia Street  
Prescott AZ 86301  
928-777-1130

**Memorandum**

To: Mark Nietupski, Public Works Director  
From: Ian Mattingly, City Traffic Engineer *IM*  
Date: February 15, 2013  
Subject: Madison Park Cottages – Off Site Improvements and Traffic operation analysis

The purpose of this memorandum is to review the proposed Madison Park Cottages which if approved will consist of Habitat Homes on six lots and open space at 301 Madison Avenue, a .69 acre area, to determine the impact of the development on the roadway network and provide a recommendation on offsite street improvements.

**Existing Conditions:**

The development is located south of Madison Avenue, west of Short Street and north of Meany Street. All three of these streets are narrower than the standard 28' paved street width.

- Madison Avenue has a 24' paved width with rolled curb and sidewalk on one side
- Short Street paved with asphalt millings & chip seal width varies from 28' to 18' with no curb and gutter or sidewalk
- Meany Street paved with asphalt millings & chip seal width varies 20' to 14' with no curb and gutter or sidewalk

There is no street connection to the west side of the area as a large rock outcropping and accompanying grade differential makes access to the existing north/south alley right-of-way impractical. The area bounded and accessed by these three streets is very small and includes an immediate neighborhood of eight (8) single family homes and two (2) small apartment complexes (8 units). These residences generate an estimated 130 trips during an average weekday and 11 trips in the AM peak hour and 14 trips in the PM peak hour. These volumes are very low and can be accommodated by the existing roadways adequately.

**Development Trip Generation:**

With six (6) new single family residences proposed, 4 accessing Meany Street, the development is anticipated to add 57 new trips during an average weekday and 5 trips in the AM peak hour and 6 trips in the PM peak hour. These trips added to the existing traffic results in a 24 hour volume of 187 for the entire area. Given the location of the homes on each street the total traffic that will travel along the frontage of the development on Meany Street will only be 77 trips in 24 hours, 5 trips in the AM

peak hour and 8 trips in the PM peak hour. These volumes are very low when compared to a typical residential street which would have 400 to 600 vehicles over a 24 hour period, and fall at or under typical alleyway volumes.

Recommendations:

With the anticipated volumes on Meany Street including this development at or below those normally seen in alleyways, and given the existing roadways immediately abutting the development are not constructed to current standards (without curb, gutter and sidewalk - apart from the Madison rolled curb); it is recommended that a reduced roadway section be considered if it is determined that offsite improvements are necessary. This will allow the roadway improvements to better fit the character of the neighborhood. Additionally, with the surrounding area nearly built out, the likelihood of the adjacent streets redeveloping to current standard street widths is low. For this reason a 24' paved street width would be practical.

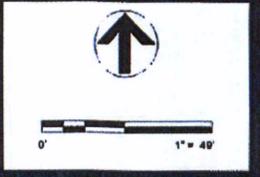
Attachments:

- Location Map
- Photos of Existing Conditions

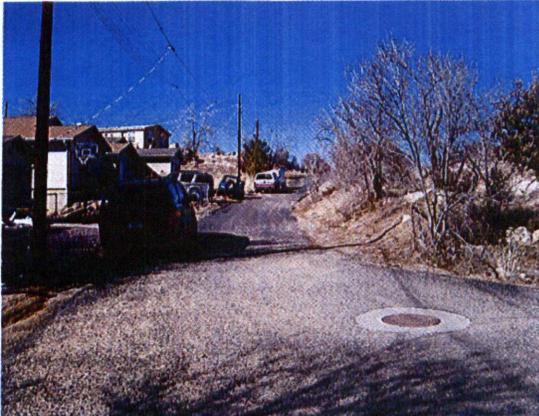


LOCATION MAP  
MADISON PARK COTTAGES

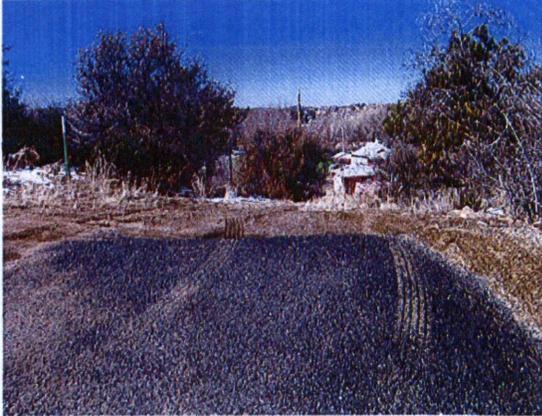
This map is a product of the  
The City of Prescott GIS



Existing Conditions – Madison Park Cottages



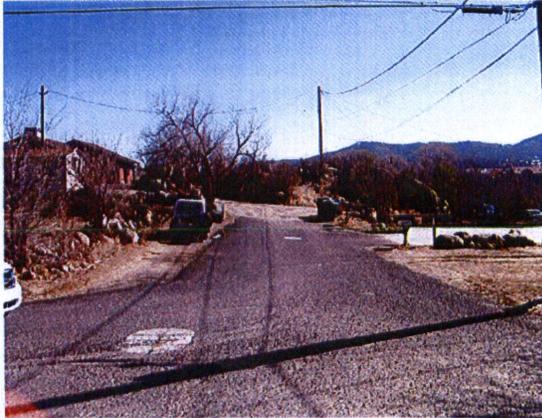
Meany Street looking west



West end of Meany Street looking west



Meany Street looking east



Meany Street east end



Short Street looking north

# ATTACHMENT 5

Excerpt from P&Z Commission Minutes:

Mr. Menser, MOTION to approve PP12-001, with the following conditions:

1. That all easements would be delineated and described on the plat.
2. That maintenance responsibility for all easements would be specifically assigned on the plat.
3. That the parking spaces for all parcels would be permitted within the front building setbacks.
4. That the LDC requirement for on-site parking spaces would be waived to allow the congregate parking for parcels 1, 2, 5 and 6, as proposed on parcels 1 and 2.
5. Meany Street would need to be improved substantially to meet city standards with the extent of the improvements to be determined by Public Works and other city staff.
6. A turnaround must be provided at the end of the street.
7. Each house on Meany Street must have two parking spaces assigned and one additional guest parking space either in bays or curbside.
8. If the conditions require extensive changes to the preliminary plat then it must come before the Planning and Zoning Commission.
9. The final plat must come for review before the Planning and Zoning Commission prior to going to council for action.

Mr. Gardner, 2<sup>nd</sup>. Mr. Menser called for comments. Mr. Michelman recused himself from voting on the proposal. VOTE 6-0-1; passed (Mr. Michelman abstained from voting).

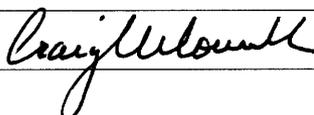
## COUNCIL AGENDA MEMO – March 26, 2013

**DEPARTMENT:** Community Development

**AGENDA ITEM:** Approval of night work for replacement of the roof and mechanical equipment on the Yavapai County Courthouse. Owner: Yavapai County

**Approved By:**

**Date:**

<b>Department Head:</b> Tom Guice	
<b>Finance Director:</b> Mark Woodfill	
<b>City Manager:</b> Craig McConnell 	3-18-13

### Item Summary

This is a request by Yavapai County for approval of night work on the roof and exterior of the Courthouse as a part of the Phase 2 improvement project authorized by the Board of Supervisors. Under the Prescott City Code noise regulations, Section 5-4-5, the Council may approve night work.

### Background

The project will include work within the building as well as a new standing seam metal roof and new exterior heating/air conditioning equipment. Court scheduling necessitates that the work will be accomplished at night and during weekends. The project will last approximately 150 days, however the exterior work will be handled in a much shorter period during the project. At the time of this writing no specific night work schedule was available. Mr. Otwell of Otwell Associates Architects will be present at the Council meeting to address the timeframes.

### Fiscal Impact

No fiscal impacts to the City.

### Attachment

- Letter of Request from Otwell Associates Architects

**Recommended Action:** MOVE to approve the request for night work on the Yavapai County Courthouse.

**OTWELL**  
A S S O C I A T E S  
A R C H I T E C T S

March 13, 2013

Mr. Tom Guice  
City of Prescott  
Community Development Director  
201 S. Cortez  
Prescott, Arizona 86303

Via email: Tom.guice@prescott-az.gov

Dear Mr. Guice,

The Yavapai County Board of Supervisors is under contract for Phase Two of the Yavapai County Courthouse Rehabilitation Project. Phase One reconstructed the sewer system and rerouted the roof drains to collection boxes. Previous to this effort, the roof drains flowed into the City sanitary sewer system.

Phase Two includes new HVAC systems replacing the multiple units on the outside of the structure. It also includes a new standing seam metal roof, insulation, and new electrical service. The Board is requesting permission from the Prescott City Council to perform this work at night and on weekends. Due to the court schedule it is the only way to get the project done. Most of the work will be inside the building with the exception of the roofing project. The duration of the project is 150 days. Please contact me if I can provide any additional information.

Sincerely,



William Otwell, A.I.A.

121 EAST GOODWIN  
PRESCOTT, ARIZONA 86303-3940  
PHONE (928) 445-4951  
FAX (928) 778-6120

<b>COUNCIL AGENDA MEMO – March 26, 2013</b>
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<b>DEPARTMENT:</b> Finance
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<b>AGENDA ITEM:</b> Adoption of Resolution No. 4166-1327 declaring the reorganized City Code Title 1, Section 27, the City of Prescott Procurement Code, a public record, and adoption of Ordinance No. 4853-1310 amending the City Code by adopting the public record document
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<b>Approved By:</b>	<b>Date:</b>
<b>Finance Director:</b> Mark Woodfill	
<b>City Manager:</b> Craig McConnell <i>Craig McConnell</i>	3-20-13

### Summary

The City's Procurement Code (Code) was adopted on April 12, 1994, and has been amended from time to time. Minor changes and clarifications to the Code were deemed necessary to promote efficiencies in the procurement process while utilizing a decentralized approach. The further changes recommended herein consist of correcting references to revised sections or position titles, procedures to expedite the procurement of used equipment, and terminology updates.

The only substantive change to the procurement process is the deletion of Section 20 which required City Attorney approval on service contracts greater than \$3,000. The deletion eliminates redundancy in approval of form and content of small service contracts and creates uniformity in the approval process for all contracts for goods or services over \$10,000. There are no revisions to the bidding procedures. Minor editorial changes and updates were made for consistency and clarification to reestablish the integrity of the Code.

### Item

Attached are the updated City Code Title 1, Section 27, showing the changes; the Resolution declaring the document a public record; and the Ordinance authorizing repeal of the previous Code and replacement with the new version.

### Budget

No budgetary impact.

**Attachments:**

- City Code Title 1, Section 27
- Resolution No. 4166-1327
- Ordinance No. 4853-1310

<b>Recommended Action:</b> By separate motions:
(1) <b>MOVE</b> to adopt Resolution No.4166-1327; and
(2) <b>MOVE</b> to adopt Ordinance No. 4853-1310.

## Procurement Code

### City Code Title 1, Section 27

#### City of Prescott Procurement Code

##### SECTION:

- 1: General Provisions
- 2: Applicability
- 3: Procurement Organization
- 4: Requirements of Good Faith
- 5: Fraud and Collusion
- 6: Conflict of Interest
- 7: Gifts and Gratuities
- 8: Specifications
- 9: Procurement Methods
- 10: Emergency Procurements
- 11: Expenditures of ~~\$3,000 or less~~
- 12: Reserved
- 13: Reserved
- 14: Multi-Step Sealed Bids
- 15: Request for Proposal
- 16: Selection of Professional Services
- 17: Purchases of Merchandise for Resale
- 18: Awards
- 19: Change Orders
- 20: ~~General Contract Authority~~ Reserved
- 21: Types of Contracts
- 22: Contract Clauses
- 23: Insurance and Bond Provisions
- 24: Sale, Transfer or Disposition of City Personal Property

##### **SECTION 1: GENERAL PROVISIONS:**

The City hereby adopts the following policies governing the procurement of all supplies, materials, equipment and services for the offices, departments and agencies of the City.

##### **SECTION 2: APPLICABILITY:**

(A) This Code applies only to contracts or purchases solicited or entered into after the adoption of this Code. Renewal of existing contracts shall also be subject to this Code unless the specific contract terms provide otherwise.

(B) This Code shall apply to every expenditure of public funds regardless of source, including State and Federal assistance monies, by this City, except that nothing in this Code shall prevent the City from complying with the terms and conditions of any grant, gift or bequest or cooperative agreement. This Code shall also apply to the disposal of City property.

(C) It shall be unauthorized for any City employee, appointed or elected official to order the procurement of materials, supplies or services, or make contracts within the purview of this Code, other than in accordance with this Code and any regulations or directives promulgated pursuant to this Code. Contracts or Purchase Orders made contrary to the provisions hereof may not be approved and the City may not be bound thereby. Unauthorized contracts or purchases may result in disciplinary action or personal liability to the person entering into said unauthorized contract or purchase.

(D) The authority granted to ~~purchasing~~ Purchasing agents ~~Agents~~ by the City Manager pursuant to this Code shall be limited by available funds having been budgeted by the City of Prescott.

