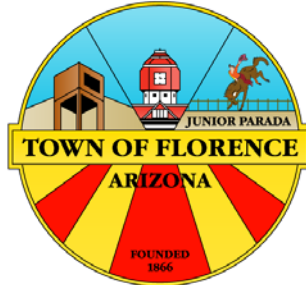


TOWN OF FLORENCE REGULAR MEETING AGENDA

Mayor Tara Walter
Vice-Mayor Vallarie Woolridge
Councilmember Bill Hawkins
Councilmember Becki Guilin
Councilmember John Anderson
Councilmember Karen Wall
Councilmember Kristen Larsen



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

Monday, May 15, 2017

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, May 15, 2017, 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: Walter __, Woolridge __, Hawkins __, Guilin __, Anderson __,
Wall __, Larsen __.

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. PUBLIC HEARING AND PRESENTATIONS

- a. **Public Hearing on** an application received from Matthew Arnold Ritter, Florence Ironhorse Rodeo Consortium, LLC, for Kokopelli Moon Saloon, located at 225 N. Main Street, Florence, Arizona, for an interim permit for a person transfer of a Series 06 Bar Liquor License from Patricia Rose Pfeiffer, and for Council recommendation for approval or disapproval of said license. (Lisa Garcia)
- b. **Proclamation declaring** Florence's pride in those who have enlisted in the military and to urge all citizens to continue to support our military service personnel and the families of those who are serving in our armed forces. (Tara Walter)

- c. Official swearing in of Police Officer Brett Marsden, Police Officer James Nixon and Police Officer Jonathan Perez. (Dan Hughes)

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. **Approval to enter** into a Professional Services Agreement with PFM Asset Management, LLC, to provide financial advisement services for investments. (Joe Jarvis)
- b. **Approval of the** purchase of 37 desktop computers, and 30 APC battery backup units from Insight Public Sector Sled, in an amount not to exceed \$27,324.42. (Trenton Shaffer)
- c. **Approval of a** Letter of Support for the Planning Assistance for Rural Arizona Grant Application. (Jennifer Evans)
- d. Approval of the **April 3** and **April 17, 2017** Town Council meeting minutes.
- e. Receive and file the following board and commission minutes:
 - i. **March 9, 2017** Arts and Culture Commission meeting minutes.

8. NEW BUSINESS

- a. **Discussion/Approval/Disapproval** to enter into a contract with Felix Construction Company, for work at the North Florence Wastewater Treatment Plant, in an amount not to exceed \$290,000, expiring on April 11, 2018. (Chris Salas)
- b. **Discussion/Approval/Disapproval** to enter into a contract with Regional Pavement Maintenance of Arizona, Inc., for the Hunt Highway Improvement Project, in an amount not to exceed \$263,629.84. (Chris Salas)
- c. **Discussion/Approval/Disapproval** to enter into Professional Services Contract with Willdan Financial Services, for the completion of a Utility Rate Study, in an amount not to exceed \$59,500. (Jess Knudson)
- d. **Discussion/Approval/Disapproval** of authorizing the Town Manager to enter into a contract with United Healthcare of Arizona for medical, dental, life and vision insurance; Teladoc for 24/7 physician access benefits; Jorgensen Brooks Group for Employee Assistance Program, AFLAC for supplemental insurance products and Infinisource to administer our Section 125 Flexible Benefit Account Plan for the FY 2017-2018 Employee Benefit Program. (Scott Barber)
- e. **Ratification of the expenditure** with Cactus Asphalt, for polymer modified asphalt paving, increasing the original contract by \$10,294.62, to raise the approval amount from \$481,334.56 to \$491,629.18. (Chris Salas)

- f. Discussion/Approval/Disapproval of adopting the 2017-2022 Strategic Plan. (Mark Eckhoff)
- g. Discussion on Florence Gardens Phase IV and V Infrastructure. (Chris Salas)

9. LEGISLATIVE REPORT

10. TOWN MANAGER'S REPORT

11. CALL TO THE PUBLIC

12. CALL TO THE COUNCIL – CURRENT EVENTS ONLY

13. ADJOURN TO EXECUTIVE SESSION

An Executive Session will be held during the Council Meeting for the purpose of discussion or consultations with designated representatives of the public body and/or legal counsel pursuant to A.R.S. Section 38-431.03(A)(1) to consider its position and instruct its representatives and/or attorneys regarding:

- a. The Town will be discussing the appointment involving the Town Attorney.

14. ADJOURN FROM EXECUTIVE SESSION

15. 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 MAY 11, 2017 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.



TOWN OF FLORENCE COUNCIL ACTION FORM

AGENDA ITEM 6a.

MEETING DATE: May 15, 2017

DEPARTMENT: Administration

STAFF PRESENTER: Lisa Garcia, Deputy Town Manager/
Town Clerk

SUBJECT: Public Hearing and action on Matthew Arnold Ritter, Florence Ironhorse Rodeo Consortium, LLC, for Kokopelli Moon Saloon Liquor License Application.

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

RECOMMENDED MOTION/ACTION:

Public Hearing on an application received from Matthew Arnold Ritter, Florence Ironhorse Rodeo Consortium, LLC, for Kokopelli Moon Saloon, located at 225 N. Main Street, Florence, Arizona, for an interim permit for a person transfer of a Series 06 Bar Liquor License from Patricia Rose Pfeiffer and for Council recommendation for approval or disapproval of said license.

BACKGROUND/DISCUSSION:

Matthew Arnold Ritter, Florence Ironhorse Rodeo Consortium, LLC, for Kokopelli Moon Saloon, filed an application for an interim permit for a person transfer of a Series 06 Bar Liquor License from Patricia Rose Pfeiffer, with the Arizona Department of Liquor License and Control, on April 20, 2017. A Series 6 Bar Liquor License may sell all spirituous liquor for customers to drink on site, may sell liquor to-go in original, unopened container in amounts not to exceed 30% of on sale receipts, A.R.S. §4-206.01.

4-206.01. Bar, beer and wine bar or liquor store licenses; number permitted; fee; sampling privileges

A. The director shall determine the total number of spirituous liquor licenses by type and in each county. The director shall publish a listing of that information as determined by the director.

B. In each county, the director, each year, shall issue additional bar, beer and wine bar or liquor store licenses at the rate of one of each type for each additional ten thousand person increase over the population in that county as of July 1, 2010. Any licenses that have been revoked or reverted in any county after July 1, 2014 may be reissued by the director in the county of their issuance. The director may waive the issuance of any series of new, revoked or reverted licenses in a county for one year where there has been no request made to the department for the issuance of a new license of that series. For the purposes of this subsection, the population of a county is deemed to be the population estimated by the office of economic opportunity as of July 1 of each year.

C. A person issued a license authorized by subsection B of this section shall pay an additional issuance fee equal to the license's fair market value that shall be paid to the state general fund. The fair market value shall be defined to mean the mean value of licenses of the same type sold on the open market in the same county during the prior twelve months, but if there are not three or more sales then the fair market value shall be determined by two appraisals furnished to the department by independent professional appraisers employed by the director.

D. The director shall employ professional appraisal services to determine the fair market value of bar, beer and wine bar or liquor store licenses.

E. If more than one person applies for an available license, a priority of applicants shall be determined by a random selection method prescribed by the director.

F. After January 1, 2011, bar licenses and beer and wine bar licenses shall be issued and used only if the clear primary purpose and actual primary use is for on-sale retailer privileges. The off-sale privileges associated with a bar license and a beer and wine bar license shall be limited to use, which is clearly auxiliary to the active primary on-sale privilege. A bar license or a beer and wine bar license shall not be issued or used if the associated off-sale use, by total retail spirituous liquor sales, exceeds thirty percent of the sales price of on-sale spirituous liquors by the licensee at that location. For dual licenses issued pursuant to a single site or where a second license is issued to a site that already has a spirituous liquor license, other than settlement licenses issued as provided by law, the applicant shall have the burden of establishing that public convenience and the best interest of the community will be served by the issuance of the license.

G. The director may issue a beer and wine store license to the holder of a beer and wine bar license simultaneously at the same premises. An applicant for a beer and wine bar license and a beer and wine store license may consolidate the application and may apply for both licenses at the same time. The holder of each license shall fully comply with all applicable provisions of this title. A beer and wine bar license and beer and wine store license on the same premises shall be owned by and issued to the same licensee.

H. The director may issue a beer and wine bar license to the holder of a liquor store license issued simultaneously at the same premises. An applicant for a liquor store license and a beer and wine bar license may consolidate the application and may apply for both licenses at the same time. The holder of each license shall fully comply with all applicable provisions of this title. A liquor store license and a beer and wine bar license on the same premises shall be owned by and issued to the same licensee.

I. The director may issue a restaurant license to the holder of a beer and wine bar license issued simultaneously at the same premises. An applicant for a restaurant license and a beer and wine bar license may consolidate the application and may apply for both licenses at the same time. The holder of each license shall fully comply with all applicable provisions of this title. A restaurant license and a beer and wine bar license

on the same premises shall be owned by and issued to the same licensee. The limitation set forth in subsection F of this section with respect to the off-sale privileges of the beer and wine bar licenses shall be measured against the on-sales of beer and wine sales of the establishment. For the purposes of compliance with section 4-205.02, subsection I, paragraph 2, it shall be conclusively presumed that all on premises sales of spirituous liquors are made under the authority of the restaurant license.

J. An applicant for a liquor store license or a beer and wine store license and the licensee of a liquor store license or a beer and wine store license may apply for sampling privileges associated with the license. Beer and wine store premises containing less than five thousand square feet must dedicate at least seventy-five percent of retail shelf space to the sale of spirituous liquor in order to be eligible for sampling privileges. A person desiring a sampling privilege associated with a liquor store license shall apply to the director on a form prescribed and furnished by the director. The application for sampling privileges may be filed for an existing license or may be submitted with an initial license application. The request for sampling approval, the review of the application and the issuance of approval shall be conducted under the same procedures for the issuance of a spirituous liquor license prescribed in section 4-201. After a sampling privilege has been issued for a liquor store license or a beer and wine store license, the sampling privilege shall be noted on the license itself and in the records of the department. The sampling rights associated with a license are not transferable. The director may charge a fee for processing each application for sampling privileges and a renewal fee as provided in this section. A city or town shall not charge any fee relating to the issuance or renewal of a sampling privilege. Notwithstanding section 4-244, paragraph 19, a liquor store licensee or a beer and wine store licensee that holds a license with sampling privileges may provide spirituous liquor sampling subject to the following requirements:

1. Any open product shall be kept locked by the licensee when the sampling area is not staffed.
2. The licensee is otherwise subject to all other provisions of this title. The licensee is liable for any violation of this title committed in connection with the sampling.
3. The licensed retailer shall make sales of sampled products from the licensed retail premises.
4. The licensee shall not charge any customer for the sampling of any products.
5. The sampling shall be conducted under the supervision of an employee of a sponsoring distiller, vintner, brewer, wholesaler or retail licensee.
6. Accurate records of sampling products dispensed shall be retained by the licensee.
7. Sampling shall be limited to three ounces of beer or cooler-type products, one and one-half ounces of wine and one ounce of distilled spirits per person, per brand, per day.
8. The sampling shall be conducted only on the licensed premises.

