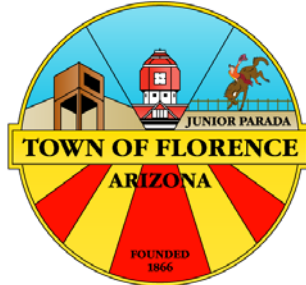


TOWN OF FLORENCE REGULAR MEETING AGENDA

Mayor Tom J. Rankin
Vice-Mayor Tara Walter
Councilmember Vallarie Woolridge
Councilmember Bill Hawkins
Councilmember Becki Guilin
Councilmember John Anderson
Councilmember Karen Wall



Florence Town Hall
775 N. Main Street
Florence, AZ 85132
(520) 868-7500
www.florenceaz.gov
Meet 1st and 3rd Mondays

Monday, September 19, 2016

6:00 PM

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the Town of Florence Council and to the general public that a Regular Meeting of the Florence Town Council will be held on Monday, September 19, 2016, at 6:00 p.m., in the Florence Town Council Chambers, located at 775 N. Main Street, Florence, Arizona. The agenda for this meeting is as follows:

1. CALL TO ORDER

2. ROLL CALL: Rankin __, Walter __, Woolridge __, Hawkins __,
Guilin __, Anderson __, Wall ____.

3. MOMENT OF SILENCE

4. PLEDGE OF ALLEGIANCE

5. CALL TO THE PUBLIC

Call to the Public for public comment on issues within the jurisdiction of the Town Council. Council rules limit public comment to three minutes. Individual Councilmembers may respond to criticism made by those commenting, may ask staff to review a matter raised or may ask that a matter be put on a future agenda. However, members of the Council shall not discuss or take action on any matter during an open call to the public unless the matters are properly noticed for discussion and legal action.

6. PRESENTATION

a. Presentation of Vallarie Woolridge's Twelve Year Service Award received from the League of Arizona Cities and Towns. (Tom Rankin)

7. CONSENT: All items on the consent agenda will be handled by a single vote as part of the consent agenda, unless a Councilmember or a member of the public objects at the time the agenda item is called.

a. Proclamation declaring October 2016 as Light Town Hall Purple for Domestic Violence Awareness Month. (Lisa Garcia)

- b. Approval of the Florence Football Booster Club's Special Event Liquor License application to the Arizona Department of Liquor Licenses and Control, for their Cow Pie Bingo event to be held at Heritage Park, on October 21, 2016. (Lisa Garcia)
- c. Approval of the San Tan United Sports Academy's Special Event Liquor License application to the Arizona Department of Liquor Licenses and Control, for the Anthem Celebrates the Arts event, at Anthem at Merrill Ranch Community Park, on November 12, 2016. (Lisa Garcia)
- d. Appoint Tom L. Smith to the Parks and Recreation Advisory Board, with a term to expire December 31, 2017. (Lisa Garcia)
- e. Approval to enter into a Lease Agreement with Florence Mosaic Church of the Nazarene, owner of the Florence Fudge Company., for Suite 101, in the Silver King Market Place. (Jennifer Evans)
- f. Approval to enter into a Lease Agreement with Bucks 4 Style, LLC, for Suite 102, in the Silver King Market Place. (Jennifer Evans)
- g. Approval to enter into Lease Agreement with Seconds Please... on Main, LLC, for Suite 202, in the Silver King Market Place. (Jennifer Evans)
- h. Approval of the August 1, August 15, and August 22, 2016 Council minutes.
- i. Receive and file the following board and commission minutes:
 - i. June 9, and July 14, 2016 Arts and Culture Commission minutes.
 - ii. June 29, 2016 Historic District Advisory Commission minutes.
 - iii. June 15, 2016 Library Advisory Board minutes.

8. NEW BUSINESS

- a. Discussion/Approval/Disapproval to enter into a Lease Agreement with Brittany Padilla, owner of W Rose Skin Spa, for Suite 201, in the Silver King Market Place. (Jennifer Evans).
- b. Resolution No. 1599-16: Discussion/Approval/Disapproval of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, DECLARING AND ADOPTING THE RESULTS OF THE PRIMARY ELECTION, HELD ON AUGUST 30, 2016. (Lisa Garcia)
- c. Resolution No. 1600-16: Discussion/Approval/Disapproval of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, DECLARING ITS INTENTION TO ESTABLISH A STREET LIGHT IMPROVEMENT DISTRICT TO PURCHASE ENERGY FOR LIGHTING THE PUBLIC STREETS AND PARKS IN THE AREA WITHIN THE CORPORATE LIMITS OF THE TOWN OF FLORENCE, ARIZONA, DESCRIBED ON EXHIBIT A, ATTACHED HERETO; DECLARING SUCH IMPROVEMENTS TO BE OF MORE THAN LOCAL OR ORDINARY PUBLIC BENEFIT AND THAT THE EXPENSES THEREOF BE PAID FOR BY THE LEVY AND COLLECTION OF AD VALOREM TAXES UPON THE ASSESSED VALUATION OF ALL REAL AND PERSONAL PROPERTY IN A

CERTAIN DISTRICT TO BE KNOWN AS “TOWN OF FLORENCE, ARIZONA, MERRILL RANCH STREET LIGHT IMPROVEMENT DISTRICT NO. 1”; AND ORDERING THAT SUCH IMPROVEMENTS BE PROVIDED FOR UNDER THE PROVISIONS OF SECTION 48-572, ARIZONA REVISED STATUTES. (Mark Eckhoff)

- d. **Ratification of a contract** for the Diversion Dam Road Project with Willdan, in an amount not to exceed \$172,078.50. (Lisa Garcia)

9. TOWN MANAGER’S REPORT

10. CALL TO THE PUBLIC

11. CALL TO THE COUNCIL – CURRENT EVENTS ONLY

12. ADJOURNMENT

Council may go into Executive Session at any time during the meeting for the purpose of obtaining legal advice from the Town’s Attorney(s) on any of the agenda items pursuant to A.R.S. § 38-431.03(A)(3).

POSTED ON SEPTEMBER 15, 2016, BY LISA GARCIA, TOWN CLERK, AT 775 NORTH MAIN STREET, FLORENCE, ARIZONA, AND AT WWW.FLORENCEAZ.GOV.

PURSUANT TO TITLE II OF THE AMERICANS WITH DISABILITIES ACT (ADA), THE TOWN OF FLORENCE DOES NOT DISCRIMINATE ON THE BASIS OF DISABILITY REGARDING ADMISSION TO PUBLIC MEETINGS. PERSONS WITH A DISABILITY MAY REQUEST REASONABLE ACCOMMODATIONS BY CONTACTING THE TOWN OF FLORENCE ADA COORDINATOR, AT (520) 868-7574 OR (520) 868-7502 TDD. REQUESTS SHOULD BE MADE AS EARLY AS POSSIBLE TO ALLOW TIME TO ARRANGE THE ACCOMMODATION.

Proclamation

LIGHT TOWN HALL PURPLE FOR DOMESTIC VIOLENCE AWARENESS MONTH

WHEREAS, Domestic violence is a pervasive problem that affects one in four women and one in seven men in Arizona, and stands in direct opposition to our No. 1 priority of protecting Arizona families and communities; and

WHEREAS, In Arizona, every 36 minutes an officer responds to a domestic violence incident with a child present and every 19 minutes an arrest is made. These numbers are tragic because domestic violence impacts our families, communities, schools, and workplaces on a daily basis; and

WHEREAS, This is an issue that affects all ages, races, religions, socioeconomic backgrounds and education levels; and ending violence in the home, at work, and in the community requires vigilance and dedication from every part of our society. We all have a responsibility to know the signs, to help the victimized and vulnerable and to speak out against it whenever we can; and

WHEREAS, during the month of October, victim-advocate groups, centers, service workers, and many other organizations come together to connect those who work to end violence, to celebrate those who have survived and mourn those who have died because of domestic violence; and

WHEREAS, the Governor's Office of Youth, Faith and Family will host the second annual Lighting Arizona Purple Event at the State Capital on October 3, 2016, and will light the Capital Dome purple as a symbol of Arizona's dedication to ending domestic violence and will launch the month long Lighting Arizona Purple Campaign. Governor Douglas A. Ducey encourages Arizonans to stand with him as we send the unwavering message that domestic violence can stop and invites everyone to join in this effort by lighting their homes purple; and

WHEREAS, Domestic Violence Awareness Month is an opportunity to stand with domestic violence survivors, to celebrate the progress made in combating these crimes, and to recommit to reducing domestic violence in their communities.


NOW THEREFORE, I, Tom Rankin, Mayor of the Town of Florence, Arizona, by virtue of the authority vested in me, do hereby proclaim and declare October 2016 as "**DOMESTIC VIOLENCE AWARENESS MONTH**" and in support of this worthy cause, will have Town hall pit purple throughout the month of October 2016 and do hereby call upon all the citizens to light their homes purple in support of this effort.

In witness thereof, I hereby set my hand and affix the Official Seal of the Town of Florence, Arizona, this 19th day of September 2016.

Tom J. Rankin, Mayor

ATTEST:

Lisa Garcia, Town Clerk

| | | |
|---|---|---|
|  | TOWN OF FLORENCE COUNCIL ACTION FORM | <u>AGENDA ITEM</u> 7b. |
| MEETING DATE: September 19, 2016 DEPARTMENT: Administration STAFF PRESENTER: Lisa Garcia Deputy Town Manager/Town Clerk SUBJECT: Florence Football Booster Club Special Event Liquor License Application | | <input checked="" type="checkbox"/> Action <input type="checkbox"/> Information Only <input type="checkbox"/> Public Hearing <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Regulatory <input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading <input type="checkbox"/> Other |

RECOMMENDED MOTION/ACTION:

Recommendation to the Arizona Department of Liquor Licenses and Control on the Florence Football Booster Club’s application for a Special Event Liquor License for October 21, 2016.

BACKGROUND/DISCUSSION:

The Florence Football Booster Club has submitted an application for a Special Event Liquor License for a Cow Pie Bingo Event, on October 21, 2016, from 11:00 am to 10:00 pm, at Heritage Park, 600 N. Main Street, Florence, Arizona.

The purpose of a Special Event License is to allow charitable, civic, fraternal, political, or religious organizations to sell and serve spirituous liquor for consumption as a fundraiser. Special Event Licenses may be issued for no more than a cumulative total of 10 days in a calendar year. This is their first event this year. The fee for a Special Event License is \$25 per day, payable to the Arizona Department of Liquor License and Control. The Town of Florence is holding a check totaling \$25 to forward to the Arizona Department of Liquor License and Control upon Council approval.

FINANCIAL IMPACT:

None

STAFF RECOMMENDATION:

Staff recommends that Council forward a favorable recommendation to the Arizona Department of Liquor Licenses and Control.

ATTACHMENTS:

Application



Arizona Department of Liquor Licenses and Control
 800 W Washington 5th Floor
 Phoenix, AZ 85007-2934
 www.azliquor.gov
 (602) 542-5141

FOR DLLC USE ONLY

| |
|-----------------------|
| Event Date(s): |
| Event time start/end: |
| CSR: |
| License: |

APPLICATION FOR SPECIAL EVENT LICENSE
 Fee= \$25.00 per day for 1-10 days (consecutive)
 Cash Checks or Money Orders Only

A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. § 44-6852)

IMPORTANT INFORMATION: This document must be fully completed or it will be returned.

The Department of Liquor Licenses and Control must receive this application ten (10) business days prior to the event. If the special event will be held at a location without a permanent liquor license or if the event will be on any portion of a location that is not covered by the existing liquor license, this application must be approved by the local government before submission to the Department of Liquor Licenses and Control (see Section 15).

SECTION 1 Name of Organization: FLORENCE FOOTBALL BOOSTER CLUB

SECTION 2 Non-Profit/IRS Tax Exempt Number: 27-1353001

SECTION 3 The organization is a: (check one box only)

- Charitable Fraternal (must have regular membership and have been in existence for over five (5) years)
 Religious Civic (Rotary, College Scholarship) Political Party, Ballot Measure or Campaign Committee

SECTION 4 Will this event be held on a currently licensed premise and within the already approved premises? Yes No

Name of Business _____ License Number _____ Phone (include Area Code) _____

SECTION 5 How is this special event going to conduct all dispensing, serving, and selling of spirituous liquors? Please read R-19-318 for explanation (look in special event planning guide) and check one of the following boxes.

- Place license in non-use
 Dispense and serve all spirituous liquors under retailer's license
 Dispense and serve all spirituous liquors under special event
 Split premise between special event and retail location

(IF NOT USING RETAIL LICENSE, SUBMIT A LETTER OF AGREEMENT FROM THE AGENT/OWNER OF THE LICENSED PREMISE TO SUSPEND THE LICENSE DURING THE EVENT. IF THE SPECIAL EVENT IS ONLY USING A PORTION OF PREMISE, AGENT/OWNER WILL NEED TO SUSPEND THAT PORTION OF THE PREMISE.)

SECTION 6 What is the purpose of this event? On-site consumption Off-site (auction) Both

SECTION 7 Location of the Event: HERITAGE PARK

Address of Location: 600 N. MAIN ST FLORENCE PINAL AZ 85132
Street City COUNTY State Zip

SECTION 8 Will this be stacked with a wine festival/craft distiller festival? Yes No

SECTION 9 Applicant must be a member of the qualifying organization and authorized by an Officer, Director or Chairperson of the Organization named in Section 1. (Authorizing signature is required in Section 13.)

1. Applicant: SOMMER DAVID WALTER 2.12.67
Last First Middle Date of Birth

2. Applicant's mailing address: 23807 N. DESERT DR FLORENCE AZ 85132
Street City State Zip

3. Applicant's home/cell phone: 623 533-2627 Applicant's business phone: () _____

4. Applicant's email address: dave42sommer@gmail.com

SECTION 10

- Has the applicant been convicted of a felony, or had a liquor license revoked within the last five (5) years?
 Yes No (If yes, attach explanation.)
- How many special event licenses have been issued to this location this year? 0
 (The number cannot exceed 12 events per year; exceptions under A.R.S. §4-203.02(D).)
- Is the organization using the services of a promoter or other person to manage the event? Yes No
 (If yes, attach a copy of the agreement.)
- List all people and organizations who will receive the proceeds. Account for 100% of the proceeds. The organization applying must receive 25% of the gross revenues of the special event liquor sales. Attach an additional page if necessary.
 Name FLORENCE FOOTBALL BOOSTER Percentage: 100%
 Address PO BOX 1433 FLORENCE AZ 85132
Street City State Zip
 Name _____ Percentage: _____
 Address _____
Street City State Zip
- Please read A.R.S. § 4-203.02 Special event license; rules and R19-1-205 Requirements for a Special Event License.

**Note: ALL ALCOHOLIC BEVERAGE SALES MUST BE FOR CONSUMPTION AT THE EVENT SITE ONLY.
 "NO ALCOHOLIC BEVERAGES SHALL LEAVE SPECIAL EVENT UNLESS THEY ARE IN AUCTION SEALED CONTAINERS OR THE SPECIAL
 EVENT LICENSE IS STACKED WITH WINE /CRAFT DISTILLERY FESTIVAL LICENSE"**

- What type of security and control measures will you take to prevent violations of liquor laws at this event?
 (List type and number of police/security personnel and type of fencing or control barriers, if applicable.)
0 Number of Police 3 Number of Security Personnel Fencing Barriers
 Explanation: THIS WILL BE IN A FENCED OFF AREA NEAR THE "COW PIE BINGO" EVENT IN THE RUN-OFF AREA AT HERITAGE PARK.

SECTION 11 Dates and Hours of Event. Days must be consecutive but may not exceed 10 consecutive days.
 See A.R.S. § 4-244(15) and (17) for legal hours of service.

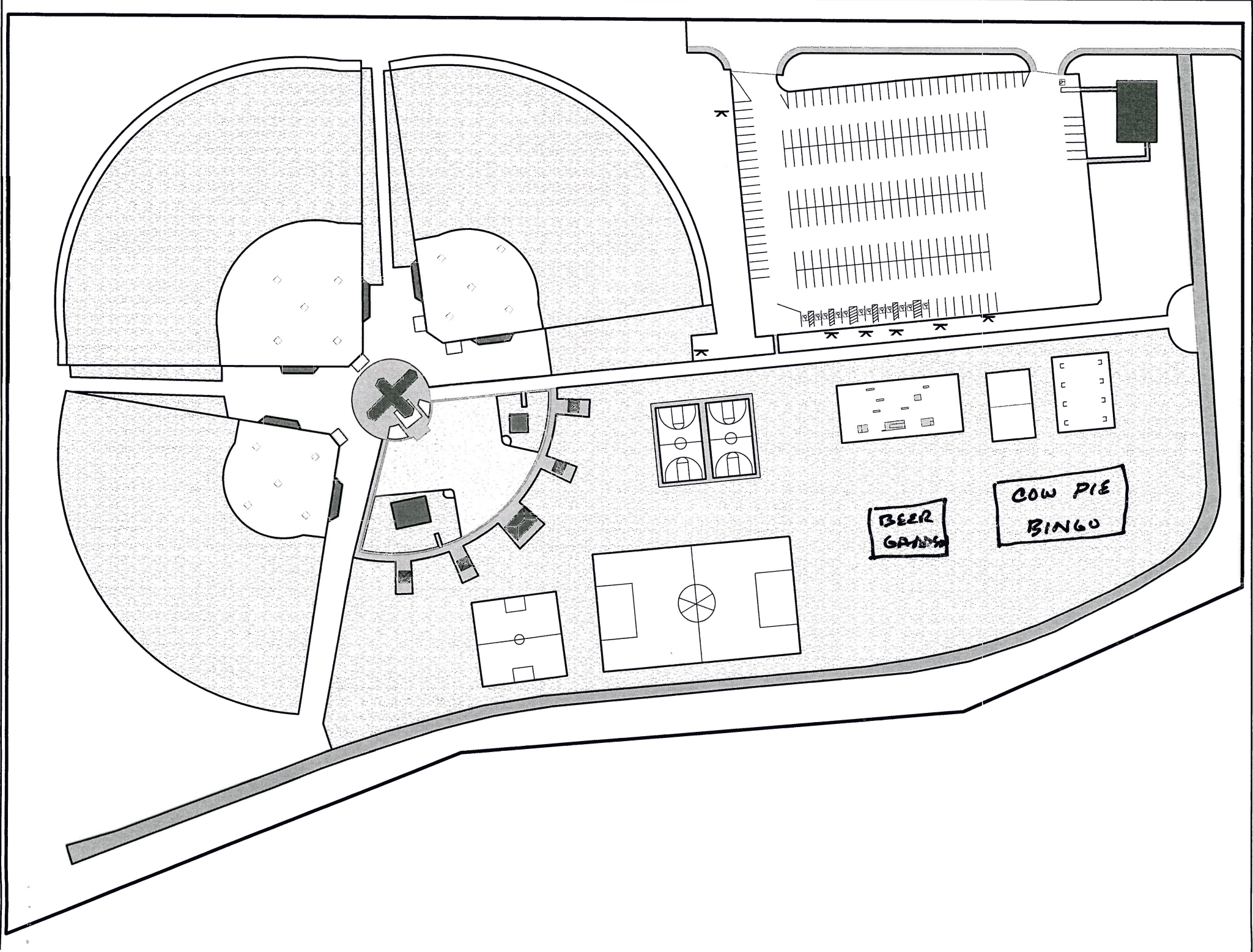
PLEASE FILL OUT A SEPARATE APPLICATION FOR EACH "NON-CONSECUTIVE" DAY

| | Date | Day of Week | Event Start Time AM/PM | License End Time AM/PM |
|---------|-----------------|---------------|------------------------|------------------------|
| DAY 1: | <u>10.21.16</u> | <u>FRIDAY</u> | <u>11 AM</u> | <u>10 PM</u> |
| DAY 2: | | | | |
| DAY 3: | | | | |
| DAY 4: | | | | |
| DAY 5: | | | | |
| DAY 6: | | | | |
| DAY 7: | | | | |
| DAY 8: | | | | |
| DAY 9: | | | | |
| DAY 10: | | | | |

SECTION 12 License premises diagram. The licensed premises for your special event is the area in which you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license. The following space is to be used to prepare a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades, or other control measures and security position.

SEE ATTACHMENT

N↑



SECTION 13 To be completed only by an Officer, Director or Chairperson of the organization named in Section 1.

I, (Print Full Name) DAVID SOMMER declare that I am an Officer, Director or Chairperson of the organization filing this application as listed in Section 9. I have read the application and the contents and all statements are true, correct and complete.

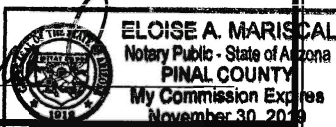
X David Sommer PRESIDENT 9.7.16 623.533-2627
 Signature Title/ Position Date Phone Number

The foregoing instrument was acknowledged before me this 7 September 2014
 Day Month Year

State AZ County of Dinal

My Commission Expires on: 11/30/2019 Date

Eloise A. Mariscal Signature of Notary Public



SECTION 14 This section is to be completed only by the applicant named in Section 9.

I, (Print Full Name) David Sommer declare that I am the APPLICANT filing this application as listed in Section 9. I have read the application and the contents and all statements are true, correct and complete.

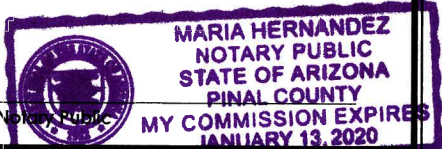
X David Sommer PRESIDENT 9.7.16 623.533.2627
 Signature Title/ Position Date Phone Number

The foregoing instrument was acknowledged before me this 7th September 2016
 Day Month Year

State Arizona County of Pinal

My Commission Expires on: January 13, 2020 Date

Maria Hernandez Signature of Notary Public



Please contact the local governing board for additional application requirements and submission deadlines. Additional licensing fees may also be required before approval may be granted. For more information, please contact your local jurisdiction: http://www.azliquor.gov/assets/documents/homepage_docs/spec_event_links.pdf.

SECTION 15 Local Governing Body Approval Section.

I, _____ recommend APPROVAL DISAPPROVAL
 (Government Official) (Title)

On behalf of _____
 (City, Town, County) Signature Date Phone

SECTION 16 For Department of Liquor Licenses and Control use only.

APPROVAL DISAPPROVAL BY: _____ DATE: ____/____/____


A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement; notice

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.

| | | |
|---|---|---|
|  | TOWN OF FLORENCE COUNCIL ACTION FORM | <u>AGENDA ITEM</u> 7c. |
| MEETING DATE: September 19, 2016 DEPARTMENT: Administration STAFF PRESENTER: Lisa Garcia Deputy Town Manager/Town Clerk SUBJECT: San Tan United Sports Academy Club's Special Event Liquor License Application | | <input checked="" type="checkbox"/> Action <input type="checkbox"/> Information Only <input type="checkbox"/> Public Hearing <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Regulatory <input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading <input type="checkbox"/> Other |

RECOMMENDED MOTION/ACTION:

Recommendation to the Arizona Department of Liquor Licenses and Control on the San Tan United Sports Academy Club's application for a Special Event Liquor License for November 12, 2016.

BACKGROUND/DISCUSSION:

The San Tan United Sports Academy Club has submitted an application for a Special Event Liquor License for the Anthem Celebrates the Arts event, on November 12, 2016, from 12:00 pm to 5:00 pm, at the Anthem at Merrill Ranch Community Park, 3313 N. Anthem Way, Florence, Arizona.

The purpose of a Special Event License is to allow charitable, civic, fraternal, political, or religious organizations to sell and serve spirituous liquor for consumption as a fundraiser. Special Event Licenses may be issued for no more than a cumulative total of 10 days in a calendar year. This is their second event this year. The fee for a Special Event License is \$25 per day, payable to the Arizona Department of Liquor License and Control. The Town of Florence is holding a check totaling \$25 to forward to the Arizona Department of Liquor License and Control upon Council approval.

FINANCIAL IMPACT:

None

STAFF RECOMMENDATION:

Staff recommends that Council forward a favorable recommendation to the Arizona Department of Liquor Licenses and Control.

ATTACHMENTS:

Application



Arizona Department of Liquor Licenses and Control
800 W Washington 5th Floor
Phoenix, AZ 85007-2934
www.azliquor.gov
(602) 542-5141

FOR DLLC USE ONLY

| |
|-----------------------|
| Event Date(s): |
| Event time start/end: |
| CSR: |
| License: |

APPLICATION FOR SPECIAL EVENT LICENSE
Fee= \$25.00 per day for 1-10 days (consecutive)
Cash Checks or Money Orders Only

A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. § 44-6852)

IMPORTANT INFORMATION: This document must be fully completed or it will be returned.

The Department of Liquor Licenses and Control must receive this application ten (10) business days prior to the event. If the special event will be held at a location without a permanent liquor license or if the event will be on any portion of a location that is not covered by the existing liquor license, this application must be approved by the local government before submission to the Department of Liquor Licenses and Control (see Section 15).

SECTION 1 Name of Organization: San Tan United Sports Academy

SECTION 2 Non-Profit/IRS Tax Exempt Number: 45-5305598

SECTION 3 The organization is a: (check one box only)

- Charitable Fraternal (must have regular membership and have been in existence for over five (5) years)
 Religious Civic (Rotary, College Scholarship) Political Party, Ballot Measure or Campaign Committee

SECTION 4 Will this event be held on a currently licensed premise and within the already approved premises? Yes No

Name of Business

License Number

Phone (include Area Code)

SECTION 5 How is this special event going to conduct all dispensing, serving, and selling of spirituous liquors? Please read R-19-318 for explanation (look in special event planning guide) and check one of the following boxes.

- Place license in non-use
 Dispense and serve all spirituous liquors under retailer's license
 Dispense and serve all spirituous liquors under special event
 Split premise between special event and retail location

(IF NOT USING RETAIL LICENSE, SUBMIT A LETTER OF AGREEMENT FROM THE AGENT/OWNER OF THE LICENSED PREMISE TO SUSPEND THE LICENSE DURING THE EVENT. IF THE SPECIAL EVENT IS ONLY USING A PORTION OF PREMISE, AGENT/OWNER WILL NEED TO SUSPEND THAT PORTION OF THE PREMISE.)

SECTION 6 What is the purpose of this event? On-site consumption Off-site (auction) Both

SECTION 7 Location of the Event: Anthem at Merrill Ranch Community Park

Address of Location: 3313 N. Anthem Way, Florence Pinal AZ 85132

Street City COUNTY State Zip

SECTION 8 Will this be stacked with a wine festival/craft distiller festival? Yes No

SECTION 9 Applicant must be a member of the qualifying organization and authorized by an Officer, Director or Chairperson of the Organization named in Section 1. (Authorizing signature is required in Section 13.)

1. Applicant: Hernandez, Ruben 2/8/1977

Last First Middle Date of Birth

2. Applicant's mailing address: 28570 N. Horizon Way, San Tan Valley AZ 85143

Street City State Zip

3. Applicant's home/cell phone: (480) 747-8152 Applicant's business phone: (480) 747-8152

4. Applicant's email address: Ruben@SanTanSports.com

SECTION 10

- Has the applicant been convicted of a felony, or had a liquor license revoked within the last five (5) years?
 Yes No (If yes, attach explanation.)
- How many special event licenses have been issued to this location this year? 1
 (The number cannot exceed 12 events per year; exceptions under A.R.S. §4-203.02(D).)
- Is the organization using the services of a promoter or other person to manage the event? Yes No
 (If yes, attach a copy of the agreement.)
- List all people and organizations who will receive the proceeds. Account for 100% of the proceeds. The organization applying must receive 25% of the gross revenues of the special event liquor sales. Attach an additional page if necessary.
 Name San Tan United Sports Academy Percentage: 25%
 Address 270 E. Hunt Hwy, Suite 16 #173 San Tan Valley AZ 85143
Street City State Zip
 Name Anthem at Merrill Ranch Community Council Percentage: 75%
 Address 3200 N. Anthem Way Florence AZ 85143
Street City State Zip
- Please read A.R.S. § 4-203.02 Special event license; rules and R19-1-205 Requirements for a Special Event License.

Note: ALL ALCOHOLIC BEVERAGE SALES MUST BE FOR CONSUMPTION AT THE EVENT SITE ONLY.

"NO ALCOHOLIC BEVERAGES SHALL LEAVE SPECIAL EVENT UNLESS THEY ARE IN AUCTION SEALED CONTAINERS OR THE SPECIAL EVENT LICENSE IS STACKED WITH WINE /CRAFT DISTILLERY FESTIVAL LICENSE"

- What type of security and control measures will you take to prevent violations of liquor laws at this event?
 (List type and number of police/security personnel and type of fencing or control barriers, if applicable.)
1 Number of Police _____ Number of Security Personnel Fencing Barriers
 Explanation: All consumption within fenced / barricaded areas. Wristbands will be put on confirmed of aged drinkers. Golden Eagle beverage distributors on site during event. Staff/Volunteers will be trained to identify over-consumption and I.D. process. Signage at all access points.

SECTION 11 Dates and Hours of Event. Days must be consecutive but may not exceed 10 consecutive days.
 See A.R.S. § 4-244(15) and (17) for legal hours of service.

PLEASE FILL OUT A SEPARATE APPLICATION FOR EACH "NON-CONSECUTIVE" DAY

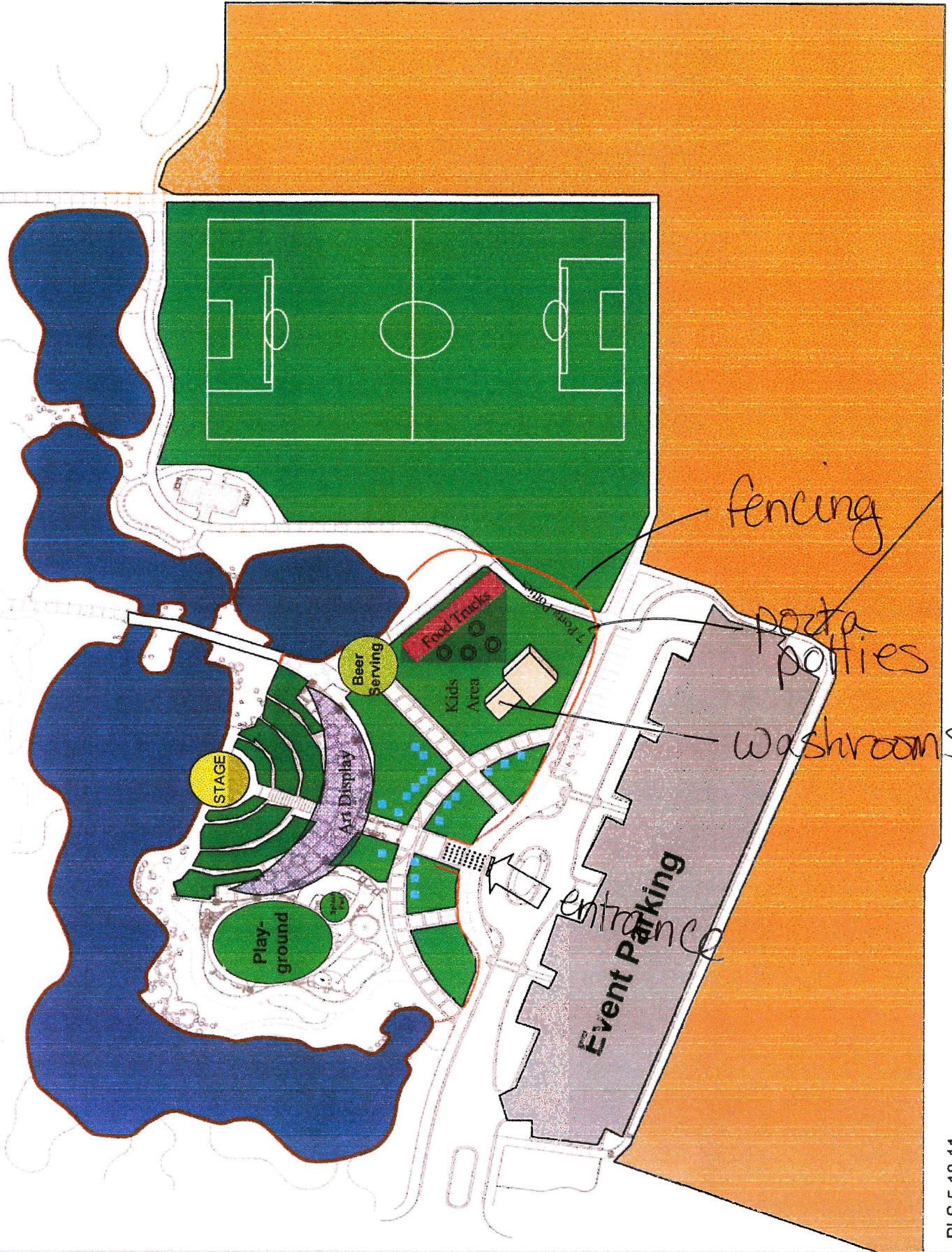
| | Date | Day of Week | Event Start Time AM/PM | License End Time AM/PM |
|---------|-------------------|-----------------|------------------------|------------------------|
| DAY 1: | <u>11/12/2016</u> | <u>Saturday</u> | <u>12:00pm</u> | <u>5:00pm</u> |
| DAY 2: | _____ | _____ | _____ | _____ |
| DAY 3: | _____ | _____ | _____ | _____ |
| DAY 4: | _____ | _____ | _____ | _____ |
| DAY 5: | _____ | _____ | _____ | _____ |
| DAY 6: | _____ | _____ | _____ | _____ |
| DAY 7: | _____ | _____ | _____ | _____ |
| DAY 8: | _____ | _____ | _____ | _____ |
| DAY 9: | _____ | _____ | _____ | _____ |
| DAY 10: | _____ | _____ | _____ | _____ |

SECTION 12 License premises diagram. The licensed premises for your special event is the area in which you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license. The following space is to be used to prepare a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades, or other control measures and security position.

See attached

N↑

MERRILL RANCH PARKWAY



NORTH ANTHEM WAY

PLS 5-18-11

Beer Ticketing tent–

- 1 10x10 rental tent– sidewalls
- 1 8' table
- 2 folding chairs
- 1 Trash bin

ID instructions for staff/volunteer

Beer garden signage

Copy of cash handling process in each area

Copy of EAP

Beer ticket booth supplies (cash box, change, tickets, wristbands)

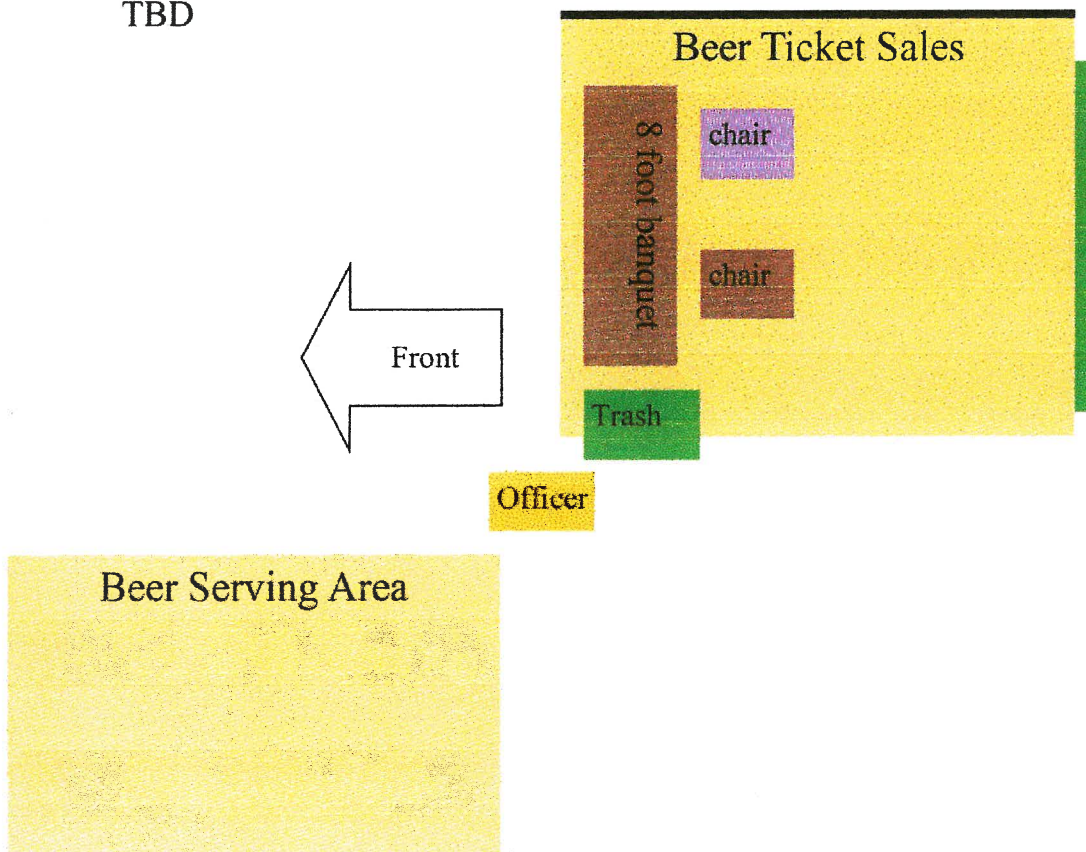
Credit card processing

Ticketing staff:

TBD

Volunteers:

TBD



SECTION 13 To be completed only by an Officer, Director or Chairperson of the organization named in Section 1.


I, (Print Full Name) Ruben Hernandez declare that I am an Officer, Director or Chairperson of the organization filing this application as listed in Section 9. I have read the application and the contents and all statements are true, correct and complete.

X [Signature] President 9/6/2016 480-747-8152
 Signature Title/ Position Date Phone Number

The foregoing instrument was acknowledged before me this 6th September 2016
 Day Month Year

State Arizona County of Pinal

My Commission Expires on: 03/31/2019
 Date



Sean M Hystead
 Notary Public
 Pinal County, Arizona
 Signature of Notary Public [Signature]
 My Comm. Expires 03-31-19

SECTION 14 This section is to be completed only by the applicant named in Section 9.


I, (Print Full Name) Ruben Hernandez declare that I am the APPLICANT filing this application as listed in Section 9. I have read the application and the contents and all statements are true, correct and complete.

X [Signature] President 9/6/2016 480-747-8152
 Signature Title/ Position Date Phone Number

The foregoing instrument was acknowledged before me this 6th September 2016
 Day Month Year

State Arizona County of Pinal

My Commission Expires on: 03/31/2019
 Date



Sean M Hystead
 Notary Public
 Pinal County, Arizona
 Signature of Notary Public [Signature]
 My Comm. Expires 03-31-19

Please contact the local governing board for additional application requirements and submission deadlines. Additional licensing fees may also be required before approval may be granted. For more information, please contact your local jurisdiction: http://www.azliquor.gov/assets/documents/homepage_docs/spec_event_links.pdf.

SECTION 15 Local Governing Body Approval Section.

I, _____ recommend APPROVAL DISAPPROVAL
 (Government Official) (Title)

On behalf of _____
 (City, Town, County) Signature Date Phone

SECTION 16 For Department of Liquor Licenses and Control use only.

APPROVAL DISAPPROVAL BY: _____ DATE: ____/____/____

A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement; notice

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.



TOWN OF FLORENCE COUNCIL ACTION FORM

AGENDA ITEM 7d.

MEETING DATE: September 19, 2016

DEPARTMENT: Parks and Recreation

STAFF PRESENTER: Bryan Hughes, Parks & Recreation
Director

SUBJECT: Appointment to the Parks and Recreation Board

- Action
 Information Only
 Public Hearing
 Resolution
 Ordinance
 Regulatory
 1st Reading
 2nd Reading
 Other

RECOMMENDED MOTION/ACTION:

Appointment of Tom Smith to the Parks and Recreation Advisory Board with a term to expire December 31, 2017.

BACKGROUND/DISCUSSION:

There is currently one vacancy on the Parks and Recreation Advisory Board. Current members and the date their term expires include:

- Don Pinson, Chair Expires December 31, 2018
- Linda Fenstermaker, Vice Chair Expires December 31, 2017
- Robert Smidt Expires December 31, 2017
- Donald Woolridge Expires December 31, 2016

The Advisory Board has had a vacancy for over one year with few inquiries. Staff recommends Mr. Smith to fill the vacant term through December 31, 2017.