(E) Notwithstanding anything to the contrary contained herein, this Code shall not apply to financial stipends, grants or allowances by the City to assist in the continued operations of existing entities providing a public service to residents of Prescott, provided that said payment is first approved by the City Council.

### **SECTION 3: PROCUREMENT ORGANIZATION:**

(A) The City Manager is vested with the authority for procurement. The City Manager may ~~employ a designate~~ Purchasing Agents (~~hereinafter referred to as the "City's Purchasing Agent"~~), who may be vested with the authority for procurement by a fiduciary relationship between the ~~purchasing~~ Purchasing agent ~~Agent~~ and the City Manager, except as otherwise provided herein.

(B) Department Heads may be appointed by the City Manager to serve as the Purchasing Agent for their respective departments (hereinafter specifically referred to as the "Purchasing Agent"), with the authority to procure or supervise the procurement of supplies, materials, equipment and services for their departments as provided herein.

(C) The ~~City's~~ Purchasing Agent shall establish guidelines for the management of all inventories of materials belonging to the City in their department.

(D) The sale, trade or other disposal of departmental City-owned personal property and surplus supplies shall be supervised by the ~~City's~~ Purchasing Agent.

(E) The City Manager is hereby empowered to adopt rules and regulations relating to purchases and the entering into of contracts, which rules and regulations are not otherwise inconsistent with the provisions of this Code or the City Charter.

### **SECTION 4: REQUIREMENTS OF GOOD FAITH:**

(A) This Code requires all parties involved in the negotiation, performance or administration of City contracts or purchases to act in good faith. Any effort to influence any public employee to breach the standards of ethical conduct is also

a breach of ethical standards.

(B) City employees and elected or appointed officials must discharge their duties impartially so as to ensure fair competitive access to City procurement by responsible suppliers of goods and services. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of the City procurement organization.

(C) Any City employee, appointee or elected official who knowingly violates any of the provisions of this Code shall be subject to disciplinary action and/or termination depending upon the severity of the violation, in accordance with City Code Personnel provisions, and any and all other applicable local, state and federal laws, rules, regulations and policies.

(D) An individual who is not an employee of the City who violates any provision of this Code may be subject to debarment from having the opportunity to bid or be awarded any City contracts for a period of up to twenty-four (24) months, depending upon the severity of the violation, in the sole discretion of the City Manager. Any individual, organization or entity so debarred shall be advised in writing by the City of the debarment, the period thereof, and the reason therefor. Any appeal of the City Manager's determination of debarment must be presented to the City Council, in writing, within ten (10) days of the notice of debarment.

(E) Criminal, civil and administrative remedies otherwise available against employees or non-employees for a violation of this Code are cumulative, and shall not be impaired by this Code.

## **SECTION 5: FRAUD AND COLLUSION:**

(A) Where competitive solicitations are required pursuant to ~~Sections 13, 11, 14 or 15 of~~ this Code, no City employee, elected or appointed official shall assist a supplier of goods or services in securing a contract or purchase order by prejudicing the selection of that supplier or the price paid for goods or services sold to the City.

(B) Willful misleading or withholding of information by a prospective supplier or City representative regarding the character of the goods or services procured or sold by the supplier or the City representative shall be considered a breach of ethical standards, resulting in administrative and civil remedies pursuant to Section 4(C) and (D) this Code and any and all other applicable local, state and federal laws, rules, regulations and policies.

(C) It shall be a breach of ethical standards for any employee or former employee knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated personal gain of any other person.

(D) Prices offered by suppliers of goods and services procured by the City shall

be independently developed without consultation or collusion with other suppliers or potential suppliers when responding to bids, quotes or requests for proposals.

**SECTION 6: CONFLICT OF INTEREST:**

(A) This Code specifically incorporates the provisions of ARS Title 38, Chapter 3, Article 8 regarding conflict of interest and exceptions thereto.

(B) The value of anything transferred or received in breach of the purchasing ethics of this Code by an employee or non-employee shall be recoverable by the City.

**SECTION 7: GIFTS AND GRATUITIES:**

(A) It is a breach of procurement ethics for any person to solicit, offer, give or accept money, credits, gifts, entertainment, discounts, favors or services in connection with recommendations or decisions pertaining to any procurement.

(B) It shall be conclusively presumed that the value of the gifts or gratuities was included in the price of the contract, subcontract or order and ultimately borne by the City and will be recoverable by the City from the recipient, from the vendor, or both.

(C) Exceptions to this Section are unsolicited advertising or promotional materials such as pens, pencils, calendars and other items of nominal, intrinsic value offered on infrequent occasions in the ordinary course of business.

**SECTION 8: SPECIFICATIONS:**

(A) All specifications, including those prepared by architects, engineers, consultants and others for procurement by the City shall not be unduly restrictive and shall encourage maximum, practical competition among suppliers.

(B) Specifications for goods and services that exclude suppliers offering similar performance or functional characteristics shall not be used unless such specifications are technically justified or it is not practicable nor advantageous to use a less restrictive specification.

**SECTION 9: PROCUREMENT METHODS:**

(A) The cost of an item, not the method of payment, determines the method of procurement. Artificial division, splitting or fragmentation of a transaction to circumvent source selection or to avoid requirements for bidding or authorization of procurements are prohibited.

(B) Procurements made for the City shall be documented by a written contract

or purchase order that has been authorized and issued prior to receipt of the goods or services or prior to payment for goods and services, except as otherwise provided for in this Code.

~~(C) The City's Purchasing Agent shall maintain a current list of prospective suppliers who have expressed an interest in providing goods and services to the City and they shall be contacted for quotations or bids until they have failed to respond.~~

~~(D) The City may participate with the State of Arizona, or any other public entity, for goods and services that have been obtained in accordance with the State Procurement Code or in substantial compliance with the provisions of this Code.~~

~~(E) Procurements may be solicited from suppliers without competition if the Purchasing Agent determines, by clear and convincing evidence, that only one source exists.~~

~~(F) Notwithstanding the provisions of Subsection B above, purchases by Purchasing Agents pursuant to open accounts established by the City shall be allowed, conditioned upon said purchases being within budgetary restrictions, and in accordance with the policy for purchases on open accounts as established by the City Manager or his designee; provided, however, that no purchase on an open account may exceed that amount set forth in Section ~~12-11(B)~~ of this Code.~~

~~(G) Procurements in an amount of more than \$3,000.00 and under \$10,000.00~~1~~ may be solicited from suppliers without bidding or competition, with the prior approval of the City Council with the prior approval of the City Manager, for used vehicles, used equipment and other used personal property, upon clear and convincing evidence that the item or items to be purchased are only sporadically or occasionally available for purchase, and due to the sporadic nature of availability, the purchase via bidding or other competition would not be productive.~~

~~(H) Notwithstanding any other provision or requirement in this Code, a contract may be awarded for a supply, service or construction item without competition or solicitation when the ~~purchasing~~ Purchasing agent Agent, with the concurrence of the City Manager, determines in writing that there is only one source for the required supply, service or construction item.~~

## **SECTION 10: EMERGENCY PROCUREMENTS:**

~~(A) A ~~purchasing~~ Purchasing agent Agent may make or authorize others to make emergency procurements if there exists a threat to the public health, welfare or safety or if a situation is determined to be necessary for the public interest.~~

(B) An emergency procurement shall be limited to the goods or services necessary to satisfy the emergency need with as much competition as practicable under the circumstances.

(C) Emergency expenditures and obligations to suppliers of goods and services in actual emergencies that exceed Ten Thousand Dollars (\$10,000.00) shall be submitted to the Council for authorization or ratification at the next scheduled Council meeting.

## **SECTION 11: EXPENDITURES**

### (A) EXPENDITURES OF THREE THOUSAND DOLLARS (\$3,000.00) OR LESS:

1. Any procurement that results in an expenditure of Three Thousand Dollars (\$3,000.00) or less shall ~~have been~~be made by the Purchasing Agent with as much economy as practicable in the open market place at the prevailing price, without the requirement of public notice or City Council authorization, ~~by the Purchasing Agent.~~
2. ~~Petty cash expenditures may be authorized by the Treasurer and disbursed by a designee from a cash fund set aside and maintained for small procurements. The maximum expenditure from petty cash shall be as determined by the City Manager.~~

### (B) EXPENDITURES OF THREE THOUSAND AND 01/100 DOLLARS (\$3,000.01) TO TEN THOUSAND DOLLARS (\$10,000.00):

1. Any procurement resulting in an expenditure from Three Thousand and 01/100 Dollars (\$3,000.01) to Ten Thousand Dollars (\$10,000.00) may be made by a ~~purchasing~~Purchasing agent Agent without the requirements of public notification by advertisement.
2. The Purchasing Agent shall obtain three (3) informal competitive quotations, in writing, from available suppliers.
3. The solicitation requirements provide for herein are to be considered minimum requirements.

### (C) EXPENDITURES OF TEN THOUSAND DOLLARS and 01/100 DOLLARS (\$10,000.01) TO TWENTY THOUSAND DOLLARS (\$20,000):

1. Any procurement resulting in an expenditure from Ten Thousand and 01/100 Dollars (\$10,000.01) to Twenty Thousand Dollars (\$20,000.00) may be made ~~by THE CITY COUNCIL~~ without the requirements of public notification by advertisement, with City Council authorization.

2. ~~The Purchasing Agent~~ shall obtain three (3) informal competitive quotations, in writing, from available suppliers and submit said quotations to the ~~city~~ City Council ~~Council~~ for consideration ~~of and~~ approval.

3. The solicitation requirements provided herein are to be considered minimum requirements.

(D) EXPENDITURES EXCEEDING TWENTY THOUSAND DOLLARS (\$20,000.00):

1. Any procurement resulting in an expenditure of more than Twenty Thousand Dollars (\$20,000.00) shall have been made only after formal competitive sealed bidding, solicited by public notification, and awarded by the City Council.
2. A formal invitation to bid shall be issued by the City Clerk, or designee, and shall include the dates of public notice, the time and place for bid receipt and opening and a description of the goods or services.
3. Public notification shall be considered adequate when a formal invitation to bid is advertised and published at least once in a newspaper of general circulation within the City not less than ten (10) days before the bid opening.
4. ~~Amendments to invitations to bid that are necessary to make a change to~~ invitations to bid shall be issued in writing by the ~~purchasing~~ Purchasing agent Agent, with a copy to the City Clerk, within a reasonable time before the bid opening to all suppliers to whom the ~~purchasing~~ Purchasing agent Agent has distributed invitations to bid and to all suppliers who have requested bid documents or specifications and shall require acknowledgement of receipt by the bidder before the bid opening or within the bid.
5. Sealed bids shall be considered properly received only when delivered in a sealed envelope marked in accordance with the request for bid or as set forth in the bid specifications, to the City Clerk or designee by or before the specified time and designated place as advertised in the public notice and shall be time-stamped and stored unopened in a secure place until the public bid opening.
  - a. Late bids shall be rejected if received after the designated time in the location for receipt thereof; except that bids that are received by City personnel before the bid opening and would have been timely received but for the action or inaction of City personnel directly serving the procurement function may be received and considered.

- b. Minor informalities may be waived by the City Manager in consultation with the ~~purchasing~~ Purchasing agent ~~Agent~~ and City Attorney if the waiver is deemed to be in the best interest of the City.
6. A modification or withdrawal of bid must be received before the time and date set for bid opening in the location designated for receipt of bids and shall be time-stamped and recorded.
7. Bids shall be opened publicly by the City Clerk or designee in the presence of one or more witnesses at the time, date and location designated in the invitation to bid. The name of each bidder, the price bid and other information deemed appropriate shall be read aloud and recorded.
8. Mistakes in the bid discovered after the bid opening based on an error in judgment may not be corrected or withdrawn except as set forth herein.
  - a. After bid opening, the City Manager, in consultation with a ~~purchasing~~ Purchasing agent ~~Agent~~ and the City Attorney, may waive minor informalities in a bid.
  - b. After bid opening, the bid may not be withdrawn and shall be corrected to the intended bid only if a bid mistake and the intended bid are evident on the face of the bid.
  - c. After bid opening, the City Manager, in consultation with a ~~purchasing~~ Purchasing agent ~~Agent~~ and City Attorney, may permit a bidder to withdraw a bid when:
    - i. A nonjudgmental mistake is evident on the face of the bid and the intended bid is not clear; or
    - ii. The bidder establishes by clear and convincing evidence in the sole opinion of the City that a nonjudgmental mistake was made; or
    - iii. The bid is so low as to create a likelihood that the contract cannot be completed and to enforce compliance with the bid would be unconscionable.
9. An invitation for bids, a request for proposals or other solicitation may be canceled or any or all bids or proposals may be rejected in whole or in part by the Purchasing ~~Manager~~ Agent, the City Manager or the City Council if it is in the best interest of the City.
10. The solicitation requirements provided for herein are to be

considered minimum requirements. Purchasing ~~agents~~ Agents are expected to also publicize and inform the public and potential bidders of the availability of a bid opportunity by any other practical means.

**SECTION 12: RESERVED**

**SECTION 13: RESERVED**

**SECTION 14: MULTI-STEP SEALED BIDS:**

When it is considered impractical to initially prepare a procurement description to support an award based on the price of the goods or services, an invitation to bid may be issued requesting the submission of unpriced offers. The initial invitation to bid will be followed by a subsequent invitation to bid limited to those bidders whose offers have been determined technically acceptable under the criteria set forth in the first solicitation.