K. If a beer and wine bar license and a beer and wine store license are issued at the same premises, for the purposes of reporting liquor purchases under each license, all spirituous beverages purchased for sampling are conclusively presumed to be

purchased under the beer and wine bar license and all spirituous liquor sold off-sale are conclusively presumed to be purchased under the beer and wine store license.

L. The director may issue a beer and wine store license to the holder of a bar license simultaneously at the same premises. An applicant for a beer and wine store license and a bar license may consolidate the application and may apply for both licenses at the same time. The holder of each license shall fully comply with all applicable provisions of this title. A beer and wine store license and a bar license on the same premises shall be owned by and issued to the same licensee. If a beer and wine store license and a bar license are issued at the same premises, for purposes of reporting liquor purchases under each license, all off-sale beer and wine sales are conclusively presumed to be purchased under the beer and wine store license.

The Town Clerk's Office posted the Notice of Public Hearing on April 25, 2017 at said location in accordance with statutory requirements. Management has been notified of the May 15, 2017 public hearing.

No written communication has been received by the Town regarding this application.

FINANCIAL IMPACT:

N/A

STAFF RECOMMENDATION:

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

ATTACHMENTS:

Application



17 APR 17 Wqr. Dept PM 2:11

17 JAN 31 Wqr. Dept PM 1:45

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

Application for Liquor License
Type or Print with Black Ink

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE
A service fee of \$25 will be charged for all dishonored checks (A.R.S. § 44-6852)

SECTION 1 This application is for a:

- ☒ Interim Permit (Complete Section 5)
☐ New License (Complete Sections 2, 3, 4, 13, 14, 15, 16)
☒ Person Transfer (Complete Section 2, 3, 4, 12, 13, 14, 16)
☐ Location Transfer (Bars and Liquor Stores Only)
(Complete Section 2, 3, 4, 11, 13, 14, 16)
☐ Probate/ Will Assignment/ Divorce Decree
(Complete Sections 2, 3, 4, 9, 13, 14, 16)
(Fee not required)
☐ Government (Complete Sections 2, 3, 4, 10, 13, 16)
☐ Seasonal

SECTION 2 Type of Ownership:

- ☐ J.T.W.R.O.S. (Complete Section 6)
☐ Individual (Complete Section 6)
☐ Partnership (Complete Section 6)
☐ Corporation (Complete Section 7)
☒ Limited Liability Co (Complete Section 7)
☐ Club (Complete Section 8)
☐ Government (Complete Section 10)
☐ Trust (Complete Section 6)
☐ Tribe (Complete Section 6)
☐ Other (Explain) _____

SECTION 3 Type of license

1. Type of License: 06 - Bar LICENSE # 06110069

SECTION 4 Applicants

1. Individual Owner/Agent's Name: Ritter Matthew Arnold
Last First Middle
2. Owner Name: FLORENCE IRONHORSE BODEO CONSORTIUM L.L.C. B1086663
(Ownership name for type of ownership checked on section 2)
3. Business Name: KOKOPELLI MOON SALOON
(Exactly as it appears on the exterior of premises)
4. Business Location Address: 255 N. Main St. Florence AZ 85132 Pinal
(Do not use PO Box) Street City State Zip Code County
5. Mailing Address: P.O. Box 1360 Florence AZ 85132
(All correspondence will be mailed to this address) Street City State Zip Code
6. Business Phone: 520-868-0858 Daytime Contact Phone: 520-868-3700
7. Email Address: kokoPELLImoonSaloon@gmail.com
8. Is the Business located within the incorporated limits of the above city or town? ☒ Yes ☐ No
9. Does the Business location address have a street address for a City or Town but is actually in the boundaries of another City, Town or Tribal Reservation? ☐ Yes ☒ No
If yes, what City, Town or Tribal Reservation is this Business located in: _____
10. Total Price paid for Series 6 Bar, Series 7 Beer & Wine Bar or Series 9 Liquor Store (license only) \$ 25,000

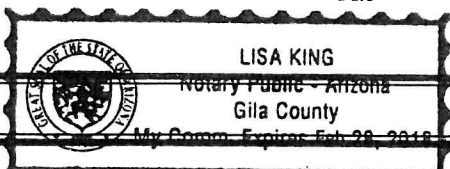
Fees:	\$100.00	\$100.00	Department Use Only	\$22.00	\$22.00
	Application	Interim Permit	Site Inspection	Finger Prints	Total of All Fees
Is Arizona Statement of Citizenship & Alien Status for State Benefits complete? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
Accepted by: <u>W</u> Date: <u>4/20/17</u> License # <u>06110069</u>					

SECTION 5 Interim Permit

- If you intend to operate business when your application is pending you will need an interim permit pursuant to ARS § 4-203.01
- There **MUST** be a valid license of the same type you are applying for currently issued to the location or for the replacement of a Hotel/Motel license with a Restaurant license pursuant to A.R.S. § 4-203.01.

1. Enter license number currently at the location: 061100692. Is the license currently in use? ☒ Yes ☐ No If no, how long has it been out of use? _____**Attach a copy of the license currently issued at this location to this application.**

I, <u>Patricia Rose Pfeiffer</u> <small>(Print Full Name)</small> X <u>Patricia Rose Pfeiffer</u> <small>(Signature of CURRENT Individual Owner/Agent)</small> My commission expires on: <u>02/28/2018</u> <small>Date</small>	declare that I am the CURRENT OWNER, AGENT, OR CONTROLLING PERSON on the stated license and location. State of <u>Arizona</u> County of <u>Gila</u> <small>The foregoing instrument was acknowledged before me this</small> <u>18th</u> Day of <u>August</u> , <u>2016</u> Year <u>Lisa King</u> <small>Signature of NOTARY PUBLIC</small>
---	--



SECTION 6 Individual, Partnership, J.T.W.R.O.S, Trust, Tribe Ownerships

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE, AN "APPLICANT" TYPE FINGERPRINT CARD AND \$22 PROCESSING FEE FOR EACH CARD.

Individual

Last	First	Middle	%Owned	Mailing Address	City	State	Zip Code

Is any person other than above, going to share in profit/losses of the business? ☐ Yes ☐ No

If Yes, give name, current address, and telephone number of person(s). Use additional sheets if necessary.

Last	First	Middle	Mailing Address	City	State	Zip Code	Phone #

Partnership

Name of Partnership: _____

General-Limited	Last	First	Middle	%Owned	Mailing Address	City	State	Zip Code
<input type="checkbox"/>	<input type="checkbox"/>							
<input type="checkbox"/>	<input type="checkbox"/>							
<input type="checkbox"/>	<input type="checkbox"/>							
<input type="checkbox"/>	<input type="checkbox"/>							

J.T.W.R.O.S (Joint Tenant with Rights of Survivorship)

Name of J.T.W.R.O.S: _____

Last	First	Middle	Mailing Address	City	State	Zip Code

SECTION 6 - continued

TRUST

Name of Trust: _____

Last	First	Middle	Mailing Address	City	State	Zip Code

TRIBE

Name of Tribal Ownership: _____

Last	First	Middle	Mailing Address	City	State	Zip Code

SECTION 7 Corporations/ Limited Liability Co

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE, AN "APPLICANT" TYPE FINGERPRINT CARD AND \$22 PROCESSING FEE FOR EACH CARD.

- ☐ Corporation Complete Questions 1, 2, 3, 4, 5, 6, and 7
- ☒ L.L.C. Complete Questions 1, 2, 3, 4, 5, 6, and 7

1. Name of Corporation/ L.L.C.: FLORENCE HORSE PRODEO CONSORTIUM L.L.C.
2. Date Incorporated/Organized: 12/04/2008 State where Incorporated/Organized: AZ
3. AZ Corporation or AZ L.L.C File No: L14923752 Date authorized to do Business in AZ: 02/02/2009
4. Is Corp/L.L.C. Non Profit? ☐ Yes ☒ No
5. List Directors, Officers, Members in Corporation/L.L.C:

Last	First	Middle	Title	Mailing Address	City	State	Zip Code
Pitter	Matthew	Arnold	member	P.O. box 1360	Florence	AZ	85132

(Attach additional sheet if necessary)

6. List all Stockholders / percentage owners who own 10% or more:

Last	First	Middle	%Owned	Mailing Address	City	State	Zip Code
Pitter	Matthew	Arnold	100	P.O. Box 1360	Florence	AZ	85132

(Attach additional sheet if necessary)

7. If the corporation/ L.L.C are owned by another entity, attach an Organizational **FLOWCHART** showing the structure of the ownership. Attach additional sheets as needed in order to disclose the Officers, Directors, Members, Managers, Partners, Stockholders and percentage owners of those entities.

SECTION 8 Club Applicants

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE, AN "APPLICANT" TYPE FINGERPRINT CARD AND \$22 PROCESSING FEE FOR EACH CARD

1. Name of Club: _____
2. Is Club non-profit? ☐ Yes ☐ No
3. List all controlling members (minimum of four (4) requested)

Last	First	Middle	Mailing Address	City	State	Zip Code

(Attach additional sheet if necessary)

SECTION 9 Probate, Will Assignment or Divorce Decree of an existing Liquor License

1. Current Licensee's Name: _____
(Exactly as it appear on the license) Last First Middle
2. Assignee's Name: _____
Last First Middle
3. License Type: _____ License Number: _____

ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE.

SECTION 10 Government (for cities, towns, or counties only)

1. Government Entity: _____
2. Person/Designee: _____
First Last Middle Day time Contact Phone #

A SEPARATE LICENSE MUST BE OBTAINED FOR EACH PREMISE FROM WHICH SPIRITUOUS LIQUOR IS SERVED.

SECTION 11 Location to Location Transfer: Series 6 Bar, Series 7 Beer & Wine Series 9 Liquor Stores only)

1. Current Business: Name: _____
Address: _____
(Exactly as it appears on license)
2. New Business: Name: _____
Address: _____
1. License Type: _____ License Number: _____

SECTION 12 Person to Person Transfer

Questions to be completed by Current Licensee (Bar and Liquor Stores Only- Series, 06, 07, and 09)

1. Individual Owner / Agent Name: Pfeiffer Patricia Rose Entity: Individual
Last First Middle (Individual, Agent, Etc.)
2. Ownership Name: Patricia Rose Pfeiffer
(Exactly as it appears on license)
3. Business Name: Kokopelli Moon Saloon
(Exactly as it appears on license)
4. Business Location Address: 255 N. Main St. Florence AZ 85132
Street City State Zip
5. License Type: 06-BAR License Number: 06110069
6. Current Mailing Address: P.O. box 1360 Florence AZ 85132
Street City State Zip
7. Have all creditors, lien holders, interest holders, etc. been notified? ☒ Yes ☐ No
8. Does the applicant intend to operate the business while this application is pending? ☒ Yes ☐ No

If yes, complete Section 5 (**Interim Permit**) of this application; attach fee, and current license to this application.

9. I, (Print Full Name) Patricia Rose Pfeiffer hereby authorize the department to process this Application to transfer the privilege of the license to the applicant provided that all terms and conditions of sale are met. Based on the fulfillment of these conditions, I certify that the applicant now owns or will own the property rights of the license by the date of issue.

I, (Print Full Name) Patricia Rose Pfeiffer declare that I am the **CURRENT OWNER, MEMBER, PARTNER STOCKHOLDER or LICENSEE** of the stated license. I have read the above Section 12 and confirm that all statements are true, correct, and complete.