FINANCIAL IMPACT:

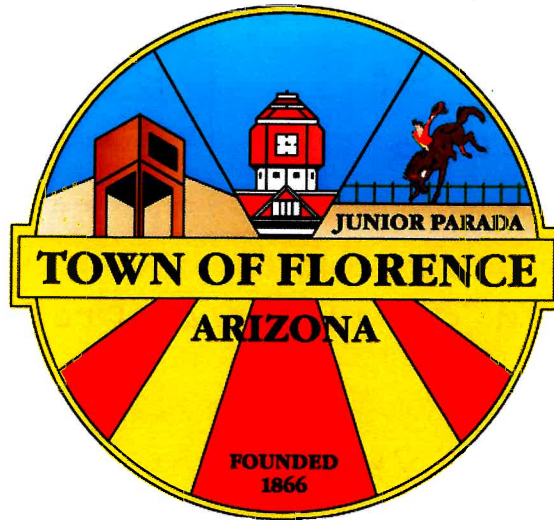
None

STAFF RECOMMENDATION:

Staff recommends appointment of Tom Smith to the Parks and Recreation Advisory Board with a term to expire December 31, 2017.

ATTACHMENTS:

Parks and Recreation Advisory Board Application



Board and Commission Application

NAME Tom L. Smith

DATE 8-5-16

Date Received: 8/8/16

Appointed on: _____ to _____ Board/Commission

Term Expires: _____

Board and Commission Application

| | |
|--|--|
| Name: Tom L. Smith | Date: 8-5-16 |
| E-Mail Address: tom.l.lynn05@gmail.com | |
| Street Address: 192 N. Bailey St. | Mailing Address: P.O. Box 1810 |
| Home Telephone: 868-4473 | Work Telephone: cell: 705-1221 |
| Occupation: retired | Best Time to Call: anytime |
| Do you own commercial property or operate a business in Florence? yes | |
| Work/Business Name: own commercial property | |
| Work/Business Address: | |
| Length of Residency in Florence: 16 yrs | Are you a Registered Voter <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Are you now, or have you ever served on a board, commission or committee for the Town of Florence? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Town Council | |
| If yes, please give name of board, commission and/or committee and dates served: | |
| Vice Mayor Town Council 2002-2014 | |

BOARD OR COMMISSION PREFERENCE(S): Refer to last page for list of boards and commissions (Please list no more than two boards, commissions in order of preference)

| | | | |
|---|---------------|---|--|
| 1 | Parks and Rec | 2 | |
|---|---------------|---|--|

If appointed, how much time would you be able to devote to the board or commission?
 Hours per week? what is needed hours per month? _____

| Employment History | | |
|--|-----------------------------|------------|
| Employment Period | Employer's Name and Address | Title |
| 1968 to 1995 | PSA, USAIR (now American) | Supervisor |
| | | |
| | | |
| Education | | |
| Name of School, College or University you attended | Degree | Year |
| Graduated Florence High School | | |
| Attended UoA | | |
| Civic Activities – Service Organizations | | |
| Lions Club, Posse, Pinal County Hist Museum | | |
| | | |

What personal and professional experience or background can you contribute to the board or commission? 12 years on Town Council

What is the most significant contribution you can make as a member of the board or commission for which you are applying? Knowledge of our town and its government

Please state in what ways you have been involved in the Florence community and what prompted you to apply for appointment to the Town's boards and commissions.

With my home + rental bldg in Florence
I want to see Florence prosper.

I understand that if a subject is presented for discussion to a board or commission where you have a conflict of interest, I will excuse myself from the discussion and abstain from voting. (For more information on conflict of interest, please contact the Town Attorney).

I understand that boards and commissions shall have no administrative authority unless specifically required by Federal or State Law, or Intergovernmental Agreement. Members of boards and commissions shall serve without compensation.

I further understand that to be considered for appointment to a board or commission I must be at least eighteen (18) years of age (except youth representatives), a qualified elector, and a resident of Florence unless a motion, resolution, or ordinance creating a board or commission specifies otherwise.

I further understand that my attendance at all regularly scheduled meetings is critical even if I am an alternate member and that the Town Council may appoint a replacement for members who are chronically absent from regular meetings. If a member is absent without an excuse from three (3) or more consecutive meetings, the Town Council may remove this member from the board or commission and appoint another (subject to Town Council approval) to serve the remainder of the term. I also understand that this application is considered a public record.

Applicant's Signature:

Tom L. Smith

All applications are kept on file for one year. During that time, your application will be considered when there is an opening for the board or Commission for which you have applied.

- Please notify the Town Clerk's Office at 520-868-7552 if you move or no longer wish to be considered for appointment.
- Please feel free to attach a resume and/or copies of any certificates pertinent to the appointment you are seeking.
- Mail or deliver your completed application to: Town of Florence, Town Clerk's Office, 775 North Main Street, P.O. Box 2670, Florence, AZ 85132

* Application must be completely filled out in order to be considered *

THANK YOU FOR YOUR INTEREST IN THE TOWN OF FLORENCE

CITIZEN'S GUIDE.....Florence's Boards and Commissions

Arts and Culture Commission

Duties: Advises the Town Council on policies and plans pertaining to public art and the humanities in Florence.

Membership: Five members and one alternate appointed by the Town Council for three year terms. Members must be Florence residents or business owner.

Meetings: Meetings are held the 2nd Thursday of the month at 6:00 pm, at Florence Community Center, Ruggles #1, 778 North Main Street

Board of Adjustment

Duties: Serves as a quasi-judiciary board that hears variances, appeals and ordinance interpretations relating to regulations contained in the Zoning Ordinance.

Membership: The seven members of Council serve as the Board of Adjustments.

Meetings: As needed during regular Council Meetings

Historic District Advisory Commission

Duties: Maintains the historical integrity of the buildings within the district.

Membership: Seven members appointed by the Mayor and Council for a three year term, 4 of which shall be property owners within the district. Three or fewer shall have qualifications in one of the following areas historic preservation, architecture, planning, history, archeology, or related field. Three or fewer may also be filled by elected or appointed representatives of the municipality and its various commissions and authorities. Three or fewer places may be filled by at large residents of the municipality.

Meetings: Meetings are held the last Wednesday of the month at 6:00 pm, at Florence Town Hall, 775 North Main Street

Industrial Development Authority

Duties: In addition to the powers granted to an industrial development authority bylaw, the authority has the powers to acquire, whether by purchase, exchange, gift, and lease or otherwise establish, construct, improve, maintain equip and furnish one or more projects. The authority has the power to lease, sell, exchange, or donate any or all of its projects. The authority as all other powers as defined by ARS 35-706.

Membership: Seven regular members appointed by the Town Council for Six-year terms.

Meetings: The authority meetings are posted 24 in advance with time, date, and location of meeting

Library Advisory Board

Duties: To promote the interests of the Florence Public Library.

Membership: Five regular members appointed by the Town Council for two-year terms. Member must reside within the Florence Unified School District.

Meetings: Meetings are held the 3rd Wednesday of the month at 6:00 pm, at Florence Community Center, 778 North Main Street

Parks & Recreation Board

Duties: Advises Town Council and staff on issues pertaining to parks, open space, trails and recreation.

Membership: Five members appointed by the Town Council for a three-year terms.

Meetings: Meetings are held the 4th Thursday of the month at 6:00 pm at Florence Community Center, 778 North Main Street

Planning & Zoning Commission

Duties: Analyze, review and make recommendations to the Council regarding land use and development related issues.

Membership: Five members and one alternate* appointed by the Town Council for three-year terms.

Meetings: Meetings are held the 1st and 3rd Thursday of the month at 6:00 pm, at Florence Town Hall, 775 North Main Street

*** Alternates are not selected to fill in for board, commission or committee members that do not attend meetings. Alternates may attend meetings and are encouraged to do so as their attendance will enhance their overall knowledge and abilities and help them prepare for future appointment. However, alternates may not formally participate in the board, committee or commission decisions unless and until there is a vacancy, at which time they are automatically appointed to the open position.**

Parks & Recreation Board

(3 Year Term)

Meets Fourth Thursday of the Month

At 6:00 pm

5 members

Vacant

Expires: 12/31/2017

Vice-Chairman

Don Pinson

P O Box 1165

177 S. Bush Street

Florence, AZ 85132

Home: (520) 868-4872

Cell: (520) 518-1625

dandnpinson@cgmailbox.com

Appointed: 2/1/2016

Expires: 12/31/2018

Robert Smidt

P O Box 1191

590 N. King Street

Florence, AZ 85132

Work: (520) 868-7250

Home: (520) 868-9554

bobnterismidt@msn.com

Appointed: 1/5/2015

Expires: 12/31/2017

Linda Fenstermaker

3625 N. Princeton Ct.

Florence, AZ 85132

(760) 686-8286

lindylu92345@yahoo.com

Appointed: 4/20/2015

Expires: 12/31/2017

Donald Woolridge

P O Box 482

534 W. 14th Street

Florence, AZ 85132

Home: (520) 868-3204

Work: (520) 868-4772

dlwoolridge@cox.net

Appointed: 2/18/2014

Expires: 12/31/2016

Council Liaison

Councilmember Tara Walter

2231 N. Smithsonian Drive

Florence, AZ 85132

tara.walter@florenceaz.gov

Home: (520) 723-0694

Staff Liaison

Bryan Hughes


132 N. Bailey

Florence, AZ 85132

bryan.hughes@florenceaz.gov

Office: (520) 868-7582

Cell: (520) 840-1443

| | | |
|--|---|---|
|  | TOWN OF FLORENCE COUNCIL ACTION FORM | <u>AGENDA ITEM</u> 7e. |
| MEETING DATE: September 19, 2016 DEPARTMENT: Administration STAFF PRESENTER: Jennifer Evans, Management Analyst SUBJECT: Silver King Marketplace Lease Agreement Renewal with the Florence Mosaic Church of the Nazarene (Florence Fudge Co.) for Suite 101 | | <input checked="" type="checkbox"/> Action <input type="checkbox"/> Information Only <input type="checkbox"/> Public Hearing <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Regulatory <input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading <input type="checkbox"/> Other |

RECOMMENDED MOTION/ACTION:

A motion to approve a lease agreement renewal with Florence Mosaic Church of the Nazarene, owner of the Florence Fudge Co., for Suite 101 in the Silver King Market Place.

BACKGROUND/DISCUSSION:

Florence Mosaic Church of the Nazarene seeks to renew the lease for Suite 101, located on the ground floor of the Silver King Marketplace. The lease also includes space in the carriage house that the Florence Fudge Co. uses for storage. Florence Mosaic Church of the Nazarene has operated Florence Fudge Co., since the business was purchased from Door County Fudge Company, LLC, in February, 2010.

FINANCIAL IMPACT:

The term of the lease is from October 1, 2016, to September 30, 2017. The rent will be \$142.50 per month. The tenant will pay for utilities, as invoiced each month by the Town.

STAFF RECOMMENDATION:

Staff recommends approval of the lease with Florence Mosaic Church of the Nazarene, owner of the Florence Fudge Co.

ATTACHMENTS:

Silver King Market Place Lease Agreement

SILVER KING MARKET PLACE LEASE AGREEMENT

TOWN OF FLORENCE, ARIZONA,
an Arizona municipal corporation

AND

FLORENCE MOSAIC CHURCH OF THE NAZARENE, INC.
an Arizona non-profit corporation

(Florence Fudge Company)

DATE: As of October 1, 2016

SILVER KING MARKET PLACE LEASE AGREEMENT

This Silver King Market Place Lease Agreement (this "Lease") is made and entered into as of the **1st day of October, 2016** by Town of Florence, an Arizona municipal corporation, hereinafter called "Landlord", and Florence Mosaic Church of the Nazarene, Inc., an Arizona non-profit corporation, hereinafter called "Tenant".

1. LEASED PREMISES

For and in consideration of the rent to be paid and of the covenants and agreements of Tenant as hereinafter set forth, Landlord does hereby lease 570 square feet to Tenant of the premises located at 440 N. Main Street, Suite 101, Florence, Arizona, also known as the Silver King Market Place, and hereinafter referred to as the "Premises", or, the "Leased Premises". The Leased Premises are also described as Suite 101, which is located at the south end of the building in which the Premises are located (the "Building") on the ground floor. Tenant shall also have access to the central unit of the "Carriage House", adjacent to the Premises. The Carriage House is leased to Tenant in as-is condition; Tenant understands and agrees that the Landlord will not provide any interior improvements or maintenance services for the Carriage House. Further, the Landlord will provide only such exterior maintenance on the general structure of the Carriage House as to maintain the integrity of the overall structure. Tenant may only use the central unit of the Carriage House for storage. Any other use of the Carriage House must be approved by Landlord.

2. TERM

The Lease term shall begin on the **1st day of October, 2016** and end on the **30th day of September, 2017** (the "Initial Term"). Landlord shall use commercially reasonable efforts to put Tenant in possession of the Leased Premises at the beginning of the Initial Term. If Landlord is unable to timely provide the Leased Premises for occupancy by Tenant, rent shall abate for the period of delay. Tenant agrees it shall make no other claim against Landlord for any such delay.

3. EXTENSIONS

The parties hereto may elect to extend the Initial Term upon such terms and conditions as may be agreed upon in writing and signed by the parties at the time of any such election; provided that Tenant gives notice of its request to extend the Initial Term no later than sixty (60) days prior to the expiration of the Initial Term. If Tenant does not elect to extend the Initial Term in accordance with this paragraph, this Lease shall end on the **30th day of September, 2017** (the "Expiration Date") and thereafter Tenant may only occupy the Premises on a month-to-month basis. Such month-to-month tenancy may be terminated by Landlord upon thirty (30) days notice to Tenant. Landlord's acceptance of rent payments after the Expiration Date shall not constitute a renewal of this Lease Agreement.

4. RENTS

Rent shall be paid at the rate of **one hundred forty two dollars and fifty cents (\$142.50)** per month for the duration of this Lease. In addition to the rent, Tenant is responsible for any commercial property lease transaction privilege tax and government property lease excise tax. Each monthly payment of rent due thereafter shall be payable on the first day of each calendar month for the balance of the Initial Term, together with such taxes. Payment of rent shall be made to Landlord at Town of Florence, P.O. Box 2670, 775 North Main Street, Florence, Arizona 85132, or at such other place designated by written notice from Landlord. The rental payment amount for any partial calendar months included in the Lease term shall be prorated on a daily basis. If rent is not received by the close of the 5th business day then a late fee of \$25.00 will be added to Tenant's account and past-due rent shall bear interest at the rate of ten per cent (10%) per annum from the date due (i.e., the first day of each month) until paid.

5. SECURITY DEPOSIT

Tenant has deposited with Landlord the sum of **five hundred dollars (\$500.00)** as security for the full and faithful performance by Tenant of all the terms of this Lease required to be performed by Tenant. Such sum shall be returned to Tenant after the expiration of this Lease; provided Tenant has fully and faithfully carried out all of its terms. At the expiration of this Lease or such other time as Tenant may properly request the return of the Security Deposit, Landlord shall make an inspection of the Leased Premises and deduct from the Security Deposit such sums as are necessary to repair and refurbish the Leased Premises to the condition which existed prior to Tenant's occupancy thereof. In the event of a bona fide sale of the Building of which the Leased Premises are a part, Landlord shall have the right to transfer the security to the purchaser to be held under the terms of this lease, and Landlord shall be released from all liability for the return of such security to Tenant.

6. PURPOSE

A. Landlord is maintaining the Silver King Market Place for the development of new businesses within the historical/downtown area of the Town of Florence. It is Landlord's desire to endeavor to assist in the creation of new businesses by providing a leasing environment contemplated to assist such new businesses.

B. Tenant shall use the Leased Premises for the purpose of conducting the business of a fudge and sandwich shop and for no other purpose without Landlord's express prior written consent. This use also must be and remain consistent with Exhibit "A". In the event Tenant desires to use the Leased Premises for a different business purpose not described above, Tenant shall first apply, in writing, for approval for such use to the Town of Florence. As a further condition of this Lease, Tenant must also maintain regular business hours and be open for at least thirty five (35) hours per week with exception of holidays. When business enhancement classes are offered, free of

charge, Tenant shall make every effort to send one or more representatives to attend these programs.

C. If Tenant fails to meet any of these requirements, then Landlord may terminate this Lease after providing Tenant no less than thirty (30) days written notice of Landlord's intent to terminate this Lease. If Tenant does not satisfy the above conditions or otherwise cure the deficiencies indicated in the notice within thirty (30) days, Landlord may terminate this Lease as provided in Section 17 below.

The Premises shall not be used in violation of this Lease, any zoning laws applicable to the Premises, or in violation of any federal, state or local laws or regulations.

7. PROHIBITED USES

Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device. All uses must conform to the zoning code of the Town of Florence and the Landlord's Property Lease Policy, both as promulgated by Town from time to time.

8. SUBLEASE AND ASSIGNMENT

A. Tenant shall not sublet or assign this Lease without Landlord's consent. To assign this Lease to a business with which Tenant may merge or consolidate, to any subsidiary of Tenant, to any corporation under common control with Tenant, or to a purchaser of substantially all of Tenant's assets Tenant must receive either written consent from Landlord (not to be unreasonably withheld) or enter into a new lease agreement reasonably satisfactory to both parties.

B. Except as set forth above, neither Tenant nor any assignee may sublease all or any part of the Leased Premises, or assign this Lease in whole or in part, without Landlord's written consent.

9. REPAIRS

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs and refurbishment of the Leased Premises. Repair and refurbishment shall include, but is not limited to, the repair and refurbishment of normal wear and tear to floors, walls, ceilings, and other parts of the Leased Premises caused by Tenant's use and enjoyment of the Leased Premises, except for major mechanical systems or the roof [(so long as damage thereto is not caused, in whole or in part, by the acts or omissions of Tenant, its invitees or those under Tenant's direction and control), subject to the obligations of the parties as may otherwise be set forth in this Lease.]

10. TENANT IMPROVEMENTS

A. Tenant, at Tenant's expense, shall have the right to remodel, redecorate, or make additions, improvements and replacements to all or any part of the Leased Premises from time to time as Tenant may deem desirable (the "Tenant Modifications"); provided the same are made in a workmanlike manner, lien free, in accordance with all codes and utilizing good quality materials. Tenant must obtain the written consent of Landlord prior to undertaking any such Tenant Modifications. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the Leased Premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease but not after ten (10) days after the expiration thereof, provided that such removal does not cause any damage to the Premises. Any damage caused by the removal of Tenant's personal property shall be repaired by Tenant at Tenant's expense. If Tenant fails to repair any such damage Landlord may repair the damage and deduct the costs thereof from Tenant's security deposit, with Tenant remaining liable for the excess, if any, over the security deposit. At the expiration of this Lease, at Landlord's direction, Tenant shall remove any such personal property from the Leased Premises at Tenant's sole cost and expense, repairing any damage to the Leased Premises occasioned thereby.

B. Tenant may have prepared plans and specifications for the construction of Tenant Modifications, and, if so, such plans and specifications are attached hereto as Exhibit "B" and incorporated herein by reference. Tenant shall obtain all certificates, permits, licenses and other authorizations of governmental bodies or authorities which are necessary to permit the construction of the improvements on the Leased Premises and shall keep the same in full force and effect at Tenant's cost.

C. Tenant shall negotiate, let and supervise all contracts for the furnishing of services, labor, and materials for the construction of Tenant Modifications on the Leased Premises at its sole cost and expense. All such contracts shall require the contracting party to guarantee performance and all workmanship and materials installed by it for a period of one year following the date of completion of construction. Tenant shall cause all contracts to be fully and completely performed in a good and workmanlike manner and lien free, all to the effect that the improvements shall be fully and completely constructed and installed in accordance with good engineering and construction practice. Tenant shall include in any contract for the construction of Tenant Modifications a requirement that bonds in the full amount of the contract sum be furnished guaranteeing the faithful performance of the contract requirements and the payment of any and all subcontractors.

D. During the course of Tenant Modifications, Tenant shall, at its cost, keep in full force and effect a policy of builder's risk and liability insurance in a sum equal to three

times the amount expended for construction of the improvements. All risk of loss or damage to the improvements during the course of construction shall be on Tenant with the proceeds from insurance thereon payable to Landlord.

E. Nothing herein shall alter the intent of the parties that Tenant shall be fully and completely responsible for all aspects pertaining to the construction of Tenant Modifications to Leased Premises and for the payment of all costs associated therewith. Landlord shall be under no duty to investigate or verify Tenant's compliance with the provisions contained herein. Moreover, neither Tenant nor any third party may construe the permission granted Tenant hereunder to create any responsibility on the part of Landlord to pay for any improvements, alterations or repairs occasioned by Tenant.

11. UTILITIES

Landlord shall pay the amount due for charges for water, sewer, gas, and electricity and separately invoice Tenant for Tenant's share of the charges as determined by Landlord in its reasonable judgment utilizing any reasonable method of apportionment. Tenant shall pay the utilities invoice upon the due date for the monthly payment of this Lease or the first of the month, whichever comes first. Tenant shall be responsible for all of its own telecommunications/cable/Internet charges.

Tenant acknowledges that the Leased Premises are designed to provide standard office or retail use electrical facilities and standard office lighting. Tenant shall not use any equipment or devices that utilize excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.

12. SIGNAGE

A. Exterior Signs. Landlord will provide one exterior sign located on the east side of the Building. Tenant shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to erect and thereafter, to repair or replace, if it shall so elect, signs on any portion of the Leased Premises, provided that Tenant shall remove any such signs upon termination of this Lease, and repair all damage occasioned thereby to the Leased Premises, all at Tenant's sole cost and expense.

B. Interior Signs. Tenant shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to erect, maintain, place and install its usual and customary signs and fixtures in the interior of the Leased Premises.

13. ENTRY

Landlord shall have the right to enter upon the Leased Premises at reasonable hours (absent emergency [during which Landlord may enter to inspect/endeavor to abate emergency]) to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

14. PARKING

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the Premises, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the Premises or in reasonable proximity thereto, for Tenant and Tenant's agents and employees or for others within or utilizing the Building.

15. MECHANIC'S AND OTHER LIENS

Tenant shall pay before delinquent all sums of money which, if unpaid, would entitle any person to a mechanic's or material supplier's or laborer's lien against the Leased Premises, or on Tenant's interest under this Lease. Tenant agrees that it will neither do any act, nor fail to do any act, which would result in the recordation of any lien against the Leased Premises, the Building or the Silver King Market Place as a whole.

16. INSURANCE AND INDEMNIFICATION

A. INDEMNIFICATION

(i) To the fullest extent permitted by law, Tenant shall defend, indemnify and hold harmless Landlord (i.e., the Town of Florence), its agents, officers, officials (whether elected or not), attorneys and employees (collectively, the "Indemnified Parties") from, of and against all claims, damages, losses and expenses (including, but not limited to, attorneys' fees [whether or not suit is brought], court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted either wholly or in part from the acts, errors, mistakes, omissions, work or services of Tenant, its agents, employees, contractors, subcontractors or business invitees in the performance of this Agreement, and regardless of whether or not such claim, damages, loss or expenses are caused in part by Landlord.

(ii) Tenant's duty to defend, hold harmless and indemnify the Indemnified Parties and each of them shall arise in connection with any claims, damages, losses or expenses that are attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting therefrom, caused either wholly or in part by Tenant's acts, errors, mistakes, omissions, work or services in the performance of this Agreement including any employee or business invitee of Tenant or any other person for whose acts, errors, mistakes, omissions, work or services Tenant may be legally liable, and regardless of whether or not such claim, damages, losses or expenses are caused in part by Landlord.

(iii) The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph 16A.

(iv) Landlord reserves the right to amend the requirements herein at any time during the Lease subject to at least 30 days written notice. Coverage provided by the Tenant shall not be limited to the liability assumed under the Indemnification provision of this Lease. To the extent permitted by law, Tenant waives all rights of subrogation or similar rights against Landlord. Landlord reserves the right to require complete copies of all insurance policies required by this Lease at any time. Failure to maintain the insurance policies required by this Lease, or to provide evidence of renewal, is a material breach of contract.

B. INSURANCE REQUIREMENTS

(i) Tenant, at Tenant's own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. rating of "A", or approved and licensed to do business in the State of Arizona with policies and forms satisfactory to Landlord.

(ii) All insurance required herein shall be maintained in full force and effect during any term of this Lease; failure to do so may, at the sole discretion of Landlord, constitute a material breach of this Lease.

(iii) Tenant's insurance shall be primary insurance, and any insurance or self-insurance maintained by Landlord shall not contribute to it. Any failure to comply with the claim reporting provisions of the policies or any breach of an insurance policy warranty shall not affect coverage afforded under the policy to protect Landlord.

(iv) The insurance policies required by this Agreement shall name Landlord and any other Indemnified Parties designated by Landlord as Additional Insured(s).

C. REQUIRED COVERAGES

(i) General Liability/Contractual Indemnity

(a) Tenant shall, at Tenant's expense, maintain a policy of comprehensive public liability insurance with a limit of not less than \$1,000,000 for each occurrence and with a \$1,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Agreement, which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 000211093(October 2001 version). The coverage shall not exclude X, C, U.

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

(c) The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s, Additional Insured, Form B, CG20101185 (October 2001 version).

(ii) Property Insurance

(a) Landlord shall obtain and keep in force during any term of this Lease, a policy or policies of insurance covering loss or damage to the Leased Premises, in the amount of the full replacement value thereof, providing protection against all perils included within the classification of fire, flood, extended coverage, vandalism, malicious mischief and special extended perils.

(b) Tenant shall obtain and keep in force during any term of this Lease, a policy or policies of insurance covering loss or damage to the contents of the Leased Premises. Tenant agrees that Landlord shall not be liable for injury to Tenant's business or any loss of income there from, or for loss or damage to goods, wares, merchandise or other property in or on the Leased Premises owned or belonging to Tenant, Tenant's employees, invitees, customers, or any other person in or about the Leased Premises; nor shall Landlord be liable for injury to the person of Tenant, Tenant's employees, invitees, agents or contractors, whether such damage or injury to persons or property is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction, or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning, or light fixtures or from any other cause; or whether the said damage or injury to person or property results from conditions arising upon the Leased Premises or from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible to Tenant.

(iii) Certificates of Insurance

(a) Prior to delivery of possession of the Leased Premises to Tenant, Tenant shall furnish Landlord with proof of payment acceptable to Landlord of any required coverages hereunder, together with Certificates of Insurance, or formal endorsements as required by this Lease, issued by Tenant's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Lease are in full force and effect.

(b) In the event any insurance policy (ies) required by this Lease is (are) written on a "claims made" basis, coverage shall extend for two years past the expiration of any term of this Lease as evidenced by annual Certificates of Insurance.

(c) If a policy does expire during any term of this Lease, a renewal certificate must be sent to Landlord fifteen (15) days prior to the expiration date.

17. DEFAULTS AND REMEDIES

A. DEFAULTS

The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Tenant:

- (i) The vacating or abandonment of the Leased Premises by Tenant;
- (ii) The failure by Tenant to make any payment of rent or any other payment required to be made by Tenant hereunder, as and when due;
- (iii) The failure by Tenant to observe or perform any of the covenants, conditions, or provisions of this Lease to be observed or performed by Tenant, other than described in subsection (ii) above, where such failure shall continue for a period of fifteen (15) days after written notice hereof from Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than fifteen (15) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commenced such cure within said fifteen (15) day period and thereafter diligently prosecutes such cure to completion, such additional time to complete not to exceed thirty (30) additional days.
- (iv) The making by Tenant of any general arrangement for the benefit of creditors; the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets, located at the Leased Premises, or, of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or, the attachment, execution, or other judicial seizure of substantially all of Tenant's assets located at the Leased Premises or of Tenant's interest in this Lease where such seizure is not discharged within thirty (30) days; or
- (v) The filing or recordation of a lien against the Leased Premises, the Building or the Silver King Market Place as a whole due to any action or inaction of Tenant.

B. REMEDIES

- (i) In the event of any such default or breach by Tenant, Landlord may at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of such default or breach:
- (ii) Terminate Tenant's right to possession of the Leased Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Leased Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including but not limited to, the cost or recovering possession of the Premises; expenses of reletting, including necessary renovation and alteration of the Premises; reasonable attorneys' fees; any real estate commission actually paid; and the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent for the balance of the term after the time of such award exceeds

the amount of such rental loss for the same period that Tenant provides could be reasonably avoided. In the event Tenant shall have abandoned the Premises, Landlord shall have the option of: 1) retaking possession of the Premises and recovering from Tenant the amount specified in this paragraph; or 2) proceeding under subsection (iii) immediately below.

(iii) Maintain Tenant's right to possession, in which case this Lease shall remain in effect whether or not Tenant shall have abandoned the Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder.

(iv) Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State of Arizona, including the right to declare a landlord's lien on Tenant's personal property located on the Leased Premises. Where a landlord's lien is declared by Landlord, Landlord may, without notice or demand to Tenant, terminate Tenant's right to possession of the premises until Landlord has secured sufficient personal property or full payment of rent to satisfy the amount of rent owed. Should Landlord declare a landlord's lien on the Leased Premises pursuant to this paragraph, this Lease shall not be considered terminated, and Landlord shall have a right to recover rent as it becomes due.

C. DEFAULT BY LANDLORD

Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event later than fifteen (15) days after written notice by Tenant to Landlord and to the holder of any first mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to Tenant in writing, specifying wherein Landlord has failed to perform such obligations; provided however, that if the nature of Landlord's obligation is such that more than fifteen (15) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such thirty day period and thereafter diligently prosecutes the same to completion. If Landlord does not perform, the holder of any first mortgage may perform in Landlord's place and Tenant must accept such performance.

D. HOLDOVER BY TENANT

If Tenant shall hold over after expiration of the Initial Term, or any extension of the Initial Term, such tenancy shall be from month-to-month only upon such terms, covenants, and conditions as set forth herein except for those relating to the term of the Lease. Any such month-to-month tenancy may be terminated by Landlord upon thirty (30) days notice to Tenant. However, nothing herein shall be construed as or deemed a waiver of any rights of Landlord to take such action in law or equity as Landlord may have under the provisions of this Lease or otherwise.

E. BANKRUPTCY OF TENANT

If Tenant should make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy, or be adjudicated bankrupt or insolvent, or permit a receiver to be appointed to take possession of a substantial portion of the Tenant's assets or of this leasehold, and such bankruptcy, insolvency or receivership proceedings not be dismissed within thirty days, then Lessor may, without notice or demand, terminate this Lease and forthwith re-enter and repossess the demised premises and remove all persons, and under no circumstances shall this Lease be assigned or transferred by operation of law.

18. DAMAGE AND DESTRUCTION

Subject to the Insurance provisions contained herein, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant subject to the provisions of this Lease which may permit Landlord to retain such payments. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

19. TITLE

A. Subordination. Tenant shall, upon the request of Landlord in writing, subordinate this Lease to the lien of any present or future institutional mortgage/deed of trust upon the Leased Premises irrespective of the time of execution or the time of recording of any such mortgage; provided, however, that as a condition to such subordination, the holder of any such encumbrance shall enter first into a written agreement with Tenant reasonably satisfactory to such encumbrancer in form suitable for recording to the effect that:

(i) In the event of foreclosure or other action taken under the encumbrance by the holder thereof, this Lease and the rights of Tenant hereunder shall not be disturbed but

shall continue in full force and effect so long as Tenant shall not be in default hereunder; and

(ii) Such holder shall permit insurance proceeds and condemnation proceeds to be used for any restoration and repair required by the Damage and Insurance provisions of this Lease. Tenant agrees that if the encumbrancer or any person claiming under the encumbrancer shall succeed to the interest of Landlord in this lease, Tenant will attorn to and recognize said encumbrancer or person as its Landlord under the terms of this Lease; provided that said encumbrancer or person for the period during which said encumbrancer or person respectively shall be in possession of the Leased Premises and thereafter their respective successors in interest shall assume all of the obligations of Landlord hereunder, but shall not be liable for prior defaults of Landlord hereunder. The word "mortgage", as used herein includes mortgages, deeds of trust or other similar instruments, and modifications, and extensions thereof. The term "institutional mortgage" means a mortgage securing a loan from a bank (commercial or savings) or trust company, insurance company or pension trust or any other lender institutional in nature and constituting a lien upon the Leased Premises.

B. Quiet Enjoyment. Landlord covenants and agrees that upon Tenant paying the rent and observing and performing all of the terms, covenants and conditions on Tenant's part to be observed and performed hereunder, that Tenant may peaceably and quietly have, hold, occupy and enjoy the Leased Premises in accordance with the terms of this Lease without hindrance or molestation from Landlord or any persons lawfully claiming through Landlord.

20. ATTORNEYS' FEES

In the event of any legal action between Landlord and Tenant to enforce any of the provisions and/or rights hereunder, the unsuccessful party to such action agrees to pay to the other party all costs and expenses, including reasonable attorneys' fees incurred in prosecuting or defending such action, and if judgment is recovered in such action or proceeding, such costs, expenses and attorney's fees shall be included in and as a part of such judgment.

21. NOTICES

Any notice required to be given by or to either Landlord or Tenant pursuant to this Lease, shall be in writing and shall be forwarded by certified mail, postage prepaid, addressed as follows:

For Landlord:

Town of Florence
Town Manager
P.O. Box 2670
775 North Main Street

For Tenant:

Pastor
Florence Mosaic Church of the Nazarene
2363 N. Smithsonian Dr.
Florence, AZ 85132

Florence, AZ 85132

22. WAIVER

A waiver of any breach of this Lease, or of any of the terms or conditions by either party hereto, shall not be deemed a waiver of any repetition of such breach or in any way affect any other terms or conditions hereof. No waiver shall be valid or binding unless it shall be in writing and signed by the parties.

23. CANCELLATION OF AGREEMENT

Pursuant to A.R.S. § 38-511, the provisions of which are incorporated herein by reference, all parties are hereby put on notice that this Lease is subject to cancellation by Landlord if any person significantly involved in initiating, negotiating, securing, drafting or creating this Lease on behalf of Landlord is, at any time while this Lease or any extension of this Lease is in effect, an employee or agent of Tenant in any capacity or a consultant to Tenant with respect to the subject matter of this Lease.

{BALANCE OF THIS PAGE LEFT BLANK INTENTIONALLY; SIGNATURES AND
ACKNOWLEDGEMENTS APPEAR ON PAGE FOLLOWING}

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first written above.

LANDLORD:

TOWN OF FLORENCE, an Arizona municipal corporation

Tom J. Rankin, Mayor

Date

ATTEST:

APPROVED AS TO FORM:

Lisa Garcia, Town Clerk

Clifford L. Mattice, Town Attorney

TENANT:

_____, an Arizona non-profit corporation

By: _____

Its: _____

Date: _____

STATE OF ARIZONA)
) ss.
County of Pinal)

On this ____ day of _____, 2016, before me, the undersigned Notary Public, personally appeared _____, the _____ of Florence Mosaic Church of the Nazarene, an Arizona non-profit corporation, and that as such, being authorized so to do, executed the foregoing instrument for the purpose therein contained on behalf of the said company.

(Seal and Expiration Date)

Notary Public

My Commission Expires:

EXHIBIT A

Business Summary

Florence Fudge Co. is a fudge and sandwich shop located in Suite 101 of the Silver King Market Place in downtown Florence. The focus is on fast, quality lunches and fudge. By preparing menu items using a quick-service system, presenting a simple menu, and offering delivery to the downtown area, the Fudge Co. gives its customers a solution to their lunch desires. A variety of different fudges, up to 12 flavors, are offered each day. The restaurant is open Monday through Friday, from 8:00 a.m. until 4:00 p.m. during the winter months and from 10:00 a.m. until 3:00 p.m. during the summer months. On Saturdays, the restaurant is open from 10:00 a.m. until 2:00 p.m.

The Florence Church of the Nazarene purchased Door County Fudge Co. and changed the business name to Florence Fudge Co. in 2010. The Florence Fudge Co. is governed by the Board of Directors of Florence Mosaic Church of the Nazarene. Pastor Kevin McGuinness is the Chairman and the Board includes Merritt Strunk, Dee Jones, John MacKenzie, Fred MacKenzie, Gerrit Griffieon, Chris Terhaar, Jim Popp, Susan Kerestes, and Doretta Allison. General Manager is Doretta Allison who, as a volunteer, does the purchasing, payroll, financial records and helps out occasionally in the shop as needed. The Operations Manager is Cory Ecenbarger. Christin Kemplin and Emily Allee are employees.

Public relations, press releases, event promotions, fundraisers, and catering promotion are the core of the marketing strategy. The restaurant focuses on social media, public relations, and local events for lunch sales to the business target market. Advertising and sales incentives have been used with our target markets and loyal customers. Word of mouth has been the most important part of the marketing strategy because the target markets have become familiar with the restaurant and credibility has definitely been established. A website has been set up and is used as a sales tool to communicate the menu offerings, catering options, restaurant location, and concept. Business cards that feature a discount also are used to promote the business.

The Florence Fudge Co. is a ministry of the Florence Mosaic Church of the Nazarene. A percentage of the revenues go to help fund the Downtown Ministry of the Florence Mosaic Church that operates under the 501(c)3 non-profit status of the General Board of the Church of the Nazarene. Revenues generated by the Florence Fudge Co. funds virtually the entire annual budget of Love Works Pregnancy Resource Center which supplies clothing and provides education classes, etc. to the citizens of Florence who need help. Revenues also fund the Diaper Pantry that is an extension of Love Works.

EXHIBIT B

Tenant Modifications

[PLACE HOLDER FOR ALL PERMANENT TENANT IMPROVEMENTS]



TOWN OF FLORENCE COUNCIL ACTION FORM

AGENDA ITEM 7f.

MEETING DATE: September 19, 2016

DEPARTMENT: Administration

STAFF PRESENTER: Jennifer Evans, Management Analyst

SUBJECT: Silver King Marketplace Lease Agreement
Renewal with Bucks 4 Style, LLC

- Action
- Information Only
- Public Hearing
- Resolution
- Ordinance
 - Regulatory
 - 1st Reading
 - 2nd Reading
- Other

RECOMMENDED MOTION/ACTION:

A motion to approve the Lease Agreement between the Town of Florence, and Bucks 4 Style, LLC, for Suite 102, at the Silver King Marketplace.

BACKGROUND/DISCUSSION:

Kim Ehlebracht, owner of Bucks 4 Style, LLC, seeks to renew the lease for Suite 102, located on the ground floor, north end of the Silver King Marketplace. Bucks 4 Style, LLC, has been open since 2014 and expanded to the Silver King Marketplace in 2015.

FINANCIAL IMPACT:

The term of the lease is from October 1, 2016, through September 30, 2017. The monthly rent will be \$356 and the tenant will pay for the cost of utilities each month, as invoiced by the Town.

STAFF RECOMMENDATION:

Staff recommends approval of the lease with Bucks 4 Style, LLC.

ATTACHMENTS:

Silver King Marketplace Lease Agreement

SILVER KING MARKET PLACE LEASE AGREEMENT

TOWN OF FLORENCE, ARIZONA,
an Arizona municipal corporation

AND

BUCKS 4 STYLE, LLC
an Arizona limited liability company

DATE: As of October 1, 2016

SILVER KING MARKET PLACE LEASE AGREEMENT

This Silver King Market Place Lease Agreement (this "Lease") is made and entered into as of the **day of** , **2016** by Town of Florence, an Arizona municipal corporation, hereinafter called "Landlord", and Bucks 4 Style, LLC, an Arizona limited liability company, hereinafter called "Tenant".

1. LEASED PREMISES

For and in consideration of the rent to be paid and of the covenants and agreements of Tenant as hereinafter set forth, Landlord does hereby lease 1,424 square feet to Tenant of the premises located at 440 N. Main Street, Suite 102, Florence, Arizona, also known as the Silver King Market Place, and hereinafter referred to as the "Premises", or, the "Leased Premises". The Leased Premises are also described as Suite 102, which is located at the north end of the building in which the Premises are located (the "Building") on the ground floor.

2. TERM

The Lease term shall begin on the **1st day of October, 2016** and end on the **30th day of September, 2017** (the "Initial Term"). Landlord shall use commercially reasonable efforts to put Tenant in possession of the Leased Premises at the beginning of the Initial Term. If Landlord is unable to timely provide the Leased Premises for occupancy by Tenant, rent shall abate for the period of delay. Tenant agrees it shall make no other claim against Landlord for any such delay.