**SECTION 15: REQUEST FOR PROPOSAL:**

(A) A request for proposal may be utilized whenever the Purchasing Agent determines that the City wishes to utilize competitive negotiation, or if the City is unable to provide bid specifications for an entire project and shall request the prospective bidders to specify a method or manner at the bidder's choosing of performing a contract.

(B) If the estimated dollar amount of the ultimate contract to be awarded exceeds that amount set forth in Section ~~1311(D)~~ of this Code, the procedure for seeking requests for proposals shall be in accordance with Section ~~1311(D)~~ of this Code.

(C) All proposals shall be opened publicly at the time and place designated in the Request for Proposals. The name of the ~~offeror~~ proposer and such other relevant information as may be designated by the Purchasing Agent shall be publicly read. All other information contained in the proposals shall be confidential as to avoid disclosure of contents prejudicial to competing ~~offerors~~ proposers during the process of negotiation. All proposals may be open for public inspection after a recommendation is made to the City Council for, but in no event, no later than the contract award by the City Council. To the extent as designated by the ~~offeror~~ proposer and the Purchasing Agent concurs, trade secrets or other proprietary data contained in the bid documents shall remain confidential.

(D) Competitive negotiation may be used at the discretion of the ~~purchasing agent~~ Agent. Discussions shall not disclose any information derived from proposals submitted by other ~~offerors~~ proposers.

(E) Negotiation following the opening of sealed proposals is not required if one or more of the initial offers is fully satisfactory. Award may be made on the

basis of the proposal as first submitted, without any discussion with the offerer or proposer or changes to the content of the proposal.

(F) Criteria for evaluation of proposals may include, but shall not be limited to, managerial or technical capabilities, comparative feasibilities of the approach or other elements where price may not be the sole determining factor for selection of a supplier.

(G) Authorized awards shall be made in writing to the responsible offerer or proposer whose proposal is determined to be the most advantageous to the City, taking into consideration (but not limited to) price, those evaluation factors set forth in the solicitation, and in Section 18 of this Code.

(H) Once a formal recommendation is made to the City Council regarding which proposal (as subsequently amended by negotiations) should be accepted, no further negotiations or modifications to proposals may be made; provided, however, that this does not prohibit the City Council from either rejecting all proposals, or directing City staff to pursue further negotiations with one or more of the proposers.

## **SECTION 16: SELECTION OF PROFESSIONAL SERVICES:**

(A) Personal services provided by members of professions that require specialized knowledge and expertise acquired by advanced training and/or experience may be procured or retained on an as-needed basis or for a particular project by the purchasing agent without the formal bidding requirements set forth in Section 13.11 of this Code. These services may be procured annually, or on an as-needed basis.

(B) The purchasing agent may award a contract to a provider of professional services in the event that the contract for said services is not estimated to exceed the amount set forth in Section 13.11(B). Any contract for professional services, which is expected to exceed that amount set forth in Section 13.11(B) must be approved by the City Council.

(C) Notwithstanding the foregoing provisions, purchasing agents are expected to also publicize and inform qualified professionals in the Prescott area of the availability of a contract award pursuant to this Section by any other practical means.

(D) In the event that there is justification to do so due to the particular expertise or knowledge of a particular professional consultant, contracts for professional services for expert witnesses in litigation matters may be exempted from the provisions of Sections 8, 9, 11, 12, 13, 14, 15, 18 and 19 of this Code, at the discretion of the purchasing agent. However, any contract for professional services, which is expected to exceed that amount set

forth in Section ~~13~~11 (B) must be approved by the City Council.

## **SECTION 17: PURCHASES OF MERCHANDISE FOR RESALE:**

Due to the fact that the City of Prescott is involved in certain enterprises which consist, wholly or partially, of retail sales to the general public (e.g., the Golf Course Pro Shop), it is understood that the practicalities of operating a retail sales establishment should be dictated not necessarily by the lowest competitive price, but rather by various market factors (e.g., brand name, etc.). Therefore, a ~~purchasing~~Purchasing agent~~Agent~~ who is responsible for purchasing merchandise for resale to the general public shall be exempt from the provisions of Sections 8, 9, 11, ~~12, 13,~~14, 15, 18, and 19 of this Code for said purchases, provided, however, that any purchases which exceed the dollar amount as set forth in Section ~~13~~11(B) of this Code shall still require City Council approval.

## **SECTION 18: AWARDS:**

(A) Authorized awards shall be made to the lowest and most qualified supplier whose bid, quotation or offer conforms to the procurement requirements and criteria set forth in the City's solicitation and is deemed to be in the best interest of the City.

(B) The evaluation methods to determine the conformity of the procurement requirements and criteria shall be uniform and equal for each responding supplier.

(C) Goods or services shall be evaluated as much as possible by tangible, measurable criteria that includes but is not limited to, transaction privilege or use tax to be paid to the City of Prescott, transportation costs, energy costs, standard practices or procedures, life cycle and effective ownership costs, whether the goods are made from recycled material, or other factors that satisfy the particular function at the lowest overall cost to the City. Additionally, the City may include in its evaluation managerial or technical capabilities, comparative feasibilities of the approach to be used (if applicable), prompt service, accessibility, delivery, travel, or any other factors which may reduce or offset the cost of goods or services solicited by the City.

(D) A bidder or offeror may be required to submit to the Purchasing Agent a certification of current cost or pricing data used to price the bid or offer prior to an award to determine if the price is fair, reasonable, and in the best interests of the City.

(E) The City Manager retains the authority to debar or suspend any potential supplier of goods or services from consideration of award if the potential supplier is in default of any obligation, taxes or fees due and owing the City,

until such time as the breach or default is cured.

(F) Low bids, quotations or offers which are identical in all respects from two (2) or more responsible and responsive suppliers may be awarded by the drawing of lots in public in the presence of two (2) or more witnesses including the City Clerk or designee.

(G) Multiple awards may be made in whole or in part to two (2) or more suppliers of similar goods or services to facilitate delivery, service, product compatibility or obtain the best value in the best interest of the City.

(H) If only one responsive bid, quotation or offer is received from a competitive solicitation:

1. An authorized award may be made to the single bidder if the price is determined to be fair and reasonable; or
2. The bid may be rejected; or
3. New competitive solicitation may be made; or
4. The need for the procurement continues and the acceptance of one bid is not advantageous to the City, the procurement may be made under provision for sole source or emergency as defined in ~~Sections 9(E) or 10 of this Code.~~

(I) If no response is received from competitive solicitation, the Purchasing Agent may re-solicit, terminate further solicitation, or procure under the provisions for emergency or sole source, whichever is applicable.

(J) If all bids received exceed available monies as certified by the City Manager or his designee, and the lowest and most qualified bid exceeds such monies, the Purchasing Agent may negotiate an adjustment of the bid price, including changes in the bid requirements and specifications, with the lowest responsive and responsible bidder, to bring the bid within the amount of available monies.

(K) In reviewing bids and/or proposals and/or estimates, and determining whether or not a proposed contractor or vendor is the most responsible and/or most qualified bidder, the City shall consider, among other factors:

1. Costs incurred by the City or other governmental entities in contested change orders by the contractor;
2. Litigation in which the contractor was involved with the City or other governmental entities relative to contract performance;
3. Failure of the contractor to have met bid specifications or time limits in

previous contracts;

4. Abandonment of a contract or refusal to perform without legal cause after submission of a bid;
5. A record of bidding errors or omissions in two or more bid submissions in a thirty-six (36) month period;
6. A record of failure to perform or unsatisfactory performance of two or more contracts within a thirty-six month period;
7. Inadequate equipment, lack of expertise or insufficient personnel to complete the proposed contract;
8. A record of safety violations in two or more contracts within a thirty-six month period;
9. Conviction of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract within a ten year period;
10. Conviction of a criminal offense within a ten year period of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which might affect responsibility as a municipal contractor;
11. Conviction of state or federal antitrust statutes within a ten year period arising out of the submission of bids or proposals;
12. Any other cause that the City determines to be so serious and compelling as to affect responsibility as a municipal contractor, including debarment or similar proceedings by another governmental entity.

#### **SECTION 19: CHANGE ORDERS:**

(A) The provisions regarding approval of change orders as set forth in this section supersede any other provision to the contrary as contained elsewhere in this Code.

(B) A change order shall be defined as any change order, contract modification or any adjustment to the amount of the original authorized award for work or a project in progress, when extra work or materials are required due to bona fide unforeseen conditions.

(C) Any change order in an amount of Ten Thousand Dollars (\$10,000.00) or less must be approved by the ~~purchasing~~ Purchasing agent-Agent in writing.

(D) Any change order in an amount of more than Ten Thousand Dollars

(\$10,000.00) must be submitted to the City Council for approval. In the event that prior approval of the Council will unduly delay a project in progress, the City Manager shall have the authority to approve said change orders subject to subsequent ratification by the City Council.

(E) Cost or pricing data may be required to be submitted for change orders, contract modifications or adjustments to the original award when such adjustments increase the amount of the original award or decrease value of work.

**SECTION 20: GENERAL CONTRACT AUTHORITY RESERVED:**

~~Any contract or agreement for the procurement of services in excess of \$3,000.00, or that assigns rights, remedies, duties or obligations to the City, shall be expressed in writing, approved by the City Attorney, and properly authorized before the City shall be contractually bound.~~

**SECTION 21: TYPES OF CONTRACTS:**

(A) Any type of contract, which will promote the best interest of the City, may be used.

(B) Fixed-price contracts shall be used only when the extent or type of goods or services can be specified and the cost can be reasonably estimated at the outset of the contract. Fixed-price contracts with a price adjustment allowance shall be used only if the solicitation and the contract specify the basis for the price adjustment and provide for adequate notice of such adjustments.

~~1. Fixed-price contracts with a price adjustment allowance shall be used only if the solicitation and the contract specify the basis for the price adjustment and provide for adequate notice of such adjustments.~~

(C) Time and material contracts may be used only when the Purchasing Agent determines that such a contract is less costly than any other type or that it is impractical to obtain the goods or services except under such a contract. The ~~purchase~~ Purchasing agent ~~Agent~~ may set performance criteria in monitoring said work. Time-and-materials or labor-hour contracts shall provide for a maximum contractual amount.

~~1. Time and materials or labor-hour contracts shall provide for a maximum contractual amount.~~

(D) Lease agreements and lease-purchase contracts may be used if all conditions for renewal, including the cost determination for renewal, are set forth in the agreement and the lease is not used to circumvent the required procurement procedures of this Code.

~~1. A purchase option may be exercised if the lease purchase was awarded by competitive solicitation as set forth in Sections 13 or 15 of this Code and if exercise of such option is in the best interest of the City.~~

(E) Multi-term contracts may be used for any period of time deemed to be in the best interests of the City. Payment and performance obligations for succeeding fiscal years shall be subject to the availability and appropriations of funds therefor.

1. Before exercising any option for renewal or extension of a contract, the Purchasing Agent shall evaluate the performance during the original contract period and determine that a competitive procurement is not more advantageous to the City than exercise of the particular option.

2. A contract entered into by the City should not provide for automatic extensions or renewals thereof without first requiring some affirmative act on the part of the City to continue or extend said contract.

3. In the event that funds are not appropriated or made available to support the continuation of a contract in a subsequent fiscal year, the contract shall be canceled and the City shall have no further obligation under said contract.

## **SECTION 22: CONTRACT CLAUSES:**

The City Attorney may establish standard contract clauses for inclusion in City contracts. Such standard clauses may be modified upon review by the City Attorney on a case-by-case basis.

## **SECTION 23: INSURANCE AND BOND PROVISIONS:**

(A) The submission of bid security by the bidder or offeror may be required to guarantee a faithful bid and execution of all contracts if awarded the bid. Any requirements for a bid bond shall be set forth in the bid solicitation or bid specifications.

(B) When the solicitation requires bid security, non-compliance with such security requires that the bid or offer be rejected unless it is determined that the bid fails to comply only in a non-substantial manner with the security requirements. In that event and upon request of the City, the bidder must post the required bid security within twenty-four (24) hours of the bid opening.

(C) No action shall be had against the bidder or offeror's bid security if the bidder or offeror is permitted to withdraw its bid or offer prior to award as provided in Section ~~13~~11(D).

(D) The submission of performance or payment bonds by the successful bidder or offeror may be required by the City in an amount of not less than one hundred percent (100%) of the total bid. Any requirement shall be set forth in the bid solicitation or bid specifications.

(E) All performance and payment bonds shall be submitted to the City prior to execution of the contract and prior to release of any bid bond.

(F) All bid, payment or performance bonds shall be a cash bond, C.D., or bond provided by an insurance company authorized to do business in the State of Arizona, to be evidenced by a Certificate of Authority as defined in A.R.S. §20-217, a copy of which is to be attached to the applicable bond.

(G) All insurance required by a successful bidder or offeror shall be written by an insurance company authorized to do business in the State of Arizona, to be evidenced by a Certificate of Authority as defined in ARS § 20-217, a copy of which is to be attached to the applicable insurance policy, binder or certificate of insurance.