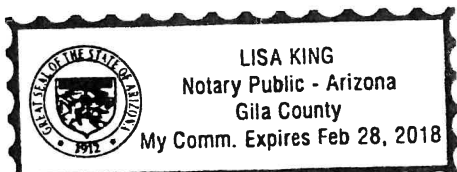
NOTARY

X Patricia Rose Pfeiffer
(Signature of CURRENT Individual Owner/Agent)

State of Arizona County of Gila
The foregoing instrument was acknowledged before me this

My commission expires on: 02/28/2018
Date

18th of August, 2016
Day Month Year



Lisa King
Signature of NOTARY PUBLIC

STATE OF ARIZONA
DEPARTMENT OF LIQUOR LICENSES
AND CONTROL
ALCOHOLIC BEVERAGE LICENSE
License 06110069

Issue Date: 1/26/2010

Expiration Date: 8/31/2017

Issued To:
PATRICIA ROSE PFEIFFER, Owner

Location:
KOKOPELLI MOON SALOON
255 N MAIN ST
FLORENCE, AZ 85132

Mailing Address:

PATRICIA ROSE PFEIFFER
KOKOPELLI MOON SALOON
P O BOX 1360
FLORENCE, AZ 85132

EXP



8/31/2017

POST THIS LICENSE IN A CONSPICUOUS PLACE

SECTION 13 Proximity to Church or School

Questions to be completed by all in-state applicants.

A.R.S. § 4-207. (A) and (B) state that no retailer's license shall be issued for any premises which are at the time the license application is received by the director, within three hundred (300) horizontal feet of a church, within three hundred (300) horizontal feet of a public or private school building with kindergarten programs or grades one (1) through (12) or within three hundred (300) horizontal feet of a fenced recreational area adjacent to such school building.

The above paragraph DOES NOT apply to:

- a) Restaurant license (§ 4-205.02) Series 12
- b) Hotel/motel license (§ 4-205.01) Series 11
- c) Microbrewery Series 3
- d) Craft Distillery Series 18

- e) Government license (§ 4-205.03) Series 5
- f) Fenced playing area of a golf course (§ 4-207(B)(5))
- g) Wholesaler Series 4
- h) Farm Winery Series 13

1. Distance to nearest School: 1879 ft.
(If less than one (1) mile note footage)

Name of School: Florence K-8Address: 460 S. Park St. Florence AZ 85132

2. Distance to nearest Church: 580 ft.
(If less than one (1) mile note footage)

Name of Church: Church of the AssumptionAddress: 221 E. 8th St. Florence AZ 85132**SECTION 14 Business Financials**

1. I am the: ☐ Lessee ☐ Sub-lessee ☒ Owner ☐ Purchaser ☐ Management Company

2. If the premise is leased give lessors:

Name: N/AAddress: N/A

Street

City

State

Zip

3. Monthly Rent/ Lease Rate: \$ N/A4. What is the remaining length of the lease? Yrs. N/A Months N/A

5. What is the penalty if the lease is not fulfilled? \$ N/A or Other: N/A
(Give details-attach additional sheet if necessary)

6. Total money borrowed for the Business not including lease? \$ ~~██████~~ 0
Please List Lenders/People you owe money to for business.

Last	First	Middle	Amount Owed	Mailing Address	City	State	Zip
<u>██████</u>							

(Attach additional sheet if necessary)

7. What type of business will this license be used for (be specific)?

Bar

8. Has a license or a transfer license for the premises on this application been denied by the state with in the past (1) year? ☐ Yes ☒ No If yes, attach explanation.

9. Does any spirituous liquor manufacture, wholesaler, or employee have an interest in your business? ☐ Yes ☒ No

10. Is the premises currently license with a liquor license? ☒ Yes ☐ No

If yes, give license number and licensee's name:

License #: 06110069 Individual Owner /Agent Name: Patricia Prose Pfeiffer
(Exactly as it appears on license)

SECTION 15 Restaurant or hotel/motel license applicants

1. Is there an existing Restaurant or Hotel/Motel Liquor License at the proposed location? ☐ Yes ☒ No
2. If the answer to Question 1 is YES, you may qualify for an Interim Permit to operate while your application is pending; consult A.R.S. § 4-203.01; and complete SECTION 5 of this application.
3. All Restaurant and Hotel/Motel applicants must complete a Restaurant Operation Plan form provided by the Department of Liquor Licenses and Control.
4. As stated in A.R.S. § 4-205.02. (H)(2), a Restaurant is an establishment which derives at least forty (40) percent of its gross revenue from the sale of food. Gross revenue is the revenue derived from sales of food and spirituous liquor on the licensed premises. By applying for this ☐ Restaurant ☐ Hotel/Motel, I certify that I understand that I must maintain a minimum of forty (40) percent food sales based on these definitions and have included the Restaurant Hotel/Motel Records Required for Audit form with this application.

(Applicant's Signature)

5. I understand it is my responsibility to contact the Department of Liquor Licenses and Control to schedule an inspection when all tables and chairs are on site, kitchen equipment, and, if applicable, patio barriers are in place on the licensed premises. With the exception of the patio barriers, these items are not required to be properly installed for this inspection. Failure to schedule an inspection will delay issuance of the license. If you are not ready for your inspection 90 days after filing your application, please request an extension in writing; specify why the extension is necessary; and the new inspection date you are requesting.

(Applicant's Initials)

SECTION 16 Diagram of Premises

Check ALL boxes that apply to your business:

☒ Entrances/Exits

☒ Liquor storage areas

Patio:

☒ Contiguous

☐ Walk-up windows

☐ Drive-through windows

☐ Non Contiguous

1. Is your licensed premises currently closed due to construction, renovation or redesign? ☐ Yes ☒ No

If yes, what is your estimated completion date? _____

Month/Day/Year

2. **Restaurants and Hotel/Motel** applicants are required to draw a detailed floor plan of the kitchen and dining areas including the locations of all kitchen equipment and dining furniture. Place for diagram is on section 16 number 6.
3. The diagram (a detailed floor plan) you provide is required to disclose only the area(s) where spirituous liquor is to be sold, served, consumed, dispensed, possessed or stored on the premises unless it is a restaurant (see # 3 above).
4. Provide the square footage or outside dimensions of the licensed premises. Please do not include non-licensed premises such as parking lots, living quarters, etc.
5. **As stated in A.R.S. § 4-207.01 (B), I understand it is my responsibility to notify the Department of Liquor Licenses and Control when there are changes to the boundaries, entrances, exits, added or deleted doors, windows, service windows or increase or decrease to the square footage after submitting this initial diagram.**

(Applicant's Initials)

SECTION 16 Diagram of Premises – continued

6. On the diagram please show only the areas where spirituous liquor is to be sold, served, consumed, dispensed, possessed or stored. It must show all entrances, exits, interior walls, bars, hi-top tables, dining tables, dining chairs, dance floor, stage, game room, and the kitchen. DO NOT include parking lots, living quarters, etc. When completing diagram, North is up ↑.

If a legible copy of a rendering or drawing of your diagram of the premises is attached to this application, please write the words "DIAGRAM ATTACHED" in the box provided for the diagram on the application.

DIAGRAM OF PREMISES

DIAGRAM ATTACHED

NORTH 12TH STREET

25.5 N/MAIN ST.

FLORENCE AZ 85132

TOTAL \square = BAR — 2640

= STORAGE — 1269

= SMOKING AREA — 990

TOTAL \square PROPERTY = 7661

Entrance/
Exit

MAIN ST. FLORENCE

SIDEWALK

PUBLIC Parking Lot

12' x 7'

27'
1269 \square

BAR AREA

RESTROOMS

STORAGE 1269 \square

2640 \square

BAR AREA

PATIO

1640 \square

30'

34'

990 \square
Exit

SMOKING
PATIO

1122 \square

KITCHEN

37'

SIDEWALK

SECTION 17 SIGNATURE BLOCK

NOTARY

I, (Print Full Name) Matthew A. D. He, hereby declare that I am the Owner/Agent filing this application as stated in Section 4 #1. I have read this application and verify all statements to be true, correct and complete.

X

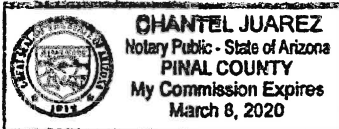
(Signature of CURRENT Individual Owner/Agent)

State of Arizona County of Pinal
The foregoing instrument was acknowledged before me this

My commission expires on:

March 8 2020
Date

23 of August, 2016
Day Month Year



Chantel Juarez
Signature of NOTARY PUBLIC

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.

Proclamation

Supporting Florence Youth Enlisting in the Armed Forces

WHEREAS, men and women join the military, in part because of the benefits the military offers, but more importantly, they join the military and put their lives on the line so the rest of us might live in a safer, freer, more just world; and

WHEREAS, Christopher Ambrosio, Dylan Cole, Anthony Curiel, Michael D'Andrea, Daniel Dyess, Joseph Fant, Wyatt Griffen, Vincent Ledesma, Garrett Mariscal, Michaela Mas, Dawson Reeves, Judith Sainz, Quentin Slaughter, Terrance Troupe, Payton Turner, Jax Verwoert and Michael Viola have demonstrated their courage and commitment to freedom by enlisting in the armed forces. Each will take an oath to support and defend the Constitution of the United States against all enemies, foreign and domestic; and is ready to stand and defend our great country with honor, courage and commitment so that we may all enjoy the freedom afforded to each of us; and

WHEREAS, our military personnel defend us in times of peace, times of war, and times of crisis, both natural and man-made and render the highest service any American can offer; and is a guardian of freedom and the American way of life; and

WHEREAS, we are profoundly grateful for this sacrifice that they have chosen to offer each of us and because of their heroism, we are able to sleep soundly at night knowing that they are valiantly guarding our freedom; and

WHEREAS, we must also remain committed to support our men and women who have grown up in our community and are part of our communal family in order to ensure that they have what they need in order to complete their missions wherever they may be. We must also commit to support the families they leave behind, and to support them when they return home.


NOW, THEREFORE BE IT RESOLVED, I, Tara Walter, by virtue of the authority vested in me as Mayor of the Town of Florence, Arizona, do hereby proclaim Florences' pride in those who have enlisted and urge all citizens to continue to support our military service personnel and the families of those who are serving in our armed forces.

DATED this 15th day of May 2017.

Tara Walter, Mayor

ATTEST:

Lisa Garcia, Town Clerk

	TOWN OF FLORENCE COUNCIL ACTION FORM	<u>AGENDA ITEM</u> 7a.
MEETING DATE: May 15, 2017 DEPARTMENT: Finance STAFF PRESENTER: Joe Jarvis, Finance Director SUBJECT: Award of a Professional Services Agreement to PFM Asset Management, LLC, for Financial Advisement for Investments		<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:

Approval to enter into a Professional Services Agreement with PFM Asset Management, LLC, to provide financial advisement services for investments.

BACKGROUND/DISCUSSION:

The Town of Florence has grown its fund balance and has historically invested available funds to obtain additional revenue through interest earnings. The Council directed staff to advertise a Request for Proposal (RFP) to hire a financial advisor for the Town's investments.

In response to the RFP, the Town received three competitive proposals. A panel reviewed and scored each proposal based upon the parameters in the RFP. The panel unanimously scored PFM as the top proposal.