3. EXTENSIONS

The parties hereto may elect to extend the Initial Term upon such terms and conditions as may be agreed upon in writing and signed by the parties at the time of any such election; provided that Tenant gives notice of its request to extend the Initial Term no later than sixty (60) days prior to the expiration of the Initial Term. If Tenant does not elect to extend the Initial Term in accordance with this paragraph, this Lease shall end on the **30th day of September, 2017** (the "Expiration Date") and thereafter Tenant may only occupy the Premises on a month-to-month basis. Such month-to-month tenancy may be terminated by Landlord upon thirty (30) days notice to Tenant. Landlord's acceptance of rent payments after the Expiration Date shall not constitute a renewal of this Lease Agreement.

4. RENTS

Rent shall be paid at the rate of **three hundred fifty six dollars (\$356.00)** per month for the duration of this Lease. In addition to the rent, Tenant is responsible for any commercial property lease transaction privilege tax and government property lease excise tax. Each monthly payment of rent due thereafter shall be payable on the first day of each calendar month for the balance of the Initial Term, together with such taxes.

Payment of rent shall be made to Landlord at Town of Florence, P.O. Box 2670, 775 North Main Street, Florence, Arizona 85132, or at such other place designated by written notice from Landlord. The rental payment amount for any partial calendar months included in the Lease term shall be prorated on a daily basis. If rent is not received by the close of the 5th business day then a late fee of \$25.00 will be added to Tenant's account and past-due rent shall bear interest at the rate of ten per cent (10%) per annum from the date due (*i.e.*, the first day of each month) until paid.

5. SECURITY DEPOSIT

Tenant has deposited with Landlord the sum of **three hundred fifty six dollars (\$356.00)** as security for the full and faithful performance by Tenant of all the terms of this Lease required to be performed by Tenant. Such sum shall be returned to Tenant after the expiration of this Lease; provided Tenant has fully and faithfully carried out all of its terms. At the expiration of this Lease or such other time as Tenant may properly request the return of the Security Deposit, Landlord shall make an inspection of the Leased Premises and deduct from the Security Deposit such sums as are necessary to repair and refurbish the Leased Premises to the condition which existed prior to Tenant's occupancy thereof. In the event of a bona fide sale of the Building of which the Leased Premises are a part, Landlord shall have the right to transfer the security to the purchaser to be held under the terms of this lease, and Landlord shall be released from all liability for the return of such security to Tenant.

6. PURPOSE

A. Landlord is maintaining the Silver King Market Place for the development of new businesses within the historical/downtown area of the Town of Florence. It is Landlord's desire to endeavor to assist in the creation of new businesses by providing a leasing environment contemplated to assist such new businesses.

B. Tenant shall use the Leased Premises for the purpose of conducting the business of retail clothing consignment and for no other purpose without Landlord's express prior written consent. This use must also be and remain consistent with Exhibit "A". In the event Tenant desires to use the Leased Premises for a different business purpose not described above, Tenant shall first apply, in writing, for approval for such use to the Town of Florence. As a further condition of this Lease, Tenant must also maintain regular business hours and be open for at least thirty five (35) hours per week with exception of holidays. When business enhancement classes are offered free of charge, Tenant shall make every effort to send one or more representatives to attend these programs.

C. If Tenant fails to meet any of these requirements, then Landlord may terminate this Lease after providing Tenant no less than thirty (30) days written notice of Landlord's intent to terminate this Lease. If Tenant does not satisfy the above conditions or otherwise cure the deficiencies indicated in the notice within thirty (30) days, Landlord may terminate this Lease as provided in Section 17 below.

The Premises shall not be used in violation of this Lease, any zoning laws applicable to the Premises or in violation of any federal, state or local laws or regulations.

7. PROHIBITED USES

Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device. All uses must conform to the zoning code of the Town of Florence and the Property Lease Policy, both as promulgated by Town from time to time.

8. SUBLEASE AND ASSIGNMENT

A. Tenant shall not sublet or assign this Lease without Landlord's consent. To assign this Lease to a business with which Tenant may merge or consolidate, to any subsidiary of Tenant, to any corporation under common control with Tenant, or to a purchaser of substantially all of Tenant's assets Tenant must receive either written consent from Landlord (not to be unreasonably withheld) or enter into a new lease agreement reasonably satisfactory to both parties.

B. Except as set forth above, neither Tenant nor any assignee may sublease all or any part of the Leased Premises, or assign this Lease in whole or in part, without Landlord's written consent.

9. REPAIRS

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs and refurbishment of the Leased Premises. Repair and refurbishment shall include, but is not limited to, the repair and refurbishment of normal wear and tear to floors, walls, ceilings, and other parts of the Leased Premises caused by Tenant's use and enjoyment of the Leased Premises, except for major mechanical systems or the roof (so long as damage thereto is not caused, in whole or in part, by the acts or omissions of Tenant, its invitees or those under Tenant's direction and control), subject to the obligations of the parties as may otherwise be set forth in this Lease.

10. TENANT IMPROVEMENTS

A. Tenant, at Tenant's expense, shall have the right to remodel, redecorate or make additions, improvements and replacements to all or any part of the Leased Premises from time to time as Tenant may deem desirable (the "Tenant Modifications"); provided the same are made in a workmanlike manner, lien free, in accordance with all codes and utilizing good quality materials. Tenant must obtain the written consent of Landlord prior to undertaking any such Tenant Modifications. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the Leased Premises. All

personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease but not after ten (10) days after the expiration thereof, provided that such removal does not cause any damage to the Premises. Any damage caused by the removal of Tenant's personal property shall be repaired by Tenant at Tenant's expense. If Tenant fails to repair any such damage Landlord may repair the damage and deduct the costs thereof from Tenant's security deposit, with Tenant remaining liable for the excess, if any, over the security deposit. At the expiration of this Lease, at Landlord's direction, Tenant shall remove any such personal property from the Leased Premises at Tenant's sole cost and expense, repairing any damage to the Leased Premises occasioned thereby.

B. Tenant may have prepared plans and specifications for the construction of Tenant Modifications, and, if so, such plans and specifications are attached hereto as Exhibit "B" and incorporated herein by reference. Tenant shall obtain all certificates, permits, licenses and other authorizations of governmental bodies or authorities which are necessary to permit the construction of the improvements on the Leased Premises and shall keep the same in full force and effect at Tenant's cost.

C. Tenant shall negotiate, let and supervise all contracts for the furnishing of services, labor and materials for the construction of Tenant Modifications on the Leased Premises at its sole cost and expense. All such contracts shall require the contracting party to guarantee performance and all workmanship and materials installed by it for a period of one year following the date of completion of construction. Tenant shall cause all contracts to be fully and completely performed in a good and workmanlike manner and lien free, all to the effect that the improvements shall be fully and completely constructed and installed in accordance with good engineering and construction practice. Tenant shall include in any contract for the construction of Tenant Modifications a requirement that bonds in the full amount of the contract sum be furnished guaranteeing the faithful performance of the contract requirements and the payment of any and all subcontractors.

D. During the course of Tenant Modifications, Tenant shall, at its cost, keep in full force and effect a policy of builder's risk and liability insurance in a sum equal to three times the amount expended for construction of the improvements. All risk of loss or damage to the improvements during the course of construction shall be on Tenant with the proceeds from insurance thereon payable to Landlord.

E. Nothing herein shall alter the intent of the parties that Tenant shall be fully and completely responsible for all aspects pertaining to the construction of Tenant Modifications to Leased Premises and for the payment of all costs associated therewith. Landlord shall be under no duty to investigate or verify Tenant's compliance with the provisions contained herein. Moreover, neither Tenant nor any third party may construe

the permission granted Tenant hereunder to create any responsibility on the part of Landlord to pay for any improvements, alterations or repairs occasioned by Tenant.

11. UTILITIES

Landlord shall pay the amount due for charges for water, sewer, gas, and electricity and separately invoice Tenant for Tenant's share of the charges as determined by Landlord in its reasonable judgment utilizing any reasonable method of apportionment. Tenant shall pay the utilities invoice upon the due date. Tenant shall be responsible for all of its own telecommunications/cable/Internet charges.

Tenant acknowledges that the Leased Premises are designed to provide standard office or retail use electrical facilities and standard office lighting. Tenant shall not use any equipment or devices that utilize excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.

12. SIGNAGE

A. Exterior Signs. Landlord will provide one exterior sign located on the east side of the Building. Tenant shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to erect and thereafter, to repair or replace, if it shall so elect, signs on any portion of the Leased Premises provided that Tenant shall remove any such signs upon termination of this Lease, and repair all damage occasioned thereby to the Leased Premises, all at Tenant's sole cost and expense.

B. Interior Signs. Tenant shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to erect, maintain, place and install its usual and customary signs and fixtures in the interior of the Leased Premises.

13. ENTRY

Landlord shall have the right to enter upon the Leased Premises at reasonable hours (absent emergency [during which Landlord may enter to inspect/endeavor to abate emergency]) to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

14. PARKING

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the Building, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the Building or in reasonable proximity thereto, for Tenant and Tenant's agents and employees or for others within or utilizing the Building.

15. MECHANIC'S AND OTHER LIENS

Tenant shall pay before delinquent all sums of money which, if unpaid, would entitle any person to a mechanic's or material supplier's or laborer's lien against the Leased Premises, or on Tenant's interest under this Lease. Tenant agrees that it will neither do any act, nor fail to do any act, which would result in the recordation of any lien against the Leased Premises, the Building or the Silver King Market Place as a whole.

16. INSURANCE AND INDEMNIFICATION

A. INDEMNIFICATION

(i) To the fullest extent permitted by law, Tenant shall defend, indemnify and hold harmless Landlord (*i.e.*, the Town of Florence), its agents, officers, officials (whether elected or not), attorneys and employees (collectively, the "Indemnified Parties") from, of and against all claims, damages, losses and expenses (including, but not limited to, attorneys' fees [whether or not suit is brought], court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted either wholly or in part from the acts, errors, mistakes, omissions, work or services of Tenant, its agents, employees, contractors, subcontractors or business invitees in the performance of this Agreement, and regardless of whether or not such claim, damages, loss or expenses are caused in part by Landlord.

(ii) Tenant's duty to defend, hold harmless and indemnify the Indemnified Parties and each of them shall arise in connection with any claims, damages, losses or expenses that are attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting therefrom, caused either wholly or in part by Tenant's acts, errors, mistakes, omissions, work or services in the performance of this Agreement including any employee or business invitee of Tenant or any other person for whose acts, errors, mistakes, omissions, work or services Tenant may be legally liable, and regardless of whether or not such claim, damages, losses or expenses are caused in part by Landlord.

(iii) The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph 16A.

B. INSURANCE REQUIREMENTS

(i) Tenant, at Tenant's own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. rating of "A", or approved and licensed to do business in the State of Arizona with policies and forms satisfactory to Landlord.

(ii) All insurance required herein shall be maintained in full force and effect during any term of this Lease; failure to do so may, at the sole discretion of Landlord, constitute a material breach of this Lease.

(iii) Tenant's insurance shall be primary insurance, and any insurance or self-insurance maintained by Landlord shall not contribute to it. Any failure to comply with the claim reporting provisions of the policies or any breach of an insurance policy warranty shall not affect coverage afforded under the policy to protect Landlord.

(iv) The insurance policies required by this Agreement shall name Landlord and any other Indemnified Parties designate by Landlord as Additional Insured(s).

C. REQUIRED COVERAGES

(i) General Liability/Contractual Indemnity

(a) Tenant shall, at Tenant's expense, maintain a policy of comprehensive public liability insurance with a limit of not less than \$1,000,000 for each occurrence and with a \$1,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Agreement, which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 000211093(October 2001 version). The coverage shall not exclude X, C, U.

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

(c) The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s, Additional Insured, Form B, CG20101185 (October 2001 version).

(ii) Property Insurance

(a) Landlord shall obtain and keep in force during any term of this Lease, a policy or policies of insurance covering loss or damage to the Leased Premises, in the amount of the full replacement value thereof, providing protection against all perils included within the classification of fire, flood, extended coverage, vandalism, malicious mischief and special extended perils.

(b) Tenant shall obtain and keep in force during any term of this Lease, a policy or policies of insurance covering loss or damage to the contents of the Leased Premises. Tenant agrees that Landlord shall not be liable for injury to Tenant's business or any loss of income there from, or for loss or damage to goods, wares, merchandise or other property in or on the Leased premises owned or belonging to Tenant, Tenant's employees, invitees, customers, or any other person in or about the Leased Premises; nor shall Landlord be liable for injury to the person of Tenant, Tenant's employees, invitees, agents or contractors, whether such damage or injury to persons or property is caused by or results from fire, steam, electricity, gas, water or rain, or from the

breakage, leakage, obstruction, or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning, or light fixtures or from any other cause; or whether the said damage or injury to person or property results from conditions arising upon the Leased Premises or from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible to Tenant.

(iii) Certificates of Insurance

(a) Prior to delivery of possession of the Leased Premises to Tenant, Tenant shall furnish Landlord with proof of payment acceptable to Landlord of any required coverages hereunder, together with Certificates of Insurance, or formal endorsements as required by this Lease, issued by Tenant's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Lease are in full force and effect.

(b) In the event any insurance policy(ies) required by this Lease is (are) written on a "claims made" basis, coverage shall extend for two years past the expiration of any term of this Lease as evidenced by annual Certificates of Insurance.

(c) If a policy does expire during any term of this Lease, a renewal certificate must be sent to Landlord fifteen (15) days prior to the expiration date.

17. DEFAULTS AND REMEDIES

A. DEFAULTS

The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Tenant:

(i) The vacating or abandonment of the Leased Premises by Tenant;

(ii) The failure by Tenant to make any payment of rent or any other payment required to be made by Tenant hereunder, as and when due;

(iii) The failure by Tenant to observe or perform any of the covenants, conditions, or provisions of this Lease to be observed or performed by Tenant, other than described in subsection (ii) above, where such failure shall continue for a period of fifteen (15) days after written notice hereof from Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than fifteen (15) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commenced such cure within said fifteen (15) day period and thereafter diligently prosecutes such cure to completion, such additional time to complete not to exceed thirty (30) additional days;

(iv) The making by Tenant of any general arrangement for the benefit of creditors; the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless,

in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets, located at the Leased Premises, or, of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or, the attachment, execution, or other judicial seizure of substantially all of Tenant's assets located at the Leased Premises or of Tenant's interest in this Lease where such seizure is not discharged within thirty (30) days; or

(v) The filing or recordation of a lien against the Leased Premises, the Building or the Silver King Market Place as a whole due to any action or inaction of Tenant.

B. REMEDIES

(i) In the event of any such default or breach by Tenant, Landlord may at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of such default or breach:

(ii) Terminate Tenant's right to possession of the Leased Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Leased Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including but not limited to, the cost or recovering possession of the Premises; expenses of reletting, including necessary renovation and alteration of the Premises; reasonable attorneys' fees; any real estate commission actually paid; and the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent for the balance of the term after the time of such award exceeds the amount of such rental loss for the same period that Tenant provides could be reasonably avoided. In the event Tenant shall have abandoned the Premises, Landlord shall have the option of: 1) retaking possession of the Premises and recovering from Tenant the amount specified in this paragraph; or 2) proceeding under subsection (iii) immediately below.

(iii) Maintain Tenant's right to possession, in which case this Lease shall remain in effect whether or not Tenant shall have abandoned the Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder.

(iv) Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State of Arizona, including the right to declare a landlord's lien on Tenant's personal property located on the Leased Premises. Where a landlord's lien is declared by Landlord, Landlord may, without notice or demand to Tenant, terminate Tenant's right to possession of the premises until Landlord has secured sufficient personal property or full payment of rent to satisfy the amount of rent owed. Should Landlord declare a landlord's lien on the Leased Premises pursuant to this paragraph, this Lease shall not be considered terminated, and Landlord shall have a right to recover rent as it becomes due.

C. DEFAULT BY LANDLORD

Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event later than fifteen (15) days after written notice by Tenant to Landlord and to the holder of any first mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to Tenant in writing, specifying wherein Landlord has failed to perform such obligations; provided however, that if the nature of Landlord's obligation is such that more than fifteen (15) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such thirty day period and thereafter diligently prosecutes the same to completion. If Landlord does not perform, the holder of any first mortgage may perform in Landlord's place and Tenant must accept such performance.

D. HOLDOVER BY TENANT

If Tenant shall hold over after expiration of the Initial Term, or any extension of the Initial Term, such tenancy shall be from month-to-month only upon such terms, covenants and conditions as set forth herein except for those relating to the term of the Lease. Any such month-to-month tenancy may be terminated by Landlord upon thirty (30) days notice to Tenant. However, nothing herein shall be construed as or deemed a waiver of any rights of Landlord to take such action in law or equity as Landlord may have under the provisions of this Lease or otherwise.

E. BANKRUPTCY OF TENANT

If Tenant should make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy, or be adjudicated bankrupt or insolvent, or permit a receiver to be appointed to take possession of a substantial portion of the Tenant's assets or of this leasehold, and such bankruptcy, insolvency or receivership proceedings not be dismissed within thirty days, then Lessor may, without notice or demand, terminate this Lease and forthwith re-enter and repossess the demised premises and remove all persons, and under no circumstances shall this Lease be assigned or transferred by operation of law.

18. DAMAGE AND DESTRUCTION

Subject to the Insurance provisions contained herein, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain

necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant subject to the provisions of this Lease which may permit Landlord to retain such payments. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

19. TITLE

A. Subordination. Tenant shall, upon the request of Landlord in writing, subordinate this Lease to the lien of any present or future institutional mortgage/deed of trust upon the Leased Premises irrespective of the time of execution or the time of recording of any such mortgage; provided however, that as a condition to such subordination, the holder of any such encumbrance shall enter first into a written agreement with Tenant reasonably satisfactory to such encumbrancer in form suitable for recording to the effect that:

(i) In the event of foreclosure or other action taken under the encumbrance by the holder thereof, this Lease and the rights of Tenant hereunder shall not be disturbed but shall continue in full force and effect so long as Tenant shall not be in default hereunder; and

(ii) Such holder shall permit insurance proceeds and condemnation proceeds to be used for any restoration and repair required by the Damage and Insurance provisions of this Lease. Tenant agrees that if the encumbrancer or any person claiming under the encumbrancer shall succeed to the interest of Landlord in this lease, Tenant will attorn to and recognize said encumbrancer or person as its Landlord under the terms of this Lease; provided, that said encumbrancer or person for the period during which said encumbrancer or person respectively shall be in possession of the Leased Premises and thereafter their respective successors in interest shall assume all of the obligations of Landlord hereunder, but shall not be liable for prior defaults of Landlord hereunder. The word "mortgage", as used herein includes mortgages, deeds of trust or other similar instruments, and modifications, and extensions thereof. The term "institutional mortgage" means a mortgage securing a loan from a bank (commercial or savings) or trust company, insurance company or pension trust or any other lender institutional in nature and constituting a lien upon the Leased Premises.

B. Quiet Enjoyment. Landlord covenants and agrees that upon Tenant paying the rent and observing and performing all of the terms, covenants and conditions on Tenant's part to be observed and performed hereunder, that Tenant may peaceably and

quietly have, hold, occupy and enjoy the Leased Premises in accordance with the terms of this Lease without hindrance or molestation from Landlord or any persons lawfully claiming through Landlord.

20. ATTORNEYS' FEES

In the event of any legal action between Landlord and Tenant to enforce any of the provisions and/or rights hereunder, the unsuccessful party to such action agrees to pay to the other party all costs and expenses, including reasonable attorneys' fees incurred in prosecuting or defending such action, and if judgment is recovered in such action or proceeding, such costs, expenses and attorney's fees shall be included in and as a part of such judgment.

21. NOTICES

Any notice required to be given by or to either Landlord or Tenant pursuant to this Lease, shall be in writing and shall be forwarded by certified mail, postage prepaid, addressed as follows:

For Landlord:

Town of Florence
Town Manager
P.O. Box 2670
775 North Main Street
Florence, AZ 85132

For Tenant:

Kim Ehlebracht
Bucks 4 Style, LLC
P. O. Box 169
Florence, AZ 85132

22. WAIVER

A waiver of any breach of this Lease, or of any of the terms or conditions by either party hereto, shall not be deemed a waiver of any repetition of such breach or in any way affect any other terms or conditions hereof. No waiver shall be valid or binding unless it shall be in writing and signed by the parties.

23. CANCELLATION OF AGREEMENT

Pursuant to A.R.S. § 38-511, the provisions of which are incorporated herein by reference, all parties are hereby put on notice that this Lease is subject to cancellation by Landlord if any person significantly involved in initiating, negotiating, securing, drafting or creating this Lease on behalf of Landlord is, at any time while this Lease or any extension of this Lease is in effect, an employee or agent of Tenant in any capacity or a consultant to Tenant with respect to the subject matter of this Lease.

{BALANCE OF THIS PAGE LEFT BLANK INTENTIONALLY; SIGNATURES AND
ACKNOWLEDGEMENTS APPEAR ON PAGE FOLLOWING}

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first written above.

LANDLORD:

TOWN OF FLORENCE, an Arizona municipal corporation

Tom J. Rankin, Mayor

Date

ATTEST:

APPROVED AS TO FORM:

Lisa Garcia, Town Clerk

Clifford L. Mattice, Town Attorney

TENANT:

BUCKS 4 STYLE, LLC, an Arizona limited liability company

By: _____

Its: _____

Date: _____

STATE OF ARIZONA)
) ss.
County of Pinal)

On this ____ day of _____, 2016, before me, the undersigned Notary Public, personally appeared _____, the _____ of Bucks 4 Style, LLC, an Arizona limited liability company, and that as such, being authorized so to do, executed the foregoing instrument for the purpose therein contained on behalf of the said company.

(Seal and Expiration Date)

Notary Public

My Commission Expires:

EXHIBIT A

Business Summary

Bucks 4 Style is a consignment store in downtown Florence, Arizona that offers quality clothing at value prices for men, women, and teens. Kim Ehlebracht is the sole proprietor of the business which opened in June 2014. Bucks 4 Style moved to downtown Florence from its first location within two months of opening. The shop moved to the historic Silver King Marketplace in 2015 to provide customers with a unique shopping experience.

The vision for Bucks 4 Style is to be a destination retail store that is locally owned yet gives customers the same level of service as chain consignment stores. Bucks 4 Style offers the consumer great fashion at inexpensive prices with the highest level of customer service. The store allows customers to recycle their gently used clothing in return for cash or store credit. Items that are consigned are closely inspected so customers are assured of the highest quality merchandise. All customers are given consistent and personalized attention to provide the best customer service possible.

EXHIBIT B

Tenant Modifications

[PLACE HOLDER FOR ALL PERMANENT TENANT IMPROVEMENTS]



TOWN OF FLORENCE COUNCIL ACTION FORM

AGENDA ITEM 7g.

MEETING DATE: September 19, 2016

DEPARTMENT: Administration

STAFF PRESENTER: Jennifer Evans, Management Analyst

SUBJECT: Silver King Marketplace Lease Agreement
Renewal with Seconds Please... on Main, LLC

- Action
- Information Only
- Public Hearing
- Resolution
- Ordinance
 - Regulatory
 - 1st Reading
 - 2nd Reading
- Other

RECOMMENDED MOTION/ACTION:

A motion to approve the Lease Agreement between the Town of Florence and Seconds Please... on Main, LLC, for Suite 202, at the Silver King Marketplace.

BACKGROUND/DISCUSSION:

Judy Hughes, owner of Seconds Please...on Main, LLC, seeks to renew the lease for Suite 202, located on the second floor, north end of the Silver King Marketplace. Seconds Please... on Main, LLC, is an eclectic consignment boutique carrying kitchenware, home goods, outdoor furniture, entertaining items, and window treatments. The business is a limited liability corporation owned and operated by Judy Hughes.

FINANCIAL IMPACT:

The term of the lease is from October 1, 2016 to September 30, 2017. The monthly rent will be \$325 and the tenant will pay for the cost of utilities each month as invoiced by the Town.

STAFF RECOMMENDATION:

Staff recommends approval of the lease with Seconds Please...on Main, LLC.

ATTACHMENTS:

Silver King Marketplace Lease Agreement

SILVER KING MARKET PLACE LEASE AGREEMENT

TOWN OF FLORENCE, ARIZONA,
an Arizona municipal corporation

AND

SECONDS PLEASE...ON MAIN, LLC
an Arizona limited liability corporation

DATE: As of October 1, 2016

SILVER KING MARKET PLACE LEASE AGREEMENT

This Silver King Market Place Lease Agreement (this "Lease") is made and entered into as of the ___**st day of** _____, **2016** by Town of Florence, an Arizona municipal corporation, hereinafter called "Landlord", and Second's Place...on Main, an Arizona Limited Liability Corporation, hereinafter called "Tenant".

1. LEASED PREMISES

For and in consideration of the rent to be paid and of the covenants and agreements of Tenant as hereinafter set forth, Landlord does hereby lease 1300 square feet to Tenant of the premises located at 440 N. Main Street, Suite 202, Florence, Arizona, also known as the Silver King Market Place, and hereinafter referred to as the "Premises", or, the "Leased Premises". The Leased Premises are also described as Suite 202, which is located at the north end of the building in which the Premises are located (the "Building") on the second floor.

2. TERM

The Lease term shall begin on the **1st day of October, 2016** and end on the **30th day of September, 2017** (the "Initial Term"). Landlord shall use commercially reasonable efforts to put Tenant in possession of the Leased Premises at the beginning of the Initial Term. If Landlord is unable to timely provide the Leased Premises for occupancy by Tenant, rent shall abate for the period of delay. Tenant agrees it shall make no other claim against Landlord for any such delay.

3. EXTENSIONS

The parties hereto may elect to extend the Initial Term upon such terms and conditions as may be agreed upon in writing and signed by the parties at the time of any such election; provided that Tenant gives notice of its request to extend the Initial Term no later than sixty (60) days prior to the expiration of the Initial Term. If Tenant does not elect to extend the Initial Term in accordance with this paragraph, this Lease shall end on the **30th day of September, 2017** (the "Expiration Date") and thereafter Tenant may only occupy the Premises on a month-to-month basis. Such month-to-month tenancy may be terminated by Landlord upon thirty (30) days notice to Tenant. Landlord's acceptance of rent payments after the Expiration Date shall not constitute a renewal of this Lease Agreement.

4. RENTS

Rent shall be paid at the rate of **three hundred twenty five dollars (\$325.00)** per month for the duration of this Lease. In addition to the rent, Tenant is responsible for any commercial property lease transaction privilege tax and government property lease excise tax. Each monthly payment of rent due thereafter shall be payable on the first day of each calendar month for the balance of the Initial Term, together with such taxes.

Payment of rent shall be made to Landlord at Town of Florence, P.O. Box 2670, 775 North Main Street, Florence, Arizona 85132, or at such other place designated by written notice from Landlord. The rental payment amount for any partial calendar months included in the Lease term shall be prorated on a daily basis. If rent is not received by the close of the 5th business day then a late fee of \$25.00 will be added to Tenant's account and past-due rent shall bear interest at the rate of ten per cent (10%) per annum from the date due (i.e., the first day of each month) until paid.

5. SECURITY DEPOSIT

Tenant has deposited with Landlord the sum of **three hundred twenty five dollars (\$325.00)** as security for the full and faithful performance by Tenant of all the terms of this Lease required to be performed by Tenant. Such sum shall be returned to Tenant after the expiration of this Lease; provided Tenant has fully and faithfully carried out all of its terms. At the expiration of this Lease or such other time as Tenant may properly request the return of the Security Deposit, Landlord shall make an inspection of the Leased Premises and deduct from the Security Deposit such sums as are necessary to repair and refurbish the Leased Premises to the condition which existed prior to Tenant's occupancy thereof. In the event of a bona fide sale of the Building of which the Leased Premises are a part, Landlord shall have the right to transfer the security to the purchaser to be held under the terms of this lease, and Landlord shall be released from all liability for the return of such security to Tenant.

6. PURPOSE

A. Landlord is maintaining the Silver King Market Place for the development of new businesses within the historical/downtown area of the Town of Florence. It is Landlord's desire to endeavor to assist in the creation of new businesses by providing a leasing environment contemplated to assist such new businesses.

B. Tenant shall use the Leased Premises for the purpose of conducting the business of a home décor consignment store and for no other purpose without Landlord's express prior written consent. This use also must be and remain consistent with **Exhibit "A"**. In the event Tenant desires to use the Leased Premises for a different business purpose not described above, Tenant shall first apply, in writing, for approval for such use to the Town of Florence. As a further condition of this Lease, Tenant must also maintain regular business hours and be open for at least thirty five (35) hours per week with exception of holidays. When business enhancement classes are offered, free of charge, Tenant shall make every effort to send one or more representatives to attend these programs.

C. If Tenant fails to meet any of these requirements, then Landlord may terminate this Lease after providing Tenant no less than thirty (30) days written notice of Landlord's intent to terminate this Lease. If Tenant does not satisfy the above conditions or otherwise cure the deficiencies indicated in the notice within thirty (30) days, Landlord may terminate this Lease as provided in Section 17 below.

The Premises shall not be used in violation of this Lease, any zoning laws applicable to the Premises, or in violation of any federal, state or local laws or regulations.

7. PROHIBITED USES

Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device. All uses must conform to the zoning code of the Town of Florence and the Landlord's Property Lease Policy, both as promulgated by Town from time to time.

8. SUBLEASE AND ASSIGNMENT

A. Tenant shall not sublet or assign this Lease without Landlord's consent. To assign this Lease to a business with which Tenant may merge or consolidate, to any subsidiary of Tenant, to any corporation under common control with Tenant, or to a purchaser of substantially all of Tenant's assets Tenant must receive either written consent from Landlord (not to be unreasonably withheld) or enter into a new lease agreement reasonably satisfactory to both parties.

B. Except as set forth above, neither Tenant nor any assignee may sublease all or any part of the Leased Premises, or assign this Lease in whole or in part, without Landlord's written consent.

9. REPAIRS

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs and refurbishment of the Leased Premises. Repair and refurbishment shall include, but is not limited to, the repair and refurbishment of normal wear and tear to floors, walls, ceilings, and other parts of the Leased Premises caused by Tenant's use and enjoyment of the Leased Premises, except for major mechanical systems or the roof [(so long as damage thereto is not caused, in whole or in part, by the acts or omissions of Tenant, its invitees or those under Tenant's direction and control) subject to the obligations of the parties as may otherwise be set forth in this Lease.]

10. TENANT IMPROVEMENTS

A. Tenant, at Tenant's expense, shall have the right to remodel, redecorate, or make additions, improvements and replacements to all or any part of the Leased Premises from time to time as Tenant may deem desirable (the "Tenant Modifications"); provided the same are made in a workmanlike manner, lien free, in accordance with all codes and utilizing good quality materials. Tenant must obtain the written consent of Landlord prior to undertaking any such Tenant Modifications. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the Leased

Premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease but not after ten (10) days after the expiration thereof, provided that such removal does not cause any damage to the Premises. Any damage caused by the removal of Tenant's personal property shall be repaired by Tenant at Tenant's expense. If Tenant fails to repair any such damage Landlord may repair the damage and deduct the costs thereof from Tenant's security deposit, with Tenant remaining liable for the excess, if any, over the security deposit. At the expiration of this Lease, at Landlord's direction, Tenant shall remove any such personal property from the Leased Premises at Tenant's sole cost and expense, repairing any damage to the Leased Premises occasioned thereby.

B. Tenant may have prepared plans and specifications for the construction of Tenant Modifications, and, if so, such plans and specifications are attached hereto as **Exhibit "B"** and incorporated herein by reference. Tenant shall obtain all certificates, permits, licenses and other authorizations of governmental bodies or authorities which are necessary to permit the construction of the improvements on the Leased Premises and shall keep the same in full force and effect at Tenant's cost.

C. Tenant shall negotiate, let and supervise all contracts for the furnishing of services, labor, and materials for the construction of Tenant Modifications on the Leased Premises at its sole cost and expense. All such contracts shall require the contracting party to guarantee performance and all workmanship and materials installed by it for a period of one year following the date of completion of construction. Tenant shall cause all contracts to be fully and completely performed in a good and workmanlike manner and lien free, all to the effect that the improvements shall be fully and completely constructed and installed in accordance with good engineering and construction practice. Tenant shall include in any contract for the construction of Tenant Modifications a requirement that bonds in the full amount of the contract sum be furnished guaranteeing the faithful performance of the contract requirements and the payment of any and all subcontractors.

D. During the course of Tenant Modifications, Tenant shall, at its cost, keep in full force and effect a policy of builder's risk and liability insurance in a sum equal to three times the amount expended for construction of the improvements. All risk of loss or damage to the improvements during the course of construction shall be on Tenant with the proceeds from insurance thereon payable to Landlord.

E. Nothing herein shall alter the intent of the parties that Tenant shall be fully and completely responsible for all aspects pertaining to the construction of Tenant Modifications to Leased Premises and for the payment of all costs associated therewith. Landlord shall be under no duty to investigate or verify Tenant's compliance with the provisions contained herein. Moreover, neither Tenant nor any third party may construe

the permission granted Tenant hereunder to create any responsibility on the part of Landlord to pay for any improvements, alterations or repairs occasioned by Tenant.

11. UTILITIES

Landlord shall pay the amount due for charges for water, sewer, gas, and electricity and separately invoice Tenant for Tenant's share of the charges as determined by Landlord in its reasonable judgment utilizing any reasonable method of apportionment. Tenant shall pay the utilities invoice upon the due date for the monthly payment of this Lease or the first of the month, whichever comes first. Tenant shall be responsible for all of its own telecommunications/cable/Internet charges

Tenant acknowledges that the Leased Premises are designed to provide standard office or retail use electrical facilities and standard office lighting. Tenant shall not use any equipment or devices that utilize excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.

12. SIGNAGE

A. Exterior Signs. Landlord will provide one exterior sign located on the east side of the Building. Tenant shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to erect and thereafter, to repair or replace, if it shall so elect, signs on any portion of the Leased Premises, provided that Tenant shall remove any such signs upon termination of this Lease, and repair all damage occasioned thereby to the Leased Premises, all at Tenant's sole cost and expense.

B. Interior Signs. Tenant shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to erect, maintain, place and install its usual and customary signs and fixtures in the interior of the Leased Premises.

13. ENTRY

Landlord shall have the right to enter upon the Leased Premises at reasonable hours (absent emergency [during which Landlord may enter to inspect/endeavor to abate emergency]) to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

14. PARKING

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the Building, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the Premises or in reasonable

proximity thereto, for Tenant and Tenant's agents and employees or for others within or utilizing the Building.

15. MECHANIC'S AND OTHER LIENS

Tenant shall pay before delinquent all sums of money which, if unpaid, would entitle any person to a mechanic's or material supplier's or laborer's lien against the Leased Premises, or on Tenant's interest under this Lease. Tenant agrees that it will neither do any act, nor fail to do any act, which would result in the recordation of any lien against the Leased Premises, the Building or the Silver King Market Place as a whole.

16. INSURANCE AND INDEMNIFICATION

A. INDEMNIFICATION

(i) To the fullest extent permitted by law, Tenant shall defend, indemnify and hold harmless Landlord (i.e., the Town of Florence), its agents, officers, officials (whether elected or not), attorneys and employees (collectively, the "Indemnified Parties") from, of and against all claims, damages, losses and expenses (including, but not limited to, attorneys' fees [whether or not suit is brought], court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted either wholly or in part from the acts, errors, mistakes, omissions, work or services of Tenant, its agents, employees, contractors, subcontractors or business invitees in the performance of this Agreement, and regardless of whether or not such claim, damages, loss or expenses are caused in part by Landlord.

(ii) Tenant's duty to defend, hold harmless and indemnify the Indemnified Parties and each of them shall arise in connection with any claims, damages, losses or expenses that are attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting therefrom, caused either wholly or in part by Tenant's acts, errors, mistakes, omissions, work or services in the performance of this Agreement including any employee or business invitee of Tenant or any other person for whose acts, errors, mistakes, omissions, work or services Tenant may be legally liable, and regardless of whether or not such claim, damages, losses or expenses are caused in part by Landlord.

(iii) The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph 16A.

B. INSURANCE REQUIREMENTS

(i) Tenant, at Tenant's own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. rating of "A", or approved and licensed to do business in the State of Arizona with policies and forms satisfactory to Landlord.

(ii) All insurance required herein shall be maintained in full force and effect during any term of this Lease; failure to do so may, at the sole discretion of Landlord, constitute a material breach of this Lease.

(iii) Tenant's insurance shall be primary insurance, and any insurance or self-insurance maintained by Landlord shall not contribute to it. Any failure to comply with the claim reporting provisions of the policies or any breach of an insurance policy warranty shall not affect coverage afforded under the policy to protect Landlord.

(iv) The insurance policies required by this Agreement shall name Landlord and any other Indemnified Parties designated by Landlord as Additional Insured(s).

(v) Landlord reserves the right to amend the requirements herein at any time during the Lease subject to at least 30 days written notice. Coverage provided by the Tenant shall not be limited to the liability assumed under the Indemnification provision of this Lease. To the extent permitted by law, Tenant waives all rights of subrogation or similar rights against Landlord. Landlord reserves the right to require complete copies of all insurance policies required by this Lease at any time. Failure to maintain the insurance policies required by this Lease, or to provide evidence of renewal, is a material breach of contract.

C. REQUIRED COVERAGES

(i) General Liability/Contractual Indemnity

(a) Tenant shall, at Tenant's expense, maintain a policy of comprehensive public liability insurance with a limit of not less than \$1,000,000 for each occurrence and with a \$1,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Agreement, which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 000211093(October 2001 version). The coverage shall not exclude X, C, U.

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

(c) The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s, Additional Insured, Form B, CG20101185 (October 2001 version).

(ii) Property Insurance

(a) Landlord shall obtain and keep in force during any term of this Lease, a policy or policies of insurance covering loss or damage to the Leased Premises, in the amount of

the full replacement value thereof, providing protection against all perils included within the classification of fire, flood, extended coverage, vandalism, malicious mischief and special extended perils.

(b) Tenant shall obtain and keep in force during any term of this Lease, a policy or policies of insurance covering loss or damage to the contents of the Leased Premises. Tenant agrees that Landlord shall not be liable for injury to Tenant's business or any loss of income there from, or for loss or damage to goods, wares, merchandise or other property in or on the Leased Premises owned or belonging to Tenant, Tenant's employees, invitees, customers, or any other person in or about the Leased Premises; nor shall Landlord be liable for injury to the person of Tenant, Tenant's employees, invitees, agents or contractors, whether such damage or injury to persons or property is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction, or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning, or light fixtures or from any other cause; or whether the said damage or injury to person or property results from conditions arising upon the Leased Premises or from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible to Tenant.

(iii) Certificates of Insurance

(a) Prior to delivery of possession of the Leased Premises to Tenant, Tenant shall furnish Landlord with proof of payment acceptable to Landlord of any required coverages hereunder, together with Certificates of Insurance, or formal endorsements as required by this Lease, issued by Tenant's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Lease are in full force and effect.

(b) In the event any insurance policy (ies) required by this Lease is (are) written on a "claims made" basis, coverage shall extend for two years past the expiration of any term of this Lease as evidenced by annual Certificates of Insurance.

(c) If a policy does expire during any term of this Lease, a renewal certificate must be sent to Landlord fifteen (15) days prior to the expiration date.

17. DEFAULTS AND REMEDIES

A. DEFAULTS

The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Tenant:

(i) The vacating or abandonment of the Leased Premises by Tenant;

(ii) The failure by Tenant to make any payment of rent or any other payment required to be made by Tenant hereunder, as and when due;

(iii) The failure by Tenant to observe or perform any of the covenants, conditions, or provisions of this Lease to be observed or performed by Tenant, other than described in subsection (ii) above, where such failure shall continue for a period of fifteen (15) days after written notice hereof from Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than fifteen (15) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commenced such cure within said fifteen (15) day period and thereafter diligently prosecutes such cure to completion, such additional time to complete not to exceed thirty (30) additional days.