(H) A bid, payment or performance bond shall not be required solely to exclude potential bidders.

(I) The nature of performance and the need for future protection of the City shall be considered when determining the amount and type of bond required for each solicitation.

(J) In addition to the requirements of subsections "F" and "G" above, depending upon the nature of the contract and amount thereof, the City may also require insurance companies and/or bonding companies to have an "A" rating or better with Moody's or A.M. Best Company, and/or to be included on the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (as amended) by the audit staff, Bureau of Accounts, U.S. Treasury Department.

#### **SECTION 24: SALE, TRANSFER OR DISPOSITION OF PERSONAL PROPERTY:**

(A) The method, form and manner of the sale or transfer or disposition of personal property of the City shall be uniform and consistent within the provisions of this Code and in accordance with the requirements set forth in the City Charter.

(B) The City's Purchasing Agent shall be the custodian of all personal property that has been identified and declared by a City governmental unit to be not needed nor likely to be needed within a reasonable future time.

1. No individual, City employee, elected or appointed official, City office or agency shall sell, transfer, trade in, condemn or otherwise dispose of any

City personal property without written notification of such intent to the City's Purchasing Agent and authorization in accordance with the requirements set forth in the Charter.

2. The City's Purchasing Agent may identify City personal property, idle equipment, excess inventory, obsolete materials or expendable supplies that may be subject for disposition and recommend their disposition to the City Manager.

(C) It is assumed that all City personal property has a value which shall be determined by the fair and competitive market at the time of sale or transfer or disposition through consistent methods, form and manner as to be determined by the City's Purchasing Agent and subject to such conditions as the Council may from time to time prescribe.

1. The method, form and manner selected by the City's Purchasing Agent for the sale, disposition or transfer to other than City governmental units shall consider the value, terms of sale, timing of the activity and other economic factors relative to obtaining the maximum value in the best interests of the City.

2. The City's Purchasing Agent may employ whatever methods are most advantageous to the City to dispose of personal property valued at Three Thousand Dollars (\$3,000.00) or less.

(D) Prior to sale or disposition of City personal property, the City's Purchasing Agent shall endeavor to identify and recommend to the City Manager any City personal property that has potential for recycle, reutilization or transfer to other City governmental units. Personal property transferred to or from City governmental units shall be documented on forms acceptable to the Finance Department and at such times as the Purchasing Agent may prescribe with authorization by the Department Heads of the sending and receiving departments.

~~1. Personal property transferred to or from City governmental units shall be documented on such forms acceptable to the Finance Department and at such times as the City's Purchasing Agent may prescribe with authorization by the Department Heads of the sending and receiving departments.~~

(E) The value received from the sale, transfer or disposition of City personal property shall be allocated in accordance to the proper accounting practices determined by the City Treasurer Director of Finance.

(F) The City's Purchasing Agent shall act on behalf of the City with the State, Federal or other surplus property agencies regarding the procurement or

disposition of surplus property.

(G) That notwithstanding anything to the contrary herein, the Police Chief is hereby authorized to trade or destroy weapons, in accordance with any policy as promulgated by the City Manager or otherwise required by applicable local, state and/or federal laws, rules and regulations.

(H) That notwithstanding anything to the contrary herein, the City Manager or his designee is hereby authorized to transfer and convey surplus personal property of value not to exceed \$3,000.00 to other governmental entities.

**RESOLUTION NO. 4166-1327**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "CITY CODE TITLE 1, SECTION 27, CITY OF PRESCOTT PROCUREMENT CODE".**

**RECITALS:**

WHEREAS, a certain document entitled "*City Code Title 1, Section 27, City of Prescott Procurement Code*" three copies of which are filed in the office of the City Clerk, is to be declared a public record, with said copies to remain on file with the City Clerk.

**ENACTMENTS:**

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

Section 1. THAT certain document entitled "*City Code, Title 1, Section 27, City of Prescott Procurement Code*", attached hereto as Exhibit A, is hereby declared to be a public record.

Section 2. THAT the City Clerk is hereby directed to maintain three (3) copies of the above referenced public document on file at all times for inspection by the public.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 26<sup>th</sup> day of March, 2013.

\_\_\_\_\_  
MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
LYNN MULHALL, City Clerk

\_\_\_\_\_  
JON A. PALADINI, City Attorney

**ORDINANCE NO. 4853-1310**

**AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AMENDING THE PRESCOTT CITY CODE BY AMENDING CITY CODE TITLE 1, SECTION 27, BY ADOPTING THE PUBLIC RECORD DOCUMENT GENERALLY ENTITLED "CITY CODE, TITLE 1, SECTION 27, CITY OF PRESCOTT PROCUREMENT CODE".**

**RECITALS:**

WHEREAS, the City of Prescott desires to reorganize its Procurement Code to reflect a decentralized approach to procurement of necessary supplies, materials, equipment and services and to promote efficiencies in the City's procurement operations; and

WHEREAS, it is in the best interests of the City of Prescott to reorganize its Procurement Code to reflect current procurement practices; and

WHEREAS, a document entitled "City Code Title 1, Section 27, City of Prescott Procurement Code" was made a public record by Resolution No. 4166-1327.

**ENACTMENTS:**

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

Section 1. THAT City Code Title 1, Section 27, City of Prescott Procurement Code, made a public record by Resolution No. 4166-1327, is hereby adopted, thereby replacing and repealing that previous document entitled City Code, Title 1, Section 27, City of Prescott Procurement Code.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 26<sup>th</sup> day of March, 2013.

\_\_\_\_\_  
MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
LYNN MULHALL, City Clerk

\_\_\_\_\_  
JON A. PALADINI, City Attorney

<b>COUNCIL AGENDA MEMO – March 26, 2013</b>
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<b>DEPARTMENT:</b> City Manager (Water Resources)
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<b>AGENDA ITEM:</b> 2012 Annual Water Withdrawal and Use Reports and approval of payment of fees in the amount of \$11,786.74 to the Arizona Department of Water Resources
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<b>Approved By:</b>	<b>Date:</b>
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<b>City Manager:</b> Craig McConnell	<b>3-18-13</b>
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### Item Summary

Several annual reports for Calendar Year 2012 are required to be submitted to the Arizona Department of Water Resources (ADWR) by March 31, 2013. These include the Annual Withdrawal and Use Report, Assured Water Supply Provider Supplement, Recovery Well Reports, and Underground Water Storage Report.

Water users who pump groundwater from non-exempt wells in Active Management Areas must report withdrawals annually to ADWR. This information enables ADWR to determine how much and where water is being used.

Users are also required to pay annual fees for groundwater withdrawal and recovery of long term storage credits. The fees are used to offset the cost of managing these resources, and to fund augmentation projects and conservation efforts. The 2012 fees payable by the City of Prescott total \$11,786.74.

### Budget

Funding is available for payment in the amount of \$11,786.74 from the Water Fund (Production – Licenses and Permits).

### Attachments

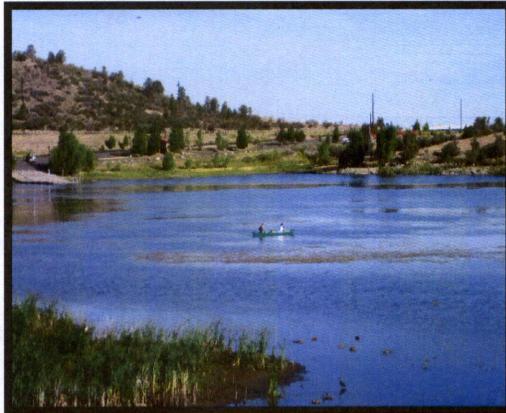
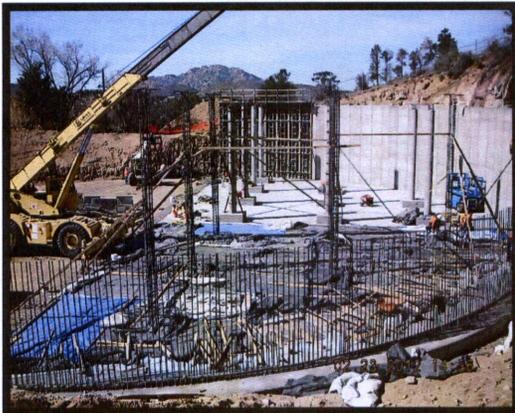
- City of Prescott Annual Water Withdrawal and Use Report Calendar Year 2012
- ADWR 2012 Provider Summary, Page 1 only

<b>Recommended Action:</b> <b>MOVE</b> to approve the payment of fees in the total amount of \$11,786.74 to the Arizona Department of Water Resources for 2012 Annual Water Withdrawal and Use.
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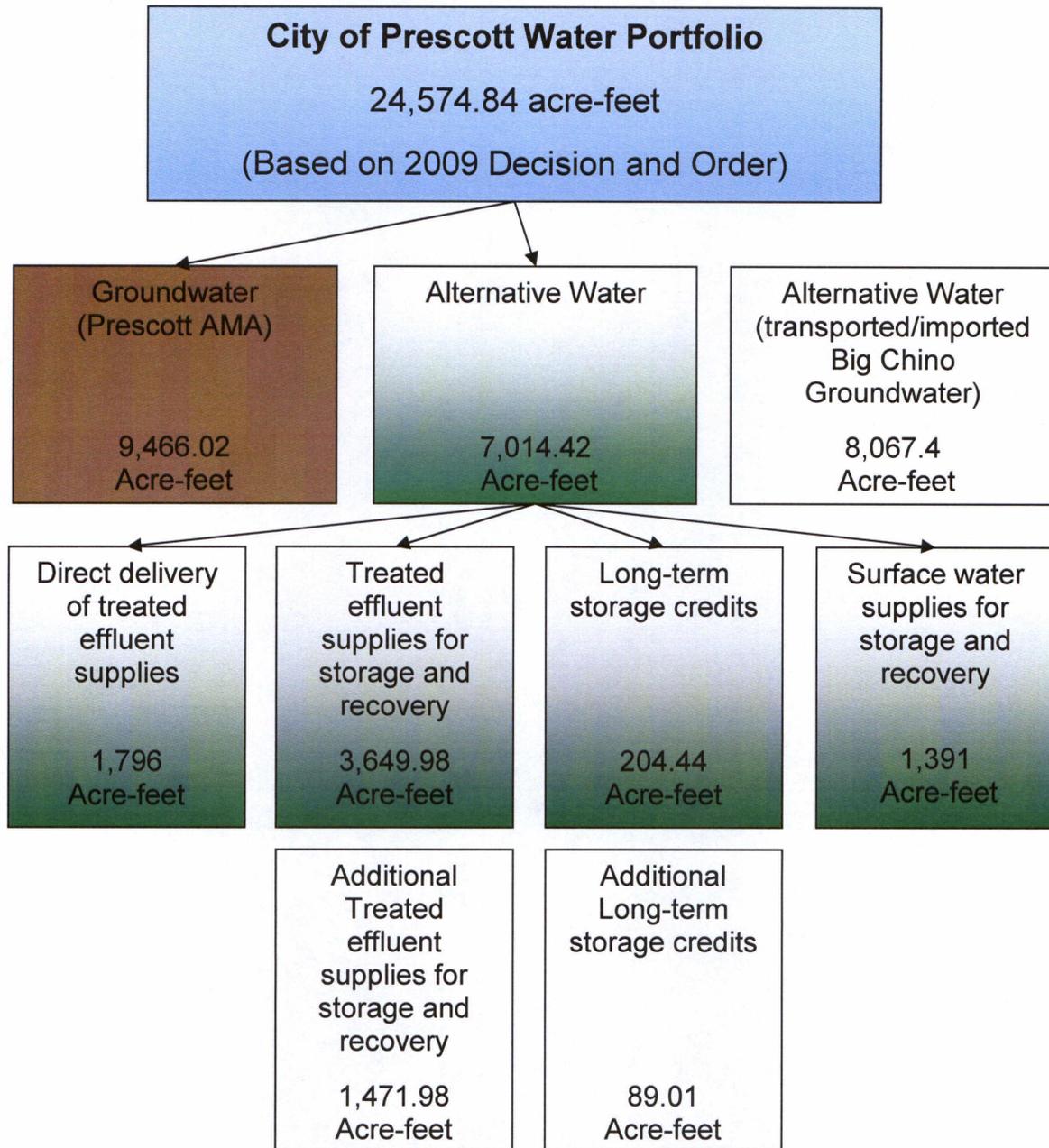
# ANNUAL WATER WITHDRAWAL and USE REPORT

## Calendar Year 2012



# Resource: The Water Portfolio

Figure 1

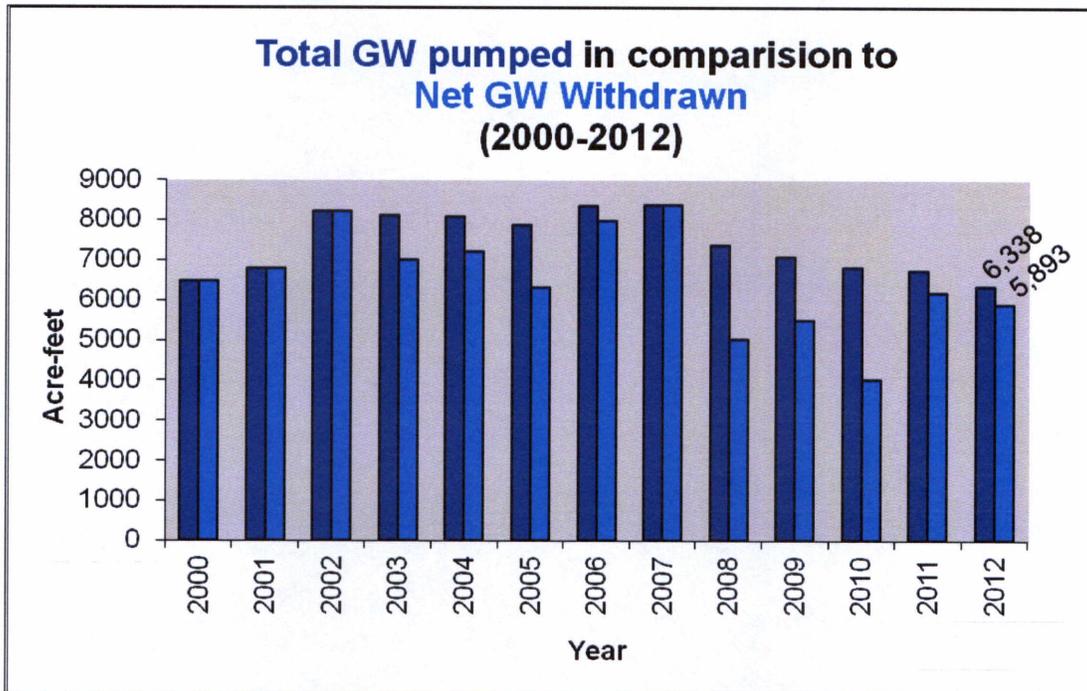


The boxes without color and connecting arrows are new volumes of water which will be addressed a Long-term Water Management Plan. Certain volumes have existing contracts or reservations.