FINANCIAL IMPACT:

The evaluation of a RFP is not based upon price; however the cost of the services was included in the proposal. The following is the fee schedule for PFM Asset Management, LLC:

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$25 million	10 basis points (0.10%)
Next \$25 million	8 basis points (0.08%)
Assets over \$50 million	7 basis points (0.07%)

PFM Asset Management, LLC proposes to invoice the Town monthly in arrears based on the average amortized cost value of assets under management for the month. Our minimum annual fee is \$25,000. The actual annual fees will depend on the average amount of assets under PFM Asset Management, LLC's management.

STAFF RECOMMENDATION:

Staff recommends approval of the Professional Services Agreement with PFM Asset Management, LLC.

If the Town Council does not approve the Agreement, the panel will re-evaluate the submitted proposals and present another option to the Council at a future meeting.

If the Town Council approves the Agreement, then PFM Asset Management, LLC, will evaluate the Town's current investment portfolio and financial status. PFM Asset Management, LLC, will work with staff to prepare and present a Town Investment Policy. The Policy will be presented to the Town Council for their consideration. Once a Policy is approved, then staff and PFM Asset Management, LLC, will formulate a plan for implementing the Policy.

ATTACHMENTS:

Agreement for Professional Services

INVESTMENT ADVISORY AGREEMENT

THIS AGREEMENT, entered into as of the _____ day of _____, 201_, by and between the Town of Florence, an Arizona public agency (hereinafter the "Client"), and PFM ASSET MANAGEMENT LLC, a Delaware limited liability company with an office in Chandler, Arizona (hereinafter the "Advisor").

W I T N E S S E T H

WHEREAS, the Client has funds available for investment purposes (the "Initial Funds") for which it intends to conduct an investment program; and

WHEREAS, the Client desires to avail itself of the experience, sources of information, advice, assistance and facilities available to the Advisor; to have the Advisor undertake certain duties and responsibilities; and to perform certain services as investment advisor on behalf of the Client, as provided herein; and

WHEREAS, the Advisor is willing to provide such services on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto, intending to be legally bound, agreed as follows:

1. SERVICES OF ADVISOR.

The Client hereby engages the Advisor to serve as investment advisor under the terms of this Agreement with respect to the Initial Funds and such other funds as the Client may from time to time assign by written notice to the Advisor (collectively the "Managed Funds"), and the Advisor accepts such engagement. In connection therewith, the Advisor will provide investment research and supervision of the Managed Funds investments and conduct a continuous program of investment, evaluation and, when appropriate, sale and reinvestment of the Managed Funds assets. The Advisor shall continuously monitor investment opportunities and evaluate investments of the Managed Funds. The Advisor shall furnish the Client with statistical information and reports with respect to investments of the Managed Funds. The Advisor shall place all orders for the purchase, sale, loan or exchange of portfolio securities for the Client's account with brokers or dealers recommended by the Advisor and/or the Client, and to that end the Advisor is authorized as agent of the Client to give instructions to the custodian designated by the Client (the "Custodian") as to

deliveries of securities and payments of cash for the account of the Client. In connection with the selection of such brokers and dealers and the placing of such orders, the Advisor is directed to seek for the Client the most favorable execution and price, the determination of which may take into account, subject to any applicable laws, rules and regulations, whether statistical, research and other information or services have been or will be furnished to the Advisor by such brokers and dealers. The Custodian shall have custody of cash, securities and other assets of the Client. The Advisor shall not take possession of or act as custodian for the cash, securities or other assets of the Client and shall have no responsibility in connection therewith. Authorized investments shall include only those investments which are currently authorized by the state investment statutes and applicable covenants and as supplemented by such other written instructions as may from time to time be provided by the Client to the Advisor. The Advisor shall be entitled to rely upon the Client's written advice with respect to anticipated drawdowns of Managed Funds. The Advisor will observe the instructions of the Client with respect to broker/dealers who are approved to execute transactions involving the Managed Funds and in the absence of such instructions will engage broker/dealers which the Advisor reasonably believes to be reputable, qualified and financially sound.

2. COMPENSATION.

(a) For services provided by the Advisor pursuant to this Agreement, the Client shall pay the Advisor an annual fee, in monthly installments, based on the daily net assets under management according to the schedule below:

<u>Average Assets Under Management</u>	<u>Fees</u>
Initial \$25 million	10 basis points (0.10%)
Next \$25 million	8 basis points (0.08%)
Assets over \$50 million	7 basis points (0.07%)

"Daily net assets" is defined to include the amortized value of securities, accrued interest and cash or any money market fund balance.

The minimum annual fee is \$25,000, to be applied in equal monthly installments.

(b) The Advisor will bill the Client monthly for service performed under this Agreement, said bill to include a statement indicating the basis upon which the fee was calculated. The Client shall pay to the Advisor the amount payable pursuant to this Agreement not later than on the 15th day of the month following the month during which the Advisor's statement was rendered.

(c) Assets invested by the Advisor under the terms of this Agreement may from time to time be invested in (i) a money market mutual fund managed by the Advisor or (ii) a local government investment pool managed by the Advisor (either, a “Pool”), or in individual securities. Average daily net assets subject to the fees described in this section shall not take into account any funds invested in the Pool. Expenses of the Pool, including compensation for the Advisor and the Pool custodian, are described in the relevant prospectus or information statement and are paid from the Pool.

(d) If and to the extent that the Client shall request the Advisor to render services other than those to be rendered by the Advisor hereunder, such additional services shall be compensated separately on terms to be agreed upon between the Advisor and the Client.

3. EXPENSES.

(a) The Advisor shall furnish at its own expense all necessary administrative services, office space, equipment, clerical personnel, telephone and other communication facilities, investment advisory facilities, and executive and supervisory personnel for managing the Managed Funds.

(b) Except as expressly provided otherwise herein, the Client shall pay all of its own expenses including, without limitation, taxes, commissions, fees and expenses of the Client’s independent auditors and legal counsel, if any, brokerage and other expenses connected with the execution of portfolio security transactions, insurance premiums, and fees and expenses of the Custodian.

4. REGISTERED ADVISOR; DUTY OF CARE.

The Advisor hereby represents it is a registered investment advisor under the Investment Advisers Act of 1940, as amended. The Advisor shall immediately notify the Client if at any time during the term of this Agreement it is not so registered or if its registration is suspended. The Advisor agrees to perform its duties and responsibilities under this Agreement with reasonable care. The federal securities laws impose liabilities under certain circumstances on persons who act in good faith. Nothing herein shall in any way constitute a waiver or limitation of any rights which the Client may have under any federal securities laws. The Client hereby authorizes the Advisor to sign I.R.S. Form W-9 on behalf of the Client and to deliver such form to broker-dealers or others from time to time as required in connection with securities transactions pursuant to this Agreement.

5. ADVISOR'S OTHER CLIENTS.

The Client understands that the Advisor performs investment advisory services for various other clients which may include investment companies, commingled trust funds and/or individual portfolios. The Client agrees that the Advisor, in the exercise of its professional judgment, may give advice or take action with respect to any of its other clients which may differ from advice given or the timing or nature of action taken with respect to the Managed Funds. The Advisor shall not have any obligation to purchase, sell or exchange any security for the Managed Funds solely by reason of the fact that the Advisor, its principals, affiliates, or employees may purchase, sell or exchange such security for the account of any other client or for itself or its own accounts.

6. TERM.

This Agreement shall become effective as of the date of its execution by both the Client and the Advisor (the "Effective Date") and shall replace and supersede any prior agreement between the Client and Advisor as of the Effective Date. The initial term (the "Initial Term") of this Agreement shall be two (2) years from the Effective Date. Thereafter, at the option of the Client, this Agreement may be renewed in writing for up to three (3) additional one (1)-year periods. At the conclusion of the Initial Term or any renewal option, in the absence of the exercise of a subsequent renewal option, this Agreement shall automatically terminate without the necessity of any notice or agreement by or between the parties.

7. FORCE MAJEURE.

The Advisor shall have no liability for any losses arising out of the delays in performing or inability to perform the services which it renders under this Agreement which result from events beyond its control, including interruption of the business activities of the Advisor or other financial institutions due to acts of God, acts of governmental authority, acts of war, terrorism, civil insurrection, riots, or any action or inaction of any carrier or utility, or mechanical or other malfunction.

8. DISCIPLINARY ACTIONS.

The Advisor shall promptly give notice to the Client if the Advisor shall have been found to have violated any state or federal securities law or regulation in any final and unappealable judgment in any criminal action or civil suit in any state or federal court or in any disciplinary proceeding before the Securities and Exchange Commission ("SEC") or any other agency or department of the United States, any registered securities exchange, the Financial Industry Regulatory Authority, or any regulatory authority of any State based upon the performance of services as an investment advisor.

9. INDEPENDENT CONTRACTOR.

The services the Advisor provides under the terms of this Agreement to the Client are that of an Independent Contractor, not an employee, or agent (except as to the purchase and sale of securities pursuant to Section 1 hereof) of the Client. The Client will report the value paid for these services each year to the Internal Revenue Service (I.R.S.) using Form 1099. The Client shall not withhold income tax as a deduction from contractual payments. As a result of this, the Advisor may be subject to I.R.S. provisions for payment of estimated income tax. The Advisor is responsible for consulting the local I.R.S. office for current information on estimated tax requirements.

10. BOOKS.

The Advisor shall maintain records of all transactions in the Managed Funds. The Advisor shall provide the Client with a monthly statement showing deposits, withdrawals, purchases and sales (or maturities) of investments, earnings received, and the value of assets held on the last business day of the month. The statement shall be in the format and manner that is mutually agreed upon by the Advisor and the Client.

11. THE ADVISOR'S BROCHURE AND BROCHURE SUPPLEMENT.

The Advisor warrants that it has delivered to the Client prior to the execution of this Agreement the Advisor's current SEC Form ADV, Part 2A (brochure) and Part 2B (brochure supplement). The Client acknowledges receipt of such brochure and brochure supplement prior to the execution of this Agreement.

12. MODIFICATION.

This Agreement shall not be changed, modified, terminated or discharged in whole or in part, except by an instrument in writing signed by both parties hereto, or their respective successors or assigns.

13. SUCCESSORS AND ASSIGNS.

The provisions of this Agreement shall be binding on the Advisor and its successors and assigns, provided, however, that the rights and obligations of the Advisor may not be assigned without the consent of the Client.

14. NOTICE.

Written notices required under this Agreement shall be sent by regular mail, certified mail, overnight delivery or courier, and shall be deemed given when received at the parties' respective addresses shown below. Either party must notify the other party in writing of a change in address.

Client's Address

Town of Florence
775 N. Main Street
Florence, AZ 85132
Attn: Joe Jarvis

Advisor's Address

PFM Asset Management LLC
1820 E Ray Road
Chandler, AZ 85225
Attn: Paulina Woo

With copy to:

PFM Asset Management LLC
1735 Market Street
43rd Floor
Philadelphia, PA 19103
Attn: Controller

15. APPLICABLE LAW.

This Agreement shall be deemed to be made under, shall be construed in accordance with, and shall be governed by the laws of the State of Arizona, without reference to choice of law or conflicts of laws principles thereof. The exclusive forum selected for any proceeding or suit in law or equity arising from or incident to this Agreement shall be Pinal County, Arizona.