(iv) The making by Tenant of any general arrangement for the benefit of creditors; the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets, located at the Leased Premises, or, of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or, the attachment, execution, or other judicial seizure of substantially all of Tenant's assets located at the Leased Premises or of Tenant's interest in this Lease where such seizure is not discharged within thirty (30) days; or

(v) The filing or recordation of a lien against the Leased Premises, the Building or the Silver King Market Place as a whole due to any action or inaction of Tenant.

B. REMEDIES

(i) In the event of any such default or breach by Tenant, Landlord may at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of such default or breach:

(ii) Terminate Tenant's right to possession of the Leased Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Leased Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including but not limited to, the cost of recovering possession of the Premises; expenses of reletting, including necessary renovation and alteration of the Premises; reasonable attorneys' fees; any real estate commission actually paid; and the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent for the balance of the term after the time of such award exceeds the amount of such rental loss for the same period that Tenant provides could be reasonably avoided. In the event Tenant shall have abandoned the Premises, Landlord shall have the option of 1) retaking possession of the Premises and recovering from Tenant the amount specified in this paragraph; or 2) proceeding under subsection (iii) immediately below.

(iii) Maintain Tenant's right to possession, in which case this Lease shall remain in effect whether or not Tenant shall have abandoned the Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder.

(iv) Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State of Arizona, including the right to declare a landlord's lien on Tenant's personal property located on the Leased Premises. Where a landlord's lien is declared by Landlord, Landlord may, without notice or demand to Tenant, terminate Tenant's right to possession of the premises until Landlord has secured sufficient personal property or full payment of rent to satisfy the amount of rent owed. Should Landlord declare a landlord's lien on the Leased Premises pursuant to this paragraph, this Lease shall not be considered terminated, and Landlord shall have a right to recover rent as it becomes due.

C. DEFAULT BY LANDLORD

Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event later than fifteen (15) days after written notice by Tenant to Landlord and to the holder of any first mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to Tenant in writing, specifying wherein Landlord has failed to perform such obligations; provided however, that if the nature of Landlord's obligation is such that more than fifteen (15) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such fifteen (15) day period and thereafter diligently prosecutes the same to completion. If Landlord does not perform, the holder of any first mortgage may perform in Landlord's place and Tenant must accept such performance.

D. HOLDOVER BY TENANT

If Tenant shall hold over after expiration of the Initial Term, or any extension of the Initial Term, such tenancy shall be from month-to-month only upon such terms, covenants, and conditions as set forth herein except for those relating to the term of the Lease. Any such month-to-month tenancy may be terminated by Landlord upon thirty (30) days notice to Tenant. However, nothing herein shall be construed as or deemed a waiver of any rights of Landlord to take such action in law or equity as Landlord may have under the provisions of this Lease or otherwise.

E. BANKRUPTCY OF TENANT

If Tenant should make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy, or be adjudicated bankrupt or insolvent, or permit a receiver to be appointed to take possession of a substantial portion of the Tenant's assets or of this leasehold, and such bankruptcy, insolvency or receivership proceedings is not dismissed within thirty days, then Landlord may, without notice or

demand, terminate this Lease and forthwith re-enter and repossess the demised premises and remove all persons, and under no circumstances shall this Lease be assigned or transferred by operation of law.

18. DAMAGE AND DESTRUCTION

Subject to the Insurance provisions contained herein, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant subject to the provisions of this Lease which may permit Landlord to retain such payments. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

19. TITLE

A. Subordination. Tenant shall, upon the request of Landlord in writing, subordinate this Lease to the lien of any present or future institutional mortgage/deed of trust upon the Leased Premises irrespective of the time of execution or the time of recording of any such mortgage; provided, however, that as a condition to such subordination, the holder of any such encumbrance shall enter first into a written agreement with Tenant reasonably satisfactory to such encumbrancer in form suitable for recording to the effect that:

(i) In the event of foreclosure or other action taken under the encumbrance by the holder thereof, this Lease and the rights of Tenant hereunder shall not be disturbed but shall continue in full force and effect so long as Tenant shall not be in default hereunder; and

(ii) Such holder shall permit insurance proceeds and condemnation proceeds to be used for any restoration and repair required by the Damage and Insurance provisions of this Lease. Tenant agrees that if the encumbrancer or any person claiming under the

encumbrancer shall succeed to the interest of Landlord in this lease, Tenant will attorn to and recognize said encumbrancer or person as its Landlord under the terms of this Lease; provided that said encumbrancer or person for the period during which said encumbrancer or person respectively shall be in possession of the Leased Premises and thereafter their respective successors in interest shall assume all of the obligations of Landlord hereunder, but shall not be liable for prior defaults of Landlord hereunder. The word "mortgage", as used herein includes mortgages, deeds of trust or other similar instruments, and modifications, and extensions thereof. The term "institutional mortgage" means a mortgage securing a loan from a bank (commercial or savings) or trust company, insurance company or pension trust or any other lender institutional in nature and constituting a lien upon the Leased Premises.

B. Quiet Enjoyment. Landlord covenants and agrees that upon Tenant paying the rent and observing and performing all of the terms, covenants and conditions on Tenant's part to be observed and performed hereunder, that Tenant may peaceably and quietly have, hold, occupy and enjoy the Leased Premises in accordance with the terms of this Lease without hindrance or molestation from Landlord or any persons lawfully claiming through Landlord.

20. ATTORNEYS' FEES

In the event of any legal action between Landlord and Tenant to enforce any of the provisions and/or rights hereunder, the unsuccessful party to such action agrees to pay to the other party all costs and expenses, including reasonable attorneys' fees incurred in prosecuting or defending such action, and if judgment is recovered in such action or proceeding, such costs, expenses and attorney's fees shall be included in and as a part of such judgment.

21. NOTICES

Any notice required to be given by or to either Landlord or Tenant pursuant to this Lease, shall be in writing and shall be forwarded by certified mail, postage prepaid, addressed as follows:

For Landlord:

Town of Florence
Town Manager
P.O. Box 2670
775 North Main Street
Florence, AZ 85132

For Tenant:

Judy Hughes
Seconds Please...on Main, LLC
2918 N. Congressional Court
Florence, AZ 85132

22. WAIVER

A waiver of any breach of this Lease, or of any of the terms or conditions by either party hereto, shall not be deemed a waiver of any repetition of such breach or in

any way affect any other terms or conditions hereof. No waiver shall be valid or binding unless it shall be in writing and signed by the parties.

23. CANCELLATION OF AGREEMENT

Pursuant to A.R.S. § 38-511, the provisions of which are incorporated herein by reference, all parties are hereby put on notice that this Lease is subject to cancellation by Landlord if any person significantly involved in initiating, negotiating, securing, drafting or creating this Lease on behalf of Landlord is, at any time while this Lease or any extension of this Lease is in effect, an employee or agent of Tenant in any capacity or a consultant to Tenant with respect to the subject matter of this Lease.

{BALANCE OF THIS PAGE LEFT BLANK INTENTIONALLY; SIGNATURES AND
ACKNOWLEDGEMENTS APPEAR ON PAGE FOLLOWING}

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first written above.

LANDLORD:

TOWN OF FLORENCE, an Arizona municipal corporation

Tom J. Rankin, Mayor

Date

ATTEST:

APPROVED AS TO FORM:

Lisa Garcia, Town Clerk

Clifford L. Mattice, Town Attorney

TENANT:

SECONDS PLEASE... on Main, LLC, an Arizona limited liability corporation

By: _____

Its: _____

Date: _____

STATE OF ARIZONA)
) ss.
County of Pinal)

On this ____ day of _____, 2016, before me, the undersigned Notary Public, personally appeared _____, the owner of Silver King, and that as such, being authorized so to do, executed the foregoing instrument for the purpose therein contained on behalf of the said company.

(Seal and Expiration Date)

Notary Public

My Commission Expires:

EXHIBIT A

Business Summary

Seconds please... on Main is an eclectic consignment boutique carrying kitchenware, home goods, outdoor furniture, entertaining items, and window treatments. The business is a limited liability corporation, owned and managed by Judy Hughes.

Seconds please... on Main will redefine the perception of resale with a boutique atmosphere while offering value pricing. This is a family owned business that works daily to bring a unique variety of consigned pieces to central Pinal County and the Florence community. We believe that where we shop, where we eat, and having fun is what makes our community a home.

EXHIBIT B

Tenant Modifications

[PLACEHOLDER FOR ALL PERMANENT TENANT MODIFICATIONS]

MINUTES OF THE TOWN OF FLORENCE COUNCIL MEETING HELD ON MONDAY, AUGUST 1, 2016, AT 6:00 P.M., IN THE FLORENCE TOWN COUNCIL CHAMBERS, LOCATED AT 775 N. MAIN STREET, FLORENCE, ARIZONA.

CALL TO ORDER:

Mayor Rankin called the meeting to order at 6:05 pm.

ROLL CALL:

Present: Rankin, Walter, Woolridge, Hawkins, Guilin, Anderson, Wall.

MOMENT OF SILENCE

Mayor Rankin called for a moment of silence.

PLEDGE OF ALLEGIANCE

Mayor Rankin led the Pledge of Allegiance.

CALL TO THE PUBLIC

Call to the Public for public comment on issues within the jurisdiction of the Town Council. Council rules limit public comment to three minutes. Individual Councilmembers may respond to criticism made by those commenting, may ask staff to review a matter raised or may ask that a matter be put on a future agenda. However, members of the Council shall not discuss or take action on any matter during an open call to the public unless the matters are properly noticed for discussion and legal action.

Ms. Ruth Harrison, Florence Resident, restated her prior suggestion to make the directional sign one-sided because there is no left hand turn for traffic going in a northerly direction. She stated that the sign is used for travelers coming from the north and would recommend that the sign be one-sided for those travelers.

PUBLIC HEARING AND PRESENTATIONS

Public hearing on an application received from Kevin Arnold Kramber, Green Tree Inn & Suites, located at 240 W. Highway 287, Florence, Arizona, for a a new Series 11 Hotel/Motel with Restaurant Liquor License, and for Council recommendation for approval or disapproval of said license. (Lisa Garcia)

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, stated that staff previously brought before Council a Type 12 application from Arnold Kramer, Green Tree Inn & Suites for the same location. After working with the State, it was deemed that a Type 11 Liquor License was the best way for them to be able to retain their liquor license. The application was received on June 29, 2016, and was posted for 20 days at that location. There have been no comments in favor or against the liquor license.

Mayor Rankin opened the public hearing. There being no public comment, Mayor Rankin closed the public hearing.

Mayor Rankin inquired if there are restrictions due to the hotel being so close to the school.

Ms. Garcia responded that per the State, this license does not pose any restrictions with regards to the proximity to the school or church.

On motion of Councilmember Anderson, seconded by Councilmember Guilin, and carried to forward a favorable recommendation to the Arizona Department of Liquor Licenses and Control.

Recognition of Jeriah Joynes, Jaedin Kelley and Jacob Stake for their efforts over the summer while volunteering in various departments for the Town of the Florence.

Mr. Bryan Hughes, Parks and Recreation Director, stated that the Town had three individuals who volunteered within various Town departments over the summer and became involved in the Teen Leadership Program. Jeriah Joynes volunteered over 100 hours within the library and Parks and Recreation Department. Jaedin Kelley volunteered over 300 hours within Public Works, Water/Wastewater, Community Development, and Information Technology departments. Jacob Stake is from New Jersey and is in Florence visiting his uncle. He volunteered at the Community Center and library.

Mr. Brent Billingsley, Town Manager, stated that Council wanted a teen program in which teens could get involved with civic organization and could also become future government employees. He stated that there are provisions in the budget for a teen program and the potential to have some internships for high school students. These individuals provided an invaluable service to the Town and to the community.

Mayor Rankin presented each of the volunteers with a Certificate of Appreciation and thanked them for their service.

Presentation on the Teen Leadership Program and recap of summer activities.

Mr. Billingsley stated that the challenge was posed to involve the youth in the community and show them the value of public service. He stated that Council approved a contract with Mr. Hunter at the last Council meeting. The teens have been participating in the program for a few months and have achieved quite a bit.

Mr. Hughes stated that although the contract was approved at the last meeting, the work began months ago. He stated that the program started with music and games at a lunch time program at Florence High School. He stated that the event was successful; however the challenge was to get the teens involved during their summer break. He stated that the group has grown from four to five students to a large group with the expectation that it will continue to grow. The group has named themselves the Florence Teen Council (FTC) and are working on their logo. The FTC will update the Council periodically of what they are doing and their accomplishments.

Mr. Koko Hunter, Koko Entertainment, LLC, stated that he has researched several communities and programs for teens are scarce. When asked why, the consensus is because it is hard to

connect with the teens. He stated that when programming for teens, it must be methodical and covert in the tactics used. He stated that the program that has been put in place for Florence's teens is working.

Jaedin Kelley, Florence Teen Council, stated that he is a 15 year old volunteer and proud FTC member. He thanked his friend, Jeriah Joynes, for introducing him to the FTC. He stated that the FTC is a safe haven for teens to express themselves and create and participate in Florence events. FTC strives to better itself and the Town of Florence. He has attended the pool parties, field trips, and teen meetings. The events help teens show leadership to excel in the future, setting a positive image for others, and provide an opportunity to get to know one another. He hopes that the Council continues to fund this amazing program for other teens in Florence.

Julianne (Inaudible) FTC member, stated that the FTC is hosting a special needs Halloween dance for the Tempe Unified High School District. They will have food, music and will participate with the attendees. She stated that they expect an attendance of 200 to 300 people. They will also visit the Florence Senior Center and play bingo with the seniors and enjoy spending time with them. The FTC members thanked the Council for the opportunities provided.

Robert (last name not provided), FTC member, stated that he is the youngest in the group. He stated that being part of the FTC is an awesome experience because it keeps the youth from getting in trouble and will help with keeping their grades up. He stated that they get to go on trips and do things for the seniors and those with special needs.

Aiesha Thurman, FTC member, thanked the Council for allowing them to do the presentation. The group is about enriching their lives through various activities and having fun. There is no cost to be an FTC member. She stated that the FTC is about achieving goals, having good vibes, and focusing on the positive and not the negative.

An FTC member (name not provided) stated that being a member is more than meeting with your peers and planning events. There are great expectations to maintain their membership. A few of the expectations include giving the maximum effort and to cooperate fully with Florence and school staff. Every FTC member is expected to have a 78% or more grade average, participate 95% at scheduled meetings, 85% at scheduled events and to be in class by the third bell. She guarantees that the FTC members will meet the expectations.

Jeriah Joynes, FTC member, stated the goal of the FTC is to provide and sponsor events for teens all around Florence, and sometimes around Arizona, and schedule meeting for the teens. He thanked the Council for supporting the FTC and for allowing them to do all the things they have done thus far.

Mr. Joynes stated that there were 163 teens at the last pool party. He stated that they had to close the event after ½ hour due to the weather. Even for the short duration the event was fun and he heard a lot of positive feedback from the participants.

Mr. Joynes stated that he has learned a lot of valuable life lessons and has used them in his everyday life. He has learned how to manage time, work with his peers, schedule and host events. He stated that the program has been in place for seven weeks and this has been the

most fun summer he has ever had. He stated that the group bands together when making tough decisions.

Mr. Hunter stated that the teens are starting to develop life skills. He stated that there is nothing better than seeing that light bulb go off when a student gets it. Councilmember Anderson attended one of the meetings and the students were excited that he attended. He, along with the entire Florence Teen Council invited the Town Council to attend their meetings.

Mayor Rankin inquired what the maximum capacity was for the program.

Mr. Hunter stated that there will be various committees going on at the same time and the numbers will vary. He stated that he could probably see approximately 40 to 50 students. Each of those students will reach out to others for an approximate total of 500.

Mayor Rankin inquired what grade levels participate.

Mr. Hunter stated that the current grades attending are junior high through sophomore. He stated that the students want to do a barbeque for the police officers and have a kickball competition against the officers.

Mayor Rankin asked if teens from other communities will be brought in to see the program.

Mr. Hunter stated that FTC is reaching out to other communities. They are hosting a Halloween event for the special needs students at Tempe Unified High School along with a prom for them.

Mayor Rankin inquired if they can receive donations.

Mr. Hunter stated they can receive donations.

Presentation on the Durable Medical Equipment Loan Program. (Bryan Hughes)

Mr. Hughes stated that the Town was approached by Mr. Seth Coleman, Florence Resident, asking if the Town would participate in a durable medical equipment loan program. Currently, the Town does not have anything in Florence similar to this program. There is a similar program in Florence Gardens; however, it is for their residents only. The Senior Center receives many requests for durable equipment, and occasionally some items are donated to the Senior Center. He stated that the biggest challenge for the Senior Center was the lack of storage space. He stated that the offices at the Fitness Center are vacant now that the Parks and Recreation Department has moved into the new facility. The office spaces will provide the needed storage space.

Mr. Hughes stated that all of the equipment will be donated, and will require minimal staff time. He stated that there is space available. It is a good program that will be available to Florence residents and visitors. He gave various examples of the type of equipment that may be available. They are partnering with Florence Gardens to share equipment.

Mr. Seth Coleman, Florence Resident, stated that his nephew, Jacob Stake, is one of the volunteers. He stated that Jacob shared with him his excitement in volunteering with the Town and the wonderful experiences he had while volunteering.

Mr. Coleman stated that many people in Anthem purchase various types of durable equipment and do not know what to do with it once they no longer need it. He found an organization called "Friends in Need" in Green Valley and they have offered the use of their equipment to Florence's residents; however, the equipment must be picked up. He stated that he didn't realize that Florence Gardens had a similar program. He stated that hopefully, this will be the first of many things that can be done to integrate all of the communities in Florence.

Mr. Coleman stated that he is impressed with Mr. Hughes and appreciates everything that Mr. Hughes has done.

Presentation on Proposition 411 - Town of Florence Expenditure Limitation/Home Rule Option. (Brent Billingsley)

Mr. Billingsley discussed Proposition 411, and provided a presentation in which he outlined the following:

- Proposition 411 and Local Control
 - Voters decide if annual expenditure limitation is determined by local control or by the State of Arizona.
 - Town is subject to the State-Imposed Expenditure Limitation until Florence voters decide otherwise.
 - Town cannot spend more per year than the Fiscal Year 1979/1980 base amount, with adjustments.
 - Town must spend what state specifies.
- Similar election to the August 2014 election.
 - Voters approved Home Rule for eight out of nine elections.
 - Town retained local control for 33 out of the last 35 years.
 - If passed, the Town regains local control for four years.
- Home Rule Option Election on August 30, 2016.
 - A YES vote allows the Town to determine its own expenditure limitation based on the revenues for next four years.
 - A NO vote allows the State to determine the Town's expenditure limitation set by the State of Arizona base for Fiscal Year 1979/1980 for the next four years.
- Home Rule does not impact taxes or fees that the Town collects.
- Town Services
 - The Town of Florence provides many local services
 - Police
 - Fire
 - Street Maintenance
 - Parks
 - Library
 - Senior Center
 - Courts
 - Water and Wastewater

- Community Development
- Economic Development
- Special Events
- Fiscal Responsibility
 - Town has reduced expenditures by:
 - Balanced last year and this year's budget
 - Changing the way we do business.
 - Developing best practices in our operations.
 - Implementing fiscally conservative practices.
 - Every year, citizens participate in the annual adoption of the Town budget and the setting of the expenditure limitation.
- Home Rule does not impact taxes or fees that the Town collects.
- No Increase in overall budgetary expenditures from last year.
- Voters approved Home Rule for eight out of nine elections.
- Town retained local control for 33 out of the last 35 years.

Councilmember Wall stated that the publicity pamphlet is in the mail and has valuable information.

Councilmember Anderson inquired who put up the Prop 411 signs.

Mr. Billingsley stated that the firefighters' organization put up the signs.

Mayor Rankin stated that Home Rule goes to the voters for approval every four years.

CONSENT: All items on the consent agenda will be handled by a single vote as part of the consent agenda, unless a Councilmember or a member of the public objects at the time the agenda item is called.

Proclamation declaring August 2016 as Child Support Awareness Month. (Lisa Garcia)

Proclamation declaring August 2016 as Drowning Impact Awareness Month. (Lisa Garcia)

Approval of the annual renewal of the GIS Enterprise License Agreement with Environmental Systems Research Institute in an amount not to exceed \$27,175. (Mark Eckhoff)

Approval of EUSI, LLC Public Works Management Support Task Order No. 2. (Chris Salas)

Resolution No. 1593-16:

Ms. Garcia read Resolution No. 1593-16 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, COMMITTING LOCAL FUNDS AS LEVERAGE FOR AN FY 2016 COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION. (Jennifer Evans)

Resolution No. 1594-16:

Ms. Garcia read Resolution No. 1594-16 by title only.

Approval of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ADOPTING A COMMERCIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN FOR FY 2016/2017, AS REQUIRED UNDER SECTION 104(d) OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974 AS AMENDED. (Jennifer Evans)

Approval of accepting the register of demands ending June 30, 2016, in the amount of \$2,686,277.41. (Gabe Garcia)

On motion of Councilmember Woolridge, seconded by Vice-Mayor Walter, and carried to approve the consent agenda, as written.

UNFINISHED BUSINESS

Discussion and possible redirection on the Main Street Direction Sign. (Mayor Rankin)

Mayor Rankin discussed the promotion of restaurants on the Main Street Direction Sign. He stated that the town facilities need to be on the sign.

Councilmember Hawkins stated that he would like to have a work session with the Florence merchants regarding signage and promoting Florence. He stated that many people who come through Town do not know that there is a Main Street and think that State Highway 79 is the main road for Florence. He stated that travelers need to be made aware of businesses on Main Street. The sign needs to list what Main Street offers. The words "Historic Main Street" needs to be in a larger font.

Mayor Rankin stated that there are seven eating establishments on Main and seven on State Highway 79. He would like restaurants removed from the sign and the Visitor's Center added.

Councilmember Anderson stated that he would like to see the shops removed from the sign.

Councilmember Hawkins stated that he does not believe the Town is showing favoritism, but the Town needs to promote Main Street.

Councilmember Woolridge stated that the sign is meant to be a directional sign and not an advertisement sign. She stated that the sign should be designed to tell you what you will find if you turn there. Her recommendation was to add the Visitor Center so they can go there and find out what is in town. The intent is not to advertise a particular business.

Councilmember Guilin stated that she would like the sign to remain the same as it was previously approved, along with adding the Visitor Center. She said the sign is a directional sign and is a perfect way to direct traffic to the historic area. She stated that there is no advertisement for any one business, but rather showing what is available.

Discussion occurred on the placement of words on the sign. It has already been decided that the Visitor Center will be added to the sign.

Councilmember Anderson stated that the Chamber sign can add more signs and the merchants can pay to advertise their business with directions.

Jane Piccoli, Owner of The Main Street Vault, stated that she is in support of having the word "restaurant" added to the sign. She understands that Peter Koulouris is opposed to having the word "restaurant" added. She stated that she attended the meeting because a fellow restaurant owner is opposed to his fellow restaurant owners getting some much needed direction to the downtown by having the sign list "restaurant". She stated that the decision should not be made by one person opposing the word.

Ms. Piccoli stated that the Main Street extension is one more conduit for a person to get to historical Main Street. By driving down the street, you can now get to some of the Town's essential services and amenities such as Town Hall, library, Aquatics Center, Visitor Center, and the post office. You can also get to other businesses such as her restaurant, The Fudge Shop and True Value. If the word "restaurant" is removed from the signage board, which is an informational tool or a directional map, you will also need to remove the word "shops" from the sign. It would be unfair to only reference the shops in downtown Main Street if you do not also reference restaurants. There are many wonderful shops who are trying their best to survive in a part of Florence that is in a dire need of support. She stated that she does her best to promote all the shops in Florence every day. The Town of Florence will be providing an informational tool and she is sure that many other businesses are extremely grateful for the sign.

Ms. Piccoli stated that she has a picture of the very first restaurant sign which one sees while driving on State Highway 79A. The sign reads "food" and underneath that is the name of Mount Athos, Florence Café and Taco Bell. She inquired how a sign that reads restaurant is more troublesome than a sign that reads the name of the restaurants when you first drive down on 79A. She stated that she wishes that she had her business name on the sign, but she doesn't.

Ms. Piccoli stated that as a fellow restaurant owner, Mr. Koulouris, having been on the Chamber of Commerce and having been in an Executive Board position, why the spirit of the Chamber of Commerce is not being promoted. She stated that the Chamber of Commerce is defined as a local association to promote and protect the interests of the businesses in a particular area. She stated that she finds it a little disconcerting that she has to be before the Council to fight for something that is merely a sign for which the business owners are eternally grateful for and that only reads "restaurants" when there is far more signage that specifies a lot more.

Ms. Piccoli stated that she and her business partner are in favor of the sign having the words "restaurant" and "shops".

Mr. Peter Koulouris, Owner of Mount Athos Restaurant, stated that he agrees that the Town needs more direction for Main Street. Personally, he does not agree with the words "restaurant" and "shops" on the sign. He stated that he believes the Chamber should put up a sign in that area and promote everyone equally. He stated that he understands that the goal is to bring more traffic to Main Street; and thinks it is a great thing. He stated that the sign is a government directional sign and restaurants and shops are private entities that should not be on a governmental sign. He stated that the Chamber could put up a sign listing all the businesses in alphabetical order specifying the distance of each business from the sign. He is also willing to install an electrical billboard sign at his restaurant promoting the other businesses and would love to bring more traffic down Ruggles Road.

Councilmember Hawkins stated that the Town is putting a lot of tax money into Main Street. Much of the money received is from sales tax. He stated that if the Town wants to continue to build up its tax base and save the Historic District, the Town needs to help the businesses as much as possible. He does not know of any governmental violation in advertising what is available on Main Street. He stated that there are several communities that have directional signs identifying what is available such as food, gas, etc.

Mr. Hawkins stated if a sign is to be erected that identifies every business on Main Street along with the distance, the sign would need to be at least 20 feet tall. He stated that Mount Athos has two of the tallest signs. No other restaurant owners have issues with the directional sign.

Mr. Koulouris stated that he received Council's approval for the signs. He stated that he is entitled to voice his opinion and the Council is free to decide what to do.

Mayor Rankin stated that he brought the item to Council because he wanted this issue to be brought to everyone's attention. It is his understanding that Council wants the sign to remain status quo with the addition of adding the visitor center.

Councilmember Hawkins stated that he would like to see the final depiction of the sign.

Vice-Mayor Walter stated that different perspectives have been voiced and she would like to have a work session and invite everyone including the Chamber to discuss options for installing various signs.

Councilmember Woolridge stated that various signs are a side issue and if the Chamber elects to get everyone together to discuss advertising signs that is something that the Chamber needs to do independently. She stated that the discussion is on a Town of Florence directional sign that was already voted on and it was decided on how it was going to be. This agenda item was not advertised for action. She appreciates everyone's opinion.

Mayor Rankin stated that a merchant brought his concern to him, and after reconsideration, he agrees with the merchant that the sign is a government sign that should not have the words "shops" and "restaurants" on the sign. He stated that if Council wants to have the words removed, the item will need to be brought back to Council for action.

Vice-Mayor Walter and Councilmember Anderson agreed with Mayor Rankin.

Councilmember Wall stated that she believed the verbiage was not voted on and that they voted on the concept of the sign.

Councilmember Anderson asked for a legal opinion on what is acceptable on the sign.

Mr. Clifford Mattice, Town Attorney, stated that there may be some gray areas depending on content. He stated that there is a good legal argument that the sign is a directional sign describing what is in the Historic Business District. He would need to review the minutes on where the sign was voted on before a determination can be made.

Mr. Billingsley stated that the vote at the last meeting was for the wording as well as adding the visitor center. Staff was directed to move forward with the purchase. Mr. Eckhoff had already

ordered the sign. When the Mayor asked to have the item put back on the agenda, he had Mr. Eckhoff stop the order.

WORK SESSION ON EUSI'S TOWN INFRASTRUCTURE OPERATIONAL OBSERVATIONS AND RECOMMENDATIONS.

Mr. Billingsley stated that the Town hired EUSI, LLC, awarding a one year contract for the following:

- Look at the known problem areas from the public works perspective
- Look at operations
- Look at conditions of the facilities

Mr. Billingsley stated that EUSI, LLC, has completed the first phase of the contract. The Town is no longer under Arizona Department of Environmental Quality's Consent Order. Council has approved a reduction in their fee for the next six months to move forward with further implementation of the things that they have found and recommended to be changed. They will provide a report on the conditions analysis.

Mr. Paul Hendricks, EUSI, LLC, provided a presentation in which they outlined the following:

- Opportunities
 - The Town has a very professional Management Team.
 - The Town has a good Public Works Department with:
 - Dedicated and loyal employees
 - A good Public Works building
 - A modern fleet
 - The Town has made substantial progress in upgrading their water facilities.
 - The Town has significant existing wastewater treatment capacity at the South plant.
- Progress Made
 - Town staff has already taken the initiative to perform and implement over 77 separate projects and utility system improvements since EUSI, LLC, has been under contract.
 - These improvements have been implemented with the support of the Town's Management staff.
- Challenges
 - To better utilize the physical and personnel assets and resources of the Public Works Department.
 - To be more proactive than responsive in anticipating and serving the needs its citizens.
 - To improve long range planning and fiscal management that supports the Mission and Vision of the Town.
 - Creating a sustainable Public Works Department that is fiscally responsible while addressing aging infrastructure in public facilities, streets, water and sewer systems.
 - Much of the infrastructure is long overdue for an upgrade
 - Determining resource allocation for new public facilities compared to aging and historic facilities.
 - A comprehensive Asset Management System for all Town assets will aid in meeting these challenges and stabilizing rates.
 - Better utilization of the current rates through Asset Management System.
- Operational Condition Observations

- Town personnel and EUSI, LLC, conducted an initial operational observation of the water and wastewater facilities in March.
 - Main piping has rust and in need of repair or replacement
 - Non industrial plumbing and general conditions; new building needed.
 - Well was drilled in response to last year's failure of Well #2B. It is too close to the existing well for use unless the existing well is taken out of service or a booster pump system is installed. The project is funded in 2016/2017 Budget.
 - An only use half of the tall tank due to structural concerns
 - The lines going to this old well site and one customer are not within a recorded easement or right of way.
 - New Well #3: The Town is addressing noise complaints from this motor from neighboring residents
 - Mr. Chris Salas, Public Works Director, has done noise assessments and there is a project to reduce the noise at that site. They are providing progress reports to the residents.
 - Well # 5 Tank condition is poor
 - There are spots on the floor which is excess pump oil and buildup of things inside the tank
 - Failure of protective coating
 - Town will be soliciting bids for recoating of the tanks
 - The project is in the current budget
 - Booster pumps are rusted and leaking
 - Replacement Required.
 - Tank condition poor.
 - Lack of protective coating
 - Excess pump oil in tank.
 - Headworks auger was bent and brushes are worn out due to bent auger.
 - Allows excess debris from sewage to plug up pumps and create problems
 - Replacement has been performed.
 - Headworks failures and design challenge causes plant pump screens to plug and damage treatment plant equipment.
 - Equipment put in during the last construction project
 - Should have sun shade for protection for some of the equipment to meet its useful life.
 - Supplemental chlorine is used to clean the new filters
 - Under new safety standards there must be containment of chemicals and certain petroleum products. Staff created make-shift containment of chemicals by using sand bags.
 - Containment equipment has been purchased and installed.
 - Safety procedures have been upgraded substantially
 - Passed OSHA inspection
- North Plant
 - Has a lot of make shift and old equipment
 - Inlet screen subject to real problems
 - Needs to be repaired or replaced.
 - Grit removal is not effective
 - Needs to be repaired or replaced.
 - Electrical equipment has wires that are not connected

- Safety and electrical hazards numerous
 - Electrical contractors have begun to enclose panels for safety
 - Air and oil leaks on various equipment need to be addressed for better efficiency
 - Digester walkways and railings are a safety hazard – not in compliance with safety regulations.
 - Final Clarifier has excessive weeds and exposed sampler.
 - Staff is addressing the issue
 - Chlorine equipment needs to be secured and stored properly
 - Wrenches in wrong place
 - Chlorine bottles not separated between full and empty
 - Lids not on properly
 - Issues have been corrected and now stored properly
 - Pressure sand filter and effluent pump old and not efficient. Several leaks were repaired and not painted.
 - New tank has been ordered
 - One pump is out for servicing
 - Effluent pond with leaking liner and excessive weeds
 - Effluent pond was cleaned up.
- Summary
- Town Staff have taken the initiative to perform and implement numerous projects and utility system improvements since EUSI, LLC, has been under contract.
 - These improvements have been implemented with the support of the Town's management staff.
 - Town Staff and EUSI, LLC, personnel worked on and addressed over 77 separate projects and initiatives since these photos were taken in March.
 - With the continued support of Mayor and Council we are confident that Public Works personnel will continue addressing mission critical issues within the Town.
 - Since that time numerous improvements have been made and significant efforts are underway to address any issues of concern.

Mr. Chris Salas, Public Works Director, thanked the EUSI, LLC, team for their assistance during his transition as the Public Works Director which made it easier for him and the staff. Staff is working on implementing many smaller changes within Public Works to allow for incremental changes within the staff. Staff will look at future staffing needs after all changes have occurred. The Town will then transition away from EUSI, LLC, and be able to manage projects more in size and nature to the existing group.

Mr. Salas stated that they have an aggressive CIP and Mr. Hendricks is key in getting the projects delivered on time this year.

Mr. Billingsley thanked the staff members and the Council for their support and for the improvements made.

Mayor Rankin stated that Task Order No. 2 was extended for six months. He asked how many more Task Orders are anticipated.

Mr. Billingsley stated that he hopes that the Town can stand on its own in six months. The budget was reduced from \$104,000 to \$76,000 but that is for a complete change in scope. EUSI, LLCs, scope is now program management, continued advisement, compliance, and assistance. It is staff's hope to go after funding for larger projects, especially on the water system this year. Council has also challenged staff with working on obtaining recharge credits. They may need to remain onboard to assist with some of the larger projects should they come to fruition.

Mr. Billingsley stated that there are several projects that may be in the millions and they are outlined in the CIP. The Town has an outdated water system at the South Plant and an outdated wastewater system on the North Plant.

Mayor Rankin inquired how this will affect the Town if the Town had to put in a wastewater system for development in the west side, or mine property, to gain money from WIFA.

Mr. Billingsley stated that his understanding is that WIFA will not provide loan money to build a new system or development. WIFA is about assisting the Town in meeting compliance with the existing system. The WIFA funds that the Town would focus on at this time will be for upgrades to the existing system where the Town has no noted compliance issues.

Discussion occurred on improvements to the existing plants and reason and funding for a new plant. There is existing land for an expansion, if needed.

Mr. Billingsley stated that the WIFA funding received in 2009 included a portion of funding for an expansion plan. This is approximately 90% completed and will come before Council in the near future. He stated that the south plant produces A+ effluent and are permitted for B+. They will need a permit for A+ in order to receive recharge credits.

Discussion occurred on permitting and engineering design to go to A+ and to be able to recharge. There are some re-use opportunities with the B+ effluent without re-permitting.

Councilmember Anderson inquired about the water quality.

Mr. Billingsley stated that the Town produces very good water. The permit requires annual heavy metal testing.

TOWN MANAGER'S REPORT

Mr. Billingsley stated that the Town is still working on the CIP Tool which will show very specific information with regards to projects. He provided Council with a Calendar of Events for the Library, and stated that the calendar can be found on the Town's website. He stated that the Town was awarded a truck through the Stone Garden Grant, specifically for law enforcement. The total cost for the vehicle, inclusive of equipment is \$44,000.

Mr. Dan Hughes, Police Chief, stated that it has been a difficult time for law enforcement the last several months. Many agencies across the nation are trying to figure out how they fit in to their communities. Florence is different; the Police Department has had a community policing philosophy for the last several years.

Mr. Hughes stated that the Police Department has received several thank you cards and treats for keeping the community safe. He read several of the received cards. He thanked everyone for the support that the Police Department has received.

Mr. Billingsley stated that 50 cases of water was received and provided to the Fire Department for the program that he discussed at the last meeting. He stated that Bill Bruin, Mike Sherm and Jason Penrod are now certified as Fire Inspectors. He stated that Jake Sample has been admitted into the National Society of Leaders of Leadership and Success and will attend a one-week class in Maryland. Larry Garcia is ASC Certified for maintenance and repair.

DEPARTMENT REPORTS

Community Development

Courts

Finance

Fire

Library

Parks and Recreation

Police

Public Works

The Department Reports are received and filed.

CALL TO THE PUBLIC

Mr. Hunter presented a thank you card to Councilmember Anderson on behalf of all of the FTC members for attending the FTC meeting.

CALL TO THE COUNCIL – CURRENT EVENTS ONLY

Councilmember Hawkins congratulated Ms. Garcia for her Distinguished Clerk Award. He stated that the Town has an extraordinary group of employees.

Councilmember Woolridge stated that this is the first time the award has been given so Ms. Garcia has made history as the first to have ever received this award.

Councilmember Anderson is requesting bottled water for the FTC Council. They meet two times per week. He asked that donations be delivered to the Parks and Recreation Department. He attended the CAP meeting and we are facing a water crisis. They are anticipating that they will need to cut the water allotment by 30% next year and 40% the year after. This will affect the agricultural users as well as the reservations. He gave a brief overview of the history and how we obtain our water. He stated that this is a serious problem.

Councilmember Woolridge thanked Ms. Garcia for making Florence shine. She expressed her appreciation for all that Ms. Garcia does.

Vice-Mayor Walter thanked Mr. Hunter for his presentation and that of the students. She looks forward for the program continuing. She stated that staff and Council work diligently to bring the

issues forward. She discussed abandoned buildings on Main Street and people who have not paid their taxes on businesses since 2013. She stated that something positive has come out of it as one of the property owners has paid their back taxes.

Mayor Rankin stated that he attended the Arizona Municipal Clerks Association Annual Meeting in which Ms. Garcia received her award. There were approximately 100 clerks in attendance. Many expressed their admiration for Ms. Garcia.

Mayor Rankin stated that he has been re-appointed to the MAG Transportation Committee. He stated that transportation is very important for our community. As part of MAG, the Town received a \$175,000 street sweeper.

Mayor Rankin stated that school has started and asked everyone use caution when driving in the crosswalks and around the schools. He asked for everyone to help make this a safe school year.

ADJOURNMENT

Council may go into Executive Session at any time during the meeting for the purpose of obtaining legal advice from the Town's Attorney(s) on any of the agenda items pursuant to A.R.S. § 38-431.03(A)(3).

On motion of Councilmember Hawkins, seconded by Vice-Mayor Walter, and carried to adjourn the meeting at 8:03 p.m.

Tom J. Rankin, Mayor

ATTEST:

Lisa Garcia, Town Clerk

I certify that the following is a true and correct copy of the minutes of the Florence Town Council meeting held on August 1, 2016, and that the meeting was duly called to order and that a quorum was present.

Lisa Garcia, Town Clerk

MINUTES OF THE FLORENCE TOWN COUNCIL MEETING HELD ON MONDAY, AUGUST 15, 2016, AT 6:00 P.M., IN THE FLORENCE TOWN COUNCIL CHAMBERS, LOCATED AT 775 N. MAIN STREET, FLORENCE, ARIZONA.

CALL TO ORDER

Mayor Rankin called the meeting to order at 6:00 pm.

ROLL CALL:

Rankin, Walter, Woolridge, Hawkins, Guilin, Anderson, Wall.

MOMENT OF SILENCE

Mayor Rankin called for a moment of silence.

PLEDGE OF ALLEGIANCE

Mayor Rankin led the Pledge of Allegiance.

CALL TO THE PUBLIC

Call to the Public for public comment on issues within the jurisdiction of the Town Council. Council rules limit public comment to three minutes. Individual Councilmembers may respond to criticism made by those commenting, may ask staff to review a matter raised or may ask that a matter be put on a future agenda. However, members of the Council shall not discuss or take action on any matter during an open call to the public unless the matters are properly noticed for discussion and legal action.

Reverend Donald Woolridge, Pastor of the Union Baptist Church, Florence, Arizona, stated that the church is filing a complaint regarding the Southwest Gas construction project taking place on the east side of the church that is being done in conjunction with Public Works. He stated that the church has strong feelings regarding the manner in which the project was initiated. They are not opposed to the project itself; however, the church was not informed of the project. He stated that his hope in filing the complaint is that the Town will ensure that the public, and especially those being affected, are properly informed in an appropriate time frame.