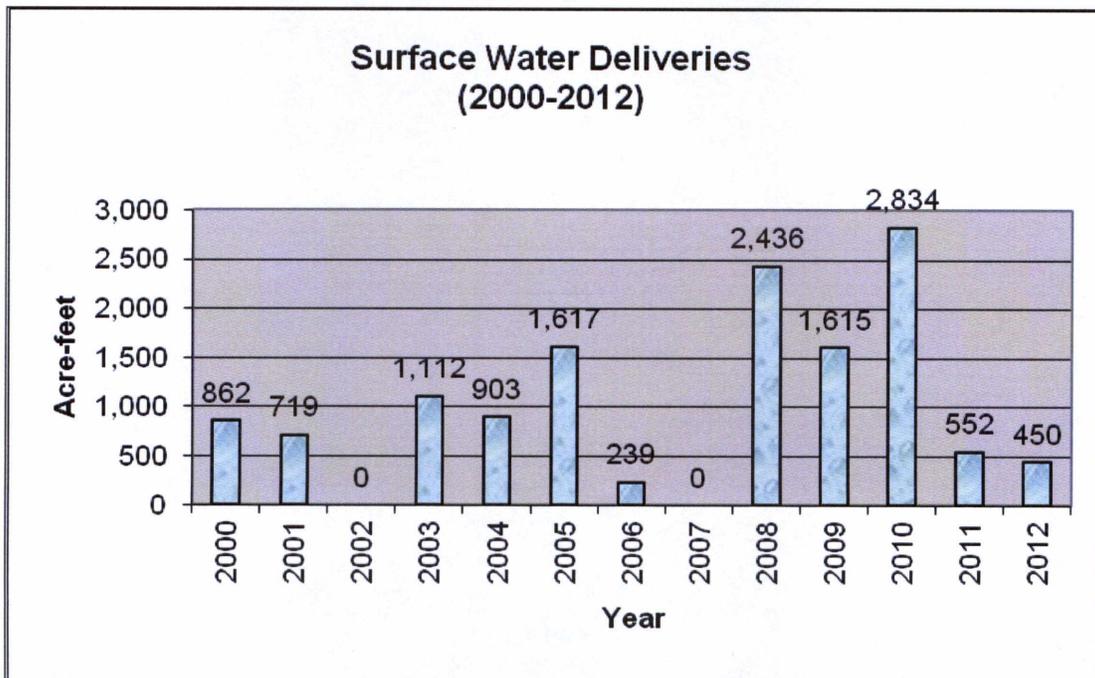
1 Acre-foot = 325,851 gallons

# Demand: 2012 Water Withdrawal and Use

**Figure 2**



**Figure 3**



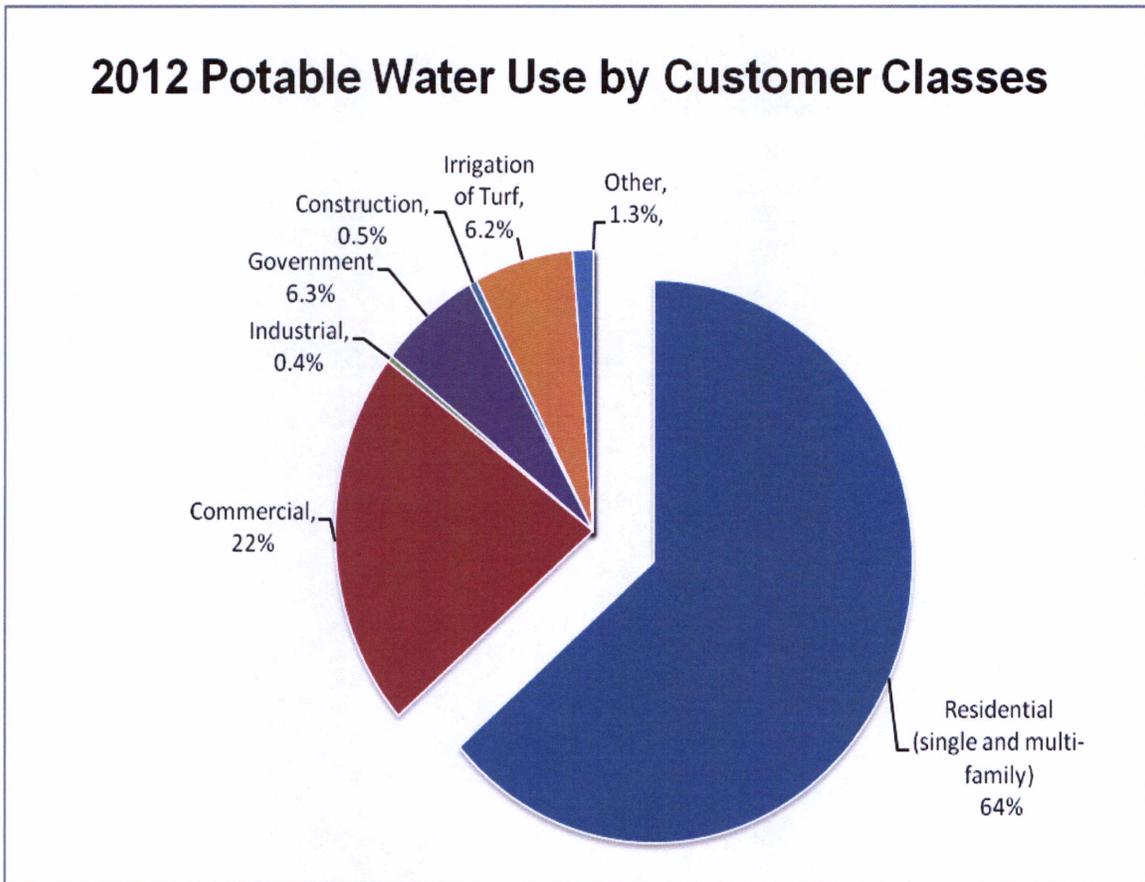
**Table 1**

<b>2012 Total Treated Effluent Recharge and Direct Delivery: 3,873 acre-feet</b>	
<u>Place of Use</u>	<u>Volume (acre-feet)</u>
Airport WRF deliveries to the Recharge Facility	715
Sundog WWTP deliveries to the Recharge Facility	1,631
<b>Total Volume to Recharge</b>	<b>2,346</b>
Direct delivery to Antelope Hills Golf Course	792
Direct delivery to Prescott Lakes Golf Course	432
Direct delivery to Hassayampa Golf Course	250
Direct delivery to Hanson	53
<b>Total Volume to direct delivery</b>	<b>1,527</b>

**Table 2**

<b>2012 Current &amp; Committed Demand (acre-feet)</b>	
<b>Groundwater</b>	
Current Demand (2000-2012 avg)	7,442
Pre-1998 Unbuilt Final Plats	1,159
Pre-1998 Preliminary Plats	1,234
<b>Total Current &amp; Committed Groundwater Demand: 9,835</b>	
<b>Alternative (Alt) Water</b>	
<b>Total Current &amp; Committed Alt Water</b> Treated effluent storage and recovery, direct use, reservations, long-term storage credits and surface water	<b>4,897</b>
<b>Unallocated 1999-2012 Water Mgt Budget</b>	<b>467</b>
<b>Unallocated 2009 D&amp;O Alt Water</b> 1,471 AF – 500 AF Deep Well 2 settlement – 234 AF State Land reservation	<b>738</b>
<b>Unallocated 2009 D&amp;O Alt (transport) Water</b> 8067 AF – 3,702 Prescott Valley portion – 900 AF Deep Well 3 settlement	<b>3,465</b>

**Figure 4**



Effective September 2009, the City has been regulated under the state's "Modified Non-Per Capita Conservation Program". Each year the City must implement a public education program and five additional water conservation measures (Best Management Practices), and file a "Conservation Efforts Report".

**Table 3**

<b>Best Management Practice</b>	<b>2012 Activities and Results</b>
<b>Local and/or Regional Messaging</b>	<p>Continued strong communication program through:</p> <ul style="list-style-type: none"> <li>▪ Water Smart racks (9 locations –18 cards, Conservation Handbook, and other water related materials)</li> <li>▪ Monthly billing inserts with seasonally appropriate topics</li> <li>▪ Radio commercials (60 second and 30 second announcements)</li> <li>▪ Participation and/or sponsorship at community education venues including Earth Day, Highland Center's native plant sale, and Yavapai County Contractors Association 2011 Home and Garden show</li> <li>▪ City Conservation webpage</li> </ul>
<b>Youth Conservation Education Program</b>	<ul style="list-style-type: none"> <li>▪ Interactive water education display continues to be on display at the SPOT a Children's Museum located in the Mall.</li> <li>▪ The regional water groups (YCWAC and UVRWPC) are funding partners with the City supporting Arizona Project WET and Wild over Water Programs</li> <li>▪ Yearly water conservation content in the Prescott Public Library Viewery</li> <li>▪ Water Conservation Coordinator is a certified Arizona Project WET facilitator and docents classroom events</li> </ul>
<b>Residential Interior Retrofit Programs</b>	<p>The City's incentive program to replace high water use interior plumbing fixtures with low and/or high-efficiency fixtures has had consistent participation by customers</p> <ul style="list-style-type: none"> <li>▪ Lower participation in FY13</li> <li>▪ Replacement of toilets alone has resulted in a cumulative savings of 164 acre-feet (FY06 to date)</li> <li>▪ Toilet replacement and turf removal continue to be the most popular credits processed, and rainwater harvesting systems continuing to gain interest</li> </ul>
<b>Landscape Water Restrictions</b>	<p>Time of Day-Outdoor Watering Restrictions, City Code 3-10-14 (effective April 15 to November 1) limits outdoor watering with sprinkler systems between the hours of 8pm and 8am</p>
<b>Incentives (Outdoor) – Landscape Conservation Rebate/Incentive</b>	<p>The incentive for turf removal has been one of the most effective in terms of total water saved to date – a cumulative amount of 202 acre-feet/year since 2006 by removing 413,618 sq. ft. There have been 296 applicants and contractors involved.</p>
<b>Public Education – Outdoor Landscaping</b>	<p>In 2012 the City made <i>Prescott Water Smart Outdoor Living</i>, an interactive web application available. It provides both the private homeowner and the landscaping trade a tool to view low water plant materials, analyze and create watering zones, and develop landscaping plans that are both pleasing and low water use.</p>

Overall the incentive program water savings (FY 2006 to date) = 610 acre-feet. In FY12, 171 applications were processed resulting in the installation of 119 water smart products.

**Table 4**

<b>Summary of 2012 Water Withdrawals (acre-feet) and associated fees</b>	
Water pumped by City Wells	6,758.39
Surface Water Storage and Recovery	444.51
Treated effluent recovery	420.51
<b>Net Groundwater Withdrawal</b>	<b>5893.37</b>

Volume (acre-feet)	Fee	Result
5893.37	\$2/acre-foot	\$11,786.74
<b>Total 2011 Withdrawal and Use Fee</b>		<b>\$11,786.74</b>

Last year the City paid \$12,443.10 in fees.