16. TERMINATION.

Termination for Cause: The Client may terminate this Agreement with seven (7) days' prior written notice for cause in the event of any default by the Advisor, or if the Advisor fails to comply with any industry standards and customary practices terms and conditions of this Agreement. Unsatisfactory performance as judged by Industry standards and customary practices, and failure to provide the Client, upon request, with adequate assurances of future performance shall all be causes allowing the Client to terminate this Agreement for cause. In the event of termination for cause, the Client shall not be liable to Advisor for any amount, and Advisor shall be liable to the Client for any and all damages sustained by reason of the default which gave rise to the termination.

Termination for Convenience. In the event the Client terminates this Agreement pursuant to this section, then in that event the Client agrees to pay for the services performed prior to the date of termination. The Client may terminate this Agreement, or any part thereof for its sole convenience, at any time without penalty or recourse.

Termination for Violation of Law. In the event Advisor is in violation of any Federal, State, County or local law, regulation or ordinance, the Client may terminate this Agreement immediately upon giving notice to the Advisor.

Termination by Advisor. The Advisor may terminate this Agreement immediately upon any material breach of its terms by the Client.

17. FUNDS APPROPRIATION.

If the Town Council does not appropriate funds to continue this Agreement and pay for charges hereunder, the Client may terminate this Agreement at the end of the current fiscal period. The Client agrees to give written notice of termination to the Advisor at least thirty (30) days prior to the end of its current fiscal period and will pay to the Advisor all approved charges incurred through the end of such period.

18. RECORDS AND AUDIT RIGHTS.

The Advisor's records (hard copy, as well as computer readable data), and any other supporting evidence deemed necessary by the Client to substantiate charges and claims related to this Agreement shall be open to inspection and subject to audit and/or reproduction by Client's authorized representative to the extent necessary to adequately permit evaluation and verification of cost of the service or work, and any invoices, change orders, payments or claims submitted by the Advisor or any of his payees pursuant to the execution of the Agreement. The Client's authorized representative shall be afforded access, at reasonable times and places and upon reasonable notice, to all of the Advisor's records and personnel pursuant to the provisions of this section throughout the term of this Agreement and for a period of three years after last or final payment.

The Advisor shall require all subcontractors, insurance agents, and material suppliers, if any, to comply with the provisions of this section by insertion of the requirements hereof in a written contract between Advisor and such subcontractors, insurance agents, and material suppliers.

If an audit in accordance with this section, discloses overcharges, of any nature, by the Advisor to the Client in excess of one percent (1%) of the monthly billings, the actual cost of the Client's audit shall be reimbursed to the Client by the Advisor. Any adjustments and/or payments which must be made as a result of any such audit or inspection of the Advisor's invoices and/or records shall be made within a reasonable amount of time, not to exceed thirty (30) days from presentation of the Client's findings to Advisor.

19. ATTORNEYS' FEES.

In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement, 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 expert witnesses, court costs and travel expenses), determined by the court sitting without a jury, which 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.

20. CONFLICT OF INTEREST.

The Client 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 Client'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 Client is received by all other parties to this Agreement, unless the notice specifies a later time (A.R.S. § 38 511).

21. LIABILITY AND INDEMNIFICATION.

To the fullest extent permitted by law, the Advisor shall protect, defend, indemnify and hold harmless the Client, its Council members, agents, officers, officials, representatives and employees from and against all suits, claims, demands, damages, losses, liabilities, fines, charges, penalties, administrative and judicial proceedings and orders, judgments, remedial actions of any

kind, and all costs and cleanup actions of any kind, together with expenses (including but not limited to attorneys' fees, court costs, experts' fees, the cost of appellate proceedings, and all claim adjusting and handling expenses), relating to, arising out of, resulting from or alleged to have resulted from the Advisor's wrongful acts, errors, mistakes or omissions, whether negligent or intentional, relating to any action or inaction of the Advisor under this Agreement, including, but not limited to the wrongful acts, errors, mistakes, omissions, work or services, whether negligent or intentional, of the Advisor's agents, employees, contractors, subcontractors or anyone for whose acts they or the Advisor may be liable in the performance of this Agreement. The Advisor's duty to defend, hold harmless and indemnify the Client, its Council members, agents, officers, officials, representatives and employees shall arise in connection with any suits, claims, damages, losses or expenses that are attributable to or otherwise relate to, result from, or are alleged to have resulted from the Advisor's wrongful acts, errors, mistakes or omissions, whether negligent or intentional, relating to any action or inaction of the Advisor under this Agreement, including but not limited to the wrongful acts, errors, mistakes, omissions, work or services, whether negligent or intentional, of the Advisor's agents, employees, contractors, or anyone for whose acts they or Advisor may be liable in the performance of this Agreement, regardless of the legal or equitable grounds upon which such suits, claims, damages, losses and expenses are based. The amount and type of insurance coverage requirements set forth herein are separate and independent from the indemnity provisions of this Agreement and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions of this Agreement. The indemnity provisions of this Agreement shall not be construed in any way to limit the scope, magnitude and applicability of the insurance provisions of this Agreement. The foregoing indemnity obligations of the Advisor shall survive the expiration or termination of this Agreement for three (3) years and then expire.

22. WARRANTY.

The Advisor warrants that the services will conform to the requirements of this Agreement. Additionally, the Advisor warrants that all services will be performed in a good, workman-like and professional manner. The Client's acceptance of services provided by Advisor shall not relieve the Advisor from its obligations under this warranty. If any services are of a substandard or unsatisfactory manner as determined by the Client, the Advisor, at no additional charge to the Client, will provide services or redo such services until they are in accordance with this Agreement and to the Client's reasonable satisfaction.

23. PROHIBITED BOYCOTT.

Pursuant to A.R.S. 35-393.01, the Advisor, by execution of this Agreement, certifies that it is not currently engaged in, and agrees for the duration of this Agreement to not engage in, a boycott of Israel.

24. COOPERATIVE PURCHASING.

The Client has entered into various cooperative purchasing agreements with other Arizona government agencies, including the Strategic Alliance for Volume Expenditures (SAVE) cooperative. Under the SAVE Cooperative Purchasing Agreement, any contract may be extended for use by other municipalities, school districts and government agencies in the State of Arizona with the approval of the Advisor. Any such usage by other entities must be in accordance with the statutes, codes, ordinances, charter and/or procurement rules and regulations of the respective government agency.

The Client currently holds Intergovernmental Governmental Agreements (IGA) with numerous governmental entities. These agreements allow the entities, with the approval of the Advisor, to purchase their requirements under the terms and conditions of this Agreement.

25. EXECUTION AND SEVERABILITY.

Each party to this Agreement represents and warrants that the person or persons signing this Agreement on behalf of such party is authorized and empowered to sign and deliver this Agreement for such party. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the Effective Date set forth above.

TOWN OF FLORENCE, A municipal corporation

Date: _____

By: _____

Tara Walter, Mayor

ATTEST:

Lisa Garcia, Town Clerk

Approved as to Form:


Clifford L. Mattice, Town Attorney

ADVISOR

By: _____

Date: _____

Its: Managing Director _____

	TOWN OF FLORENCE COUNCIL ACTION FORM	<u>AGENDA ITEM</u> 7b.
MEETING DATE: May 15, 2017 DEPARTMENT: Information Technology STAFF PRESENTER: Trenton Shaffer, Information Technology Manager SUBJECT: Purchase 37 desktop computers, and 30 battery backup units from Insight Public Sector Sled.		<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:

Motion to approve the purchase of 37 desktop computers, and 30 APC battery backup units from Insight Public Sector Sled, in an amount not to exceed \$27,324.42.

BACKGROUND/DISCUSSION:

The acquisition of desktop computers will allow the Information Technology Department to replace old hardware that is no longer covered under warranty and failing at a rate that is no longer cost effective to maintain. The battery backup units offer guaranteed power and surge protection for desktop computers, which provides the ability to save work and shutdown gracefully in the event of a power outage.

FINANCIAL IMPACT:

The fiscal impact is \$27,324.32 and will be funded by the General Fund for Information Technology.

Hardware will be obtained following the Town's Purchasing Policy, Section 5.63 Purchases of \$25,000 or More (specifically, 5.6321 of Vendor Selection).

5.632 Vendor Selection

This applies to single purchase requests to one vendor.

5.6321 Department Head submits the Bid Tabulation Sheet (Supplement 7.6), and recommendation with corresponding bidding information, including RFP or RFQ. Alternative purchase methods are identified if approved by necessity or by the Town Manager as indicated by Emergency/Sole Source Purchase, cooperative purchase, state contract or any other method authorized. The Finance Director reviews for budget availability and bidding procedures. The Town Manager reviews for need.

STAFF RECOMMENDATION:

Staff recommends that Town Council authorize the purchase of the 37 desktop computers, and 30 APC battery back-up units, from Insight Public Sector Sled, in an amount not to exceed \$27,324.42.

ATTACHMENTS:

Bid Tabulation Sheet including quotes from three different vendors

**Town of Florence
Bid Tabulation Sheet**

<input type="checkbox"/> Verbal (only allowed when \$5,000 or less)	General Ledger Account Number <u>10519324</u>	Date Prepared <u>5/8/2017</u>
<input checked="" type="checkbox"/> Written/Fax (mandatory when over \$5,000; attach bids)	Prepared By <u>Trenton Shaffer</u>	
<input type="checkbox"/> Formal Sealed Bid: # _____ Title _____	Opening Date _____	Opening Time _____

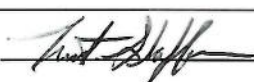


Item (include quality, brand, model, color) 30 Dell Optiplex 3050 Desktop Computers, 4 Dell Optiplex 7050 Desktop Computers, 3 Dell Optiplex 7050 Tower Workstations, 30 UPS APC Battery back-up units

Vendor name Contact Person Phone/Fax	Payment Terms (Discount?)	Availability	Who Pays Shipping?	Unit Price	Extended Price	Comments
1 Insight	Net 30	In Stock	Vendor		\$27,324.42	
Amanda Leudy						
Phone 480-333-3534						
Fax						
2 GHA Technologies, Inc.	Net 30	In Stock	Vendor		\$29,001.31	
Nicholas Goater						
Phone 480-308-8744						
Fax 480-951-6956						
3 PCMG	Net 30	In Stock	Vendor		\$29,750.01	
Margery Murphy						
Phone 866-310-0118						
Fax 937-415-9518						

Attach additional page(s), if necessary

Vendor Selected Insight Address 6820 S Harl Ave, Tempe, AZ 85283

Justification (if not lowest price) _____

Department Head Approval 	Date	<u>5/8/2017</u>
Finance Director Approval 	Date	<u>5-9-17</u>
Town Manager Approval 	Date	<u>5/11/17</u>

*If over \$25,000, must go to Town Council for approval.
Attach this approved for to purchase request with written quotes, if applicable.