Reverend Woolridge reiterated that they are offended and hope that Council will take note, and continue to be about the business of realizing that the citizens of Florence are important. He stated that they had to postpone events at their church because of the project. He stated that the project has been a real inconvenience. He stated that other entities in Florence have been considered when the church wasn't. He stated that they will pray for the Council because the church clergy have been offended and disrespected.

Deacon Oliver Cartwright, Union Baptist Church, stated that he is very disappointed.

Mayor Rankin stated that staff is researching who owns the property. He addressed the issue with the Town Manager as soon as Deacon Cartwright informed him of the issue.

Reverend Woolridge stated that he was not going to bring up the fact that the church has a twenty year lease agreement on the property with the Town, because that is not the point of the complaint. The issue is that staff did not do their due diligence and they were disrespected by not being properly noticed. He stated that their facility is a place of worship and they would like to be respected.

Mr. Jim Tchida, Florence Resident, stated that this is the third time he has come before Council requesting their consideration to have a façade improvement program. He is not referring to façade easement. The type of program that he is referring to has been done in the Town of Queen Creek and is being done in Maricopa.

Mr. Tchida stated that the Town is celebrating their 150th year anniversary as a historic town. He stated that it would be great to announce the program (inaudible). He stated that the seed money could be \$50,000 initially and increase by \$50,000 each year thereafter. He stated that there are ways to find money for the program. The Town found the money for the Teen Program and asked that the Town find a way to do the façade program this year.

PUBLIC HEARING AND PRESENTATION

Public hearing to receive comments on a Text Amendment, requested by Swaback Partners, on behalf of Florence Artisan Acres, LLC to to update the Territory Square Zoning District book per Section 150.070 Territory Square of the Land Usage section of the Town of Florence Development Code; and first reading of Ordinance No. 649-16.

Mr. Brent Billingsley, Town Manager, read Ordinance No. 649-16 by title only.

AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, TO AMEND THE TERRITORY SQUARE ZONING BOOK PER SECTION 150.070 TERRITORY SQUARE (TS) CONTAINED WITHIN THE LAND USAGE SECTION OF THE TOWN OF FLORENCE CODE OF ORDINANCES (CASE PZ 16-51 ORD). (Mark Eckhoff)

Mr. Mark Eckhoff, Community Development Director, stated that the next three items on the agenda are for Territory Square Expansion Project and he will discuss them as one item.

Mr. Eckhoff provided a brief synopsis of how the project came to be. He stated that the items include a Text Amendment, Minor General Plan Amendment, and zone change. The North End Framework Vision Plan was started in 2009 and encompasses the area from Highway 79 to Plant Road, bordering the Gila River. The following items were considered when developing the Plan: engineering, economics, transportation, flood plain mitigation, land use zoning and recreational opportunities. The Plan was approved by Council in 2011, and later renamed Territory Square. The Zoning Book for Territory Square was created and a Text Amendment was done to the General Plan to allow the property to be in the General Plan as a masterplan community. Subsequently, 40 acres were removed from the floodplain and the aquatics center, library and community center were built as well as the Main Street Extension. He stated that additional projects have taken place at the Windmill Winery. The owners of the Windmill Winery and past and current owners of the Green Tree Inn and Suites inquired about adding 40 acres to the project to do an extension at the Windmill Winery. The 40 acres is located at the southeast corner of Plant Road and Butte Avenue. In order to incorporate the property into the Plan, the description needs to be added into the Territory Square Zoning

Book and an amendment to the General Plan needs to be done so the two can be consistent. The zoning would also need to be changed to Territory Square.

Mr. Jeff Denzak, Swaback Partners, stated that they have coordinated with Mr. Harold Christ, his team and the Town on the initiatives looking at the mechanisms that they want to put in place to ensure it is done in a methodical way in terms of looking at the text amendment, General Plan Amendment, and rezoning. He stated that one of the great things about the Territory Square Zoning document is that it created a road map for future development and helped incentivize that development. The document is flexible. They have looked at the range of uses that were originally proposed for Territory Square and ensured that the expansion and strategy for development complemented everything they initially envisioned and in line with what was proposed.

Mr. Denzak stated that the expansion of the Windmill Winery will be part of the west end development land use group. He stated that character images are provided at the public community meetings. They are currently in the planning stage and are starting to advance the design, looking at the character of the buildings and the site. They want to ensure that it reflects the old world character of the Windmill Winery. He stated that the landscape character will bring the feeling that Mr. Christ has created on his property across the street to make sure it carries on the character and nature of the property. He stated that the conceptual plan includes an inn, cottages, an event center, and a small artisan crafts retail component. Circulation will be included for access and aligns to the main access for the Windmill Winery. There is potential for a future RV component. There will be little pockets of parking rather than a large expansive parking lot. An emergency access will be coordinated through the site. They are working through the frame work to understand the phasing. He stated that the inn will be an early phase of development with some degree of the event center, which will be referred to as the cotton gin. He stated that this will be another ceremonial space used for events. The inn would be more of a boutique inn that fits the character of the Windmill Winery. The cottages will also complement the surrounding area. He stated that the cottage units will be designed as singles, duplexes, and fourplexes.

Mr. Denzak stated that after they go through this process with the Council and gain the Council's approval they would go back to design review with more detailed plans, which is typically 25% construction documents to ensure the design they are portraying for Phase 1 would visually represent what has been shown to Council at this meeting.

Mr. Denzak stated that while they were in the conceptual level, they spent a lot of time with Mr. Christ and the group reviewing all the detail of the materials and the finishes. He stated that Mr. Christ has purchased an old cotton gin and salvaged much of the material. They would like to utilize the character on the building and bring some of the detail on the cottages and the inn. He stated that the look will not only encompass the unique characteristics of the Windmill Winery but also of Florence.

Mr. Denzak stated that the space will be an event space, but in the future could have a restaurant and brewery component. It will also have kitchen space. He stated that they will add to the facility over time. He stated that they do not want it to be overly pristine and perfect, but want it to have an eclectic flavor that is representative of what the Windmill Winery has been.

Mr. Harold Christ, Windmill Winery Owner, stated that they are really excited about the project and feels that it is the missing piece of the puzzle that has been needed for quite some time. The type of clientele that they get is from out of state or country and is primarily for marriages that include multi-day events. They are requesting multi-family units and are looking to stay in something outside of the traditional hotel.

Mr. Christ stated that staff has been helpful in assisting them through the details that it takes in putting this type of project together. He stated that there are so many moving parts to make it what they envision. They are excited to see the project come to fruition and to see how it all ties together with Territory Square.

Mayor Rankin opened the public hearing.

Mr. Jim Tchida, Florence Resident, stated that we would be a fool not endorsing this project. He is not sure that, we Florence can ever be the charming small town that he envisions for the future or that he has seen in many places. He reminded Council that many residents are 60-70 years of age so their lifetime is rather limited, relative to the 150 years that Florence has been here. He sees a fair amount of people walking down Main Street with cameras and taking pictures of the buildings. He stated that he is not sure if they are going to come back or if they want to live here, time will tell.

Mr. Tchida stated that he endorses the project and thinks it is fantastic. The project will be on the west end. The original North End Framework Plan and the subsequent Territory Square Plan was conceived directly north of Town Hall and inquired why this couldn't be on the north end as well. He would like little craftsman cottages in the north end. These cottages originally appeared in the North End Framework Plan and subsequent Territory Square. The craftsman cottages are beautiful. He has said many times before that there are 3,000, 4,000, 5,000 people that drive to work and go home. He said the commuters do not want to live in Florence and this need to change. The craftsman cottages and open spaces and trails plan, date back to prior to 2009. It has been approximately ten years since that concept was conceived.

Ms. Bonnie Barriola reminded the Council that Mr. Christ has vision and was instrumental in building Gold Canyon Resort, and you can see what Gold Canyon is today. Gold Canyon was one of his first projects. She stated that when she was the Senior Planner for Pinal County she worked with Mr. Christ on several master planned communities. He knows how to work with staff and never had any problems because he talked with staff. This is an example of how the developers will work directly with staff from the beginning of the process throughout. They have no problems and get what they want and staff gives them input on how to do it and this is a perfect example of that.

Mayor Rankin stated that they have seen what he can accomplish with the winery. He stated that working with the developer, working with the community for the development and betterment of the community is always great. He believes they have a good relationship and wants to keep it going.

Mayor Rankin closed the public hearing.

Public hearing on a Minor General Plan Amendment, requested by Swaback Partners, on behalf of Florence Artisan Acres, LLC, to amend the Town of Florence's 2020

General Plan Future Land Use Map to change the land use designation on approximately 40 acres from Community Commercial and Medium Density Residential 1 to Master Planned Community for property located at the southeast corner of Butte Avenue and Plant Road and first reading of Resolution No 1596-16.

Mr. Brent Billingsley, Town Manager, read Resolution No. 1596-16 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING THE TERRITORY SQUARE EXPANSION MINOR GENERAL PLAN AMENDMENT FOR PROPERTY LOCATED AT THE SOUTHEAST CORNER OF BUTTE AVENUE AND PLANT ROAD (CASE PZ 16-49 GPA). (Mark Eckhoff)

Councilmember Anderson stated that he supports the project and thinks it is fantastic.

Mayor Rankin opened the public hearing. There being no comments, Mayor Rankin closed the public hearing.

Public Hearing to receive comments on a zone change, requested by Swaback Partners, PLLC, on behalf of Florence Artisan Acres, LLC, on approximately 40 acres located at the southeast corner of Butte Avenue and Plant Road from Rural Agricultural (RA-10) Zoning District to Territory Square (TS) Zoning District (APN 202-05-001C); and first reading of Ordinance No. 652-16

Mr. Brent Billingsley, Town Manager read Ordinance No. 652-16.

AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING THE TERRITORY SQUARE ZONE CHANGE ON APPROXIMATELY 40 ACRES LOCATED AT THE SOUTHEAST CORNER OF BUTTE AVENUE AND PLANT ROAD (PZ 16-50 ZC). (Mark Eckhoff)

Councilmember Woolridge stated that she is excited about the project and cannot wait to see dirt moving.

Councilmember Anderson inquired if the neighbors have been notified.

Mr. Eckhoff stated that the proper notifications have been completed. Signage was posted on the property. A wind storm knocked the signs down, but they were fixed shortly thereafter. They also notified all of the neighbors and placed notices in the local newspaper. They have had neighborhood meetings for all of the cases. The meetings were well attended. The Planning and Zoning Commission has forwarded a favorable recommendation on all three cases.

Mayor Rankin opened the public hearing. There being no comments, Mayor Rankin closed the public hearing.

Presentation by Human Resources Director Scott Barber.

Mr. Billingsley stated that there have been several questions received regarding the organization, the approval of the budget, and what it means in terms of the Town's employees and how the Human Resources Department functions and interfaces with the budget.

Mr. Scott Barber, Human Resources Director, provided a presentation, in which he outlined the following:

- For current Fiscal Year there are 165 full time positions authorized
 - Excludes temporary and part time seasonal positions
 - Excludes frozen position that continue to be maintained in class plan
 - There is no funding for the frozen positions
- Employee Classification Plan
 - Currently 102 positions in our class plan; not all in use.
 - Approved by Council each year.
 - Every classification has the following:
 - Position title
 - Position description, duties and responsibilities
 - Classified or non-classified status
 - Exempt or non-exempt status
 - Salary information
- Per Personnel Policy: if person is temporarily in a role higher than their classification for more than 30 days, employee will be compensated.
 - If employee is temporarily in a role lower than their classification, their rate remains status quo.
 - Standard Operating Procedures have been approved for Fire Department that creates a different trigger if they are in an acting capacity.
 - Pay plan has “open ranges” (no steps) – but keys on entry, mid-point and ending rates
 - Approved by Council each year
 - Every position classification assigned to a pay range
- Acting Classification
- Compensation Competitiveness
 - Compensation study done by Public Sector Personnel Consultants (PSPC) in 2009
 - Not implemented due to budget and cost.
 - PSPC asked to update 2009 work in 2011/12; found market shift of <1.5%
 - Updated data and adjusted pay schedule
 - Did a an adjustment to help ease pay compression
 - Results were implemented July 1, 2012
 - Our market comparators:
 - Apache Junction
 - Kingman
 - Camp Verde
 - Marana
 - Casa Grande
 - Maricopa
 - Chino Valley
 - Nogales
 - Coolidge
 - Oro Valley
 - Cottonwood
 - Pinal County
 - Douglas
 - Queen Creek
 - Eloy
 - Sahuarita

- Did an internal update for FY 2014/2015; recommended adjustments but not included in budget proposal due to fiscal constraints
- Time for a comprehensive classification and compensation study, including position descriptions.
 - In current CIP FY2017/2018 for planning purposes.
- Current snapshot (data from 2016 League of Cities and Towns Salary Survey)

| | <u>Market Midpoint</u> | <u>Us</u> |
|--------------------------|------------------------|-----------|
| Police Officer | \$53,731 | \$53,953 |
| Dispatcher | \$42,395 | \$40,117 |
| Maintenance Worker | \$34,922 | \$32,926 |
| Administrative Assistant | \$40,122 | \$39,138 |

- How Employees Have Fared (Council approved)
 - FY2011/12 up to 5% merit + 2% COLA plus 10% to end of all ranges
 - FY2012/13 up to 5% merit
 - FY2013/14 up to 4% merit
 - FY2014/15 up to 4% merit
 - FY2015/16 3% stipend (raise does not compound)
 - FY2016/17 3% stipend
 - Employee Benefit Package
 - Vacation leave, sick leave, 11 holidays
 - Retirement system match (ASRS or PSPRS)
 - Health, life and dental insurance:
 - Employee cost 100% paid by Town (United Healthcare)
 - Dependent coverage 78% paid by Town
 - Family coverage is \$135 per pay period (24 pay periods)
- Employee Satisfaction
 - Employee turnover analysis for FY2015/16:
 - 12% (with 5 retirements included)
 - 88% retention rate
 - Average length of service – Eight years (all full-time employees as of August 8, 2016)
 - Employee grievances (not handled successfully in dept.) in FY2015/16 – 1
 - Employee/former employee appeals filed in FY2015/16 – 0

Mr. Barber stated that those who are in entry level positions accelerate to the mid-point faster than employees on the top.

Councilmember Anderson inquired how the Town's turnover rate compares to other municipalities.

Mr. Barber stated that he did not do a comparison to other communities. This type of information is not collected by the League of Arizona Cities and Towns.

Councilmember Guilin stated that the benefit package is very healthy in comparison to other communities and this must be considered when doing comparisons.

Vice-Mayor Walter inquired if Mr. Barber sits on a seat at the Arizona League of Cities and Towns (League).

Mr. Barber stated that he utilizes the data that the League collects quite often. He stated that the Town participates in their salary survey every year.

Mayor Rankin inquired if the Town has any employees working outside of their classifications.

Mr. Barber stated that the Town has had formal classifications and descriptions for every position, including temporary positions. Staff will bring to Council the possibility of creating regular part time positions that receive benefits, which we currently do not have.

Mayor Rankin inquired if any department head has raised concerns regarding the presentation or the information provided within the presentation. He stated that stipends were offered because the Home Rule failed and the Council still wanted to provide something to its employees. He stated that when the downturn occurred in 2008, Council did not lay off any employees. The department heads and employees are doing a great job.

Mr. Barber stated that sometimes staff may not feel like they are getting the compensation they need; however, Council has done a great job over the years of trying their best to take care of the employees. He stated that stipends were done to offer something to the employees that would not compound in the system because staff and Council did not know if the expenditure limitation would pass.

Councilmember Woolridge stated that she appreciates the presentation because there have been some inaccurate facts issued to the public. She stated that the benefit package offered to employees is great because you do not find many employers who pay for dependent coverage to the degree that the Town does. Council tries to do their best for employees because it is important for staff to receive raises when the Town is able to afford it.

Vice-Mayor Walter stated that regarding job classifications, prior management and current management, there were some jobs that did not have classifications as well as some events where some employees were asked to do something outside of their job description in the past.

Mr. Barber stated that he tried to address the acting or temporary positions. He stated that all of the position descriptions state that the duties and responsibilities are illustrative and may include other duties as may be assigned from time to time.

Mr. Barber stated that he, Mr. Billingsley, and Ms. Garcia are working with the Public Works Director to adjust some of the Public Works staff's classifications. He has not heard a story that had legitimacy of some grisly situation where the staff has been asked to do something dramatically outside of their realm of normal responsibilities.

Vice-Mayor Walter stated that when staff was seeking to annex an area the Town had staff, while on Town time, go outside of the area they were servicing to collect signatures.

Mr. Billingsley stated that he is unable to respond to that specific instance as he was not employed with the Town at that time. He stated that during his tenure with the Town, there have been three separate instances where staff has been asked to take on additional responsibility beyond their position and job description. He stated that staff met with Human Resources in all three cases and typed up what the responsibilities would be, the term that it would be on a temporary basis and adjustments were made to the persons' pay.

Mr. Billingsley stated that the discussion that Mr. Barber referenced is regarding positions that some of the individuals have performed very well in those temporary assignments. He stated that staff will be coming back to Council to make those temporary assignments permanent.

Councilmember Hawkins inquired if the Town has asked any employee to do anything that they were not qualified to do.

Mr. Billingsley stated no, the employees that are in the temporary assignments were qualified to do the work and have performed admirably.

Councilmember Wall stated that she would hate to see the Town become so rigid that any one of the employees would not be willing to pitch in and work as a team with other employees. She stated that she doesn't want the Town to confine its employees just to the duties that are in their job description. She would like to see challenges for each employee and she would like to see a sense of team work. She believes that if the Town takes care of its employees, the employees will take care of its customers. She does not want the Town to be so particular where someone isn't willing to step up and help out the whole team.

Councilmember Woolridge agreed with Councilmember Wall.

Mayor Rankin stated that all employees are employed by the Town of Florence and not by a specific department. He stated that all employees should be team players. He stated that there may be some employees who are disgruntled, but that is everywhere. He stated that overall; he believes all the Town's employees are team players.

Councilmember Anderson stated that with regards to the annexation issues, it was a mistake what the Town did back then. He stated that the Town learned from it and it was different management at that time.

Vice-Mayor Walter stated that the majority of the staff will pitch in and do anything that is asked to help. There have been certain jobs that have been made available that were not clarified as to their specific roles and responsibilities. There have also been jobs that were created that never existed before, but it was not under our current Town Manager.

Mayor Rankin stated that when an employee states that they will not do a specific job because it is not in their job description, you are talking about a union employee. He stated that while he is on the Council, he will ask the members of Council to support him in keeping the unions out of the public sector.

ADJOURN TO EXECUTIVE SESSION

An Executive Session will be held during the Council Meeting for legal matters pursuant to A.R.S. Section 38-431.03 (A)(3), (A)(4), and (A)(7) for the purpose of discussion and consultation with the Town's attorneys for legal advice on the following items:

- a. **Town's position and instruct its attorneys in regard to pending litigation in Maricopa County Superior Court: Town of Florence v. Florence Copper, Inc. CV 2015-000325.**
- b. **Town's position and instruct its attorneys in regard to Arizona Department of Environmental Quality proceedings.**

- c. **Town's attorneys for legal advice on a pending and threatened claim filed by Johnson Utilities.**

On motion of Councilmember Hawkins, seconded by Councilmember Woolridge, and carried to adjourn to Executive Session.

ADJOURN FROM EXECUTIVE SESSION

On motion of Councilmember Hawkins, seconded by Vice-Mayor Walter, and carried to adjourn from Executive Session.

Presentation of the Town Manager Work Plan (Brent Billingsley)

On motion of Councilmember Anderson, seconded by Vice-Mayor Walter, and carried to table the presentation of the Town Manager Work Plan.

CONSENT: All items on the consent agenda will be handled by a single vote as part of the consent agenda, unless a Councilmember or a member of the public objects at the time the agenda item is called.

Approval of the Pinal County Historical Society's application for their Special Event Liquor License application to the Arizona Department of Liquor Licenses and Control for their event to be held on October 2, 2016. (Lisa Garcia)

Approval of the Pinal County Historical Society's application for their Special Event Liquor License application to the Arizona Department of Liquor Licenses and Control for their event to be held on November 18, 2016. (Lisa Garcia)

Approval of Letter of Support for the designation of Historic Arizona U.S. Route 80 as an Arizona Historic Road. (Jennifer Evans)

Approval of the July 5 and July 18, 2016 Council minutes.

On motion of Vice-Mayor Walter, seconded by Councilmember Guilin, and carried to approve the consent agenda as written, with the exception of Item C.

Approval of Letter of Support for the designation of Historic Arizona U.S. Route 80 as an Arizona Historic Road. (Jennifer Evans)

Councilmember Anderson inquired if U. S. Route 80 came through Florence at one time.

Ms. Jennifer Evans, Management Analyst, stated that U.S. Route 80 is now State Route 79 and comes right through Town. She stated that it was in the early 1990s that the highway was re-designated to a State Route.

Councilmember Anderson inquired if the name will revert back to U. S. Route 80. He also inquired if signs will be placed indicating that it is a historical route.

Ms. Evans stated that the name will not be changed officially. It is a designation change similar to Route 66 in northern Arizona. It will be used as a promotional tool. She stated that

she does not have a definitive answer if they will be placing signs, but it would not be unusual for signs to be installed.

Councilmember Hawkins stated that the Town will have to go through Arizona Department of Transportation to do anything along the route and read examples of what that entailed. He inquired if Council needs to review this further before a decision is made. This will provide time to research the process that they will have to do in the future with regards to that route.

Mayor Rankin stated that there are state highways within the Town currently and they need to get permits from ADOT. He inquired if the U.S. Route 80 will go through the Historical District or through Oracle Junction with regards to the vegetation along the route.

Ms. Evans stated that U. S. Route would come up South Main Street, which is Business Route 79 and turn east on Butte Avenue and connect with State Route 79 at that intersection and continue north. She stated that her understanding of the regulations is that while there may be some additional regulations with regards to the historical designation. There would be an Intergovernmental Agreement with ADOT and the Town of Florence to address the specific needs. She stated that for the most part, ADOT already controls access, and everything on that route. The request is to allow for a letter of support to be remitted with the application. If there were anything binding, the item would need to come back before Council for consideration.

On motion of Councilmember Anderson, seconded by Councilmember Woolridge, and carried to approve a letter of support for the designation of Historic Arizona U.S. Route 80 as an Arizona Historic Road.

NEW BUSINESS

Discussion/Approval/Disapproval of a modification to the Intergovernmental Agreement with the Arizona Department of Revenue related to Uniform Administration of the Town's Transaction Privilege Tax. (Gabe Garcia)

Mr. Gabe Garcia, Finance Director, stated that all cities and towns are required to enter into this agreement with the Arizona Department of Revenue. The agreement is a housekeeping issue which includes minor modifications.

Councilmember Wall commented on the wordiness of the modification in the agreement. One sentence is half of paragraph long. She stated that it makes it very difficult to understand.

Mr. Garcia stated that the initial reports that came out indicated a cost of \$53,000 for administration. He stated that after the final approval and the passage of the fees for everyone's share, the cost is now \$60,000, resulting in a slight increase from the budgeted amount.

On motion of Councilmember Guilin, seconded by Councilmember Hawkins, and carried to approve a modification to the Intergovernmental Agreement with the Arizona Department of Revenue related to Uniform Administration of the Town's Transaction Privilege Tax.

TOWN MANAGER'S REPORT

Mr. Billingsley read into the record a letter he received, which stated:

“Dear Brent, Although I couldn’t attend last night’s Council meeting, I finished watching the proceedings online. I was so impressed and moved by what I saw, I wanted to do something. The poise of those teens to get up and speak to the Council and express themselves so eloquently at their young and inexperienced age is proof positive of the value of this program that is just in its infancy. I can only wonder how far Robert will go with his head start and obvious charisma. I had a chance to speak with Bryan Hughes at the July Council meeting where Koko was introduced. The light in his eyes and enthusiasm spoke volumes about his belief in this program in our teens. I heard you say that the Town is ready to accept contributions so I would like to do my share. I only wish it could be more. Thank you and your team for all that you do. Ms. Cathy Adam”

Mr. Billingsley stated that Ms. Adam provided the Town with a donation for \$500.

Mr. Billingsley stated that the staff is preparing to go to the annual League Conference and have released their years of service awards. Councilmember Woolridge will receive her 12 Year Award.

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, stated the Primary Election is August 30, 2016. The mail ballots have been distributed. There were 2,501 mail ballots requested, and as of the close of business on August 12, 2016, there have been 427 ballots returned. She will provide an update to Council every Friday up until the election.

Mr. Billingsley clarified a few points. He stated that there is information that is spreading amongst Proposition 411. He stated that it is being said that Proposition 411 is linked to organization of labor in Arizona, more specifically, in the Town of Florence. He stated that Arizona is a right to work state so there is no such thing as a labor union in Arizona. There are organizations that sometimes elect to do collective bargaining. Florence is not one of those entities.

Mr. Billingsley stated that Proposition 411 is purely a local control issue. It is with regards to our local officials being able to make decisions on how they spend the revenues the Town receives. It is not a taxation issue or labor issue. The passage or defeat of Proposition 411 does not raise or lower taxes, fees, or what it costs to live in the Town of Florence. It only impacts the Town’s ability to spend and make decisions for the money the Town receives as revenues. Proposition 411 will have absolutely no impact on the organizational structure of the Town or how the Town relates to its employees, with the exception that if the Town is unable to spend its revenues due to the state base adjustment and state limitation, service levels, and consequently the number of employees could be impacted based on the decision that is made.

CALL TO THE PUBLIC

Ms. Cathy Adam stated that she did not know that Mr. Billingsley was going to read her letter, and thanked him for doing so. She was present at the Council meeting to ensure that the Council approved the Pinal County Historical Society’s Special Event Liquor License.

Ms. Adam stated that she was present when the Council approved the money for the Teen Program and left shortly after. She watched the remainder of the meeting and saw where the students properly addressed the Council and she was floored. It brought back memories of when she was in a similar program. She stated that she went to college because she was

given that opportunity through the program. She saw where Councilmember Woolridge volunteered and Vice-Mayor Walter has a special relationship with one of the participants. She thanked everyone for supporting the youth. She stated that Florence is on the right track.

Mr. Billingsley addressed the issue where construction has taken place adjacent to the local church. He stated that the construction is not being done by the Town. The Town has agreements with its utilities that allow them to do work on Town property under certain confines and guidelines. The property in question has been researched and is Town property and there is a 20 year lease on vacant Town property to allow for parking for the church. The Town should have done a better job of notifying the church for the construction that was going to take place by a third party.

Mr. Billingsley stated that as soon as he saw them staging to do the construction, he immediately contacted Public Works and they immediately reached out to the church and had a meeting before construction began. He stated that there should have been more notification. He stated that the Town will do better in providing proper notification.

CALL TO THE COUNCIL – CURRENT EVENTS ONLY

Councilmember Wall invited the public to the two Strategic Planning Forums on August 16, 2016 at the Anthem Sun City Ballroom and on August 17, 2016 at the Windmill Winery.

Councilmember Woolridge thanked staff for going door-to-door on Main Street to advise them of the Streetscape Project on Main Street.

Councilmember Anderson would like an update on the Façade Program at the next Council meeting.

Mr. Billingsley stated that what was approved in the budget was a potential dollar amount in the grants budget. He stated there is no funding for the Façade Program until a grant is applied for and awarded for the program. Staff has drafted guidelines and has reviewed Queen Creek and Maricopa's program. There have been discussions with both communities regarding their programs as well.

Councilmember Anderson asked for staff to share their ideas of what the program will entail, specifically after their discussions with the communities.

Vice-Mayor Walter thanked the public for attending the meeting. She thanked staff for their work with Mr. Christ with regards to his project. She thanked Mr. Billingsley for clarifying the issue regarding unionization. She stated that it is important for the public to know that unionization is not an issue and has never been an issue. There are associations in the community such as the Law Enforcement Association of Florence and the Association of Florence Firefighters. She stated that the association gives to the community and provided examples of what they do for the community. She stated that the Town is not in negotiations with the associations.

Discussion occurred regarding politicking.

ADJOURNMENT

Council may go into Executive Session at any time during the meeting for the purpose of obtaining legal advice from the Town's Attorney(s) on any of the agenda items pursuant to A.R.S. § 38-431.03(A)(3).

On motion of Councilmember Woolridge, seconded by Councilmember Hawkins, and carried to adjourn the meeting at 8:46 pm.

Tom J. Rankin, Mayor

ATTEST:

Lisa Garcia, Town Clerk

I certify that the following is a true and correct copy of the minutes of the Florence Town Council meeting held on August 15, 2016, and that the meeting was duly called to order and that a quorum was present.

Lisa Garcia, Town Clerk

MINUTES OF THE TOWN OF FLORENCE COUNCIL MEETING HELD ON MONDAY, AUGUST 22, 2016, AT 5:00 P.M., IN THE FLORENCE TOWN COUNCIL CHAMBERS, LOCATED AT 775 N. MAIN STREET, FLORENCE, ARIZONA.

CALL TO ORDER

Mayor Rankin called the meeting to order at 5:02 pm.

ROLL CALL:

Present: Rankin, Walter, Woolridge, Hawkins, Guilin, Anderson, Wall.

PLEDGE OF ALLEGIANCE

Mayor Rankin led the Pledge of Allegiance.

CALL TO THE PUBLIC

Call to the Public for public comment on issues within the jurisdiction of the Town Council. Council rules limit public comment to three minutes. Individual Councilmembers may respond to criticism made by those commenting, may ask staff to review a matter raised or may ask that a matter be put on a future agenda. However, members of the Council shall not discuss or take action on any matter during an open call to the public unless the matters are properly noticed for discussion and legal action.

There were no public comments.

NEW BUSINESS

Resolution No.1598-16

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk read Resolution No. 1598-16 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING AND AUTHORIZING THE TOWN OF FLORENCE'S APPEAL CHALLENGING THE VALIDITY AND ISSUANCE OF TEMPORARY AQUIFER PROTECTION PERMIT NO. P-106360, PLACE ID 1579, LTF 61845, SIGNIFICANT AMENDMENT; AUTHORIZING THE FULL PROSECUTION/LITIGATION OF THE APPEAL, AND THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND DECLARING AN EMERGENCY.

Mr. Clifford L. Mattice, Town Attorney, stated that the resolution authorizes the Town to pursue an appeal challenging the validity of the Arizona Department of Environmental Quality permit that was recently granted for the test pilot project for Florence Copper, Inc. He stated that this is an emergency resolution and the history of the permit is outlined within the resolution.

On motion of Councilmember Hawkins, seconded by Vice-Mayor Walter, to adopt Resolution No. 1598-16.

Roll Call Vote:

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Councilmember Hawkins: Yes
Vice-Mayor Walter: Yes
Councilmember Wall: Yes
Councilmember Anderson: Yes
Councilmember Guilin: Yes
Councilmember Woolridge: Yes
Mayor Rankin: Yes

Motion Passed: Yes: 7; No: 0

CALL TO THE COUNCIL

Councilmember Anderson thanked the public for coming to the meeting.

Vice-Mayor Walter reminded the public that Proposition 411 is on the ballot and to remember to return your ballots. The election is August 30, 2016.

ADJOURN TO EXECUTIVE SESSION

An Executive Session will be held during the Council Meeting for legal matters pursuant to A.R.S. Section 38-431.03 (A)(3) to receive legal advice from the Town Attorney on the Town's Rules of Procedure and Code of Conduct.

On motion of Councilmember Woolridge, seconded by Councilmember Anderson, and carried to adjourn to Executive Session.

ADJOURN FROM EXECUTIVE SESSION

On motion of Councilmember Woolridge, seconded by Councilmember Hawkins, and carried to adjourn from Executive Session.

ADJOURNMENT

Council may go into Executive Session at any time during the meeting for the purpose of obtaining legal advice from the Town's Attorney(s) on any of the agenda items pursuant to A.R.S. § 38-431.03(A)(3).

On motion of Councilmember Woolridge, seconded by Councilmember Anderson, and carried to adjourn the meeting at 5:26 pm.

Tom J. Rankin, Mayor

ATTEST:

Lisa Garcia, Town Clerk
Florence Town Council Meeting Minutes
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I certify that the following is a true and correct copy of the minutes of the Florence Town Council meeting held on August 22, 2016, and that the meeting was duly called to order and that a quorum was present.

Lisa Garcia, Town Clerk

**MINUTES OF THE TOWN OF FLORENCE ARTS AND CULTURE COMMISSION
REGULAR MEETING HELD ON THURSDAY, JUNE 9, 2016 AT 6:00 P.M. IN
RUGGLES ROOM 1, LOCATED AT 778 N. MAIN STREET, FLORENCE, AZ.**

1. CALL TO ORDER

Member Hansen called the meeting to order at 6:00 p.m.

2. ROLL CALL:

Present: Rankin, Duncan, Hansen

Absent: Curran, Cochran

3. PLEDGE OF ALLEGIANCE

4. NEW BUSINESS

**a. Discussion/Approval/Disapproval of Minutes from the May 19, 2016
Special Meeting**

On motion by Commissioner Rankin, seconded by Commissioner Duncan, and carried to approve the May 19, 2016 special meeting minutes.

**b. Discussion of Public Outreach and Educational Programs in the 2016
Annual Project Plan**

Liaison Hughes commented that he and Liaison Evans spoke earlier about the purpose of the Public Outreach and Educational Programs in the 2016 Annual Project Plan, and Liaison Evans expressed to him that the Program is to promote events not limit them.

Commissioner Hansen expressed that Ms. Georgine Stark, soprano singer, has an amazing voice and it will be unfortunate if the Commission misses the opportunity to have an event with Ms. Stark. Ms. Stark is Commissioner Duncan's daughter.

Commissioner Hansen asked what Liaison Hughes' function is with the Commission. Liaison Hughes is here to help Liaison Evans in her absence. Liaison Hughes shared that he believes it helps to have Parks and Recreation involved as well in the Commission; it will keep from having duplicate events, overlapping of programs and events.

Commissioner Duncan presented her daughter, Georgine Stark's proposal. Ms. Stark included availability for next year, and a fee schedule. Commissioner Duncan suggested using the stage in the Town of Florence Council Chambers for concerts. There only needs to be enough room for a piano and Ms. Stark. Commissioner Duncan suggested working with school choir programs to put on a concert with Ms. Stark and or work with Ms. Stark in a Master Class.

Commissioner Rankin updated the Commission on program ideas she has been working on. Commissioner Rankin suggested finding locals to teach cooking or art classes, for example, Ramona Button may teach Pima and American cooking, Luis Mendoza may teach art classes, all in hopes to introducing different cultures to the Community.

Liaison Hughes, on behalf of Liaison Evans, spoke about the Box Pony Box Bull. Once school resumes we should incorporate the Box Pony, Box Bull in the Junior Parada parade. Liaison Hughes expressed to the Commission that the Parks and Recreation Staff has not been successful in having teachers commit to attend the Junior Parada event because most are on vacation. Liaison Hughes for Liaison Evans, there is no update on Jr. Parada Chalk Walk. Commissioner Hansen suggested the Community Forum be placed on next month's agenda for discussion.

5. CALL TO THE PUBLIC/BOARD RESPONSE

Call to the Public for Comment is limited to issues within the jurisdiction of the Town of Florence Arts and Culture Commission. Individual commission members may respond to criticism made by those commenting, may ask the staff liaison to review a matter raised, or may ask that a matter be placed on future agenda.

Council Liaison Anderson suggested the Commission participate in the APRA Photo Contest for next year and the matter be put on the next agenda for discussion. Liaison Anderson also requested the Walker Display System be put on the next agenda.

6. CALL TO THE COMMISSION

Commissioner Duncan suggested a New Year's Masquerade for next year.

7. ADJOURNMENT

On motion by Commissioner Duncan, seconded by Commissioner Rankin, and carried to adjourn the meeting at 6:40 P.M.

Approved:


Georganne Cochran, Chairman

**MINUTES OF THE TOWN OF FLORENCE ARTS AND CULTURE COMMISSION
REGULAR MEETING HELD ON THURSDAY, JULY 14, 2016, AT 6:00 PM, AT THE
FLORENCE COMMUNITY CENTER, LOCATED AT 778 NORTH MAIN STREET,
FLORENCE, ARIZONA.**

CALL TO ORDER:

Vice Chairman Hansen called the meeting to order at 6:00 pm.

ROLL CALL:

Present: Rankin, Curran, Hansen, Duncan

Absent: Cochran

PLEDGE OF ALLEGIANCE

NEW BUSINESS

Discussion/Approval/Disapproval of Minutes from the June 9, 2016 Regular Meeting

On motion of Commissioner Rankin, seconded by Commissioner Duncan, and carried to approve the June 9, 2016 Regular Meeting minutes.

Discussion of a Community Arts Forum and Draft Proposal as Part of the Public Outreach and Educational Programs in the 2016 Annual Project Plan

Vice Chairman Hansen said December is probably not the best time to hold a forum because of the holidays. Staff Liaison Evans said we need to secure a location, promote the forum with a flyer or newspaper ad, ask the Chamber of Commerce to help get the word out. Vice Chairman Hansen asked about the agenda and what the forum will accomplish. Vice Chairman Hansen suggested giving an introduction of the Arts and Culture Commission; ask the public what the commission's role should be in the community. Commissioner Curran said if we have a program the public can review, they can choose the types of activities that they want to see. Parks and Recreation Director Hughes suggested presenting the existing work plan to the public and get feedback. Also, ask the public about capital projects to find out their level of support. Vice Chairman Hansen said she thought when the commission first discussed the forum that we would bring in other commissions and groups in the area. Commissioner Rankin thought the forum would do both. Vice Chairman Hansen suggested breaking into smaller groups during the forum so that everyone can brainstorm.

Commissioner Curran suggested the commission hold the forum when there are more people in town. Commissioners discussed holding it before Thanksgiving. Mr. Hughes suggested having the forum at the Community Center. The commission chose November 17th for the arts forum. Vice Chairman Hansen would like to have a work

session to discuss the plans for the forum. Details of the forum will be discussed at the next meeting. Vice Chairman Hansen will take the lead on the forum.

Staff Liaison Evans presented the work plan, budget and draft proposal for the Suter House that Chairman Cochran submitted to the group. Commissioner Duncan's proposal was given to the commission. The proposal is from Commissioner Duncan's daughter to teach vocal master classes and hold a recital in the spring of 2017. Commissioner Duncan said there may be an issue with dates because other classes have been scheduled during that time. She said April 23rd may be available. Commissioner Duncan said no one from Florence contacted her daughter to schedule a performance or class.

Staff Liaison Evans suggested the commission prioritize the activities on their work plan. Commissioner Duncan said she feels Coolidge is taking the lead on her daughter's proposal to hold two master opera classes and a concert in the area and she is trying to get Florence to do something but her hands are tied. Vice Chairman Hansen said the venue should be decided before the date. Commissioner Duncan said Town Hall would be the best venue. Vice Chairman Hansen asked how the decision can be made on this activity and suggested placing it on the next meeting agenda. Vice Chairman Hansen suggested Commissioner Duncan do the research on venues and budget. Vice Chairman Hansen asked if Mr. Hughes could rent or obtain a piano for the classes and concert.

Chairman Cochran submitted a draft proposal for use of the Suter House that is owned by the Industrial Development Authority. Staff Liaison Evans asked for input from the commission. Commissioner Curran said the proposal looked fine and there are a variety of classes that are included in the proposal. Staff Liaison Evans passed around photos of student-made street banners that Chairman Cochran sent for the commission's review. Vice Chairman Hansen said the proposal is ambitious and it is a good starting point. Staff Liaison Evans asked the commission to review the plan and start prioritizing activities.

CALL TO THE PUBLIC/COMMISSION RESPONSE

Call to the Public for Comment is limited to issues within the jurisdiction of the Town of Florence Arts and Culture Commission. Individual commission members may respond to criticism made by those commenting, may ask the staff liaison to review a matter raised, or may ask that a matter be placed on a future agenda.

Councilman Anderson complemented the commission on how much he enjoyed coming to the meetings and how much he appreciates the commission.