# ANNUAL WATER WITHDRAWAL AND USE REPORT PROVIDER SUMMARY 2012

A 2  
AWS 1  
D 1  
F1 1  
G2 3  
G4 1  
S 1  
WI 3

OWNER OF GROUNDWATER RIGHT

CITY OF PRESCOTT  
ATTN: LESLIE GRASER  
P.O. BOX 2059  
PRESCOTT AZ 86302

**TYPE OF RIGHT**  
LARGE MUNICIPAL PROVIDER MNPCCP

**RIGHT / PERMIT NO.**  
56-003017.0000

REPORTING PARTY  
56-003017.0000  
CITY OF PRESCOTT  
ATTN: LESLIE GRASER  
P.O. BOX 2059  
PRESCOTT AZ 86302



PRESCOTT AMA (602) 771-8585

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I GROUNDWATER WITHDRAWN

From Box 14, Schedule A attached

5893.37 X \$ 2.00 = \$ 11,786.74

ACRE - FEET X Withdrawal Fee =

### PART II WATER DELIVERED TO OTHER RIGHTS

From Box 24 Schedule D attached

33.08 ACRE - FEET

### PART III WATER RECEIVED FROM OTHER RIGHTS

Total from Schedule E attached

0 ACRE - FEET

### PART IV LATE FEES

Complete if filing after March 31. NOTE: A portion of a month after March 31 is counted as a full month.

0

1) Enter number of months late  
(Maximum of 6)

\$ 0

2) Calculate Late Report Fee  
(\$25.00 X number of months late)

\$ 0

3) Calculate Late Payment Fee  
(10 % X number of months late X  
withdrawal fee calculated in Part I)

### PART V TOTAL FEES DUE

Add amounts from Parts I and IV

\$ 11,786.74

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2013. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2013.

REPORTS FILED AFTER MARCH 31, 2013 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X Leslie Graser AUTHORIZED SIGNATURE Water Resource Specialist TITLE 3/15/13 DATE

Leslie Graser PRINTED NAME (928) 777-1144 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THIS RIGHT.

<b>COUNCIL AGENDA MEMO – March 26, 2013</b>	
<b>DEPARTMENT:</b>	Public Works
<b>AGENDA ITEM:</b>	Approval of sole source purchase of two (2) traffic signal controller cabinets from Econolite Control Products, Inc., in the total amount of \$24,920.40

<b>Approved By:</b>		<b>Date:</b>
<b>Department Head:</b>	Mark Nietupski	3/18/2013
<b>Finance Director:</b>	Mark Woodfill	
<b>City Manager:</b>	Craig McConnell <i>Craig McConnell</i>	3-18-13

**Item Summary**

This item is for the purchase of two (2) traffic signal controller cabinets to replace malfunctioning units at two intersections. Due to the complexity of signal controllers and in order to simplify troubleshooting and reduce costly inventory of spare parts, the City has used only Econolite cabinets for many years. These devices are required to maintain safe traffic flow.

**Background**

Public Works operates and maintains traffic signals at 51 intersections within the City. Preventive maintenance evaluations have identified two (2) controller cabinets which need to be replaced: Mt. Vernon Avenue / Gurley Street, and Miller Valley Street / Schemmer Drive. These units have ongoing technical problems and an increasing probability of complete computer system failure, necessitating costly emergency repairs, causing traffic congestion, and reducing safety.

Pursuant to Section 9 (E) of the City Procurement Code, the attached cost proposal was solicited from Econolite Control Products, Inc., Fullerton, CA, on a sole source basis.

**Budget**

2 Econolite Traffic Cabinets (CAB12131) @ \$11,400.00 each:	\$22,800.00
Tax:	<u>\$ 2,120.40</u>
Total Amount:	\$24,920.40

FY 13 Funding in the total amount of \$24,920.40 including taxes is available in the Highway Users Revenue Fund (HURF) for this equipment.

**Attachment** – Econolite Control Products, Inc., proposal dated 3-6-13

**Recommended Action:** **MOVE** to approve the sole source purchase of two (2) traffic signal controller cabinets from Econolite Control Products, Inc., in the total amount of \$24,920.40.



# ECONOLITE

Date: March 6, 2013

<b>To:</b>	<b>Prescott; City of</b> <b>440 N. Mount Vernon</b> <b>Prescott, AZ 86301</b> <b>Attn: Ken Sarvis</b>	<b>Re: Prescott Spare Cabinets</b> <b>Econolite Reference: Q-04397-G2N4</b> <b>Quote #: WSQ-021313</b>
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Item #	Part #	Qty	Description	Price per	Extended
1	CAB12131	2	CAB12131 Traffic Cabinet	\$11,400.00	\$22,800.00
SubTotal					\$22,800.00
Shipping & Handling*					0
				Taxes** 9.3%	\$2,120.40
<b>TOTAL</b>					<b>\$24,920.40</b>

Unless specifically requested or noted on this quotation, the product(s) quoted herein may or may not comply with any Buy America requirements.

Quote Valid For: 120 Days  
 FOB: Econolite Factory  
 Terms: Net 30  
 \*Shipping: Included  
 \*\*Taxes: Noted Above

*Lori MacIntyre*

Lori MacIntyre-Account Manager  
 Mobile: 714-392-2318  
 lmacintyre@econolite.com

Delivery: 8-10 weeks ARO, approved credit terms and submittal approval when applicable

3360 E. La Palma Ave. Anaheim, CA 92806









**COUNCIL AGENDA MEMO – March 26, 2013**

**DEPARTMENT:** Public Works

**AGENDA ITEM:** Adoption of Ordinance No. 4854-1311 to amend Title VIII, Chapter 8-1, Section 8-1-2 of Prescott City Code pertaining to repair and maintenance of sidewalks and alleys

**Approved By:**

**Date:**

<b>Department Head:</b> Mark Nietupski	3/18/2013
<b>Finance Director:</b> Mark Woodfill	
<b>City Manager:</b> Craig McConnell 	3-18-13

**Item Summary**

Approval of this item will amend City Code Title VIII, Chapter 8-1, Section 8-1-2 pertaining to the repair and maintenance of sidewalks and alleys within Prescott.

**Background**

There are 111 miles of sidewalk within Prescott City limits with a replacement value estimated to be over \$21 Million.

Chapter 8 of the Prescott City Code essentially provides that all owners of property abutting or fronting any public sidewalk within the corporate limits of the City are required to keep these public sidewalks clean and free of snow, ice and debris, and in good order and repair.

Property owners are also required to remove all dirt, debris, rubbish, garbage, weeds and brush, maintain driveway culverts, alleys and street parkways adjacent to buildings, grounds or premises.

City financial resources are insufficient to address all maintenance needs associated with sidewalks and public ways. HURF Funding is projected to continue to decline going forward and the 1% Sales Tax for Streets and Open Space drops to 3/4% for Streets and Rights-of-way January 1, 2016.

Sidewalks are community assets which require periodic maintenance and repair. Communities consist of individuals who have chosen to reside and/or own property therein. This choice brings to these individuals both rights, and responsibilities to the overall community. Maintenance and repair of sidewalks and adjacent parkways comprise one such responsibility, which benefits the entire community.

**Agenda Item:** Adoption of Ordinance No. 4854-1311 to amend Title VIII, Chapter 8-1, Section 8-1-2 of Prescott City Code pertaining to repair and maintenance of sidewalks and alleys

In recent months staff reviewed this section of City Code to address sidewalk repairs and the process for notice to responsible parties to recover the cost of repairs made by the City if a responsible party fails to make required repairs. New language includes the process for review of objections to assessments made for repairs completed by the City.

The Code revision further clarifies that it shall not be the responsibility of property owners to remove trees within the right-of-way and effect sidewalk repairs where damage has occurred due to tree roots.

The amended Code section also provides the City discretion to replace, reconstruct, or rebuild any sidewalk within the corporate limits without charge to an abutting property owner subject to the availability of funds in any given year.

Amended Title VIII, Chapter 8-1, Section 8-1-2 is attached in its entirety; new language added follows in the underlined text below.

(B) IT SHALL NOT BE THE RESPONSIBILITY OF AN ABUTTING PROPERTY OWNER TO REMOVE TREES, BRANCHES OR TREE ROOTS WITHIN THE LIMITS OF A CITY SIDEWALK OR STREET RIGHT-OF-WAY OR TO REPAIR A SIDEWALK ABUTTING A PROPERTY WHERE A TREE IN THE CITY RIGHT-OF-WAY IS THE PRIMARY CAUSE OF (i) THE DAMAGE TO, OR (ii) NEED FOR REPAIR OF THE SIDEWALK.

~~(B)~~(C) In the event that the condition of a sidewalk is in disrepair, the city may at its discretion, through the public works director, notify the responsible party that repairs are necessary to put such sidewalk in good order and such responsible party shall complete such repairs as specified in such notice. If the responsible party fails to make the required repairs, the city may undertake to do said repairs.

(D) WHENEVER THE PUBLIC WORKS DIRECTOR SHALL REPAIR OR RENEW ANY SIDEWALK OR PORTION THEREOF, AS PROVIDED IN THE PRECEDING SECTION, HE SHALL, WITHIN TEN (10) DAYS AFTER COMPLETION OF SUCH REPAIR OR RENEWAL, FILE IN THE OFFICE OF THE CLERK AND DELIVER BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED TO THE OWNER OR OWNERS OF THE ABUTTING PROPERTY, A VERIFIED AND ITEMIZED STATEMENT OF THE COST OF SUCH REPAIRS OR RENEWAL, WHICH STATEMENT WHEN SO FILED SHALL BE DEEMED AND TAKEN AS PRIMA FACIE EVIDENCE OF THE COST OF SUCH REPAIRS OR RENEWALS, AND UNLESS SUCH OWNER OR OWNERS FILE WITH THE PUBLIC WORKS DIRECTOR OBJECTIONS IN WRITING THERETO WITHIN TEN (10) DAYS AFTER THE FILING OF SUCH STATEMENT,

**Agenda Item:** Adoption of Ordinance No. 4854-1311 to amend Title VIII, Chapter 8-1, Section 8-1-2 of Prescott City Code pertaining to repair and maintenance of sidewalks and alleys

SUCH STATEMENT SHALL BE CONCLUSIVE EVIDENCE OF THE AMOUNT OF SUCH COST.

(E) IF AN OBJECTION IS TIMELY SUBMITTED PURSUANT TO PARAGRAPH (C) OF THIS SECTION, THE PUBLIC WORKS DIRECTOR OR HIS DESIGNEE SHALL REVIEW THE OBJECTIONS.

I. IF IT IS DETERMINED THAT A VALID OBJECTION TO THE INITIAL DETERMINATION OF COST OF REPAIRS HAS BEEN SET FORTH, A NOTICE WILL BE SENT TO THE OWNER OR OWNERS THAT A REDUCED OR NO ASSESSMENT WILL BE MADE FOR THAT PARTICULAR REPAIR OR RENEWAL. THE NOTICE SHALL SPECIFICALLY SET FORTH THE FINDINGS AND CONCLUSIONS OF THE PUBLIC WORKS DIRECTOR OR HIS DESIGNEE WITH RESPECT TO THE REVIEW OF THE INITIAL ASSESSMENT.

II. IF THE PUBLIC WORKS DIRECTOR OR HIS DESIGNEE DETERMINES THAT A DEFENSE TO THE INITIAL NOTICE OF ASSESSMENT HAS NOT BEEN SET FORTH, A NOTICE OF DECISION SHALL BE SENT BY MAIL TO THE OWNER OR OWNERS THAT HE WILL BE ASSESSED PURSUANT TO THIS SECTION. THE NOTICE OF DECISION SHALL CONTAIN THE SPECIFIC FINDINGS AND CONCLUSIONS OF THE PUBLIC WORKS DIRECTOR OR HIS DESIGNEE WITH RESPECT TO THE REVIEW OF THE INITIAL ASSESSMENT.

(F) NOTWITHSTANDING SECTION 8-1-2(B), THE CITY THROUGH ITS PUBLIC WORKS DIRECTOR IN ITS SOLE DISCRETION MAY UNILATERALLY REPLACE, RECONSTRUCT OR REBUILD ANY SIDEWALK WITHIN THE CORPORATE LIMITS WITHOUT CHARGE TO AN ABUTTING PROPERTY OWNER OR OWNERS; PROVIDED, HOWEVER THAT ANY DAMAGE TO A SIDEWALK REQUIRING REPLACEMENT, RECONSTRUCTION OR REBUILDING OF SUCH SIDEWALK THAT IS CAUSED BY AN ABUTTING PROPERTY OWNER, OR ANY TENANT, AGENT, SERVANT, EMPLOYEE OR CONTRACTOR OF SUCH OWNER, SHALL BE REPAIRED, REPLACED OR REBUILT BY SUCH PROPERTY OWNER. THE CITY COUNCIL MAY PROVIDE AN ANNUAL FUND TO UNDERTAKE SUCH WORK, PROVIDED, HOWEVER, THAT ANY SUCH FUNDING SHALL BE SUBJECT TO THE CITY'S AVAILABLE FUNDING RESOURCES FOR A GIVEN FISCAL YEAR.

**Agenda Item:** Adoption of Ordinance No. 4854-1311 to amend Title VIII, Chapter 8-1, Section 8-1-2 of Prescott City Code pertaining to repair and maintenance of sidewalks and alleys

**Budget**

Funding in a given fiscal year will be subject to the availability of revenue and City Council approval of an allocation of funds for the purpose of sidewalk repairs and reconstruction.