SOLD-TO PARTY 10144755

TOWN OF FLORENCE
PO BOX 2670
GILBERT AZ 85299-2670

SHIP-TO PARTY

TOWN OF FLORENCE
775 N. MAIN STREET
GILBERT AZ 85233

We deliver according to the following terms:

Payment Terms : Net 30 days
Ship Via : CEVA FREIGHT LLC/LTL
Terms of Delivery : FOB DESTINATION
Currency : USD

FREE GROUND SHIPPING INCLUDED

Quotation

Quotation Number : 218950510
Document Date : 08-MAY-2017
PO Number :
PO Release :
Sales Rep : Andrew Strelow
Email : ANDREW.STRELOW@INSIGHT.COM
Telephone : 4804096107
Sales Rep 2 : Amanda Luedy
Email : AMANDA.LUEDY@INSIGHT.COM
Telephone : 4803333534

Material	Material Description	Quantity	Unit Price	Extended Price
A9199455-COCW	COCW-DELL APC BACK-UPS BE600M1 - UPS - AC 120 V - 330-WATT - 600 VA - OUTPUT CONNECTORS: 8 - BLACK OPEN MARKET	30	60.89	1,826.70
3000013547516	COCW - OPTIPLEX 7050 SFF; I7-7700 OPEN MARKET	4	745.59	2,982.36
3000013547815	COCW - OPTIPLEX 7050 MT; I7-7700 OPEN MARKET	3	918.24	2,754.72
3000013548129	COCW - OPTIPLEX 3050 SFF; I5-7500 OPEN MARKET	30	590.44	17,713.20
Product Subtotal				25,276.98
TAX				2,047.44
Total				27,324.42

Thank you for considering Insight. Please contact us with any questions or for additional information about Insight's complete IT solution offering.

Sincerely,

Andrew Strelow
4804096107
ANDREW.STRELOW@INSIGHT.COM
Fax 4807606251

Amanda Luedy
4803333534
AMANDA.LUEDY@INSIGHT.COM

Insight Global Finance has a wide variety of flexible financing options and technology refresh solutions. Contact your Insight representative for an innovative approach to maximizing your technology and developing a strategy to manage your financial options.

This purchase is subject to Insight's online Terms of Sale unless you have a separate purchase agreement signed by both your company and Insight, in which case, that separate agreement will govern. Insight's online Terms of Sale can be found at: http://www.insight.com/en_US/help/terms-of-sale-products-ips.html

**GHA Technologies, Inc.**

Dept. #2090
PO Box 29661
Phoenix, Arizona 85038
United States
<http://www.gha-associates.com>
(P) 480-951-6865
(F) 480-951-6956

Quotation (Open)**Date**

May 08, 2017 07:04 AM
EDT

Doc #

1530824 - rev 1 of 1

Description

None

SalesRep

Goater, Nicholas
(P) 480-308-8744
(F) 480-951-6956

Customer Contact

Shaffer, Trenton
Trenton.Shaffer@florenciaz.gov

Customer

City of Florence (TO0021)
Shaffer, Trenton
775 N Main Street
Florence, AZ 85232
United States
(P) 520-868-7516

Bill To

City of Florence
Payable, Accounts
PO Box 2670
Florence, AZ 85232
United States
(P) 520-868-7577
dan.bennington@florenciaz.gov

Ship To

City of Florence
Shaffer, Trenton
775 N Main Street
Florence, AZ 85232
United States
(P) 520-868-7606
Trenton.Shaffer@florenciaz.gov

Customer PO:**Terms:**

Undefined

Ship Via:

FedEx Ground

Special Instructions:**Carrier Account #:**

#	Description	Part #	Tax	Qty	Unit Price	Total
1	Dell OptiPlex 3050 SFF - 1 x Core i5 7500 / 3.4 GHz - RAM 8 GB - SSD 128 GB - DVD-Writer - HD Graphics 630 - GigE - Win 10 Pro 64-bit - monitor: none - Dell Smart Selection	44M5R	Yes	30	\$591.63	\$17,748.90
2	Dell OptiPlex 7050 SFF - 1 x Core i7 7700 / 3.6 GHz - RAM 8 GB - SSD 256 GB - DVD-Writer - HD Graphics 630 - GigE - Win 10 Pro 64-bit - vPro - monitor: none - Dell Smart Selection	83F9F	Yes	4	\$979.16	\$3,916.64
3	Dell OptiPlex 7050 MT - 1 x Core i7 7700 / 3.6 GHz - RAM 16 GB - SSD 256 GB - DVD-Writer - Radeon R7 450 - GigE - Win 10 Pro 64-bit - vPro - monitor: none - Dell Smart Selection	OY88G	Yes	3	\$1,152.62	\$3,457.86
4	APC Back-UPS BE600M1 UPS - AC 120 V - 330 Watt - 600 VA - output connectors: 8 - black	BE600M1	Yes	30	\$58.07	\$1,742.10

Subtotal: \$26,865.50
Tax (7.950%): \$2,135.81
Shipping: \$0.00
Misc: \$0.00
Total: \$29,001.31

Free ground shipping.

Sales tax calculation is estimated and subject to change. Terms Definition: Unless agreed upon otherwise; Net 30 terms, cash in the GHA bank 30 days from the date of shipment. Lease payment calculations are estimated and may include sales tax in the payment amount. You can obtain an accurate lease quote from our leasing company. Rates are subject to change without notice.

GHA is an authorized and leading supplier for Microsoft, HP, Apple, Dell, Lenovo, VMWare, IBM and Cisco. GHA does not source any of these products from the gray market. If you have a pending quotation from a competitor that is significantly less in price, that may be a strong indication of gray market involvement. Please immediately bring this to the attention of your sales professional who can verify with the manufacturer for your benefit and protection. Your sales representative can also talk to you about the risks associated with doing business with a gray market supplier. The prices quoted may change due to market conditions beyond our control. GHA cannot be responsible for manufacturer availability or delays. No verbal quotations or promises can be honored unless set forth herein. Returns Policy: Custom computers and technology orders are non-cancellable and non-returnable. No return will be accepted after 30 days from the invoice date. Goods accepted for credit upon return will be subject to handling/restocking charge, which shall be not less than 15%

of the price of Goods. Custom-made Goods are not subject to cancellation or return under any circumstances. In no case are Goods to be returned without first obtaining Seller's written permission. Goods must be securely packed in the original packaging and delivered to Seller in an undamaged condition with Buyer being solely responsible for paying all return freight expenses and keeping the GHA invoice current within 30 days from the date of shipment regardless of the reason for a return. All returns must be accompanied by an authorized RMA number, which is valid for 15 days after date of issuance. GHA Technologies makes NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE with respect to the goods described hereon. This document shall be governed by the laws of the State of Arizona. ****CONFIDENTIAL - THIS QUOTE HAS BEEN PROVIDED FOR CLIENT AND GHA PURPOSES ONLY**** CORPORATE OFFICE: (REMIT PAYMENTS TO THE DEPARTMENT NUMBER AND PO BOX LISTED ABOVE; NO PAYMENTS SHOULD BE MAILED TO THE CORPORATE OFFICE) GHA Technologies, Inc. 8998 E. Raintree Drive Scottsdale, AZ 85260

Prepared by:

Margery Murphy | Margery.Murphy@pcmg.com

P:(866) 310-0118 | F:(937) 415-9518

Client: TOWN OF FLORENCE

ACCOUNTS PAYABLE

Phone: 520-868-7507

Expire Date: 05/15/2017

Quote # : B0313343

Account #: 165966375

PCM #	MFR #	Product Description	Mfg.	Qty.	Unit Price	Ext. Price
40478989	44M5R	OPTIPLEX 3050 SFF I5-7500 8GB 128GB	DELL	30	\$608.60	\$18,258.00
40478936	83F9F	OPTIPLEX 7050 SFF I7-7700 / W10 PRO /	DELL	4	\$1,012.00	\$4,048.00
40478858	0Y88G	OPTIPLEX 7050 MT I7-7700 / W10 PRO /	DELL	3	\$1,156.40	\$3,469.20
40122892	BE600M1	APC BACK-UPS ES 600VA 120V 1 USB CHARG	APC	30	\$62.45	\$1,873.50

Ship To: TRENTON SHAFFER
TOWN OF FLORENCE
775 N MAIN STREET
FLORENCE, AZ 85132

Total: \$27,648.70
UPS GROUND: 0.00
Tax: 2,101.31
Grand Total: 29,750.01

Lease Estimate (Monthly Rates)

	Fair Market Value	\$1 Buyout
24 Months	\$1,191.49	\$1,386.65
36 Months	\$833.30	\$932.96
48 Months	\$685.44	\$726.14


Lease rate subject to credit approval. Special programs available for 100% software leases. Specify lease options before ordering.

Quote Notes

[View Terms of Service and Policies at PCM.com](#)

*** Pricing and availability are subject to change. Final pricing to be discussed at time of purchase. ***

Shipping, handling, and tax per client selected method will be prepaid and added.

	TOWN OF FLORENCE COUNCIL ACTION FORM	<u>AGENDA ITEM</u> 7c.
MEETING DATE: May 15, 2017 DEPARTMENT: Administration STAFF PRESENTER: Jennifer Evans, Management Analyst SUBJECT: Letter of Support for the Planning Assistance for Rural Arizona Grant 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:

Motion to approve the Letter of Support for the Planning Assistance for Rural Arizona grant application.

BACKGROUND/DISCUSSION:

The Planning Assistance for Rural Arizona (PARA) Program is sponsored by the Arizona Department of Transportation (ADOT) to provide assistance to municipalities in the development of transportation planning studies that lead to transportation improvements. A transportation plan analyzes the existing roadway network, right of way, functional classifications, zoning, traffic, geographic and topographic constraints and determines a future transportation network. A letter of support from the Florence Town Council is required to be submitted with the PARA Program application.

The Florence Transportation Plan will help determine, and ultimately create, transportation policies and strategies including access management. The plan will determine short, mid and long term infrastructure priorities that will ultimately be part of the Town's Capital Improvement Plan. The plan will contain revenue analysis, funding gap analysis and develop 25-year socioeconomic projections. The plan will also be used to update the Town's Development Impact Fee Study.

Under the PARA Program, ADOT's responsibilities will include assigning a Regional Transportation Planner to be responsible for overall project management, oversight of the consultant selection process, and payment for consultant services.

The Town's responsibilities under the program will be to provide staff that will assist ADOT as part of the study team. The team will help develop materials used in the public involvement process that includes public meetings, Technical Advisory Committee meetings, forums and stakeholder meetings. Town staff also will provide technical input and administrative guidance as needed.

A “Yes” vote to approve the letter of support will allow Town staff to submit the letter as required by the PARA Program.

A “No” vote will mean the Town will not submit the required letter of support.

FINANCIAL IMPACT:

The PARA Program covers 100% of the planning study cost. There is no funding match required by the Town.

STAFF RECOMMENDATION:

Approve the letter of support for the PARA grant application.

ATTACHMENTS:

Letter of Support

May 15, 2017

Jason Bottjen
Planning Program Manager
Multimodal Planning Division
Arizona Department of Transportation
206 South 17th Avenue
MD 310B
Phoenix, AZ 85007

Dear Mr. Bottjen,

The Florence Town Council supports the Town of Florence's application to the Planning Assistance for Rural Arizona Program that provides assistance with developing Transportation Planning Studies. The Town of Florence is applying for assistance to develop its transportation plan that will replace the Coolidge-Florence Regional Transportation Plan completed in April 2008. The transportation plan will analyze the existing roadway network, right of way, functional classifications, zoning, traffic, geographic and topographic constraints to determine a future transportation network. A new transportation plan is needed to address changes in growth patterns that have occurred over the past several years in addition to future growth projections.