CALL TO THE COMMISSION – CURRENT EVENTS ONLY

ADJOURNMENT

On motion of Commissioner Rankin, seconded by Commissioner Curran, and carried to adjourn the meeting at 6:45 pm.

Approved:


Jorgann Cochran, Chairman

**TOWN OF FLORENCE
HISTORIC ADVISORY COMMISSION
REGULAR MEETING MINUTES**

REGULAR MEETING OF THE HISTORIC DISTRICT ADVISORY COMMISSION OF THE TOWN OF FLORENCE HELD WEDNESDAY, JUNE 29, 2016 AT 6:00 PM, IN THE CHAMBERS OF TOWN HALL, LOCATED AT 775 N. MAIN STREET, FLORENCE, ARIZONA.

CALL TO ORDER

Chairwoman Wheeler called the meeting to order at 6:00 pm.

ROLL CALL

Present: Chairwoman Wheeler, Vice-Chairwoman Adam, Commissioner Reid, Commissioner Smith, Commissioner Schmidt, Commissioner Novotny and Commissioner Feliz.

PLEDGE OF ALLEGIANCE

Chairman Wheeler led the Pledge of Allegiance.

DISCUSSION/APPROVAL/DISAPPROVAL of the meeting minutes for the regular meeting conducted May 25, 2016.

On motion of Commissioner Feliz, seconded by Vice-Chairwoman Adam and carried to approve the meeting minutes for the regular meeting conducted May 25, 2016 with changes.

STAFF REPORT

Town of Florence Historic District website (www.florenceaz.gov/historic-district)

Will Randolph, Town Planner, explained how to use the Historic District webpage via the new Town website.

Finalized Historic District Rehabilitation Information Booklet

Will Randolph, Town Planner, gave an update on the Historic District booklet stating it is available at the Community Development office and the Visitor's Center.

2016 Annual Historic Preservation Conference Results

Will Randolph, Town Planner, stated that the conference suggested using social media whenever possible as a way of promoting history and preservation efforts within areas. Mr.

Randolph also discussed various grants and ways to acquire outside funding sources for historic preservation.

Tucson Adaptive Reuse Field Trip Presentation

Will Randolph, Town Planner, presented that various Commission members and staff attended a presentation in Tucson to experience adaptive reuse programs in place in the area. Tucson has done well in the past decade in taking turn of the century buildings and repurposing them into retail and restaurant uses.

American Legion Historic Plaque Erected

Will Randolph, Town Planner, stated that the American Legion has erected a historic plaque. Unfortunately, the Town was unable to place its name on the plaque, however, through grant funding and American Legion funding, the plaque is now in place.

Update on Streetscape Project, presented by Jess Knudson

Jess Knudson, Assistant Town Manager, discussed the streetscape project, which encompassed Main Street in the Historic District from Butte Avenue to Ruggles Street. Mr. Knudson discussed grant funding resources and served as the Streetscape Project manager since approximately 2006. Decisions were made by a streetscape committee to decide various improvements to the historic downtown including landscaping, sidewalks, walkways, crosswalks and streetlights. Various meetings with input from other government agencies included ADOT that found many items were not eligible for grant money. It has been determined that streetlights will be replaced with new, energy efficient, LED streetlights. Mr. Knudson continued to reiterate the fact that staff had worked with SHPO on identifying streetlights that would not harm the historic integrity of the downtown.

Commissioners had various questions, comments and concerns which Mr. Knudson addressed.

Follow up to Commissioners Questions asked at the May 25, 2016 Meeting:

Town staff addressed many questions asked by the commissioners from the May 25, 2016 meeting. These included questions regarding the historic rehabilitation brochure, obtaining the Historic District Guidelines, placing documents on CDs and staff's involvement on researching properties tax incentive benefits.

CALL TO THE PUBLIC/COMMISSION RESPONSE

Call to the Public for public comment on issues within the jurisdiction of the Historic District Advisory Commission. Individual Commission members may respond to criticisms made, may ask staff to review a matter raised or may ask that a matter be put on a future agenda. However, members of the Commission shall not discuss or take

action on any matter during an open call to the public unless the matters are properly noticed for discussion and legal action.

No public comment.

CALL TO THE COMMISSION-CURRENT EVENTS ONLY

Commissioner Novotny stated there is a black wrought iron fence at Gentry's old market between the buildings.

Commissioner Novotny stated that the owner of the Happy Adobe has been working diligently on the old telephone building and it is looking nice.

It was mentioned that during the field trip to the City of Tucson, it was found that the Town of Florence is ahead of many other towns with regards to the Historic District and the Commission would like to thank staff and Council.

Commissioner Feliz stated he is moving and therefore submitting his resignation, but thanked the Commission for having him.

Commissioner Smith would like everyone to look at the American Legion plaque.

ADJOURNMENT

Chairwoman Wheeler adjourned the meeting at 7:20 pm.

X Betty Wheeler
Betty Wheeler

8/31/16
Date

FLORENCE COMMUNITY LIBRARY
Library Advisory Board

Minutes of the Town of Florence Library Advisory Board Regular Meeting held on Wednesday, June 15, 2016, at 6:00 p.m., in Ruggles Room 1 of the Florence Community Library, located at 778 N. Main Street, Florence, Arizona.

1. Member Horan called the meeting to order at 6:05 pm.
2. Members present were: Sheree Berger, Talma Harmon, Eugene Horan, Trudy Kelm, and Rosemary Bebris
Members absent were: Kamian Harmon, Denise Kollert, and Vallarie Woolridge
3. A motion was made by Member Berger, seconded by Member Talma Harmon, and carried to approve the April 20, 2016 minutes.
4. The Library Director's report included the following:
 - Gloria Moreno was accepted to the State Library's Summer Library Institute.
 - Barbera Scoby has been accepted to the School of Information at the University of Arizona. She will be pursuing her Master of Arts degree in Library and Information Science.
 - Rita Marquez resigned from her position as Librarian. Her last day was May 10, 2016. Recruitment for the vacant position was held in May.
 - Barbera Scoby has been promoted from Library Assistant to Librarian, effective June 11, 2016.
 - The theme for 2016 Summer Reading Program is On Your Mark, Get Set... Read! We will explore sports, games, and movement through books, activities, art projects, and more. Every child is encouraged to come to the library to pick up a reading log. Prizes are available for children who spend time reading (or being read to) each week during the summer. Adults are also invited to enjoy Summer Reading with Exercise Your Mind: Read! Adults may turn in an entry form for every book read. Each Monday, a random drawing will be held for prizes. Top adult readers will be awarded grand prizes at the end of the program.
 - Upcoming Programs in June
"A Special Olympics" on Friday, June 24 at 5:30 pm
At the turn of the 20th century, Native Americans and other groups were not allowed to compete in many athletic events, including the Olympics—but at the 1904 World's Fair, a separate Olympics was held for "Indigenous Peoples." Join Dr. Nancy J. Parezo as she presents A Special Olympics: Testing Race at the Louisiana Purchase Exposition. This program is made possible by AZ Humanities, and is supported by the Friends of the Florence Community Library.

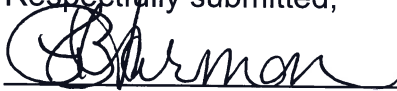
To Begin the World Again: The Life of Thomas Paine on Saturday, June 25 at 1 pm

With the help of the American Library Association's Office for Intellectual Freedom and the Freedom to Read Foundation, the Florence Community Library will present an advance screening of To Begin the World Over Again: The Life of Thomas Paine. This program is made possible by the support of the Friends of the Florence Community Library.

5. The next meeting was scheduled for July 20, 2016.

6. A motion was made by Member Berger, seconded by Member Talma Harmon, and carried to adjourn the meeting at 6:18 pm.

Respectfully submitted,




Talma Harmon, Secretary

Approved,



Denise Kollert, Chairperson

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|  | TOWN OF FLORENCE COUNCIL ACTION FORM | <u>AGENDA ITEM</u> 8a. |
| MEETING DATE: September 19, 2016 DEPARTMENT: Administration STAFF PRESENTER: Jennifer Evans, Management Analyst SUBJECT: Silver King Marketplace Lease Agreement with Brittany Padilla, owner of W Rose Skin Spa | | <input checked="" type="checkbox"/> Action <input type="checkbox"/> Information Only <input type="checkbox"/> Public Hearing <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Regulatory <input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading <input type="checkbox"/> Other |

RECOMMENDED MOTION/ACTION:

A motion to approve the Lease Agreement between the Town of Florence and Brittany Padilla, owner of W Rose Skin Spa, for Suite 201, at the Silver King Marketplace.

BACKGROUND/DISCUSSION:

W Rose Skin Spa offers a variety of skin care services and retail sales of two skin care product lines. The business is a sole proprietorship that is owned and operated by Brittany Padilla. Ms. Padilla initially opened her business at another location in late 2015. She has a strong desire to relocate her business to the Silver King Marketplace because of the foot traffic that is generated in the downtown. The mission of W Rose Skin Spa is to give clients the highest quality esthetic service at reasonable prices.

The proposed use of Suite 201 as a skin care salon conforms to existing Downtown Commercial (DC) zoning.

FINANCIAL IMPACT:

The term of the lease is from October 1, 2016, through September 30, 2017. The monthly rent will be \$182 and the tenant will pay for the cost of utilities each month, as invoiced by the Town. The tenant will also pay a \$182 security deposit.

STAFF RECOMMENDATION:

Staff recommends approval of the lease with Brittany Padilla, owner of W Rose Skin Spa.

ATTACHMENTS:

Silver King Marketplace Lease Agreement

SILVER KING MARKET PLACE LEASE AGREEMENT

TOWN OF FLORENCE, ARIZONA,
an Arizona municipal corporation

AND

BRITTANY PADILLA,
a single woman, on her own behalf

DATE: As of October 1, 2016

SILVER KING MARKET PLACE LEASE AGREEMENT

This Silver King Market Place Lease Agreement (this "Lease") is made and entered into as of the ___ day of _____, 2016 by Town of Florence, an Arizona municipal corporation, hereinafter called "Landlord", and Brittany Padilla, a single woman on her own behalf, hereinafter called "Tenant".

1. LEASED PREMISES

For and in consideration of the rent to be paid and of the covenants and agreements of Tenant as hereinafter set forth, Landlord does hereby lease 728 square feet to Tenant of the premises located at 440 N. Main Street, Suite 201, Florence, Arizona, also known as the Silver King Market Place, and hereinafter referred to as the "Premises", or, the "Leased Premises". The Leased Premises are also described as Suite 201, which is located at the south end of the building in which the Premises are located (the "Building") on the ground floor.

2. TERM

The Lease term shall begin on the **1st day of October, 2016** and end on the **30th day of September, 2017** (the "Initial Term"). Landlord shall use commercially reasonable efforts to put Tenant in possession of the Leased Premises at the beginning of the Initial Term. If Landlord is unable to timely provide the Leased Premises for occupancy by Tenant, rent shall abate for the period of delay. Tenant agrees it shall make no other claim against Landlord for any such delay.

3. EXTENSIONS

The parties hereto may elect to extend the Initial Term upon such terms and conditions as may be agreed upon in writing and signed by the parties at the time of any such election; provided that Tenant gives notice of its request to extend the Initial Term no later than sixty (60) days prior to the expiration of the Initial Term. If Tenant does not elect to extend the Initial Term in accordance with this paragraph, this Lease shall end on the **30th day of September, 2017** (the "Expiration Date") and thereafter Tenant may only occupy the Premises on a month-to-month basis. Such month-to-month tenancy may be terminated by Landlord upon thirty (30) days notice to Tenant. Landlord's acceptance of rent payments after the Expiration Date shall not constitute a renewal of this Lease Agreement.

4. RENTS

Rent shall be paid at the rate of **one hundred eighty two dollars (\$182.00)** per month for the duration of this Lease. In addition to the rent, Tenant is responsible for any commercial property lease transaction privilege tax and government property lease excise tax. Each monthly payment of rent due thereafter shall be payable on the first

Payment of rent shall be made to Landlord at Town of Florence, P.O. Box 2670, 775 North Main Street, Florence, Arizona 85132, or at such other place designated by written notice from Landlord. The rental payment amount for any partial calendar months included in the Lease term shall be prorated on a daily basis. If rent is not received by the close of the 5th business day then a late fee of \$25.00 will be added to Tenant's account and past-due rent shall bear interest at the rate of ten per cent (10%) per annum from the date due (i.e., the first day of each month) until paid.

5. SECURITY DEPOSIT

Tenant has deposited with Landlord the sum of **one hundred eighty two dollars (\$182.00)** as security for the full and faithful performance by Tenant of all the terms of this Lease required to be performed by Tenant. Such sum shall be returned to Tenant after the expiration of this Lease; provided Tenant has fully and faithfully carried out all of its terms. At the expiration of this Lease or such other time as Tenant may properly request the return of the Security Deposit, Landlord shall make an inspection of the Leased Premises and deduct from the Security Deposit such sums as are necessary to repair and refurbish the Leased Premises to the condition which existed prior to Tenant's occupancy thereof. In the event of a bona fide sale of the Building of which the Leased Premises are a part, Landlord shall have the right to transfer the security to the purchaser to be held under the terms of this lease, and Landlord shall be released from all liability for the return of such security to Tenant.

6. PURPOSE

A. Landlord is maintaining the Silver King Market Place for the development of new businesses within the historical/downtown area of the Town of Florence. It is Landlord's desire to endeavor to assist in the creation of new businesses by providing a leasing environment contemplated to assist such new businesses.

B. Tenant shall use the Leased Premises for the purpose of conducting the business of a skin care salon and for no other purpose without Landlord's express prior written consent. This use must also be and remain consistent with Exhibit "A". In the event Tenant desires to use the Leased Premises for a different business purpose not described above, Tenant shall first apply, in writing, for approval for such use to the Town of Florence. As a further condition of this Lease, Tenant must also maintain regular business hours and be open for at least thirty five (35) hours per week with exception of holidays. When business enhancement classes are offered, free of charge, Tenant shall make every effort to send one or more representatives to attend these programs.

C. If Tenant fails to meet any of these requirements, then Landlord may terminate this Lease after providing Tenant no less than thirty (30) days written notice of Landlord's intent to terminate this Lease. If Tenant does not satisfy the above conditions or otherwise cure the deficiencies indicated in the notice within thirty (30) days, Landlord may terminate this Lease as provided in Section 17 below.

The Premises shall not be used in violation of this Lease, any zoning laws applicable to the Premises, or in violation of any federal, state or local laws or regulations.

7. PROHIBITED USES

Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device. All uses must conform to the zoning code of the Town of Florence and the Landlord's Property Lease Policy, both as promulgated by Town from time to time.

8. SUBLEASE AND ASSIGNMENT

A. Tenant shall not sublet or assign this Lease without Landlord's consent. To assign this Lease to a business with which Tenant may merge or consolidate, to any subsidiary of Tenant, to any corporation under common control with Tenant, or to a purchaser of substantially all of Tenant's assets Tenant must receive either written consent from Landlord (not to be unreasonably withheld) or enter into a new lease agreement reasonably satisfactory to both parties.

B. Except as set forth above, neither Tenant nor any assignee may sublease all or any part of the Leased Premises, or assign this Lease in whole or in part, without Landlord's written consent.

9. REPAIRS

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs and refurbishment of the Leased Premises. Repair and refurbishment shall include, but is not limited to, the repair and refurbishment of normal wear and tear to floors, walls, ceilings, and other parts of the Leased Premises caused by Tenant's use and enjoyment of the Leased Premises, except for major mechanical systems or the roof [(so long as damage thereto is not caused, in whole or in part, by the acts or omissions of Tenant, its invitees or those under Tenant's direction and control) subject to the obligations of the parties as may otherwise be set forth in this Lease.]

10. TENANT IMPROVEMENTS

A. Tenant, at Tenant's expense, shall have the right to remodel, redecorate, or make additions, improvements and replacements to all or any part of the Leased Premises from time to time as Tenant may deem desirable (the "Tenant Modifications"); provided the same are made in a workmanlike manner, lien free, in accordance with all codes and utilizing good quality materials. Tenant must obtain the written consent of Landlord prior to undertaking any such Tenant Modifications. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the Leased Premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or

placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease but not after ten (10) days after the expiration thereof, provided that such removal does not cause any damage to the Premises. Any damage caused by the removal of Tenant's personal property shall be repaired by Tenant at Tenant's expense. If Tenant fails to repair any such damage Landlord may repair the damage and deduct the costs thereof from Tenant's security deposit, with Tenant remaining liable for the excess, if any, over the security deposit. At the expiration of this Lease, at Landlord's direction, Tenant shall remove any such personal property from the Leased Premises at Tenant's sole cost and expense, repairing any damage to the Leased Premises occasioned thereby.

B. Tenant may have prepared plans and specifications for the construction of Tenant Modifications, and, if so, such plans and specifications are attached hereto as Exhibit "B" and incorporated herein by reference. Tenant shall obtain all certificates, permits, licenses and other authorizations of governmental bodies or authorities which are necessary to permit the construction of the improvements on the Leased Premises and shall keep the same in full force and effect at Tenant's cost.

C. Tenant shall negotiate, let and supervise all contracts for the furnishing of services, labor, and materials for the construction of Tenant Modifications on the Leased Premises at its sole cost and expense. All such contracts shall require the contracting party to guarantee performance and all workmanship and materials installed by it for a period of one year following the date of completion of construction. Tenant shall cause all contracts to be fully and completely performed in a good and workmanlike manner and lien free, all to the effect that the improvements shall be fully and completely constructed and installed in accordance with good engineering and construction practice. Tenant shall include in any contract for the construction of Tenant Modifications a requirement that bonds in the full amount of the contract sum be furnished guaranteeing the faithful performance of the contract requirements and the payment of any and all subcontractors.

D. During the course of Tenant Modifications, Tenant shall, at its cost, keep in full force and effect a policy of builder's risk and liability insurance in a sum equal to three times the amount expended for construction of the improvements. All risk of loss or damage to the improvements during the course of construction shall be on Tenant with the proceeds from insurance thereon payable to Landlord.

E. Nothing herein shall alter the intent of the parties that Tenant shall be fully and completely responsible for all aspects pertaining to the construction of Tenant Modifications to Leased Premises and for the payment of all costs associated therewith. Landlord shall be under no duty to investigate or verify Tenant's compliance with the provisions contained herein. Moreover, neither Tenant nor any third party may construe the permission granted Tenant hereunder to create any responsibility on the part of Landlord to pay for any improvements, alterations or repairs occasioned by Tenant.

11. UTILITIES

Landlord shall pay the amount due for charges for water, sewer, gas, and electricity and separately invoice Tenant for Tenant's share of the charges as determined by Landlord in its reasonable judgment utilizing any reasonable method of apportionment. Tenant shall pay the utilities invoice upon the due date for the monthly payment of this Lease or the first of the month, whichever comes first. Tenant shall be responsible for all of its own telecommunications/cable/Internet charges

Tenant acknowledges that the Leased Premises are designed to provide standard office or retail use electrical facilities and standard office lighting. Tenant shall not use any equipment or devices that utilize excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.

12. SIGNAGE

A. Exterior Signs. Landlord will provide one exterior sign located on the east side of the Building. Tenant shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to erect and thereafter, to repair or replace, if it shall so elect, signs on any portion of the Leased Premises, provided that Tenant shall remove any such signs upon termination of this Lease, and repair all damage occasioned thereby to the Leased Premises, all at Tenant's sole cost and expense.

B. Interior Signs. Tenant shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to erect, maintain, place and install its usual and customary signs and fixtures in the interior of the Leased Premises.

13. ENTRY

Landlord shall have the right to enter upon the Leased Premises at reasonable hours (absent emergency [during which Landlord may enter to inspect/endeavor to abate emergency]) to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

14. PARKING

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the Building, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the Premises or in reasonable proximity thereto, for Tenant and Tenant's agents and employees or for others within or utilizing the Building.

15. MECHANIC'S AND OTHER LIENS

Tenant shall pay before delinquent all sums of money which, if unpaid, would entitle any person to a mechanic's or material supplier's or laborer's lien against the Leased Premises, or on Tenant's interest under this Lease. Tenant agrees that it will neither do any act, nor fail to do any act, which would result in the recordation of any lien against the Leased Premises, the Building or the Silver King Market Place as a whole.

16. INSURANCE AND INDEMNIFICATION

A. INDEMNIFICATION

(i) To the fullest extent permitted by law, Tenant shall defend, indemnify and hold harmless Landlord (i.e., the Town of Florence), its agents, officers, officials (whether elected or not), attorneys and employees (collectively, the "Indemnified Parties") from, of and against all claims, damages, losses and expenses (including, but not limited to, attorneys' fees [whether or not suit is brought], court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted either wholly or in part from the acts, errors, mistakes, omissions, work or services of Tenant, its agents, employees, contractors, subcontractors or business invitees in the performance of this Agreement, and regardless of whether or not such claim, damages, loss or expenses are caused in part by Landlord.

(ii) Tenant's duty to defend, hold harmless and indemnify the Indemnified Parties and each of them shall arise in connection with any claims, damages, losses or expenses that are attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting therefrom, caused either wholly or in part by Tenant's acts, errors, mistakes, omissions, work or services in the performance of this Agreement including any employee or business invitee of Tenant or any other person for whose acts, errors, mistakes, omissions, work or services Tenant may be legally liable, and regardless of whether or not such claim, damages, losses or expenses are caused in part by Landlord.

(iii) The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph 16A.

B. INSURANCE REQUIREMENTS

(i) Tenant, at Tenant's own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. rating of "A", or approved and licensed to do business in the State of Arizona with policies and forms satisfactory to Landlord.

All insurance required herein shall be maintained in full force and effect during any term of this Lease; failure to do so may, at the sole discretion of Landlord, constitute a material breach of this Lease.

(iii) Tenant's insurance shall be primary insurance, and any insurance or self-insurance maintained by Landlord shall not contribute to it. Any failure to comply with the claim reporting provisions of the policies or any breach of an insurance policy warranty shall not affect coverage afforded under the policy to protect Landlord.

(iv) The insurance policies required by this Agreement shall name Landlord and any other Indemnified Parties designated by Landlord as Additional Insured(s).

(v) Landlord reserves the right to amend the requirements herein at any time during the Lease subject to at least 30 days written notice. Coverage provided by the Tenant shall not be limited to the liability assumed under the Indemnification provision of this Lease. To the extent permitted by law, Tenant waives all rights of subrogation or similar rights against Landlord. Landlord reserves the right to require complete copies of all insurance policies required by this Lease at any time. Failure to maintain the insurance policies required by this Lease, or to provide evidence of renewal, is a material breach of contract.

C. REQUIRED COVERAGES

(i) General Liability/Contractual Indemnity

(a) Tenant shall, at Tenant's expense, maintain a policy of comprehensive public liability insurance with a limit of not less than \$1,000,000 for each occurrence and with a \$1,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Agreement, which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 000211093(October 2001 version). The coverage shall not exclude X, C, U.

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

(c) The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s, Additional Insured, Form B, CG20101185 (October 2001 version).

(ii) Property Insurance

(a) Landlord shall obtain and keep in force during any term of this Lease, a policy or policies of insurance covering loss or damage to the Leased Premises, in the amount of the full replacement value thereof, providing protection against all perils included within the classification of fire, flood, extended coverage, vandalism, malicious mischief and special extended perils.

(b) Tenant shall obtain and keep in force during any term of this Lease, a policy or policies of insurance covering loss or damage to the contents of the Leased Premises. Tenant agrees that Landlord shall not be liable for injury to Tenant's business or any loss of income there from, or for loss or damage to goods, wares, merchandise or other property in or on the Leased Premises owned or belonging to Tenant, Tenant's employees, invitees, customers, or any other person in or about the Leased Premises; nor shall Landlord be liable for injury to the person of Tenant, Tenant's employees, invitees, agents or contractors, whether such damage or injury to persons or property is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction, or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning, or light fixtures or from any other cause; or whether the said damage or injury to person or property results from conditions arising upon the Leased Premises or from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible to Tenant.

(iii) Certificates of Insurance

(a) Prior to delivery of possession of the Leased Premises to Tenant, Tenant shall furnish Landlord with proof of payment acceptable to Landlord of any required coverages hereunder, together with Certificates of Insurance, or formal endorsements as required by this Lease, issued by Tenant's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Lease are in full force and effect.

(b) In the event any insurance policy (ies) required by this Lease is (are) written on a "claims made" basis, coverage shall extend for two years past the expiration of any term of this Lease as evidenced by annual Certificates of Insurance.

(c) If a policy does expire during any term of this Lease, a renewal certificate must be sent to Landlord fifteen (15) days prior to the expiration date.

17. DEFAULTS AND REMEDIES

A. DEFAULTS

The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Tenant:

(i) The vacating or abandonment of the Leased Premises by Tenant;

(ii) The failure by Tenant to make any payment of rent or any other payment required to be made by Tenant hereunder, as and when due;

The failure by Tenant to observe or perform any of the covenants, conditions, or provisions of this Lease to be observed or performed by Tenant, other than described in subsection (ii) above, where such failure shall continue for a period of fifteen (15) days

after written notice hereof from Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than fifteen (15) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commenced such cure within said fifteen (15) day period and thereafter diligently prosecutes such cure to completion, such additional time to complete not to exceed thirty (30) additional days.

(iv) The making by Tenant of any general arrangement for the benefit of creditors; the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets, located at the Leased Premises, or, of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or, the attachment, execution, or other judicial seizure of substantially all of Tenant's assets located at the Leased Premises or of Tenant's interest in this Lease where such seizure is not discharged within thirty (30) days; or

(v) The filing or recordation of a lien against the Leased Premises, the Building or the Silver King Market Place as a whole due to any action or inaction of Tenant.

B. REMEDIES

(i) In the event of any such default or breach by Tenant, Landlord may at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of such default or breach:

(ii) Terminate Tenant's right to possession of the Leased Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Leased Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including but not limited to, the cost of recovering possession of the Premises; expenses of reletting, including necessary renovation and alteration of the Premises; reasonable attorneys' fees; any real estate commission actually paid; and the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent for the balance of the term after the time of such award exceeds the amount of such rental loss for the same period that Tenant provides could be reasonably avoided. In the event Tenant shall have abandoned the Premises, Landlord shall have the option of 1) retaking possession of the Premises and recovering from Tenant the amount specified in this paragraph; or 2) proceeding under subsection (iii) immediately below.

(iii) Maintain Tenant's right to possession, in which case this Lease shall remain in effect whether or not Tenant shall have abandoned the Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder.

(iv) Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State of Arizona, including the right to declare a landlord's lien on Tenant's personal property located on the Leased Premises. Where a landlord's lien is declared by Landlord, Landlord may, without notice or demand to Tenant, terminate Tenant's right to possession of the premises until Landlord has secured sufficient personal property or full payment of rent to satisfy the amount of rent owed. Should Landlord declare a landlord's lien on the Leased Premises pursuant to this paragraph, this Lease shall not be considered terminated, and Landlord shall have a right to recover rent as it becomes due.

C. DEFAULT BY LANDLORD

Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event later than fifteen (15) days after written notice by Tenant to Landlord and to the holder of any first mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to Tenant in writing, specifying wherein Landlord has failed to perform such obligations; provided however, that if the nature of Landlord's obligation is such that more than fifteen (15) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such thirty day period and thereafter diligently prosecutes the same to completion. If Landlord does not perform, the holder of any first mortgage may perform in Landlord's place and Tenant must accept such performance.

D. HOLDOVER BY TENANT

If Tenant shall hold over after expiration of the Initial Term, or any extension of the Initial Term, such tenancy shall be from month-to-month only upon such terms, covenants, and conditions as set forth herein except for those relating to the term of the Lease. Any such month-to-month tenancy may be terminated by Landlord upon thirty (30) days notice to Tenant. However, nothing herein shall be construed as or deemed a waiver of any rights of Landlord to take such action in law or equity as Landlord may have under the provisions of this Lease or otherwise.

E. BANKRUPTCY OF TENANT

If Tenant should make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy, or be adjudicated bankrupt or insolvent, or permit a receiver to be appointed to take possession of a substantial portion of the Tenant's assets or of this leasehold, and such bankruptcy, insolvency or receivership proceedings not be dismissed within thirty days, then Lessor may, without notice or demand, terminate this Lease and forthwith re-enter and repossess the demised premises and remove all persons, and under no circumstances shall this Lease be assigned or transferred by operation of law.

18. DAMAGE AND DESTRUCTION

Subject to the Insurance provisions contained herein, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant subject to the provisions of this Lease which may permit Landlord to retain such payments. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

19. TITLE

A. Subordination. Tenant shall, upon the request of Landlord in writing, subordinate this Lease to the lien of any present or future institutional mortgage/deed of trust upon the Leased Premises irrespective of the time of execution or the time of recording of any such mortgage; provided, however, that as a condition to such subordination, the holder of any such encumbrance shall enter first into a written agreement with Tenant reasonably satisfactory to such encumbrancer in form suitable for recording to the effect that:

(i) In the event of foreclosure or other action taken under the encumbrance by the holder thereof, this Lease and the rights of Tenant hereunder shall not be disturbed but shall continue in full force and effect so long as Tenant shall not be in default hereunder; and

(ii) Such holder shall permit insurance proceeds and condemnation proceeds to be used for any restoration and repair required by the Damage and Insurance provisions of this Lease. Tenant agrees that if the encumbrancer or any person claiming under the encumbrancer shall succeed to the interest of Landlord in this lease, Tenant will attorn to and recognize said encumbrancer or person as its Landlord under the terms of this Lease; provided that said encumbrancer or person for the period during which said encumbrancer or person respectively shall be in possession of the Leased Premises and thereafter their respective successors in interest shall assume all of the obligations of Landlord hereunder, but shall not be liable for prior defaults of Landlord hereunder. The word "mortgage", as used herein includes mortgages, deeds of trust or other similar

instruments, and modifications, and extensions thereof. The term "institutional mortgage" means a mortgage securing a loan from a bank (commercial or savings) or trust company, insurance company or pension trust or any other lender institutional in nature and constituting a lien upon the Leased Premises.

B. Quiet Enjoyment. Landlord covenants and agrees that upon Tenant paying the rent and observing and performing all of the terms, covenants and conditions on Tenant's part to be observed and performed hereunder, that Tenant may peaceably and quietly have, hold, occupy and enjoy the Leased Premises in accordance with the terms of this Lease without hindrance or molestation from Landlord or any persons lawfully claiming through Landlord.

20. ATTORNEYS' FEES

In the event of any legal action between Landlord and Tenant to enforce any of the provisions and/or rights hereunder, the unsuccessful party to such action agrees to pay to the other party all costs and expenses, including reasonable attorneys' fees incurred in prosecuting or defending such action, and if judgment is recovered in such action or proceeding, such costs, expenses and attorney's fees shall be included in and as a part of such judgment.

21. NOTICES

Any notice required to be given by or to either Landlord or Tenant pursuant to this Lease, shall be in writing and shall be forwarded by certified mail, postage prepaid, addressed as follows:

For Landlord:

Town of Florence
Town Manager
P.O. Box 2670
775 North Main Street
Florence, AZ 85132

For Tenant:

Brittany Padilla
W Rose Skin Spa
P. O. Box 2651
Florence, AZ 85132

22. WAIVER

A waiver of any breach of this Lease, or of any of the terms or conditions by either party hereto, shall not be deemed a waiver of any repetition of such breach or in any way affect any other terms or conditions hereof. No waiver shall be valid or binding unless it shall be in writing and signed by the parties.

23. CANCELLATION OF AGREEMENT

Pursuant to A.R.S. § 38-511, the provisions of which are incorporated herein by reference, all parties are hereby put on notice that this Lease is subject to cancellation by Landlord if any person significantly involved in initiating, negotiating, securing,

drafting or creating this Lease on behalf of Landlord is, at any time while this Lease or any extension of this Lease is in effect, an employee or agent of Tenant in any capacity or a consultant to Tenant with respect to the subject matter of this Lease.

{BALANCE OF THIS PAGE LEFT BLANK INTENTIONALLY; SIGNATURES AND
ACKNOWLEDGEMENTS APPEAR ON PAGE FOLLOWING}

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first written above.

LANDLORD:

TOWN OF FLORENCE, an Arizona municipal corporation

Tom J. Rankin, Mayor

Date

ATTEST:

APPROVED AS TO FORM:

Lisa Garcia, Town Clerk

Clifford L. Mattice, Town Attorney

TENANT:

Brittany Padilla, a single woman on her own behalf

By: _____

Its: Owner _____

Date: _____

STATE OF ARIZONA)
) ss.
County of Pinal)

On this ____ day of _____, 2016, before me, the undersigned Notary Public, personally appeared _____, the owner of W Rose Skin Spa, and that as such, being authorized so to do, executed the foregoing instrument for the purpose therein contained on behalf of the said company.

(Seal and Expiration Date)

Notary Public

My Commission Expires:

EXHIBIT A



W Rose Skin Spa

Business Plan for Silver King Hotel

By: Brittany Padilla-Owner/Licensed Esthetician

GENERAL BUSINESS DESCRIPTION

W Rose Skin Spa offers skin care services that include customized facials, waxing, spray tanning, makeup for special events, microdermabrasion, dermaplaning, and eyelash extensions. The product lines that are used are Image Skin Care and Cirepil wax. Clients of all ages, female and male, benefit from keeping their skin healthy. This is the only business in Florence offering this extensive line of skin care services.

My interest for skin care came about January 2015. I have always been the type of person who likes to help people. I also enjoy bringing new opportunities to my community. I enrolled into The Studio Academy of Beauty which started on March 17th, 2015 and graduated on July 25th, 2015. I completed my state boards in September, with a passing mark and my State License # is 31500790. I was then able to open a business with family and community support. W Rose Skin Spa has been in business since November 2015, my goal is to be in the downtown district of Historic Florence.

W Rose Skin Spa is a startup business that is currently part time. I will work to expand my hours of operation as I build clientele and expand services. It is a great possibility that I will be bringing in a massage therapist a couple days out of the week to help with requested services.

In the future, my plans are to expand and offer different types of services. An example of other services would be spray tanning and permanent makeup that will be added on to my services. Also, I plan on bringing in a massage therapist once a week to expand my market, as I get quite a few requests for massage.

Mission statement: At W Rose Skin I believe in giving my clients the highest quality esthetic services at reasonable prices so you can RELAX and RENEW YOU.

Company goals & Objectives: Goals for my business would include maintaining a location within Historic Florence to provide customized services within my community and build loyal customer base.

Short term goals: Continuing to build a client base and expanding services provided.

Long term goals: Stable location, loyal consistent clientele with possibility of expansion.

Business philosophy: My philosophy is to help clients improve, maintain and feel confident with their skin with the highest quality products at reasonable prices.

Industry: Beauty/Aesthetics' Industry

Growth Industry: Based on needs of the community.

Legal form of Ownership: Sole proprietor

PRODUCTS AND SERVICES

The products that are used at W Rose Skin Spa are clinical and help provide clients with the results they desire. There are specific products for specific skin types that appease everyone's personal needs. I have had many clients tell me how soft, hydrating, tight there skin has felt after just having one facial. I had a client just the other day tell another client that her hyperpigmentation "age spots" have improved by 80% when she first started coming to my shop.

Customized Facials:

- Gentle (Organic) Facial
- Hydrating Antioxidant Facial
- Brightening Facial
- Purifying Acne Facial
- Maximum Anti-Aging Facial
- Firming Neck & Décolletage

Customized Chemical Peels:

- ⊖ Ormedic Peel Lift
- ⊖ Signature Peel Lift
- ⊖ Lightening Lift Peel
- ⊖ Wrinkle Lift Peel
- ⊖ Acne Lift Peel

Advanced Customized Chemical Peels:

- Beta Lift Peel
- Perfection Lift Peel

Back Facials:

- Back Facial
- Hot Stone Back Facial

Dermaplane & Microdermabrasion:

- Dermaplaning
- Microdermabrasion

Facial Packages:

- Relax YOU Package
- Renew YOU Package

Waxing Services:

- Eyebrows
- Chin or lip
- Face
- Underarms
- Chest or back
- Leg
- Toes
- Bikini
- Brazilian
- Paraffin hand wax treatment

Eyebrow & Eyelash Tinting:

- Eyebrows
- Eyelashes
- Both

Educational Events: On May 14th, 2016 I offered a “Protect the Skin You’re In” event to the public. With May being Skin Cancer Awareness month, I wanted to educate how important it is to wear sunscreen to the better benefit of my community. I did a presentation with provided handouts, complimentary skin scope, and raffle prizes, and refreshments. There were 19 people that attended each one received a free sunscreen sample that tailored their skin concerns. I would like to provide special events every 6 months to the community.

Birthday Events: As my business grows I will offer birthday packages for children. The package will include facials, makeup, and skin treatments.

What factors will give you competitive pros/cons?

- **Pros:** I have brought services to the Town of Florence which have not been offered before. I currently have clientele who have previously traveled to Queen Creek, Mesa, and Scottsdale for services that I can offer in our Historic town. All self-pay, no insurance, local and better than average pricing. Also, this is the only aesthetics business within the Florence district.
- **Cons:** Because of uncertainties, my projected schedule is unknown at this time. With this being said, my current work schedule is 25-30 hours a week.
- **Major/Most requested services:**
 - Customized facials
 - Hot stone back facial
 - All waxing services offered

Pricing and fees of your products or services: The prices may vary depending on customized services provided. Facials range from \$45.00 and up. Waxing ranges from \$12.00 and up.

COMPETITION

Florence, Coolidge and San Tan Valley salons that offer waxing will be my main competition in the waxing area. As for typical esthetics, there are no known businesses in this area of Pinal County.

MARKETING

Promotion: Member of the Florence Chamber of Commerce, flyers, brochures, cart advertising at local Safeway in Anthem, placemats in A&M restaurant, social media, the Florence Blade and loyalty cards for returning customers.

Customer image: of W Rose Skin Spa- Trust, build relationships and a friendly relaxing comfortable environment.

HOURS

Hours: Wednesday's, Thursday's and Saturdays, 8:00 am to 6:00pm.

Staff will be available on site on Monday's and Tuesdays from 1pm-3:30pm for clients wanting to make appointments or purchase retail products.

EXHIBIT B

[PLACE HOLDER FOR ALL PERMANENT TENANT IMPROVEMENTS]



TOWN OF FLORENCE COUNCIL ACTION FORM

AGENDA ITEM 8b.

MEETING DATE: September 19, 2016

DEPARTMENT: Administration

STAFF PRESENTER: Lisa Garcia, Deputy Town Manager/
Town Clerk

SUBJECT: Resolution No. 1599-16: Primary Election
Results

- Action
- Information Only
- Public Hearing
- Resolution
- Ordinance
 - Regulatory
 - 1st Reading
 - 2nd Reading
- Other

RECOMMENDED MOTION/ACTION:

Motion to adopt Resolution No. 1599-16: A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, DECLARING AND ADOPTING THE RESULTS OF THE PRIMARY ELECTION HELD ON AUGUST 30, 2016.

BACKGROUND/DISCUSSION:

The following table identifies the voter turnout for the last 14 years. The area highlighted in yellow shows the mayoral election cycle. Voter turnout in 2016 decreased more than five percent compared to the 2012 primary election.

| <u>ELECTION</u> | <u>REGISTERED VOTERS</u> | <u>VOTES CAST</u> | <u>VOTER TURNOUT PERCENTAGE</u> |
|-----------------|--------------------------|-------------------|---------------------------------|
| PRIMARY 2002 | 2458 | 798 | 32.5 |
| PRIMARY 2004 | 3276 | 940 | 28.7 |
| PRIMARY 2006 | 3270 | 264 | 8.0 |
| PRIMARY 2008 | 3269 | 745 | 22.79 |
| PRIMARY 2010 | 3976 | 1332 | 33.43 |
| GENERAL 2010 | 3827 | 1639 | 43.83 |
| PRIMARY 2012 | 4122 | 2144 | 52.0 |
| GENERAL 2012 | 3948 | 1869 | 47.3 |
| PRIMARY 2014 | 4176 | 1505 | 36.04 |
| GENERAL 2014 | 4299 | 2436 | 56.66 |
| PRIMARY 2016 | 4930 | 2037 | 41.32 |

The number of ballots cast in the Primary Election was 2037. The number of votes cast through mail ballot equaled 77 percent of the total ballots cast.