**Attachments** - Ordinance No. 4854-1311

**Recommended Action:** MOVE to adopt Ordinance No. 4854-1311.

**ORDINANCE NO. 4854-1311**

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT YAVAPAI COUNTY, ARIZONA, AMENDING TITLE 8, CHAPTER 8-1, SECTION 8-1-2 OF THE PRESCOTT CITY CODE REGARDING REPAIR AND MAINTENANCE OF SIDEWALKS AND ALLEYS.

**RECITALS:**

**WHEREAS** A.R.S. §9-276 permits a municipality to regulate the use of sidewalks and require the owner or occupant of premises to keep the sidewalks in front of or along the premises free from obstruction..

**ENACTMENTS:**

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:**

SECTION 1. That Prescott City Code Section 8-1-2 (REPAIR AND MAINTENANCE OF SIDEWALKS AND ALLEYS) be amended as follows:

(A) All owners and/or agents of owners and/or persons (and/or their agents) in possession of property (hereinafter collectively referred to as the "responsible party") abutting or fronting any sidewalk within the corporate limits of the city are required to keep the public sidewalks immediately abutting or fronting their property clean and free of snow, ice and debris, and in good order and repair. The responsible party shall be liable to the city for all losses to the city or recoveries from or claims against the city for damages to person or property caused by the failure of the responsible party to repair and keep in good order and reasonably safe condition all such sidewalks abutting and fronting his/her property within the corporate limits of the city. "Property" as used herein shall not be deemed to include public streets or public rights of way.

(B) IT SHALL NOT BE THE RESPONSIBILITY OF AN ABUTTING PROPERTY OWNER TO REMOVE TREES, BRANCHES OR TREE ROOTS WITHIN THE LIMITS OF A CITY SIDEWALK OR STREET RIGHT-OF-WAY OR TO REPAIR A SIDEWALK ABUTTING A PROPERTY WHERE A TREE IN THE CITY RIGHT-OF-WAY IS THE PRIMARY CAUSE OF (i) THE DAMAGE TO, OR (ii) NEED FOR REPAIR OF THE SIDEWALK.

~~(B)~~(C) In the event that the condition of a sidewalk is in disrepair, the city may at its discretion, through the public works director, notify the responsible party that repairs are necessary to put such sidewalk in good order and such responsible party shall complete such repairs as specified in such notice. If the responsible party fails to make the required repairs, the city may undertake to do said repairs.

(D) WHENEVER THE PUBLIC WORKS DIRECTOR SHALL REPAIR OR RENEW ANY SIDEWALK OR PORTION THEREOF, AS PROVIDED IN THE PRECEDING SECTION, HE SHALL, WITHIN TEN (10) DAYS AFTER COMPLETION OF SUCH REPAIR OR RENEWAL, FILE IN THE OFFICE OF THE CLERK AND DELIVER BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED TO THE OWNER OR OWNERS OF THE ABUTTING PROPERTY, A VERIFIED AND ITEMIZED STATEMENT OF THE COST OF SUCH REPAIRS OR RENEWAL, WHICH STATEMENT WHEN SO FILED SHALL BE DEEMED AND TAKEN AS PRIMA FACIE EVIDENCE OF THE COST OF SUCH REPAIRS OR RENEWALS, AND UNLESS SUCH OWNER OR OWNERS FILE WITH THE PUBLIC WORKS DIRECTOR OBJECTIONS IN WRITING THERETO WITHIN TEN (10) DAYS AFTER THE FILING OF SUCH STATEMENT, SUCH STATEMENT SHALL BE CONCLUSIVE EVIDENCE OF THE AMOUNT OF SUCH COST.

(E) IF AN OBJECTION IS TIMELY SUBMITTED PURSUANT TO PARAGRAPH (C) OF THIS SECTION, THE PUBLIC WORKS DIRECTOR OR HIS DESIGNEE SHALL REVIEW THE OBJECTIONS.

I. IF IT IS DETERMINED THAT A VALID OBJECTION TO THE INITIAL DETERMINATION OF COST OF REPAIRS HAS BEEN SET FORTH, A NOTICE WILL BE SENT TO THE OWNER OR OWNERS THAT A REDUCED OR NO ASSESSMENT WILL BE MADE FOR THAT PARTICULAR REPAIR OR RENEWAL. THE NOTICE SHALL SPECIFICALLY SET FORTH THE FINDINGS AND CONCLUSIONS OF THE PUBLIC WORKS DIRECTOR OR HIS DESIGNEE WITH RESPECT TO THE REVIEW OF THE INITIAL ASSESSMENT.

II. IF THE PUBLIC WORKS DIRECTOR OR HIS DESIGNEE DETERMINES THAT A DEFENSE TO THE INITIAL NOTICE OF ASSESSMENT HAS NOT BEEN SET FORTH, A NOTICE OF DECISION SHALL BE SENT BY MAIL TO THE OWNER OR OWNERS THAT HE WILL BE ASSESSED PURSUANT TO THIS SECTION. THE NOTICE OF

DECISION SHALL CONTAIN THE SPECIFIC FINDINGS AND CONCLUSIONS OF THE PUBLIC WORKS DIRECTOR OR HIS DESIGNEE WITH RESPECT TO THE REVIEW OF THE INITIAL ASSESSMENT.

(F) NOTWITHSTANDING SECTION 8-1-2(B), THE CITY THROUGH ITS PUBLIC WORKS DIRECTOR IN ITS SOLE DISCRETION MAY UNILATERALLY REPLACE, RECONSTRUCT OR REBUILD ANY SIDEWALK WITHIN THE CORPORATE LIMITS WITHOUT CHARGE TO AN ABUTTING PROPERTY OWNER OR OWNERS; PROVIDED, HOWEVER THAT ANY DAMAGE TO A SIDEWALK REQUIRING REPLACEMENT, RECONSTRUCTION OR REBUILDING OF SUCH SIDEWALK THAT IS CAUSED BY AN ABUTTING PROPERTY OWNER, OR ANY TENANT, AGENT, SERVANT, EMPLOYEE OR CONTRACTOR OF SUCH OWNER, SHALL BE REPAIRED, REPLACED OR REBUILT BY SUCH PROPERTY OWNER. THE CITY COUNCIL MAY PROVIDE AN ANNUAL FUND TO UNDERTAKE SUCH WORK, PROVIDED, HOWEVER, THAT ANY SUCH FUNDING SHALL BE SUBJECT TO THE CITY'S AVAILABLE FUNDING RESOURCES FOR A GIVEN FISCAL YEAR.

~~(G)~~(G) All owners or agents of owners or persons (or their agents) in possession of property abutting or fronting any alley within the corporate limits of the city are required to keep the alley immediately abutting or fronting their property clean and free of debris and rubbish. Each owner shall be liable to the city for all losses to the city or recoveries from or claims against the city for damages to person or property caused by his or her failure or that of his/her agents to keep such alleys abutting and fronting his/her property within the corporate limits of the city free of any and all debris and rubbish.

~~(D)~~(H) It shall be unlawful for any person to place or maintain an encroachment or obstruction upon, damage or otherwise use or occupy a sidewalk for any purpose other than authorized public travel unless authorized to do so by a permit issued by the public works department, pursuant to a permit issued in accordance with chapter 9 of this title, or as allowed by section 8-2-4 of this title.

SECTION 2. That the Mayor and staff are authorized to take any action necessary to enact this Ordinance.

ORDINANCE NO. 4854-1311

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott, Arizona on this \_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
MARLIN KUYKENDALL  
Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
LYNN MULHALL  
City Clerk

\_\_\_\_\_  
JON M. PALADINI  
City Attorney

## COUNCIL AGENDA MEMO – March 26, 2013

**DEPARTMENT:** Field & Facilities Services

**AGENDA ITEM:** Adoption of Resolution No. 4165-1326 approving an Intergovernmental Agreement with the City of Phoenix for temporary use of a Kubota articulated loader and transport trailer (City Contract No. 2013-157)

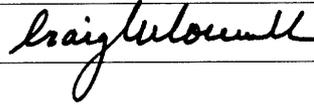
**Approved By:**

**Date:**

**Department Head:** Stephanie Miller

**Finance Director:** Mark Woodfill

**City Manager:** Craig McConnell



3-21-13

### Summary

The Field and Facilities Services Department requests approval of an Intergovernmental Agreement (IGA) to borrow one (1) each Kubota articulated front loader and one (1) each transport trailer from the City of Phoenix. The Kubota articulated loader will be used during our Annual Spring Cleanup to assist in loading bulky items into Solid Waste vehicles.

### Background

The Solid Waste Division performs an annual City-wide bulk item cleanup during which residents can place items curbside for pickup. These include boxed, bagged, or bundled brush, appliances, furniture, and various household items which are too large for the standard residential container.

The Division is continuously reviewing operational methods to maximize safety and efficiency. In 2012 the City Council approved purchase of a rear loading truck for this purpose, reducing manual methods.

The City of Phoenix utilizes a Kubota articulated loader to pick up and place large items into a rear loader. This IGA will allow the Division to test the automated collection process by using the borrowed Kubota during the 2013 annual cleanup. Using the Kubota during the cleanup should allow for faster service times and limited manual lifting. If the collection method is validated through the test, purchase of a used Kubota articulated loader may be pursued; in such event future Council approval would be required.

### Financial Impact

The City of Phoenix has a fleet of more than 50 Kubota articulated loaders which are used daily for various purposes including their bulk item pickup program. The unit that the Solid Waste Division will borrow via the IGA is a surplus piece of equipment. The City of Phoenix is not charging Prescott to borrow the Kubota articulated loader and transport trailer.

**Recommended Action:** MOVE to adopt Resolution No. 4165-1326



**RESOLUTION NO. 4165-1326**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE CITY OF PRESCOTT TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PHOENIX FOR THE PURPOSE OF BORROWING ONE (1) EACH KUBOTA ARTICULATED LOADER, AND ONE (1) EACH TRANSPORT TRAILER, AND AUTHORIZING THE MAYOR AND STAFF TO TAKE ANY AND ALL STEPS NECESSARY TO ACCOMPLISH THE ABOVE.**

**RECITALS:**

WHEREAS, the Prescott Field and Facilities Services Department is seeking approval of an Intergovernmental Agreement (“IGA”) between the City of Prescott and the City of Phoenix, for the purpose of borrowing one (1) each Kubota articulated loader, and one (1) each transport trailer, to be used on a test basis for Prescott’s upcoming Annual Spring Cleanup; and

WHEREAS, on March \_\_, 2013, the City of Phoenix approved entering into an IGA with the City of Prescott to loan said pieces of equipment to Prescott.

**ENACTMENTS:**

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

Section 1. THAT the City of Prescott hereby approves the attached Intergovernmental Agreement (Exhibit “A”) with the City of Phoenix.

Section 2. THAT the Mayor and Staff are hereby authorized to execute the attached IGA with the City of Phoenix and to take any and all steps deemed necessary to accomplish the above.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott on this 26<sup>th</sup> day of March, 2013.

\_\_\_\_\_  
MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Lynn Mulhall, City Clerk

\_\_\_\_\_  
John M. Paladini, City Attorney

\_\_\_\_\_  
MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Lynn Mulhall, City Clerk

\_\_\_\_\_  
John M. Paladini, City Attorney

**INTERGOVERNMENTAL AGREEMENT NO. 2013-157**

This Intergovernmental Agreement (the "Agreement") is entered into pursuant to Arizona Revised Statutes (A.R.S.) Section 11-952 between the City of Phoenix, Public Works Department (hereinafter referred to as the "City") and the City of Prescott (hereinafter referred to as Prescott / Contractor) jointly known as the "Parties".

**RECITALS**

- a. The City is empowered to enter into this Agreement pursuant to Chapter 2, Section 2(i) of the Phoenix City Code and is authorized to enter into this Agreement by appropriate action of its City Council.
- b. Prescott is empowered to enter into the Agreement pursuant to Article I, Section 3, Article II, Section I and Article XIII, Section B of the Prescott City Charter and is authorized to enter into this Agreement by appropriate action by its City Council.
- c. The City and Prescott are empowered to enter in this Agreement pursuant to A.R.S. Section 11-952.
- d. The City desires to loan and Prescott wishes to utilize one articulating loader and one transportation trailer owned by the City.

**AGREEMENT**

**I. TERM**

The City will loan, at no charge, one articulating loader and one transport trailer to Prescott to use from \_\_\_\_\_ through \_\_\_\_\_.

Prescott will not allow anyone other the Prescott City employees that are trained and authorized to operate this type of equipment while in their care.

Prescott will be responsible for any major damage, theft of vehicle, or fire damage as well as any regular maintenance required while the articulating loader and transportation trailer are in Prescott's care. A joint inspection of the equipment will be conducted by the Parties at the time the equipment is picked up and again when the equipment is returned to the City. Exhibits "A" and "B" are attached hereto and are fully incorporated herein by reference.