We request you give favorable consideration to the Town of Florence's application to the Planning Assistance for Rural Arizona Program.

Sincerely,

Tara Walter
Mayor

MINUTES OF THE FLORENCE TOWN COUNCIL MEETING HELD ON MONDAY, APRIL 3, 2017, AT 6:00 P.M., IN THE FLORENCE TOWN COUNCIL CHAMBERS, LOCATED AT 775 N. MAIN STREET, FLORENCE, ARIZONA.

CALL TO ORDER

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

ROLL CALL:

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

MOMENT OF SILENCE

Mayor Walter called for a moment of silence.

PLEDGE OF ALLEGIANCE

Mayor Walter 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.

PRESENTATION

Presentation by Mr. Mark Taylor on the Central Arizona Project.

Mr. Mark Taylor, Central Arizona Project (CAP) Boardmember, provided an in-depth presentation, in which he outlined the following:

- CAP is primarily composed of water from the Colorado River
- Seven Basin States & Mexico Annual Allocations
 - Upper Basin – 7.5 Million Acres of Feet (MAF) (One acre-feet equals 326,000 gallons)
 - Colorado, Wyoming, Utah, New Mexico
- Lower Basin – 7.5 MAF
 - Arizona, California, Nevada
- Mexico – 1.5 MAF
- Mean Annual Flow - 15 MAF (1906 – 2011)
 - Serves over 80% of Arizona population (Pinal, Pima, and Maricopa County)
- Location of CAP
 - Get 7.5 million acre feet of water

- Arizona gets 2.8 million acre feet of that water
 - California gets 4.4 million acre feet of that water
- Lake Mead and Lake Powell are the two water reservoirs
 - Lake Mead controls water for the lower basin
 - Lake Powell controls water for the upper basin
- Priority of water
 - Arizona has the lowest priority to get funding
 - 336 miles of canals stretching from Lake Havasu to south of Tucson. The canals use the contours of the land to make best use of gravity to move water through the system.
- 14 pumping plants pump water nearly 3000 feet uphill along the way. The electricity comes from the Navajo Generating Station. CAP uses Lake Pleasant north of Phoenix to store water during the low water-use season for distribution during the hot summer months.
- Diverse customers
 - 11 tribes
 - 14 irrigation districts
 - 50+ cities
- CSP has added more than \$1 trillion to Arizona's economy
- Junior Priority – vulnerable to shortage
- The Central Arizona Project system includes:
 - Tunnels, check stations, turnouts, wildlife and cattle crossings to protect the natural habitats of Arizona's wildlife.
- CAP has delivered more than 25 million AF (8.1 Trillion Gallons) since 1985
 - Compromises along the way
 - CAP has junior priority
 - NGS built instead of additional hydroelectric dams
- Three Colorado River Challenges – A Growing Gap
 - Colorado River Water Supply and Demand Study
 - Projected annual demands range from 13.8 and 16.2 MAF by 2060
 - Projections include:
 - Slow Growth
 - Historical Average Growth
 - Rapid Growth
 - Climate Change
 - Approximately a 20% spread between the Slow Growth, Rapid Growth and Climate Change demand scenarios
 - Average annual imbalance by 2060 is approximately 3.2 million AF (depending on the supply and demand scenario)
- Three Colorado River Challenges – A Long-Avoided Risk
 - Normal Inflow: 9.0 MAF (Release from Lake Powell plus smaller rivers)
 - Normal Outflow: 9.6 MAF
 - Evaporation: 0.6 MAF
 - Balance" -1.2 MAF
 - Approximately 12-foot decline in normal year
 - The real issue with Lake Mead is that we are taking more out of the reservoir than is flowing in during normal years.
 - Evaporation from Lake Mead is not being considered by reducing our annual 'take'.

- Lake Mead Elevation
 - 2000: 1,220 ft.
 - 91% full – 25 MAG
 - 2001 – 2011
 - Structural deficit
 - 1,200 to 1,080 ft.
 - 2011-2013
 - Equalization
 - 1,080 to 1,140 ft.
 - 2013-2016
 - 1,140 to 1,075 ft.
 - 34% full – 9.3 MAF
- Lake Mead & Powell Status
 - Lake Powell
 - 1/1/2000
 - 87% Full or 21.3 MAF
 - 3/12/2017
 - 3,594 ft.
 - 46% Full or 11.2 MAF
 - Lake Mead
 - 1/1/2000
 - 91% Full or 25 MAF
 - 3/12/2017
 - 1089.2 ft.
 - 41.8% Full or 10.8 MAF
- Risks from Lake Mead Decline
- At 1075 ft.
 - Arizona takes 320 KAF shortage reduction
- At 1050 ft.
 - Arizona takes 400 KAF shortage reduction
 - Reductions in hydropower generation
- At 1025 ft.
 - Arizona takes 480 KAF shortage reduction
 - Secretary will take additional actions to protect Lake Mead
 - Significant cavitation risk for hydropower generation
- At 1000 ft.
 - Active storage in Lake Mead is equal to CA's allocation (~4.4 MAF)
 - "Run of River" operations - insufficient storage to meet deliveries to AZ, CA, NV, and MX
- At 895 ft.
 - Dead pool; only 2 MAF in storage
- LBDGP Reductions

Lake Mead Elevation	AZ (2007)	AZ (Plan)	AZ Total	NV 2007	NV Plan	NV Total	CA 2007	CA Plan	CA Total	USBR	Mexico Minute 319*	Total
1,090-1,075	0	192,000	192,000	0	8,000	8,000	0	0	0	100,000	0	300,000
1,075-1,050	320,000	192,000	512,000	13,000	8,000	21,000	0	0	0	100,000	50,000	683,000
1,050-1,045	400,000	192,000	592,000	17,000	8,000	25,000	0	0	0	100,000	70,000	787,000
1,045-1,040	400,000	240,000	640,000	17,000	10,000	27,000	0	200,000	200,000	100,000	70,000	1,037,000
1,040-1,035	400,000	240,000	640,000	17,000	10,000	27,000	0	250,000	250,000	100,000	70,000	1,087,000
1,035-1,030	400,000	240,000	640,000	17,000	10,000	27,000	0	300,000	300,000	100,000	70,000	1,137,000
1,030-1,025	400,000	240,000	640,000	17,000	10,000	27,000	0	350,000	350,000	100,000	70,000	1,187,000
<1,025	480,000	240,000	720,000	20,000	10,000	30,000	0	350,000	350,000	100,000	125,000	1,325,000

- CAP Priority Pools
- Drought Contingency Plan
 - Conservation accomplished through three mechanisms
 - Need to do more to preserve water in Lake Mead if we are to avoid the reservoir falling below 1,025'. At that point, the Secretary of the Interior could step in and make changes to protect the River and drinking water users.
- New Agreement with Mexico
 - A framework for long-term planning and conservation activities to protection of water levels in Lake Mead.
 - Continue shortage and surplus sharing
 - Expand conservation projects
 - Continue study of binational desalination
 - Continuation of environmental flows
 - Additional salinity management projects
 - Additional Mexico water use reductions
- Enhancing CAP System Flexibility
 - There has been long-standing interest in using the CAP system in "non-traditional" ways
 - Wheeling additional supplies – moving non-project water
 - Two kinds of wheeling are proposed.
 - Reclamation wheeling is based on existing capacity, on year-to-year, as-available basis

- Tribes and federal agencies have priority
- CAWCD wheeling is based on expanded capacity, developed over time
- Contracts can be issued based on planned improvement projects
- Guaranteed capacity, suitable for long-term purposes
- Implements a concept proposed by Phoenix, Tucson and Metro
- Phoenix recharges some of its water in Tucson now
- Later, Tucson/Metro recovers Phoenix credits in exchange for a reduced CAP delivery in Tucson
- The exchanged CAP water is delivered to Phoenix
- Firming existing supplies—moving water recovered from underground storage during shortages
 - “Firming Water” is available to satisfy reductions to contract orders due to shortage or unplanned outage
 - Includes tribal contracts and non-tribal subcontracts
 - Sources of firming water are identified
 - Methods include both direct recovery into the canal, and exchanges
 - CAP can deliver firming water without a separate wheeling agreement
- Exchanges of existing supplies – moving water from one CAP customer to another
- The SUA contemplates new exchanges, including M&I subcontractors exchanging with a separate party, for firming and non-firming purposes
- Implements a concept proposed by Phoenix, Tucson and Metro
- Phoenix recharges some of its water in Tucson now
- Later, Tucson/Metro recovers Phoenix credits in exchange for a reduced CAP delivery in Tucson
- The exchanged CAP water is delivered to Phoenix
- CAP System Use Agreement
 - Establishes a legal framework using the system
 - Protects the rights of existing users
 - Facilitates the expanded use of exchanges
 - Clarifies methods for recovery of stored water
 - Defines priorities for delivery capacity
 - Leverages existing infrastructure investments
 - Benefits all CAP customers
- CAP’s Energy Challenge
 - 95% of the energy used by CAP is produced at the coal-fired Navajo Generating Station (NGS) near Page, AZ
 - CAP, through the Bureau of Reclamation, has access to nearly 25% of the power produced each year
- Navajo Generating Station
 - Constructed in 1970s to provide power to CAP
 - Three coal-fired units; 2,250 megawatts (MW).
 - Located on Navajo Nation near Page, AZ.
 - Operated by Salt River Project on behalf of six participants.
 - Over 520 employees, 85% Navajo.
 - Total share owned by LADWP and NV Energy: 33.5%, approximately the percentage of power generated by one unit at NGS.

- A New Reality – NGS Closure by 2019
 - Natural Gas prices have plummeted and are likely to stay low.
 - The plant owners have determined they cannot afford to keep using NGS.
 - CAP must look elsewhere for future power supplies.

Councilmember Wall inquired what other sources of power does CAP have.

Mr. Taylor stated they have several options for power. They purchase power from the open market, access power from Arizona and California, and use natural gas. He stated that they are also looking at their options for the future, such as the possibility of building an asset, leasing an asset or continue to purchase from the open market.

Councilmember Wall inquired what can cities and towns do to help alleviate the potential inflow or outflow from Lake Mead.

Mr. Taylor stated that their focus is on water and electricity conservation. He stated that cities and towns can also offer support at the legislature.

Mayor Walter inquired if they do any type of public education.

Mr. Taylor stated that CAP has a very strong conservation component and explained how they have water storage and what they are doing to prevent a shortage with Lake Mead.

Presentation by Christina Sheperd, Advisor for the Student Leadership Organization of Central Arizona College, regarding the Exemplary Leadership at Central Arizona College and Pinal County and in celebration of Women's HERstory 2017.

Ms. Christina Sheperd, Advisor for the Student Leadership Organization of Central Arizona College, introduced two of its members, Ms. Cortez, President of the Student Leadership Organization, and Ms. Gutierrez, Student at Central Arizona College, who spoke on the following topics:

- Mission of the organization
 - Bringing students together, being leaders, engaging the community, and striving to reach their goals for a bright future.
 - Attend many conferences and conventions
 - Plan events for the college and the community
 - Recent community event was the annual Women's Luncheon (HERstory)
 - March is declared as HERstory Month worldwide.
 - Each year Central Arizona College's Student Leadership Organization recognizes exemplary women of CAC and Pinal County for the impact they have made and continue making in the community. The women who are recognized receive an award.
 - Mayor Tara Walter was recognized.
- Promise for the Future
 - Was conceived as an educational initiative in a dropout prevention project in 2001 to encourage students to stay in high school and graduate.