The votes cast for the candidates for Mayor were as follows:

| <u>Names</u> | <u>Votes</u> |
|----------------|--------------|
| Cox, Gem | 483 |
| Rankin, Tom J. | 617 |
| Walter, Tara | 887 |

Votes cast for the candidates for councilmember are as follows:

| | |
|----------------|-------|
| Cox, Strom | 776 |
| Duron Michelle | 806 |
| Hawkins, Bill | 975 |
| Larsen Kristen | 964 |
| Wall, Karen J. | 1,120 |

The rules determining the election results under the nonpartisan election procedure set forth in A.R.S. § 9-821.01, a candidate is declared elected to office in the primary if that candidate has a majority of all votes cast. The method for determining whether a candidate has received a majority of the votes cast is calculated by adding the total number of votes cast for all candidates for an office; dividing that sum by the number of seats to be filled at the election and then dividing the result of that calculation by two and rounding the number to the highest whole number. If more candidates receive a majority than there are offices to be filled, the candidates receiving the highest number of votes equal to the number of seats to be filled shall be declared elected. If no one is elected, two candidates per seat move to the general election.

For the Office of Mayor the two candidates receiving the highest votes will be issued certificates of nomination and will move on to the November 8, 2016 General Election. Those candidates are:

Rankin, Tom J.
Walter, Tara

The following Town Council candidate received the required amount of votes to be elected and is issued a certificate of election:

Karen J. Wall
Bill Hawkins
Kristen Larsen

Proposition 411 passed 3:1.

| | <u>Votes</u> | <u>Percentage</u> |
|-----|--------------|-------------------|
| Yes | 1,320 | 69.95% |
| No | 567 | 30.05% |

FINANCIAL IMPACT:

There is no fiscal impact to adopting Resolution No. 1599-16, approving the results of the 2016 Primary Election.

STAFF RECOMMENDATION:

Adoption of Resolution No. 1599-16, adopting the 2016 Primary Election results.

ATTACHMENTS:

Resolution No. 1599-16
Voting Results

Resolution No. 1599-16

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, DECLARING AND ADOPTING THE RESULTS OF THE PRIMARY ELECTION HELD ON AUGUST 30, 2016.

WHEREAS, the Town of Florence, Pinal County, Arizona, did hold a Primary Election on the 30th day of August 2016, for the election of mayor, three council members, and Proposition 411; and

WHEREAS, the election returns have been presented to and canvassed by the Florence Town Council.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Florence, Pinal County, Arizona, as follows:

THAT the number of registered voter for the Primary Election were 4930.

THAT the total number of ballots cast at said primary/general election, as shown by the poll lists or reported by Pinal County, was 2037.

THAT the number of ballots rejected was 1.

THAT the number of mail ballots cast at the Primary Election were 1581, all of which were verified.

THAT the votes cast for the candidates for Mayor were as follows:

| <u>Names</u> | <u>Votes</u> |
|----------------|--------------|
| Cox, Gem | 483 |
| Rankin, Tom J. | 617 |
| Walter, Tara | 887 |

THAT it is hereby found, determined and declared of record, that the following two candidates did receive the next greatest number of votes of the electors of the town voting at said election and shall have their names placed on the general municipal election ballot of the Town of Florence, Pinal County, Arizona, to be held on the 8th day of November, 2016, and are hereby issued certificates of nomination:

Rankin, Tom J.
Walter, Tara

THAT the votes cast for the candidates for councilmember were as follows:

| <u>Names</u> | <u>Votes</u> |
|----------------|--------------|
| Cox, Strom | 776 |
| Duron Michelle | 806 |
| Hawkins, Bill | 975 |
| Larsen Kristen | 964 |
| Wall, Karen J. | 1,120 |

THAT it is hereby found, determined and declared of record, that the following candidate did receive more than one-half of the total number of valid votes cast and are hereby issued certificates of election:

Karen J. Wall
Bill Hawkins
Kristen Larsen

THAT the following votes were cast in regards to Proposition 411 for the Town of Florence.

| | <u>Votes</u> | <u>Percentage</u> |
|-----|--------------|-------------------|
| Yes | 1,320 | 69.95% |
| No | 567 | 30.05% |

THIS resolution shall be in full force and effect immediately upon its adoption.

PASSED AND ADOPTED by the Mayor and Council of the Town of Florence, Arizona, this 19th day of September 2016.

Tom J. Rankin, Mayor

ATTEST:

APPROVED AS TO FORM:

Lisa Garcia, Town Clerk

Clifford L. Mattice, Town Attorney

RUN DATE:09/05/16 09:12 AM

| | TOTAL VOTES | % | EV | POLL | PROV | LATE EV |
|-------------------------|-------------|-------|-------|------|------|---------|
| MAYOR TOWN OF FLORENCE | | | | | | |
| (VOTE FOR) 1 | | | | | | |
| COX, GEM. | 483 | 24.26 | 285 | 88 | 14 | 96 |
| RANKIN, TOM J.. | 617 | 30.99 | 315 | 152 | 16 | 134 |
| WALTER, TARA | 887 | 44.55 | 478 | 159 | 19 | 231 |
| WRITE-IN. | 4 | .20 | 4 | 0 | 0 | 0 |
| Total | 1,991 | | 1,082 | 399 | 49 | 461 |
| Over Votes | 4 | | 2 | 1 | 0 | 1 |
| Under Votes | 42 | | 21 | 6 | 1 | 14 |

| | | | | | | |
|---------------------------------|-------|-------|-------|-----|-----|-------|
| COUNCIL MEMBER TOWN OF FLORENCE | | | | | | |
| (VOTE FOR) 3 | | | | | | |
| COX, STORM | 776 | 16.62 | 437 | 171 | 20 | 148 |
| DURON, MICHELLE | 806 | 17.27 | 433 | 156 | 19 | 198 |
| HAWKINS, BILL | 975 | 20.89 | 551 | 178 | 18 | 228 |
| LARSEN, KRISTEN | 964 | 20.65 | 518 | 193 | 24 | 229 |
| WALL, KAREN J.. | 1,120 | 23.99 | 638 | 180 | 22 | 280 |
| WRITE-IN. | 27 | .58 | 16 | 1 | 0 | 10 |
| Total | 4,668 | | 2,593 | 879 | 103 | 1,093 |
| Over Votes | 0 | | 0 | 0 | 0 | 0 |
| Under Votes | 1,443 | | 722 | 339 | 47 | 335 |

| | | | | | | |
|----------------------------------|-------|-------|-------|-----|----|-----|
| PROPOSITION 411 TOWN OF FLORENCE | | | | | | |
| (VOTE FOR) 1 | | | | | | |
| YES | 1,320 | 69.95 | 691 | 272 | 32 | 325 |
| NO. | 567 | 30.05 | 318 | 112 | 14 | 123 |
| Total | 1,887 | | 1,009 | 384 | 46 | 448 |
| Over Votes | 1 | | 1 | 0 | 0 | 0 |
| Under Votes | 149 | | 95 | 22 | 4 | 28 |



TOWN OF FLORENCE COUNCIL ACTION FORM

AGENDA ITEM 8c.

MEETING DATE: September 19, 2016

DEPARTMENT: Community Development

STAFF PRESENTER: Mark Eckhoff, AICP,
Community Development Director

SUBJECT: Resolution No. 1600-16: Merrill Ranch Street
Light Improvement District (SLID) No. 1.

- Action
- Information Only
- Public Hearing
- Resolution
- Ordinance
 - Regulatory
 - 1st Reading
 - 2nd Reading
- Other

RECOMMENDED MOTION/ACTION:

Motion to adopt Resolution No. 1600-16: A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, DECLARING ITS INTENTION TO ESTABLISH A STREET LIGHT IMPROVEMENT DISTRICT TO PURCHASE ENERGY FOR LIGHTING THE PUBLIC STREETS AND PARKS IN THE AREA WITHIN THE CORPORATE LIMITS OF THE TOWN OF FLORENCE, ARIZONA, DESCRIBED ON EXHIBIT A, ATTACHED HERETO; DECLARING SUCH IMPROVEMENTS TO BE OF MORE THAN LOCAL OR ORDINARY PUBLIC BENEFIT AND THAT THE EXPENSES THEREOF BE PAID FOR BY THE LEVY AND COLLECTION OF AD VALOREM TAXES UPON THE ASSESSED VALUATION OF ALL REAL AND PERSONAL PROPERTY IN A CERTAIN DISTRICT TO BE KNOWN AS "TOWN OF FLORENCE, ARIZONA, MERRILL RANCH STREET LIGHT IMPROVEMENT DISTRICT NO. 1; AND ORDERING THAT SUCH IMPROVEMENTS BE PROVIDED FOR UNDER THE PROVISIONS OF SECTION 48-572, ARIZONA REVISED STATUTES.

BACKGROUND/DISCUSSION:

This is a request by the Town of Florence, on behalf of Pulte Homes, to approve the creation of a new SLID for a defined portion of the Merrill Ranch Planned Unit Development located immediately south of the Anthem at Merrill Ranch (AMR) project. Pulte Homes acquired the subject property and has recently begun building homes on their first subdivision within this area. Most of the infrastructure improvements for the first subdivision have been installed. Street lights are part of the required public improvements for all new subdivisions. With the SLID in place, Pulte Homes, the Town and APS will coordinate the street light design and placement specifications. Pulte Homes will pay for the lights and their installation; and the SLID will pay to operate the street lights.

Staff notes that the AMR development already has established three separate SLIDs to pay the operational costs; i.e., the energy bills, for the public street lights in the AMR area. Private streetlights, such as those within common areas within the AMR and MR

communities, are owned, operated and maintained by the Homeowner's Associations for said areas.

Per Arizona Revised Statutes, the creation of a SLID is a permitted action as long as the municipality, on behalf of the developer, makes the request. Furthermore, Amendment No. 2 to the Merrill Ranch Development Agreement, dated January 3, 2006, permits this request to be made to Council. Staff notes that all required steps for the creation of this SLID have been followed per the direction of Arizona Revised Statutes and other applicable rules and agreements.

FINANCIAL IMPACT:

The SLID is not authorized to issue bonds and no assessment for SLID purposes against the property within the SLID shall exceed One Dollar and Twenty Cents (\$1.20) per each hundred dollars of taxable valuation thereof in any year. That said, the SLID can reduce or suspend the collection for the SLID if a particular SLID runs a surplus (an amount over what is necessary to pay for the predicted operational costs). The parcel owners, whether Pulte or the subsequent owners after each home closing, pay the SLID via an assessment on their annual tax bill. The Town pays the APS electricity bill from the applicable SLID accounts.

RECOMMENDATION:

Motion to adopt Resolution No. 1600-16 for the creation of the Merrill Ranch Street Light Improvement District (SLID) No. 1.

ATTACHMENTS:

Resolution No. 1600-16
SLID Petition
Legal Description Exhibit A
Property Map Exhibit B

RESOLUTION NO. 1600-16

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, DECLARING ITS INTENTION TO ESTABLISH A STREET LIGHT IMPROVEMENT DISTRICT TO PURCHASE ENERGY FOR LIGHTING THE PUBLIC STREETS AND PARKS IN THE AREA WITHIN THE CORPORATE LIMITS OF THE TOWN OF FLORENCE, ARIZONA, DESCRIBED ON EXHIBIT A, ATTACHED HERETO; DECLARING SUCH IMPROVEMENTS TO BE OF MORE THAN LOCAL OR ORDINARY PUBLIC BENEFIT AND THAT THE EXPENSES THEREOF BE PAID FOR BY THE LEVY AND COLLECTION OF AD VALOREM TAXES UPON THE ASSESSED VALUATION OF ALL REAL AND PERSONAL PROPERTY IN A CERTAIN DISTRICT TO BE KNOWN AS "TOWN OF FLORENCE, ARIZONA, MERRILL RANCH STREET LIGHT IMPROVEMENT DISTRICT NO. 1; AND ORDERING THAT SUCH IMPROVEMENTS BE PROVIDED FOR UNDER THE PROVISIONS OF SECTION 48-572, ARIZONA REVISED STATUTES.

WHEREAS, the owners, exclusive of mortgagees and other lienholders, of all of the real property (hereinafter referred to as "Petitioner") in the hereinafter described District, acting pursuant to the provisions of Sections 48-615(A) and 48-617(A), Arizona Revised Statutes, have petitioned the Mayor and Council of the Town of Florence, Arizona (hereinafter referred to as "Town"), to adopt a resolution of intention (hereinafter referred to as "Resolution") ordering the purchase of energy for the lighting of the public streets and parks (hereinafter referred to as "Improvements") for the real property legally described in Exhibit A (such area hereinafter referred to as "District") with such boundaries as shown in the map in Exhibit B attached hereto pursuant to the provisions of Section 48-576, Arizona Revised Statutes, giving the Town immediate jurisdiction to order the Improvements pursuant to the provisions of Section 48-581, Arizona Revised Statutes, without the necessity of the publication or posting of this Resolution provided for in Section 48-578, Arizona Revised Statutes;

WHEREAS, the Town has verified that Petitioner is the owner, exclusive of mortgagees and other lienholders, of all of the real property included within the boundaries of the District; and

WHEREAS, the Mayor and Council of the Town hereby find and determine that they have jurisdiction to adopt this resolution to order the improvements, pursuant to the provisions of Section 48-576, Arizona Revised Statutes, and have immediate jurisdiction to adopt this resolution ordering the Improvements pursuant to the provisions of Section 48-581, Arizona Revised Statutes without the necessity of publication and posting of this resolution as provided for in Section 48-578, Arizona Revised Statutes;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Florence, Arizona, that:

Section 1. The Town, after verifying ownership of the real property included within the boundaries of the District, hereby finds the Petitioner is the owner, exclusive of mortgagees and other lienholders, of all of the real property included within the boundaries of the District.

Section 2. The name of the District shall be “TOWN OF FLORENCE, ARIZONA, MERRILL RANCH STREET LIGHT IMPROVEMENT DISTRICT NO. 1.”

Section 3. The District is formed, and shall exist, pursuant to the provisions of Title 48, Chapter 4, Article 2, Arizona Revised Statutes, and Section 48-616, Arizona Revised Statutes.

Section 4. The public interest or convenience requires, and it is the intention of the Mayor and Council of the Town to order the Improvement as so described above.

Section 5. The Improvement, in the opinion of the Mayor and Council of the Town, is of more than local or ordinary public benefit and is of special benefit to the respective lots, pieces and parcels of real property in the District, and the Mayor and Council of the Town hereby make and order the expense of the improvements payable from the levying and collection of ad valorem taxes upon the assessed value of all real and personal property in the District to be known and designated as “Town of Florence, Arizona MERRILL RANCH STREET LIGHT IMPROVEMENT DISTRICT NO. 1” and hereby declare that the District is as legally described on Exhibit A attached hereto with the boundaries as shown in the map in Exhibit B attached hereto. Any public street or alley within the District shall be omitted from the assessment. Any lot belonging to the United States, the State, a county, city, school district or political subdivision or institution of the state or county within the District shall be omitted from the assessment.

Section 6. The Superintendent of Streets of the Town shall not be required to post or cause to be posted notices of the Resolution of Intention. The Clerk of the Town shall certify to the passage of this Resolution of Intention but shall not be required to cause the same to be published in a newspaper published and of general circulation in the Town.

Section 7. The Mayor and Council of the Town shall make annual statements and estimates of the expenses of the District, which shall be provided for by the levy and collection of ad valorem taxes upon the assessed value of all the real and personal property in the District; shall publish notice thereof; shall have hearings thereon; and shall adopt them at the times and in the manner provided for incorporated cities and towns by the applicable portions of Sections 42-17101 et seq., 42-17151, 42-17152, Arizona Revised Statutes. The Mayor and Council of the Town shall, on or before the third Monday in August of each year, fix, levy and assess the amount to be raised by ad valorem taxes upon all of the property of the District and collect, as Pinal County, Arizona (the “County”) taxes are collected, the amounts shown by the statements and estimates as adopted by the Mayor and Council of the Town. All statutes providing for the levy and collection of State of Arizona and County taxes, including the collection of delinquent taxes and sale of property for nonpayment of taxes, shall be applicable to District taxes as provided to be levied under Section 48-616, Arizona Revised Statutes.

Section 8. The District shall not be authorized to issue bonds and no assessment for District purposes against the property within the District shall exceed One Dollar and Twenty Cents (\$1.20) per each hundred dollars of taxable valuation thereof in any year.

Section 9. The District shall not be authorized to engage in any activity other than as provided in Section 48-616, Arizona Revised Statutes, i.e., contracting for and purchasing of energy for street lighting.

Section 10. The formation of the District shall not be considered as preventing the subsequent establishment of improvement districts for any other purpose authorized by law, including improvement districts for the purpose of constructing street lighting facilities within any part or all of the same territory as the District.

Section 11. The type of lighting facilities to be installed in the District and the locations thereof shall consist of those lighting facilities and locations described in the petition submitted by Petitioner, or as may be approved by the Town.

Section 12. The rate to be paid for purchasing the energy for the District shall be the rate described in the petition submitted by Petitioner, or as may be approved by the Arizona Public Service Company.

Section 13. Any resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

PASSED AND ADOPTED by the Mayor and Council of the Town of Florence, Arizona, this 19th day of September 2016.

Tom J. Rankin, Mayor

ATTEST:

APPROVED AS TO FORM:

Lisa Garcia, Town Clerk

Clifford L. Mattice, Town Attorney



EXHIBIT A - LEGAL DESCRIPTION
MERRILL RANCH
STREET LIGHT IMPROVEMENT DISTRICT NO. 1

A Parcel of Land lying within Section 30, Township 4 South, Range 9 East, of the Gila and Salt River Meridian, Pinal County, Arizona, more particularly described as follows:

Commencing at the North Corner of Section 30 (#5 RB w/2 inch AC LS 21065, found), said point being the **POINT OF BEGINNING** from which the Northeast Corner of Section 30 (#5 RB w/2 inch AC LS 21065, found) bears South 89 Degrees 55 Minutes 26 Seconds East (Basis of Bearing), a distance of 2622.97 feet;

Thence, South 89 Degrees 55 Minutes 26 Seconds East, a distance of 852.56 feet;

Thence, South 07 Degrees 36 Minutes 39 Seconds East, a distance of 665.13 feet;

Thence, South 14 Degrees 40 Minutes 37 Seconds West, a distance of 305.14 feet;

Thence, South 03 Degrees 12 Minutes 06 Seconds West, a distance of 641.57 feet;

Thence, South 13 Degrees 56 Minutes 56 Seconds West, a distance of 730.26 feet;

Thence, South 18 Degrees 55 Minutes 31 Seconds West, a distance of 553.86 feet;

Thence, South 01 Degrees 59 Minutes 57 Seconds East, a distance of 201.88 feet;

Thence, South 16 Degrees 34 Minutes 23 Seconds East, a distance of 804.36 feet;

Thence, South 75 Degrees 16 Minutes 42 Seconds West, a distance of 479.02 feet;

Thence Westerly, an arc distance of 148.89 feet along a curve to the left having a radius of 2864.79 feet and a central angle of 02 Degrees 58 Minutes 40 Seconds;

Thence, North 89 Degrees 57 Minutes 08 Seconds West, a distance of 2720.62 feet;

Thence, North 00 Degrees 25 Minutes 48 Seconds West, a distance of 1321.69 feet

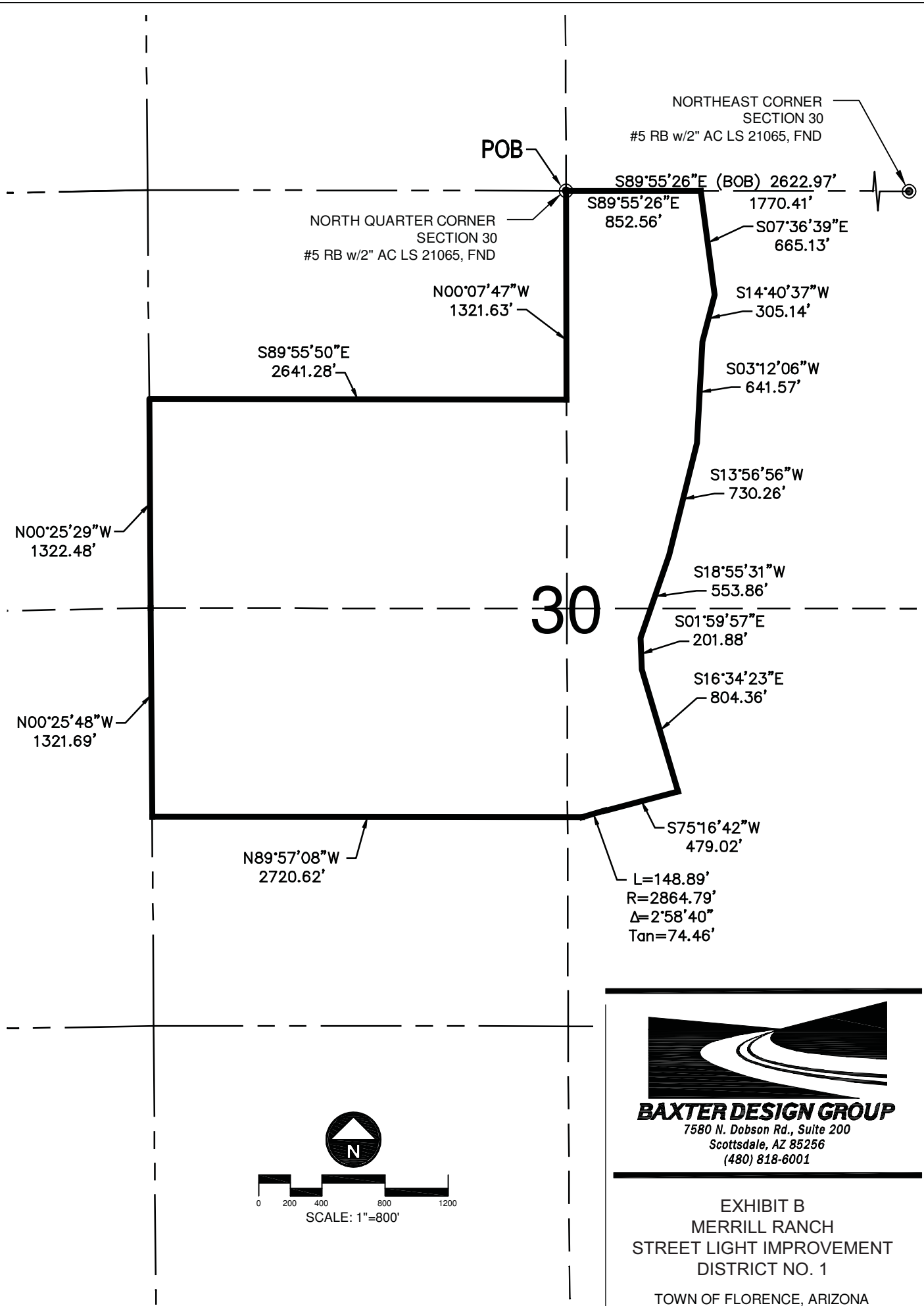
Thence, North 00 Degrees 25 Minutes 29 Seconds West, a distance of 1322.48 feet;

Thence, South 89 Degrees 55 Minutes 50 Seconds East, a distance of 2641.28 feet;

Thence, North 00 Degrees 07 Minutes 47 Seconds West, a distance of 1321.63 feet to **THE POINT OF BEGINNING**.

Containing 224.59 acres more or less.

path: R:\742-AMR\SPECIALPROJ\SLID Exhibit\ file name: AMR_District 4 Bndy.dwg | plot date: July 14, 2016 | plotted by: ssanders



BAXTER DESIGN GROUP
7580 N. Dobson Rd., Suite 200
Scottsdale, AZ 85256
(480) 818-6001

EXHIBIT B
MERRILL RANCH
STREET LIGHT IMPROVEMENT
DISTRICT NO. 1
TOWN OF FLORENCE, ARIZONA

UNANIMOUS PETITION
FOR FORMATION
OF
TOWN OF FLORENCE, ARIZONA
MERRILL RANCH STREET LIGHT IMPROVEMENT DISTRICT NO. 1

STATE OF ARIZONA
COUNTY OF PINAL
TOWN OF FLORENCE

We, the undersigned (“Petitioner”), are the owners, exclusive of mortgagees and other lien holders, of all of the real property with the limits of the area and district legally described in Exhibit A, attached hereto, and with such boundaries as shown in the map attached hereto as Exhibit B (“District”).

We hereby petition the Mayor and Council of the Town of Florence, Arizona (“Town”) to establish a street lighting improvement district pursuant to A.R.S. §§ 48-571 et seq., as amended, and specifically, A.R.S. §§ 48-615 – 48-617, for the purpose of purchasing energy for the lighting of public streets and parks within the described District and maintenance of such lighting facilities, where permissible by the street lighting improvement district.

It is hereby requested, that the Town Council after verifying that the petition is signed by all of the real property owners, exclusive of mortgagees and other lienholders within the District, and making a finding of such fact, adopt a Resolution of Intention to order the proposed improvements pursuant to A.R.S. § 48-576 (“Improvements”), and request that the Town Council assume immediate jurisdiction and order the Improvements pursuant to A.R.S. § 48-581, without the necessity of publication and posting of the Resolution of Intention provided for in A.R.S. § 48-578.

We respectfully request that the District be established as follows:

I. District. The name of the District to be formed shall be “TOWN OF FLORENCE, ARIZONA MERRILL RANCH STREET LIGHT IMPROVEMENT DISTRICT NO. 1”;

II. Authority. The District shall be formed and shall exist, pursuant to the terms and provisions of Title 48, Chapter 4, Article 2, Arizona Revised Statutes, as amended, and subject to A.R.S. § 48-616, as amended;

III. Expenses of the District. The Mayor and Council of the Town shall make annual statements and estimates of the expenses of the District, which shall be provided for the levy and collection of taxes upon all the real and personal property in the District, shall publish notice thereof, shall have hearings thereon and shall adopt them at the times and in the manner provided for incorporated cities and towns by the applicable portions of A.R.S. § 42-17101 et seq., §§ 42-17151 – 42-17152, as amended, and the Mayor and Council of the Town shall, on or before the third Monday in August of each year, fix, levy and assess the amount to be raised by taxes levied and assessed upon all of the property of

the District and collect, as Pinal County, Arizona (“County”) taxes are collected, the amounts shown by the statements and estimates as adopted by the Mayor and Council of the Town. Taxes shall be levied and assessed on the basis of ad valorem taxes upon the assessed value of all the property real and personal in the District.

All statutes providing for the levy and collection of State of Arizona (“State”) and County taxes, including the collection of delinquent taxes and sale of property for nonpayment of taxes, shall be applicable to District taxes as provided to be levied under A.R.S. § 48-616, as amended.

IV. Maximum Assessment. The District shall not be authorized to issue bonds and no assessment for District purposes against the property within the District shall exceed One Dollar Twenty Cents (\$1.20) upon each hundred dollars of taxable valuation in any year.

V. Purpose. The District shall be authorized to engage in any activity as provided in A.R.S. § 48-616, as may be amended from time to time, i.e., contracting for and purchasing of energy for street and public park lighting;

VI. Non-Exclusive. The formation of the District shall not be considered as preventing the subsequent establishment of improvement districts for any other purpose authorized by law, including improvement districts for the purpose of constructing street lighting facilities within any part or all of the same territory as the District; and

VII. Public Property. Any public street or alley within the area proposed for the District shall be omitted from the assessment. Any lot belonging to the United States, the State, County, Town, school district or political subdivision or institution of the State or County that is included within the proposed District shall be omitted from the assessment.

VIII. Public Need. Public convenience and necessity require the adoption of the Resolution.

Petitioner hereby further REPRESENTS and WARRANTS to the Town:

That on the date hereof, as shown on the assessment roll for State and County taxes, the real property to be in the District is owned by the Petitioner or, if a person listed on such assessment roll is no longer the owner of real property in the District, that the name of the successor owner has become known and has been verified by recorded deed or other similar evidence of transfer of ownership to be the Petitioner;

That the real property to be included in the District will be benefited from the Improvement;

Petitioner ACKNOWLEDGES, COVENANTS to the Town and AGREES:

That the Improvements be ordered and expenses of the District be paid for by the levy and collection of ad valorem taxes upon the assessed value of all the real and personal property in the District;

That the Petitioner shall, at its sole cost and expense, provide to Arizona Public Service Company (“APS”) such lighting facilities as may be required by APS and the Town subject to their approval.

That the rate to be paid by the Town for purchasing energy for the District shall be usual and customary rates adopted by APS, or may be amended from time to time;

That, pursuant to A.R.S. § 42-17257, as amended, the Town must first be authorized by the Arizona Department of Revenue to assess, levy and collect taxes relating to the District;

That PULTE HOME CORPORATION, a Michigan Corporation, or any successor shall pay to the Town, upon demand, all costs and expenses of the District, including all costs and expenses reasonably related to creating the District and all costs and expenses of purchasing energy for street and public park lighting for the District until such time as the Town is actually collecting taxes relating to the District in an amount sufficient to pay all costs and expenses of the District; and

WHEREFORE, Petitioner respectfully asks that this Petition be properly filed as provided by law; that the Mayor and Council of the Town adopt the Resolution; and undertake such other orders, acts, procedures and relief as are proper, necessary and appropriate to the purposes of forming the District and to the execution of the purposes for which the District shall be organized as the Mayor and Council of the Town deem proper and necessary.

PETITIONER FOR TOWN OF FLORENCE, ARIZONA
MERRILL RANCH STREET LIGHT IMPROVEMENT DISTRICT NO. 1;

Property Owner: PULTE HOME CORPORATION,
a Michigan Corporation

By: _____


Its: _____
Authorized Representative

STATE OF ARIZONA)
) ss.
COUNTY OF PINAL)

The foregoing instrument was acknowledged before me this _____ day of _____, 2016, by _____, who executed the foregoing on behalf of _____, an Michigan Corporation, being authorized so to do for the purposes therein contained.

Notary Public

My Commission Expires:

| | | |
|---|---|--|
|  | TOWN OF FLORENCE COUNCIL ACTION FORM | <u>AGENDA ITEM</u> 8d. |
| MEETING DATE: September 19, 2016 DEPARTMENT: Administration STAFF PRESENTER: Lisa Garcia, Deputy Town Manager/Town Clerk SUBJECT: Ratification of Willdan Agreement for engineering service on Diversion Dam Road. | | <input checked="" type="checkbox"/> Action <input type="checkbox"/> Information Only <input type="checkbox"/> Public Hearing <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <ul style="list-style-type: none"> <input type="checkbox"/> Regulatory <input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading <input type="checkbox"/> Other |

RECOMMENDED MOTION/ACTION:

Motion to approve ratification of the agreement with Willdan for work completed on the Diversion Dam Road project.

BACKGROUND/DISCUSSION:

On October 25, 2012, the Public Works Director entered into a Contract Task Order with Willdan for Diversion Dam Road Improvements from State Route 79 East, to North Bowling Road, including design as a minor arterial roadway with proper transition. The cost associated with this Task Order is \$131,061. The original work order was for design only.

In 2016, the Town requested Change Order One (Exhibit B to contract) as a change to the storm drain. This redesign was due to Pinal County not allowing storm water to enter their ditch. Percolation trenches were designed with properly located drywells. Willdan's services in this change order included completion and approval of the project and all post design services. Willdan acted as an intermediary between the Town and Utilities (Southwest Gas, San Carlos Irrigation and Drainage District (SCIDD), and Arizona Department of Transportation (ADOT)). The cost associated with the change order is \$21,600.

Also in 2016, Change Order Two (Exhibit C to contract) requested Willdan to subcontract with Ninyo and Moore for Geotechnical services. This change order included earthwork, concrete and asphalt testing, as well as ensuring that the earthwork was per Maricopa Association of Governments (MAG) Uniform Standards and Specifications. The Geotechnical services included ADOT and SCIDD areas. The cost associated with the change order is \$19,437.

As part of our standard practice in processing a change order, staff must refer to the original contract and determine if the not to exceed amount has surpassed the approval

authorization. In attempting to process the change order it was noted that the original contact was not properly executed. Due to the dollar value associated with the project, the authorization authority must be provided by the Town Council.

Per Section 4.12 of the Town's Purchasing Policy, Department Heads must approve all purchases regardless of dollar value. This does not preclude the Department Head from obtaining the necessary approval from the Town Manager and/or Town Council, nor does this allow them to have signature authority on contracts. The Town Manager has signature authority on purchases up to \$24,999. Town Council approval is required on any purchases of \$25,000 or more.

Staff informed Willdan of the situation and has held all payments pending until the terms of the services rendered are ratified by the adoption of the agreement attached.

Staff is currently reviewing policies and procedures to ensure that safeguards exist to prevent situations like this from occurring in the future.

FINANCIAL IMPACT:

The financial impact for the duration of the project is \$172,078.50, most of which was paid in prior fiscal years.

STAFF RECOMMENDATION:

Ratification of the agreement with Willdan for work completed on the Diversion Dam Road project.

ATTACHMENTS:

Willdan Contract

**TOWN OF FLORENCE
ENGINEERING SERVICES CONTRACT**

THIS ENGINEERING SERVICES CONTRACT (“**Contract**”), is made and entered into as of September 19th, 2016 (“**Effective Date**”), and is by and between the Town of Florence, a municipal corporation of the State of Arizona (“**Town**”), and Willdan Engineering Inc. (“**Contractor**”). The Town and the Contractor may be referred to in this Contract collectively as the “**parties**” and each individually as a “**party**”.

RECITALS

WHEREAS, the Town desires to contract for engineering services as specified in Exhibit “A”, Exhibit “B” and Exhibit “C”, including individual Task Orders previously issued by the Town (“**Scope of Work**” or “**Services**”) and the Contractor acknowledges and agrees that no additional Task Orders will be issued by the Town under this Contract subsequent to the Effective Date;

WHEREAS, Contractor is duly qualified to perform the requested Services;

WHEREAS, Contractor has agreed to perform the Services as set forth in Exhibit “A”, Exhibit “B” and Exhibit “C” and as set forth in individual Task Orders previously issued by the Town attached hereto and incorporated herein and the parties desire to enter into this Contract to establish, define, ratify and restate the obligations and mutual promises of the parties governing the work set forth in Exhibit “A”, Exhibit “B” and Exhibit “C”;

WHEREAS, the parties acknowledge and agree that the Services have been completed and accepted by the Town pursuant to Task Orders issued prior to the Effective Date and no Task Orders under this Contract will be issued subsequent to the Effective Date herein stated above;

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties hereto agree as follows:

AGREEMENTS

1.0 DESCRIPTION, ACCEPTANCE, DOCUMENTATION, PERFORMANCE

Contractor shall act under the authority and approval of the Contract Administrator for the Town, further named herein, to provide the professional services required by this Contract.

1.1 Service Description. **The parties acknowledge and agree that the only Task Orders issued and Services hired under this Contract shall be those issued by the Town as of the Effective Date and attached hereto and incorporated herein (including Exhibit “A”, Exhibit “B” and Exhibit “C”). The parties acknowledge and agree that approval of this Contract establishes, defines, ratifies and restates the obligations and mutual promises of the parties governing the work set forth in Exhibit “A”, Exhibit “B” and Exhibit “C”. The amount paid to Contractor under this Contract, including reimbursable expenses, shall not exceed \$175,000.00. The Contractor shall provide the requested services as set forth in Exhibit “A”, Exhibit “B”, Exhibit “C” including as set forth in individual Task Orders previously issued by the Town (collectively the “Services”). This Contract includes this agreement, including any attachments, the RSQ and Solicitation documents, and any Task**

Orders that may be issued as agreed to by the parties to implement the Services requested by the Town. The term Task Order means a specific written agreement between the Town and Contractor for work to be performed under this Contract for an individual, mutually agreed upon scope of work, schedule and price. In response to Task Orders that may be mutually agreed upon and issued periodically by Town, Contractor shall perform the Services, except as may be specified elsewhere in the Contract, which will be defined and further described as to specific project requirements in each Task Order. Contractor shall perform the Services in a good and workmanlike manner with due diligence and, at a minimum, in conformance with generally accepted industry standards and the standard of care for like professionals in the same geographic area. Contractor shall, except as may be specified elsewhere in the Contract, furnish all necessary labor, materials, tools, supplies, equipment, transportation, supervision, management, and perform all operations necessary and required for the engineering services which will be defined and further described as to specific project requirements in each Task Order. Unless expressly excluded, in writing, in the Contract, the Services shall include any and all services reasonably contemplated, normally included, and necessary to complete the Services set forth in Exhibit "A", Exhibit "B", Exhibit "C", including the Task Order(s). Nothing contained herein shall be construed as requiring Town to issue any Task Order, nor requiring Contractor to accept any Task Order, it being the intent that both parties must mutually agree to any specific services before a Task Order may be issued.

1.2 Performance. Performance of the Services shall be undertaken only upon the issuance of written Task Orders by the Town. Task Orders shall contain: (a) Contract number along with Contractor's name; (b) Task Order number and date; (c) The agreed Services and applicable technical specifications; (d) The agreed period of performance and, if required by Town, a work schedule; (e) The place of performance; (f) The agreed total price for the Services to be performed; (g) Submittal requirements; (h) Town's authorized representative who will accept the completed Services; (i) Signatures by the parties hereto signifying agreement with the specific terms of the Task Order; and (j) Any other information as may be necessary to perform and accept the Services. All Services under the Contract shall be performed in a skillful and workmanlike manner. The Contractor shall be responsible for obtaining any necessary licenses and permits, and for complying with any Federal, State and municipal laws, codes, and regulations applicable to the performance of the Services. Contractor shall promptly provide, at no additional cost to the Town, any and all corrections, modifications, additional documents, or other items that may be necessary to correct any errors and/or omissions in the documents, designs, specifications, and/or drawings provided by Contractor. Contractor shall be responsible for coordinating the Services with the Town's Public Works Director and other departments or agencies within the Town, other engineering professionals and other contractors involved in any project under a Task Order. Contractor shall also cooperate with the Town in communicating with, obtaining necessary approvals or permits from, and responding to, any applicable government entity or regulatory agency, including participation in any hearings or meetings. Task Orders may be amended by Town in the same manner as they are issued.

1.3 Acceptance, Documentation.

1.3.1 Each deliverable shall be reviewed and approved by the Public Works Director, or his designee, to determine acceptable completion. Final Completion of the Services shall be deemed to have occurred on the later of the dates that the work passes a final completion inspection and acceptance by the Public Works Director. Final Completion shall not be deemed to have occurred and no final payment shall be due the Contractor or any of its subcontractors or suppliers until the work has passed the Final Completion inspection and

acceptance and all required Final Completion close-out documentation items has been produced to the Town by the Contractor.

1.3.2 The Town shall provide all necessary information to the Contractor for timely completion of the tasks specified in Item 1.1 above.

1.3.3 All documents, including but not limited to, data compilations, studies, and/or reports, which are prepared in the performance of this Contract are to be and remain the property of the Town and are to be delivered to the Public Works Director before final payment is made to the Contractor.

2.0 FEES, CATEGORIES OF SERVICE, PAYMENTS AND LICENSE

2.1 Fees. Contractor will be paid within 30 days of the receipt of an itemized invoice. Monthly payment may be made to Contractor on the basis of a progress report prepared and submitted to the Public Works Director by Contractor for the Services completed through the last day of the proceeding calendar month and for the production of the deliverables as described in Exhibit "A", Exhibit "B", Exhibit "C", and the individual Task Orders approved by the Town. If a dispute over payment arises, and during all claims resolution proceedings, including mediation and arbitration, Contractor shall continue to render the Services in a timely manner. Payment by the Town does not constitute acceptance by the Town of the Services or Contractor's performance, nor does payment constitute a waiver of any rights or claims by the Town.

2.2 Categories of Services. **The parties acknowledge and agree that the only Task Orders issued under this Contract shall be those issued by the Town as of the Effective Date and attached hereto and incorporated herein (including Exhibit "A", Exhibit "B" and Exhibit "C").** Services means work in response to Task Orders, including Exhibit "A", Exhibit "B", Exhibit "C", that may be mutually agreed upon and issued periodically by the Town. Contractor shall furnish all necessary work which will be defined and further described as to specific project requirements in each Task Order.