**II. EQUIPMENT INFORMATION AND USE**

**A. KUBOTA ARTICULATING FRONT LOADER**

City of Phoenix Equipment Number: \_\_\_\_\_

Model Year: \_\_\_\_\_

Make and Model: \_\_\_\_\_

Mileage and / or hours: \_\_\_\_\_

Estimated Replacement Cost: \_\_\_\_\_

**B. EQUIPMENT TRAILER**

City of Phoenix Equipment Number: \_\_\_\_\_

Model Year: \_\_\_\_\_

Make and Model: \_\_\_\_\_

Mileage and / or hours: \_\_\_\_\_

Estimated Replacement Cost: \_\_\_\_\_

**C. DESCRIPTION OF HOW THIS EQUIPMENT WILL BE USED**

The City of Prescott will use the trailer to transport the loader back and forth to Phoenix and to and from work sites.

The loader will be used in the upcoming April annual cleanup in residential areas, much like its use in the City's bulk trash collection. It will be also used on the landfill face to repair several areas where erosion has damaged the landfill cover.

**III. ASSIGNMENT AND DELEGATION**

Neither party may assign any rights hereunder without the express, written, prior consent of both parties.

**IV. GOVERNING LAW**

This Agreement shall be constructed under the laws of the State of Arizona and shall incorporate by reference all laws governing the interagency agreements and mandatory contract provisions of the state agencies required by statute or executive order.

**V. FILING OF THE AGREEMENT**

The City shall file this agreement with the Maricopa County Recorder.

**VI. CONTRACT CANCELLATION**

All parties acknowledge that this contract is subject to cancelation pursuant to the provision of Section 35-511, Arizona Revised Statutes.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

CITY OF PHOENIX, a municipal corporation

David Cavazos, City Manager

By \_\_\_\_\_

John Trujillo, Acting Public Works Director

ATTEST:

\_\_\_\_\_

Cris Meyer

Phoenix City Clerk

Pursuant to A.R.S. Section 11-952(D), the foregoing agreement has been reviewed by the undersigned attorney for the City of Phoenix, who has determined that the agreement is in proper form and is within the powers and authority granted under the laws of this State to the City of Prescott.

\_\_\_\_\_

Gary Verburg

Phoenix City Attorney

CITY OF PRESCOTT, a municipal corporation

Craig McConnell, City Manager

By \_\_\_\_\_

Marlin Kuykendall

Mayor

ATTEST:

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Lynn Mulhall  
Prescott City Clerk

Pursuant to A.R.S. Section 11-952(D), the foregoing agreement has been reviewed by the undersigned attorney for the City of Prescott, who has determined that the agreement is in proper form and is within the powers and authority granted under the laws of this State to the City of Prescott.

---

Jon M. Paladini  
Prescott City Attorney

**EXHIBIT A**

**CONDITION OF EQUIPMENT WHEN CHECKED OUT, NOTE ALL DAMAGES.**

DATE: \_\_\_\_\_ INSPECTED BY: \_\_\_\_\_

EQUIPMENT NUMBERS: \_\_\_\_\_

**CONDITION OF EQUIPMENT WHEN RETURNED, NOTE ALL DAMAGES.**

DATE: \_\_\_\_\_ INSPECTED BY: \_\_\_\_\_

EQUIPMENT NUMBERS: \_\_\_\_\_

## EXHIBIT B

### **I. INDEMNIFICATION CLAUSE:**

Each party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

In addition, the City shall cause its contractor(s) and subcontractors, if any, to indemnify, defend, save and hold harmless the State of Arizona, any jurisdiction or agency issuing any permits for any work arising out of this Agreement, and their respective directors, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of City of Prescott contractor or any of the directors, officers, agents, or employees or subcontractors of such contractor. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by such contractor from and against any and all claims. It is agreed that such contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable.

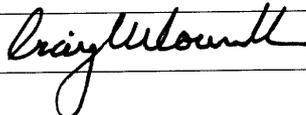
- II. NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided or canceled except after thirty (30) days prior written notice has been given to the City, except when cancellation is for non-payment of premium, then ten (10) days prior notice may be given. Such notice shall be sent directly to **(Public Works Solid Waste Field Services, Tony Miano, 101 South Central, Phoenix, AZ 85004)**.
- III. ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Arizona and with an "A.M. Best" rating of not less than B+ VI. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect the Prescott on its behalf.
- IV. VERIFICATION OF COVERAGE:** Contractor shall furnish the City with certificates of insurance (ACORD form or equivalent approved by the City) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and any required endorsements are to be received and approved by the City before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to **(Public Works Solid Waste Field Services, Tony Miano, 101 South Central, Phoenix, AZ 85004)** The City project/contract number and project description are to be noted on the certificate of insurance. The City reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE CITY'S RISK MANAGEMENT DIVISION.**

- V. **SUBCONTRACTORS:** Contractors certificates(s) shall include all subcontractors as additional insured under its policies or Contractor shall furnish to the City separate certificates and endorsements for each subcontractor. The coverage for subcontractors shall be subject to the minimum requirements identified above.
- VI. **APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made by the Law Department, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.
- VII. **EXCEPTIONS:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university then none of the above shall apply.

<b>COUNCIL AGENDA MEMO – March 26, 2013</b>	
<b>DEPARTMENT:</b> City Clerk	
<b>AGENDA ITEM:</b> Adoption of Amendment to Resolution No. 4160-1321 (authorizing the City Clerk to enter into agreements as required for the 2013 Primary, General, and Special Elections) correcting date of Alternative Expenditure Limitation to August 27, 2013.	

<b>Approved By:</b>	<b>Date:</b>
<b>Department Head:</b> Lynn Mulhall	
<b>Finance Director:</b> Mark Woodfill	
<b>City Manager:</b> Craig McConnell 	<b>3-20-13</b>

**Summary**

City Council adopted Resolution 4160-1321 on January 22, 2013. Language in Section 3, under Enactments, calls for the Home Rule Election to take place at the General Election on November 5, 2013. This is a scrivener's error and needs to be corrected to read:

SECTION 3. THAT the City of Prescott alternative expenditure limitation (home rule option) election be held on August 27, 2013 for the purpose of seeking voter approval of the City's alternative expenditure limitation for four succeeding years.

<b>Recommended Action:</b> MOVE to adopt Amendment to Resolution No. 4160-1321.
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**AMENDMENT TO RESOLUTION NO. 4160-1321**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AMENDING SECTION 3 OF RESOLUTION 4160-1321.**

**ENACTMENTS:**

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. THAT Section 3 of City of Prescott Resolution 4160-1321 be amended to state that the City of Prescott alternative expenditure limitation (home rule option) election shall be held on August 27, 2013 for the purpose of seeking voter approval of the City's alternative expenditure limitation for four succeeding years.

SECTION 2. THAT all other provisions of Resolution 4160-1321 not referenced herein shall remain unchanged.

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott this 26<sup>th</sup> day of March, 2013.

\_\_\_\_\_  
MARLIN D. KUYKENDALL  
Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
LYNN MULHALL  
City Clerk

\_\_\_\_\_  
JON M. PALADINI  
City Attorney

DATE \_\_\_\_\_

SEAL

**COUNCIL AGENDA MEMO – March 26, 2013**

**DEPARTMENT:** Airport

**AGENDA ITEM:** Approval of a letter to the Federal Aviation Administration re Essential Air Service to Prescott, Arizona, for the two-year period commencing May 1, 2013

<b>Approved By:</b>		<b>Date:</b>
<b>Department Head:</b> Jeff Tripp		
<b>Finance Director:</b> Mark Woodfill		
<b>City Manager:</b> Craig McConnell <i>Craig McConnell</i>		3-20-13

**Background**

The Essential Air Service (EAS) program was created by Congress to assure that small communities served by certificated air carriers before the 1978 Airline Deregulation Act continued to be provided with a minimum level of scheduled air service.

Mesa Airlines provided service from Prescott to Phoenix from 2001 to 2005, and from late 2007 (dba Air Midwest) until ceasing operations in early 2008. Great Lakes Aviation provided service to Phoenix from 2005 to 2007, and again in 2008 after Mesa departed. In 2008 Great Lakes also began providing service to Ontario, CA. This service quickly proved to be more popular than the service to Phoenix, and in April 2009 Great Lakes replaced service to Phoenix with new service to Denver, CO.

Currently Prescott has two daily flights to Denver International Airport and two daily flights to Los Angeles International Airport. This schedule provides 28 weekly round trip flights, exceeding the 18 weekly round trip flight minimum specified in their EAS contract.

The present EAS contract managed and funded by the Department of Transportation (DOT) is set to expire April 30, 2013. DOT issued Order 2013-1-8 on January 11<sup>th</sup> soliciting proposals from carriers interested in providing air service to Prescott for a new, two-year contract period beginning May 1, 2013 (Docket # DOT-OST-1996-1899).

Proposals were due to DOT by February 12<sup>th</sup> with an additional 3-day extension requested by SkyWest Airlines and approved by DOT to February 15<sup>th</sup>. On February 19<sup>th</sup>, the City received copies of the proposals and a request from DOT seeking comment from the City no later than March 19<sup>th</sup>. The City of Prescott requested an extension to the submittal period which the DOT granted to March 29<sup>th</sup>.

**The EAS Proposals**

Three airlines submitted proposals to provide service to Prescott: Great Lakes Aviation, Ltd. (the incumbent airline), submitted one proposal to continue service to Denver and Los Angeles; SeaPort Airlines, Inc., submitted two proposals for service to Kingman-Prescott-Phoenix or Prescott-Phoenix; and Sovereign Air, Inc., submitted one proposal

**Agenda Item:** Approval of a letter to the Federal Aviation Administration re Essential Air Service to Prescott, Arizona, for the two-year period commencing May 1, 2013

for service to Phoenix. SkyWest Airlines, although requesting an extension to the original submittal deadline, ultimately did not submit a proposal.

A summary of the proposals is as follows:

	Great Lakes	SeaPort		Sovereign
		Option 1	Option 2	
	PRC-DEN/PRC-LAX	IGM-PRC-PHX	PRC-PHX	PRC-PHX
<b>Annual Subsidy requested</b>	<b>\$ 2,094,325</b>	<b>\$ 3,101,067</b>	<b>\$ 1,603,276</b>	<b>\$ 1,834,622</b>
MINIMUM Number of trips per week EAS	18	30	26	19
Number of trips per day	3	3-4	3-4	3
Non-Stop service to	LAX	N/A	PHX	PHX
One Stop service to	Denver	Kingman	N/A	N/A
Codeshares	United and Frontier	None	None	None
Aircraft	Beech 1900D	Cessna Caravan	Cessna Caravan	BAe Jetstream 31/32
Number of Seats	19	9	9	19
<b>Estimated Annual Passenger Count</b>	<b>14,000</b>	<b>15,404</b>	<b>10,984</b>	<b>10,495</b>

All three companies have proposed 18 or more weekly round trip flights. Of these, only Great Lakes Aviation currently has codeshare agreements with major US airlines. Great Lakes Aviation and Sovereign Air propose to provide service with a 19-passenger seat turboprop aircraft, while SeaPort proposes to use a single-engine, 9-passenger turboprop aircraft.

Both SeaPort and Sovereign would fly to Terminal 2 at Phoenix Sky Harbor, requiring most passengers to switch terminals for connecting flights, and therefore experience a second security screening. The lack of gate access into Terminal 3 or 4 has been a historical issue, with most passengers opting to drive to Phoenix to catch a flight rather than flying out of Prescott on a connecting flight through Phoenix.

Great Lakes Aviation proposes to keep service levels similar to those currently provided, with flights continuing to the Denver and Los Angeles airports. Based upon the proposals submitted, and information provided above, it would be in the City's best interest to recommend that DOT award the next two-year EAS contract to Great Lakes Aviation, Ltd. Approval of the attached letter would communicate the recommendation to that federal agency.

**Recommended Action:** **MOVE** to authorize the Mayor to sign a letter recommending that the U.S. Department of Transportation award the contract for Essential Air Service for the two-year period commencing May 1, 2013, to Great Lakes Aviation, Ltd.



Marlin D. Kuykendall, Mayor

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Jim Lamerson, Mayor Pro Tem  
Charlie Arnold, Councilman  
Steve Blair, Councilman  
Alan Carlow, Councilman  
Chris Kuknyo, Councilman  
Len Scamardo, Councilman

March 26, 2013

Dennis J. DeVany, Chief  
Essential Air Service Division, X-53  
Office of Aviation Analysis  
U.S. Department of Transportation  
400 Seventh Street, S.W.  
Washington, DC 20590  
*(via email to Dennis.DeVany@dot.gov)*

Re: Essential Air Service to Prescott, Arizona, for the two-year period commencing May 1, 2013 (Docket OST-1996-1899)

Dear Mr. DeVany:

This letter is to express the City of Prescott's support for Great Lakes Aviation, Ltd., to provide essential air service to the Denver International Airport and the Los Angeles International Airport as specified in their written proposal. We would request that Great Lakes work closely with the City to develop a flight schedule ensuring that service is provided at the highest level practicable, with the goal of maximizing the number of passengers utilizing the airline and our airport.

The City of Prescott wishes to thank you for your continued support of the Essential Air Service Program at Prescott Municipal Airport. The service provided through this program is vital to the multi-modal mobility of our City and region. We look forward to future expanded airline service opportunities to markets of interest to the traveling public.

Sincerely,

Marlin D. Kuykendall  
Mayor