2.3 Payment Approval. Amounts set forth in Sections 1.1, 2.1, Exhibit "A", Exhibit "B", Exhibit "C" including the previously issued individual Task Orders approved by the Town represent the entire amounts payable under this Contract. As a necessary precondition to any payment under the Contract, the Town may require Contractor to provide such certifications, lien waivers, and proofs of performance, costs and/or percentage of completion as may be reasonably required by the Town to ensure that payment is then due and owing pursuant to the payment terms set forth in this Contract.

2.4 Business License. Contractor will purchase and maintain a business license with the Town of Florence.

3.0 TERM, SCHEDULE AND TERMINATION

3.1 Project Schedule. The Contractor shall perform the Scope of Work in accordance with the schedule(s) attached in Exhibit "A", Exhibit "B" and Exhibit "C", including the Task Orders.

3.2 Termination.

3.2.1 Reserved.

3.2.2 Termination for Convenience. Town may terminate this Contract, or any part thereof for its sole convenience, at any time without penalty or recourse.

3.2.3 Termination for Violation of Law. In the event Contractor is in violation of any Federal, State, County or Town law, regulation or ordinance, the Town may terminate this Contract immediately upon giving notice to the Contractor.

3.3 Town's Right to Terminate. The rights and remedies of the Town in this section 3 are in addition to any other rights and remedies provided by law or under this Contract.

3.4 Contract Term. The "Term" of this Contract shall be from the Effective Date through satisfactory completion of the Services and acceptance of the Services by the Town. The parties acknowledge and agree that the only Task Orders issued under this Contract shall be those issued by the Town as of the Effective Date and attached hereto and incorporated herein (including Exhibit "A", Exhibit "B" and Exhibit "C"). Upon the completion of the Term, as determined in Town's sole discretion, the Town may issue a written "Notice of Contract Completion", and upon issuance of this Notice of Completion by the Town, this Contract shall be deemed automatically completed and terminated without any penalty or recourse against the Town.

4.0 GENERAL TERMS

4.1 Entire Contract. This Contract constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the Services specified herein. This Contract may not be modified or amended except by a written document, signed by authorized representatives of each party.

4.2 Arizona Law. This Contract shall be governed by and construed in accordance with the substantive laws of the State of Arizona, without reference to choice of law or conflicts of laws principles thereof. Any action brought to interpret, enforce or construe any provision of this Contract shall be commenced and maintained in the Superior Court of the State of Arizona in and for the County of Pinal (or, as may be appropriate, in the Justice Courts of Pinal County, Arizona or in the United States District Court for the District of Arizona, if but only if, the Superior Court lacks or declines jurisdiction over such action). The parties irrevocably consent to jurisdiction and venue in such courts for such purposes and agree not to seek transfer or removal of any action commenced in accordance with the terms of this paragraph.

4.3 Modifications. Any amendment, modification or variation from the terms of this Contract shall be in writing and shall be effective only after approval of all parties signing the original Contract.

4.4 Assignment. Services covered by this Contract shall not be assigned or sublet in whole or in part without the prior written consent of the Finance Director and Contract Administrator. The Town acknowledges the sub-consultant(s) listed in Exhibit "A", Exhibit "B", Exhibit "C" and consents to the use of that sub-consultant.

4.5 Successors and Assigns. This Contract shall extend to and be binding upon Contractor, its successors and assigns, including any individual, company, partnership or other

entity with or into which Contractor shall merge, consolidate or be liquidated, or any person, corporation, partnership or other entity to which Contractor shall sell its assets.

4.6 Contract Administrator. The Contract Administrator for the Town shall be the Public Works Director or designee. The Contract Administrator shall oversee the execution of this Contract, assist the Contractor in accessing the organization, audit billings, and approve payments. The Contractor shall channel reports and special requests through the Contract Administrator.

4.7 Records and Audit Rights.

4.7.1 Contractor's records (hard copy, as well as computer readable data), and any other supporting evidence deemed necessary by the Town to substantiate charges and claims related to this Contract shall be open to inspection and subject to audit and/or reproduction by Town's authorized representative to the extent necessary to adequately permit evaluation and verification of cost of the Services, and any invoices, change orders, payments or claims submitted by the Contractor or any of his payees pursuant to the execution of the Contract. The Town's authorized representative shall be afforded access, at reasonable times and places, to all of the Contractor's records and personnel pursuant to the provisions of this section throughout the term of this Contract and for a period of three years after last or final payment.

4.7.2 Contractor shall require all subcontractors, insurance agents, and material suppliers to comply with the provisions of this section by insertion of the requirements hereof in a written contract between Contractor and such subcontractors, insurance agents, and material suppliers.

4.7.3 If an audit in accordance with this section, discloses overcharges, of any nature, by the Contractor to the Town in excess of one percent (1%) of the monthly billings, the actual cost of the Town's audit shall be reimbursed to the Town by the Contractor. Any adjustments and/or payments which must be made as a result of any such audit or inspection of the Contractor's invoices and/or records shall be made within a reasonable amount of time, not to exceed thirty (30) days from presentation of Town's findings to Contractor.

4.8 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Contract, or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses (including, but not limited to, attorney's fees, court costs, the costs of expert witnesses, transportation, lodging and meal costs of the parties and witnesses, cost of transcript preparation, and other reasonable and necessary direct and incidental costs of such dispute, and the cost of appellate proceedings), determined by the arbitrator or court sitting without a jury, which fees shall be deemed to have accrued on the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

4.9 Ineligible Bidder. The preparer of specifications is not eligible to submit a bid or proposal on the solicitation for which they prepared the specification, nor is the preparer eligible to supply any product to a bidder or Contractor on the solicitation for which they prepared the specification.

4.10 Independent Contractor.

4.10.1 The Services Contractor provides under the terms of this Contract to the Town are that of an Independent Contractor, not an employee, or agent of the Town. The Town will report the value paid for these services each year to the Internal Revenue Service (I.R.S.) using Form 1099.

4.10.2 Town shall not withhold income tax as a deduction from contractual payments. As a result of this, Contractor may be subject to I.R.S. provisions for payment of estimated income tax. Contractor is responsible for consulting the local I.R.S. office for current information on estimated tax requirements.

4.11 Conflict of Interest. The Town may cancel any Contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the Town's departments or agencies is, at any time while the Contract or any extension of the Contract is in effect, an employee of any other party to the Contract in any capacity or a consultant to any other party to the Contract with respect to the subject matter of the Contract. The cancellation shall be effective when written notice from the Town is received by all other parties to the Contract, unless the notice specifies a later time (A.R.S. § 38-511).

4.12 Compliance with Federal and State Laws.

4.12.1 The Contractor understands and acknowledges the applicability to it of the American with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989.

4.12.2 Under the provisions of A. R. S. § 41-4401, Contractor hereby warrants to the Town that the Contractor and each of its subcontractors will comply with, and are contractually obligated to comply with, all Federal Immigration laws and regulations that relate to their employees and A. R. S. § 23-214 (A) (hereinafter "**Contractor Immigration Warranty**").

4.12.3 A breach of the Contractor Immigration Warranty shall constitute a material breach of this Contract and shall subject the Contractor to penalties up to and including termination of this Contract at the sole discretion of the Town.

4.12.4 The Town retains the legal right to inspect the papers of any Contractor or Subcontractor's employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. Contractor agrees to assist the Town in regard to any such inspections.

4.12.5 The Town may, at its sole discretion, conduct random verification of the employment records of the Contractor and any subcontractors to ensure compliance with Contractor's Immigration Warranty. Contractor agrees to assist the Town in regard to any random verifications performed.

4.12.6 Neither the Contractor nor any subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if the Contractor or subcontractor establishes that it has complied with the employment verification provisions prescribed by

section 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A. R. S. § 23-214, Subsection A.

4.12.7 The provisions of this Section must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. “**Services**” are defined as furnishing labor, time or effort in the State of Arizona by a Contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

4.12.8 The provisions of this Section 4.12 must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services under this Contract or any subcontract.

4.13 Notices. All notices or demands required to be given pursuant to the terms of this Contract shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of Contractor: Willdan Engineering Inc.
1440 E. Missouri Avenue, STE C-170
Phoenix, AZ 85014
Attn: Grant Anderson

In the case of Town: Town of Florence
775 N, Main Street
PO Box 2670
Florence, AZ 85132
Attn: Public Works Director

Notices shall be deemed received on date delivered, if delivered by hand, or on the delivery date indicated on receipt if delivered by certified or registered mail, and if a Notice of Completion is issued by the Town, the Contractor shall be deemed to have received such notice upon the date of issuance of the Notice of Completion by the Town.

4.14 Compliance. Contractor shall, without additional expense to the Town, be responsible for obtaining any necessary business licenses for complying with any applicable Federal, State, County and Town laws, codes and regulations in connection with the execution of the Services and this Contract. The responsible party for identifying, applying for, and obtaining permits, including payment of permit fees, required for construction of any work designed by the Contractor will be defined by the individual Task Orders executed under this Contract.

4.15 Taxes. Contractor shall be solely responsible for any and all tax obligations which may result out of the Contractor’s performance of this Contract. The Town shall have no obligation to pay any amounts for taxes, of any type, incurred by the Contractor.

4.16 Advertising. No advertising or publicity concerning the Town using the Contractor’s services shall be undertaken without prior written approval of such advertising or publicity by the Town Contract Administrator. Written approval is required until such time as the

project is complete or any adjudication of claims relating to the Services provided herein is complete, whichever occurs later.

4.17 Counterparts. This Contract may be executed in one or more counterparts, and each originally executed duplicate counterpart of this Contract shall be deemed to possess the full force and effect of the original, but all of which together shall constitute one and the same instrument, binding on the parties. The parties agree that this Contract may be transmitted between them via facsimile or so called "PDF" signature. The parties intend that faxed or "PDF" signatures constitute original signatures and that a fully collated agreement containing the signatures (original, faxed or PDF) of the parties is binding upon the parties.

4.18 Captions. The captions used in this Contract are solely for the convenience of the parties, do not constitute a part of this Contract and are not to be used to construe or interpret this Contract.

4.19 Subcontractors. During the performance of the Contract, the Contractor may engage such additional subcontractors as may be required for the timely completion of this Contract. The addition of any Subcontractors shall be subject to the prior approval of the Town. In the event of subcontracting, the sole responsibility for fulfillment of all terms and conditions of this Contract rests with the Contractor. The Town acknowledges the sub-consultant(s) listed in Exhibit "A" and consents to the use of that sub-consultant.

4.20 Indemnification.

4.20.1 To the fullest extent permitted by law, Contractor, its successors, assigns and guarantors, shall indemnify, defend, hold harmless Town of Florence, its Mayor and Council members and its agents, representatives, officers, directors, officials and employees from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses, including but not limited to damages for personal injury or personal property damage, attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expenses, related to, arising from or out of, or resulting from any negligent or intentional actions, acts, errors, mistakes or omissions caused in whole or part by Contractor relating to work or services in the performance of this Contract, including but not limited to, any subcontractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable and any injury or damages claimed by any of Contractor's and subcontractor's employees.

4.20.2 Insurance provisions set forth in this Contract are separate and independent from the indemnity provisions of this section and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this section shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

4.21 Changes in the Services.

4.21.1 The Town may at any time, as the need arises, order changes within the Scope of the Work without invalidating the Contract. If such changes increase or decrease the amount due under the Contract documents, or in the time required for performance of the Services, an equitable adjustment shall be authorized by written Change Order.

4.21.2 The Town will execute a formal Change Order based on detailed written quotations from the Contractor for work related changes and/or a time of completion variance. All Change Orders are subject to the prior written approval by the Town.

4.21.3 Contract Change Orders are subject to the Rules and Procedures within the Town's Procurement Code.

4.22 Alternative Dispute Resolution. If a dispute arises between the parties relating to this Contract, the parties agree to use the following procedure prior to either party pursuing other available remedies:

4.22.1 A meeting shall be held promptly between the parties, attended by individuals with decision-making authority regarding the dispute, to attempt in good faith to negotiate a resolution of the dispute.

4.22.2 If, within 30 days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will jointly appoint a mutually acceptable neutral person not affiliated with either of the parties (the "**neutral**"), seeking assistance in such regard if they have been unable to agree upon such appointment within 40 days from the initial meeting. The fees of the neutral shall be shared equally by the parties.

4.22.3 In consultation with the neutral, the parties will select or devise an alternative dispute resolution procedure ("**ADR**") by which they will attempt to resolve the dispute, and a time and place for the ADR to be held, with the neutral making the decision as to the procedure, and/or place and time (but unless circumstances require otherwise, not later than 60 days after selection of the neutral) if the parties have been unable to agree on any of such matters within 20 days after initial consultation with the neutral.

4.22.4. The parties agree to participate in good faith in the ADR to its conclusion as designated by the neutral. If the parties are not successful in resolving the dispute through the ADR, then the parties may agree to submit the matter to arbitration or a private adjudicator, or either party may seek an adjudicated resolution through the appropriate court.

4.23 Town Provided Information and Services. The Town shall furnish the Contractor available studies, reports and other data pertinent to the Contractor's services; obtain or authorize the Contractor to obtain or provide additional reports and data as required; furnish to the Contractor services of others required for the performance of the Contractor's Services hereunder, and the Contractor shall be entitled to use and rely upon all such information and services provided by the Town or others in performing the Contractor's Services under this Agreement.

4.24 Estimates and Projections. In providing opinions of cost, financial analyses, economic feasibility projections, and schedules for potential projects, the Contractor has no control over cost or price of labor and material; unknown or latent conditions of existing equipment or structures that may affect operation and maintenance costs; competitive bidding procedures and market conditions; time or quality of performance of third parties; quality, type, management, or direction of operating personnel; and other economic and operational factors that may materially affect the ultimate project cost or schedule. Therefore, the Contractor makes no warranty that the Town's actual project costs, financial aspects, economic feasibility, or schedules will not vary from the Contractor's opinions, analyses, projections, or estimates.

4.25 Access. The Town shall arrange for access to and make all provisions for the Contractor to enter upon public and private property as required for the Contractor to perform Services hereunder.

4.26 Third Parties. The services to be performed by the Contractor are intended solely for the benefit of the Town. No person or entity not a signatory to this Agreement shall be entitled to rely on the Contractor's performance of its Services hereunder, and no right to assert a claim against the Contractor by assignment of indemnity rights or otherwise shall accrue to a third party as a result of this Contract or the performance of the Contractor's Services hereunder.

4.27 Time. Time is of the essence of the Contract. If a schedule is set forth in the Contract or any exhibits or Task Orders thereto, Contractor shall strictly comply with said schedule and failure to do so shall be a material breach of the Contract. Contractor shall promptly respond (and in no event more than 10 calendar days after receiving the request) to any requests for approvals, information, or clarification within sufficient time to allow the Town to timely respond to the Contractor or other parties involved in the Services, and so as to not delay the Services.

4.28 Reserved.

4.29 Quality/Special Features. Contractor is responsible, to the extent necessary to perform the Services, at no additional charge to the Town, to fully familiarize itself with the special and/or unique qualities and/or requirements of the Services and the Town. The Town's determination as to the level of quality required and on all aesthetic issues shall be final and binding.

4.30 Use of Documents. Upon execution of the Contract, the Contractor and all engineering professionals and sub-consultants working under or for Contractor, hereby grant to the Town an irrevocable, exclusive, royalty-free perpetual license to reproduce and use any and all data, documents (including electronic documents and files), designs, drawings and specifications prepared or furnished by Contractor pursuant to this Contract (the "Instruments of Service"), for the purposes of construction and completing any Services, including for the use, sales, marketing, repair, maintenance, modification, expansion, remodeling and/or further development of the Services or any portion thereof (including making derivative works from Contractor's Instruments of Service), or for construction of the same type of Services at other locations, by the Town, and others retained by the Town for such purposes. This license shall extend to those parties retained by the Town for such purposes, including other engineering professionals. The license granted hereunder shall include all things included in the definition of "Architectural Works" as used in the U.S. Architectural Works Copyright Protection Act, as amended from time to time. The Contractor shall obtain, in writing, similar non-exclusive licenses from its engineering professionals, and sub-consultants. The license granted hereunder shall survive any termination, expiration or completion of the Contract and the completion of Services. Upon completion of the Services and/or termination of the Contract for any reason, Contractor shall deliver to the Town full-sized and usable copies (including any and all CAD and/or computer files) of all data documents, designs, drawings and specifications generated by Contractor, including those generated by any suppliers, subcontractors or sub-consultants. The Town shall retain all rights and ownership of all documents, designs, drawings, specifications, and/or styles provided to Contractor by the Town in relation to the Contract and the Services, and Contractor shall not utilize any such material in relation to any other work or project.

4.31 Funding. Any contract entered into by the Town, including this Contract and any Task Orders, is subject to funding availability. The fiscal years for the Town are July 1 to June 30th. The Town's Council approves all budget requests. If a specific funding request is not approved, the contract, including this Contract and any Task Orders, shall be terminated automatically.

4.32 Construction. The terms and provisions of this Contract represent the results of negotiations between the parties, each of which has been or has had the opportunity to be represented by counsel of its own choosing, and neither of which has acted under any duress or compulsion, whether legal, economic or otherwise. Consequently, the terms and provisions of this Contract shall be interpreted and construed in accordance with their usual and customary meanings, and the parties each hereby waive the application of any rule of law which would otherwise be applicable in connection with the interpretation and construction of this Contract that ambiguous or conflicting terms or provisions contained in this Contract shall be interpreted or construed against the party whose attorney prepared the executed Contract or earlier draft of the same.

4.33 Survival. All representations, warranties and indemnifications by Contractor shall survive the completion, expiration or termination of this Contract.

4.34 Completeness and Accuracy. The Contractor shall be responsible for and shall and hereby does warrant the completeness, accuracy and quality of all Services done pursuant to the Contract including, but not limited to, the work product, reports, survey work, plans, supporting data and special provisions prepared or compiled pursuant to Contractor's obligations under this Contract and any Task Order and shall correct at Contractor's expense all errors or omissions which may be discovered therein. Town's acceptance or approval of the Contractor's Services shall in no way relieve Contractor of any of Contractor's responsibilities hereunder.

4.35 Incorporation by Reference. All exhibits and Task Orders are fully incorporated herein as though set forth at length herein.

4.36 Project Communications/Contract Administrator. The Town's Public Works Director shall be the Contract Administrator designated by the Town. All communications concerning the performance of the Services shall be provided to the designated Contract Administrator. Communications may be exchanged by e-mail upon the written agreement of the Contract Administrator, but e-mail communications are not binding upon the Town and cannot change the terms of the Contract or the scope of Services, or effectuate any change that requires a written change order. The use of e-mails is for information only, and e-mails shall have no legal or binding effect.

5.0 INSURANCE

5.1. General. Contractor agrees to comply with all Town ordinances and state and federal laws and regulations. Without limiting any obligations or liabilities of Contractor, Contractor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona (admitted insurer) with an AM Best, Inc. rating of B ++ 6 or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to Town of Florence. Failure to maintain insurance as specified may result in termination of this Contract at

Town of Florence's option. The Contractor is primarily responsible for the risk management of its Services under this Contract, including but not limited to obtaining and maintaining the required insurance and establishing and maintaining a reasonable risk control and safety program. Town reserves the right to amend the insurance requirements herein at any time during the Contract. The Contractor shall require any and all subcontractors to maintain insurance as required herein naming the Town and Contractor as "Additional Insured" on all insurance policies, except Worker's Compensation and Errors & Omissions Liability, and this shall be reflected on the Certificate of Insurance and Endorsements. The Contractor's insurance coverage shall be primary insurance with respect to all available sources. Coverage provided by the Contractor shall not be limited to the liability assumed under the Indemnification provision of this Contract. To the extent permitted by law, Contractor waives all rights of subrogation or similar rights against Town, its representatives, agents, and employees. All insurance policies, except Workers' Compensation and Errors & Omissions Liability, required by this Contract, and self-insured retention or deductible portions, shall name, to the fullest extent permitted by law for claims arising out of performance of this Contract, Town of Florence, its Mayor and Council members, agents, representatives, officers, directors, officials and employees as Additional Insureds and shall specify that any insurance coverage carried or self-insurance by the Town, any department or employee shall be excess coverage and not contributory insurance to that provided by Contractor. The Town reserves the right to continue payment of premium for which reimbursements shall be deducted from amounts due or subsequently due the Contractor. The Town reserves the right to require complete copies of all insurance policies and endorsements required by this Contract at any time. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of the Contract.

5.2 No Representation of Coverage Adequacy. By requiring insurance herein, Town of Florence does not represent that coverage and limits will be adequate to protect Contractor. Town of Florence reserves the right to review any and all of the insurance policies and/or endorsements cited in this Contract, but Town has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Contract or failure to identify any insurance deficiency shall not relieve Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Contract.

5.3 Coverage Term. All insurance required herein shall be maintained in full force and effect until all Services required to be performed under the terms of this Contract is satisfactorily performed, completed and formally accepted by the Town of Florence, unless specified otherwise in this Contract.

5.4 Policy Deductibles and or Self Insured Retentions. The policies set forth in these requirements may provide coverage which contain deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to Town of Florence. Contractor shall be solely responsible for any such deductible or self-insured retention amount.

5.5 Use of Subcontractors. If any of the Services under this Contract is subcontracted in any way, Contractor shall execute written agreement with subcontractor containing the same Indemnification Clause and Insurance Requirements set forth herein protecting Town of Florence and Contractor. Contractor shall be responsible for executing the agreement with subcontractor and obtaining Certificates of Insurance and Endorsements verifying the insurance requirements.

5.6 Evidence of Insurance. Prior to commencing any Services under this Contract, Contractor shall furnish Town of Florence with Certificate(s) of Insurance, or formal Endorsements as required by this Contract, issued by Contractor's insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverage's, conditions, and limits of coverage and that such coverage and provisions are in full force and effect.

5.7 Required Coverage.

5.7.1 Commercial General Liability. Contractor shall maintain "occurrence" form Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products/Completed Operations and Contractual Liability Annual Aggregate, and \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as Insurance limited to, separation of insureds clause. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader to coverage scope than underlying.

5.7.2 Worker's Compensation Insurance. Contractor shall maintain Worker's Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the Services under this Contract and shall also maintain Employer's Liability Insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease for each employee and \$1,000,000 disease policy limit.

5.7.3 Commercial Auto Coverage. Auto Liability limits of not less than \$1,000,000 each accident, combined Bodily Injury and Property Damage Liability insurance. Certificate to reflect coverage for "Any Auto" or "All Owned, Scheduled, Hired and Non-Owned".

5.7.4 Errors & Omissions Liability Contractor shall maintain Professional Liability Engineering and Consulting insurance covering acts, errors, mistakes, omissions and other acts arising out of Services performed by Contractor, its employees, sub-consultants and agents. Coverage Amount: \$1,000,000 per occurrence/aggregate, unless higher coverage limits are required under the Solicitation documents, or any Task Orders, in which case such higher limits shall apply.

6.0 SEVERABILITY

6.1 Severability. If any term or provision of this Contract shall be found to be illegal or unenforceable, then notwithstanding such illegality or unenforceability, this Contract shall remain in full force and effect and such term or provision shall be deemed to be deleted.

IN WITNESS WHEREOF, the Town of Florence by its Mayor, Tom J. Rankin has hereunto subscribed his name this _____ day of _____, 2016.

By: _____
Contractor

By: _____

Name: _____

Its: _____

TOWN OF FLORENCE

By: _____
Tom J. Rankin, Mayor

By: _____

Name: _____

Its: _____

ATTEST:

Lisa Garcia, Town Clerk

Approved As To Form:

Clifford L. Mattice, Town Attorney

Exhibits "A", "B", "C"
Scope of Work/Services

Exhibit A

CONTRACT TASK ORDER

ENTITY: Willdan

CUSTOMER: Town of Florence

JOB NO: DD-1

CONSULTANT: Willdan LETTER NO. 1

ADDRESS: 1440 E. Missouri EFFECTIVE DATE: 10/25/12

Suite C170 CONTRACT NO. Master Agreement

Phoenix, AZ 85014 TASK ORDER: NO Later PAGE 1 OF 1

This task order is forwarded for your signature. Please complete this form as required and return the original to this office. A copy has been included for your files.

DESCRIPTION OF WORK:

1. Diversion Dam Road Improvements from SR 79 east to N. Bowling Road per attached proposal Exhibit "C".
2. Verification that Diversion Dam Road will be designed as a Minor Arterial Roadway Section to Bowling Road with proper transition at Bowling Road intersection to existing roadway sections.
3. DELETE from the Scope of Services, the design of the traffic signalization to be performed by OTHERS except Willdan shall coordinate any design of the underground necessary for intersection improvements.
4. DELETE Item 5 under Task 2 except as indicated in Item 3 above.
5. ADD any environmental review in conjunction with environmental review to be conducted by Lee Engineering in conjunction with their Contract with ADOT necessary for work with ADOT ROW.
6. DELETE from the Plan Sheet List, the Traffic Signal sheets.
7. Verification that the Cost Proposal encompasses the above mentioned design elements and the Cost Proposal submitted for the Project entitled: "PROJECT: Diversion Dam Road Improvements from State Route 79 (SR 79) east to N. Bowling Road".
8. Additional scope as defined above will be via separate Task Order.

PRICING METHOD:

LS UP NEW UP T&M COST RE OTHER: Cost Proposal

PROCEED with work Notice to proceed REQUIRED
 NO change in price authorized NO extension of time authorized
 Drawings/data ATTACHED SUBMIT task order proposal within _____ days

DATE COMMITMENT AUTHORIZATION APPROVED:

SIGNATURE AUTHORITY

DATE

TO: _____

ACKNOWLEDGE AND ACCEPT

ACKNOWLEDGE WITH EXCEPTIONS:

ARE ARE NOT PROCEEDING WITH TASK ORDER

A PROPOSAL HAS BEEN SUBMITTED WILL BE SUBMITTED WILL NOT BE SUBMITTED

SIGNATURE:

Willdan

DATE:

10/25/12

TITLE:

Public Works Director

Exhibit A

AUTHORIZATION FOR SERVICES

S

The Town of Florence has previously entered into a Master Agreement for engineering services with Willdan. The Town now desires additional services to be rendered. It is hereby agreed that the following services are authorized and approved.

PROJECT: Diversion Dam Road Improvements from State Route 79 (SR79) east to N. Boling Road

Type of Work: The Town has experienced large traffic congestion at the intersection of Diversion Dam Road and SR79, greatly due to the rush hour traffic generated by the prison located along Diversion Dam Road. The Town desires to improve approximately one-half mile (0.5) mile of Diversion Dam Road with additional lanes, curb, gutter and storm drain and a traffic signal at the intersection of Diversion Dam Road and SR79. The general intent is to provide traffic signal at the intersection of Diversion Dam Road and SR79, new curb at the east side of the intersection, and temporary ramps on the west as required by ADOT, two east bound lanes on Diversion Dam, two left turn and a right turn lanes westbound. The five lanes will be tapered down to two lanes at approximately 600' west of the intersection or as determined by the Intersection Analysis for the remainder of Diversion Dam Road and associated traffic signing and striping and storm drain improvements.

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SCOPE OF SERVICES:

Design documents and technical specifications for roadway, traffic signal, signing and striping and storm drain improvements. The basic services required for this project include a review of the project with the Town and preparation of contract documents. Bidding assistance and construction management are also included as a not to exceed item on an as-needed basis. Any required Landscape Plans, Traffic Studies, Irrigation Facility Design and Floodplain Delineation should be in addition to this Scope of Work.

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TASK 1 Data Review

Within seven days after the Town issues the Notice to Proceed, the Consultant would request an initial coordination meeting and site visit with the Town to discuss detailed objectives of the project and to begin data assembly. At that time, the Town shall provide the Consultant copies of available plans, quarter section maps, and as-built drawings of the project area that are available from the Town files.

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TASK 2 Preliminary Design / Data Collection/Phase 1

Data collection undertaken by the Consultant may include, but may not be limited to the following:

1. Investigation of existing public improvements and private utilities that may impact the project, including size, type and location from as-built drawings or Bluestake.

Exhibit A

AUTHORIZATION FOR SERVICES

required, the estimated additional cost would be around \$20,000. The cost of an individual permit is not included in this proposal. Willdan's subconsultant Del Sol Group is scheduled to complete this work.

TASK 3 Design and Contract Document Preparation

Construction Drawings

The Consultant proposes to prepare construction documents per ADOT Standards, Town of Florence Standards, 2008 ADOT Standard Specifications for Road and Bridge Construction, current ADOT Standard Construction Details, 2004 AASHTO Policy on Geometric Design of Highways and Streets, 2009 MUTCD. The scale of the construction drawings is scheduled to be 1 inch = 40 feet horizontal. The construction drawings will be signed and sealed by a Professional Engineer licensed in the State of Arizona to perform the various items of work. Final plans will be delivered on original signed mylar sheets at the request of the Town.

Contract Documents and Special Provisions

The Consultant proposes to prepare the contract documents using the 2008 ADOT Standard Specifications for Road and Bridge Construction, and the Town of Florence and Pinal County Supplements. The contract documents and special provisions will be prepared and delivered in hard copy form as well as on disk prepared in MS Word. Bidding assistance includes attendance of pre-bid and bid conferences and bid tabulation and recommendation of successful bidder to the Town.

Probable Estimated Construction Costs

The Consultant plans to prepare detailed, itemized cost estimates for the proposed improvements. The probable estimated construction costs would be prepared on a sheet-by-sheet basis with total quantities and costs for the overall project using MS Excel.

Review Submittals

The Consultant will make submittals of plans, estimates, specifications and other items as determined by the schedule compiled in Task 6. The minimum submittals are proposed at the 50%, 95% and final stages of design.

The Consultant plans to submit four (4) 24x36 reproducible construction plans and specifications.

TASK 4 AS-BUILT DRAWINGS

This proposal does not include provisions for the consultant providing as-built drawings. As-builts will be the responsibility of the contractor bidding the job and

Exhibit A

AUTHORIZATION FOR SERVICES

included as a line item in their bid. Willdan can provide survey as-built records if requested by the Town at an additional cost.

TASK 5 COORDINATION MEETINGS/PROJECT MANAGEMENT

The Town will designate a project manager. The Consultant plans to meet with the Project Manager for the Town monthly to review the progress of the work. Coordination meetings will be held as designated by the Town representative with affected utility companies and other agencies.

TASK 6 TIME SCHEDULE

A time schedule is to be developed at the initial coordination meeting. After this initial coordination meeting the consultant will submit any agreed upon schedule changes for the Town's approval.

PLAN SHEET LIST

| | |
|-------------------------------------|------------------|
| Cover Sheet | 1 Sheet |
| Index & General Notes | 1 Sheet |
| Detail sheets | 4 Sheets |
| Diversion Dam Paving | |
| - Plan and Profile Sheets | 6 Sheets |
| - Storm Drain & Irrigation Sheets | 6 Sheets |
| Storm Drain and Irrigation Laterals | 4 Sheets |
| Driveway Profiles | 2 Sheets |
| Signing and Striping Sheets (Lee) | 7 Sheets |
| Traffic Signal Sheets (Lee) | 3 Sheets |
| Street Lighting Sheets (Wright) | 6 Sheets |
| Total | 40 Sheets |

Exhibit A

AUTHORIZATION FOR SERVICES

TASK 7 CONSTRUCTION ADMINISTRATION AND INSPECTION

The consultant proposes construction administration and inspection as required by the Town on a limited basis for so as to stay current with construction progress. Willdan will perform the services on an as needed basis as directed by the Town Engineer. Services to include the following:

- Attend the pre-construction conference
- Review contractor submittals including schedule, mix designs, and shop drawings.
- Inspect the work in progress at the request of the Town. Full time inspection is not included in this proposal but can be adjusted at the request of the Town.
- Prepare inspection reports on days of site visit at the request of the Town
- Address conflicts
- Review contract modifications and change orders and make a recommendation to the Town
- Attend at the request of the Town the final walkthrough with the Town and the contractor

Exhibit A

Town of Florence- Public Works Department Consultant/Subconsultant Cost Proposal

Consultant: Willdan

Project Name: Diversion Dam Road Improvement Plans & CM

Tasks 1,2 & 5 PM / Meetings / Data Collection

| <u>Classifications</u> | <u>Man-hours</u> | <u>Hourly Rates</u> | <u>Labor Cost</u> |
|-------------------------|------------------|---------------------|--------------------|
| Divison Manager (QA/QC) | 18 | \$ 150.00 | \$ 2,700.00 |
| Senior Engineer | 30 | \$ 120.00 | \$ 3,600.00 |
| Sub-Total | | | \$ 6,300.00 |

Subconsultants

| | |
|--|--|
| Traffic Signal, Signing & Striping (Lee Engineering) | \$ 26,910.00 |
| Geotech (Ninyo & Moore) | \$ 10,235.00 |
| Survey (Ritoch-Powell) | \$ 5,301.50 |
| Street Lighting (Wright) | \$ 2,475.00 |
| Environmental (Del Sol) | \$ 18,630.00 |
| Sub-Total | -\$ 63,551.50 \$ 36,641.10 |

Task 3 & 4 Design and Contract Preparation

| <u>Classifications</u> | <u>Man-hours</u> | <u>Hourly Rates</u> | <u>Labor Cost</u> |
|-------------------------|------------------|---------------------|---------------------|
| Divison Manager (QA/QC) | 40 | \$ 150.00 | \$ 6,000.00 |
| Senior Engineer | 240 | \$ 120.00 | \$ 28,800.00 |
| Senior Designer/Drafter | 300 | \$ 90.00 | \$ 27,000.00 |
| Clerical | 40 | \$ 55.00 | \$ 2,200.00 |
| Sub-Total | | | \$ 64,000.00 |

Drainage Analysis

| <u>Classifications</u> | <u>Man-hours</u> | <u>Hourly Rates</u> | <u>Labor Cost</u> |
|-------------------------|------------------|---------------------|--------------------|
| Divison Manager (QA/QC) | 2 | \$ 150.00 | \$ 300.00 |
| Senior Engineer | 5 | \$ 120.00 | \$ 600.00 |
| Drainage Engineer | 60 | \$ 115.00 | \$ 6,900.00 |
| Clerical | 4 | \$ 55.00 | \$ 220.00 |
| Sub-Total | | | \$ 8,020.00 |

Direct and Outside Expenses

| | |
|------------------------------|-----------|
| Utility Company Coordination | \$ 800.00 |
| Printing | \$ 500.00 |
| Mileage | \$ 360.00 |

Exhibit A

| | |
|---------------------|-----------------------------|
| Sub-Total | \$ 1,660.00 |
| Subtotal Labor | \$ 78,320.00 |
| Subtotal Subs | \$63,551.50 |
| Subtotal Expenses | \$ 1,660.00 |
| TOTAL DESIGN | <u>\$ 143,531.50</u> |

Task 7

Construction Administration and Inspection
(Assumed 4 month construction time with limited trips)

| <u>Classifications</u> | <u>Man-hours</u> | <u>Hourly Rates</u> | <u>Labor Cost</u> |
|------------------------|------------------|---------------------|----------------------------|
| Senior Engineer | 80 | \$ 120.00 | \$ 9,600.00 |
| Inspector | 40 | \$ 95.00 | \$ 3,800.00 |
| Sub-Total | | | <u>\$ 13,400.00</u> |

Direct and Outside Expenses

| | |
|------------------|---------------------------|
| Mileage | \$ 1,040.00 |
| Sub-Total | <u>\$ 1,040.00</u> |

| | |
|--------------------------------|----------------------------|
| Subtotal Labor | \$ 13,400.00 |
| Subtotal Expenses | \$ 1,040.00 |
| TOTAL CM AND INSPECTION | <u>\$ 14,440.00</u> |

TOTAL DESIGN AND CONSTRUCTION ADMINISTRATION AND INSPECTION **-\$ 157,971.50**

\$ 131,061.50

Exhibit B

AUTHORIZATION FOR SERVICES

PROJECT: Diversion Dam Road Improvements

Type of Work: Town of Florence desires completion of the plans, the Approval of ADOT and associated Utilities, and Construction Administration for the Diversion Dam Road Improvements.

This shall mainly include the overseeing of the replacement of the existing pavement with new pavement on Diversion Dam Road from SR 79 to Bowling Road.

SCOPE OF SERVICES:

The basic services required for this phase of the project include completion, approval of the project, and post design services. Any required models, slope stability analysis, striping plans, street lighting, or landscape plans should be in addition to this Scope of Work.

TASK 1 Complete Plans

Willdan shall address and complete the additions to the plans that were requested by ADOT and the Utility Companies. Willdan shall submit the plans for Approval to ADOT. If any additional comments arise Willdan shall address them and resubmit. Willdan will meet with ADOT, SCID and Utility Companies if needed to secure approval. The Town of Florence shall be notified upon approval. Any Change Orders resulting from a change in the plans shall be prepared and sent to the Contractor upon approval by the Town of Florence.

TASK 2 Post Design Services

When the Town of Florence issues the Notice to Proceed, Willdan shall meet with the Town of Florence to discuss detailed objectives of the Project. Willdan shall also conduct field reviews, attend weekly meetings, and review contract modifications and change orders and make a recommendations to the Town. Also address any questions that arise pertaining to the plans or specifications.

Exhibit B

COST OF SERVICES:

Unless provided herein, it is that the cost of services shall be as provided in Attachment 1 to this authorization. The agreed-upon services will be performed at a estimated cost of **\$21600.00.00**. Task 1(Complete Plans) shall be billed at a lump sum of \$5760.00. Task 2(Post Design Services) shall be billed hourly, and only when requested to do the work, at an estimate cost of \$15840.00.

Note that prices shown are good for a period of three (3) years. If the work has not been completed within a period of three (3) years, prices shall be subject to update and/or revision and negotiated with the Town of Florence.

PROJECT MANAGER:

Grant Anderson, PE. shall be the Engineer's project manager and is fully responsible for seeing that the project is completed in compliance with the provisions of the Professional Agreement.

Exhibit B

TOWN OF FLORENCE- PUBLIC WORKS DEPARTMENT

Consultant/Sub-Consultant Cost Proposal

Consultant: Willdan

Project Name: Diversion Dam Road Improvements

Task 1 Complete Plans

| <u>Classifications</u> | <u>Man-hours</u> | <u>Hourly Rates</u> | <u>Labor Cost</u> |
|--------------------------|------------------|---------------------|-------------------|
| Division Manager (QA-QC) | 16 | \$150.00 | \$2400.00 |
| Senior Engineer | 16 | \$120.00 | \$1920.00 |
| Drafter | 16 | \$ 90.00 | <u>\$1440.00</u> |
| | | <i>Sub-Total</i> | \$5760.00 |

Task 2 Post Design Services (Hourly)

| <u>Classifications</u> | <u>Man-hours</u> | <u>Hourly Rates</u> | <u>Labor Cost</u> |
|--------------------------|------------------|---------------------|--------------------|
| Division Manager (QA-QC) | 24 | \$150.00 | \$3600.00 |
| Senior Engineer | 48 | \$120.00 | \$5760.00 |
| Drafter | 72 | \$ 90.00 | <u>\$6480.00</u> |
| | | <i>Sub-Total</i> | \$15,840.00 |
| | | TOTAL: | \$21,600.00 |

Exhibit C

AUTHORIZATION FOR SERVICES

PROJECT: Diversion Dam Road Improvements

Type of Work: Town of Florence desires completion of the plans, the Approval of ADOT and associated Utilities, and Construction Administration for the Diversion Dam Road Improvements.

This shall mainly include the overseeing of the replacement of the existing pavement with new pavement on Diversion Dam road from SR79 to Bowling Road.

SCOPE OF SERVICES:

Provide for the Consultation, and Data Processing of the Geotechnical services, utilizing the sub-consultant Ninyo and Moore, including earthwork, concrete, and asphalt testing. This shall be per MAG Standards.

COST OF SERVICE

Unless provided herein, it is that the cost of services shall be as provided in Attachment 1 to this authorization. The agreed-upon services will be performed at a lump sum cost of \$19,437.00.

Note that prices shown are good for a period of three (3) years. If the work has not been completed within a period of three (3) years, prices shall be subject to update and/or revision and negotiated with the Town of Florence.

PROJECT MANAGER

Grant Anderson, PE., shall be the Engineer's project manager and is fully responsible for seeing that the project is completed in compliance with the provisions of the Professional Agreement.