- Students, along with their parents, sign a contract of commitment during their eighth-grade year.
- By reaching out to students and their parents to sign a contract in 8th grade, Promise opens a door for families to begin thinking about college at an earlier age, becoming an incentive for completing high school, and providing knowledge that college will be affordable.
- Students, who are Pinal County residents, graduate from a Pinal County high school with a 2.75 or better grade point average, and participate in 20 hours of community service are eligible for a Promise for the Future scholarship that pays for four consecutive semesters of tuition to any of the Central Arizona College campuses.
- This is a scholarship valued of nearly \$4,000.
- Support was far reaching through many individual, corporate and foundation gifts.

Mayor Walter was very inspired by the students who hosted the HERstory event. She stated that a representative from CAC presented to all 8th grade students in the Florence Unified School District regarding the Promise to the Future Program and what it offers.

Mayor Walter presented the Student Leadership Organization with a personal donation.

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 April 2017 as Fair Housing Month in the Town of Florence.

Approval of an addendum to the Lease Agreement dated October 1, 2016, by and between the Town of Florence, and Bucks 4 Style, LLC, for Silver King Marketplace, Suite 102, to use the east section of the adjacent Carriage House for storage.

Approval of an addendum to the Lease Agreement dated October 1, 2016, by and between the Town of Florence, and Seconds Please...On Main, LLC, for Silver King Marketplace, Suite 202, to use the west section of the adjacent Carriage House for storage.

Appointment of Duane Noack to the Arts and Culture Commission with a term to expire December 19, 2019.

Appointment of Scott Goodballet to the Board of Appeals, with a term to expire December 31, 2021, and to accept the resignation of Charles Goodballet from the Board of Appeals, effective March 30, 2017.

On motion of Councilmember Anderson, seconded by Councilmember Larsen, and carried to approve the consent Agenda, as written.

NEW BUSINESS

Ordinance No. 653-17:

Mayor Walter read Ordinance No. 653-17 by title only.

AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AMENDING CHAPTER 30 TOWN COUNCIL, GENERAL PROVISIONS SECTION, EFFECTIVE MAY 17, 2017.

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, stated that the Rules of Council Procedure were discussed at the last Worksession. She stated that the Town Code must be modified in order to change the Rules of Council Procedure so that the rules match the ordinances.

Ms. Garcia stated that Ordinance No. 653-17 refers to the election of a Vice-Mayor as well as travel reimbursement. The section in the Town Code will be rearranged to make more sense. She stated that the changes are as follows:

- Election of Vice-Mayor
 - At the same meeting at which Council is seated, the Council shall designate one of its members as Vice Mayor, who shall serve at the pleasure of the Council. The Vice Mayor shall perform the duties of the Mayor during his or her absence or disability.
 - This will take place at every election, including potential recall elections.
- Travel Reimbursement
 - In addition to monthly compensation, each Councilmember shall be reimbursed on the same basis as town employees for necessary expenses incurred in the attendance of liaison duties, trainings and conferences as are deemed beneficial to the town and as allowed by the annual budget.
 - This section was removed from the compensation section.
 - All trainings must be included within the budget to ensure availability of funding.

Councilmember Wall inquired how is it determined what is beneficial with regards to wording in Option 2 of Ordinance No. 653-17.

Ms. Garcia stated that Council would determine what services are considered beneficial and would include them into their budget as part of the budget process. This would include trainings and conferences such as the League of Arizona Cities and Towns Conference and the Rural Economic Development Conference. Other items to be included may be for travel to attend Council Liaison meetings.

Councilmember Hawkins stated that it is his opinion that they should leave the travel status quo. He stated that the Council receives a monthly stipend as well as the use of a Town vehicle and gas card, should travel be necessary. He stated that each Councilmember is made aware of their responsibilities when they run for office. He also noted that current budget constraints need to be considered. He stated there are not many meetings that are outside of Pinal County.

Vice-Mayor Woolridge agreed with Councilmember Hawkins that the stipend is to be used for travel in the course of your position on the Council.

Councilmember Anderson stated that the Code needs to be corrected because it only allows for three meetings per year. He stated that if the Mayor wants the Council to attend monthly meetings, the Code needs to be amended. He stated that the travel can be controlled through the budget and the Mayor's appointments to the committee(s).

Vice-Mayor Woolridge clarified that the three meetings listed in the Code refer to trainings and conferences, not monthly liaison meetings.

Ms. Garcia read Section B of the current Rules of Procedure, which states: *"In addition to monthly compensation, each Councilmember shall, without prior approval of the Council, be reimbursed on the same basis as the town employees for necessary expenses incurred in the attendance of up to three in-state, but out-of-county, meetings each fiscal year. Each Councilmember may also, by prior Council approval, attend and be reimbursed for such out-of-state or in-excess in-state meetings and/or out-of-pocket expenses as are deemed beneficial to the Town of Florence and as approved by the annual budget"*. She stated if Council chooses to leave this section status quo, staff still would recommend to move the reimbursement section from the compensation section so that it would not be listed under compensation.

Ms. Garcia explained that this agenda item was at the request of Councilmember Anderson.

Councilmember Anderson explained that he enjoys attending meetings as a representative of the Town and Council; however, he will not attend future meetings if Council so chooses. He will not drive a Town vehicle nor will he allow Town staff to drive him.

Councilmember Wall stated that there should be some provision for Council to be reimbursed for mileage and meals for travel outside of the municipal boundaries. She stated that the mileage is just as much for Councilmember Anderson to drive to Town Hall to pick up a vehicle as it is to drive to meetings. She stated it is not unreasonable for a Councilmember to be reimbursed if they have been assigned as a liaison and is expected to attend the meetings.

Councilmember Larsen and Councilmember Guilin both agreed with Councilmember Wall.

Discussion occurred on wording for travel reimbursement.

Ms. Garcia stated that she will rewrite the sections for compensation and reimbursement. She will write the ordinance with two different options for consideration.

Ordinance No. 654-17:

Mayor Walter read Ordinance No. 654-17 by title only.

AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AMENDING CHAPTER 30 TOWN COUNCIL, RULES OF ORDER AND PROCEDURE SECTION 30.21, REGULAR MEETINGS, EFFECTIVE MAY 17, 2017.

Ms. Garcia stated that Ordinance No. 654-17 modifies the regular meeting dates and allows the Council to not hold Regular Meetings on the first Monday in July nor the third Monday in

December. If Town business requires the Town to hold a meeting on either of these dates, the meeting will be a Special Meeting.

Resolution No. 1621-17:

Mayor Walter read Resolution No. 1621-17 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AMENDING THE FLORENCE TOWN COUNCIL RULES OF PROCEDURE, EFFECTIVE MAY 3, 2017.

Ms. Garcia stated that if Council agrees with Ordinance No. 653-17 and Ordinance No. 654-17, Resolution No. 1621-17 will change the Rules of Procedure. She stated that the changes include:

- Speaker Request Forms will be used for the first and second Call to the Public.
- The Vice-Mayor will be appointed at each election.
- No Regular Meetings will be held on the first Monday in July nor the third Monday in December. If a meeting is needed, it will be considered a Special Meeting.
- Other changes were structural changes only.

Ms. Garcia asked for Council to table this item so that it can be rewritten to match the ordinances.

On motion of Vice-Mayor Woolridge, seconded by Councilmember Larsen, and carried to table Resolution No. 1621-17.

Discussion and direction for staff to proceed or not to proceed with the proposed Attaway Crossing annexation.

On motion of Councilmember Anderson, seconded by Councilmember Larsen, and carried to remove this item from the agenda.

Discussion/Approval/Disapproval of the acceptance of the improvements for the Anthem at Merrill Ranch Subdivision Unit 17C prior to the start of the warranty period which shall be retroactive to September 13, 2016.

Mr. Chris Salas, Public Works Director, stated that the warranty period started September 13, 2016 and is still under warranty. He stated that there are broken sidewalks within Unit 17C and the sidewalks will be repaired under the warranty period. He stated that the streetlights have been completed and are subject to a two-year warranty period prior to maintenance acceptance.

On motion of Councilmember Guilin, seconded by Councilmember Wall, and carried to accept the improvements for the Anthem at Merrill Ranch Subdivision Unit 17C prior to the start of the warranty period which shall be retroactive to September 13, 2016.

LEGISLATIVE REPORT

Mr. Jess Knudson, Assistant Town Manager, provided an update, which included:

- Discussions taking place with regards to the State Budget and how it will affect municipalities
- Strike everything amendments where have previously gone through Committee or were put on hold. The sponsor of that bill can come back in and strike out every word of that bill and replace it with new language.
 - Bills are being closely monitored.
- Bills of concern that affect local control
 - Senate Bill 1371 – Hotel/Motel ownership prohibition
 - Regarding the City of Phoenix owning and operating a Sheraton Hotel to help with their convention center.
 - Bill takes away the ability for any city or town to own a hotel/motel.
 - Concerning how it affects decisions at a local level
 - House Bill 2419 -Occupational Licensing
 - Restricts the town from having any new categories for occupational licensing
 - Town has no control over any new classifications of licensing
 - New cities or towns will not be able to have any occupational licensing.
 - House Bill 2030 – Automated Kiosks
 - Eco – ATM is pushing a bill that would allow for the placement of their kiosks for cell phones.
 - Bill does not allow for transaction funds to come to municipalities
 - Will not be able to collect fees allotted to investigate stolen items
 - Concern about no one physically present to check identifications, etc.
 - Senate Bill 1329 – Fire Flows
 - Will allow developers to construct homes without the proper fire flows
 - Bill was dead; however, showed up on the agenda this week

Mr. Knudson stated that Governor Ducey presented his budget. The House has come forward with their version of the budget and the bills that they have put forward. Staff expects to get more information from the Senate.

Mr. Knudson stated that two key issues from the House budget is university funding that would come out of city and town dollars. Staff is asking that the State find other funding mechanisms. He stated that the House identified funding from the State's General Fund. Secondly, the House is putting \$30 million back in to the HURF budget.

Mr. Knudson stated that are no updates regarding CDBG and TIGER grant funding from the federal level.

TOWN MANAGER'S REPORT

Mr. Billingsley announced that July 10, 2017 will be the Harpo Celaya renaming ceremony at the local post office.

Mr. Billingsley stated that there were several events that took place on April 1, 2017, which included:

- Little league officially kicked off at Heritage Park
- 9th Annual Spring Fling event at Anthem at Merrill Ranch
- Road to Country Thunder was held in downtown Main Street.

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- Estimated 1500 people attended

Mr. Billingsley invited everyone to attend the Easter Eggstravaganza at Heritage Park on April 8, 2017. The Pinal County Mounted Posse will have a pancake breakfast and there will be several other activities as well including 12,000 stuffed Easter eggs. The event is co-sponsored with the Mosaic Church of the Nazarene.

Mr. Billingsley invited everyone to attend the Movie in the Park on Saturday, April 15, 2017. The movie will be the Secret Life of Pets.

Mr. Billingsley thanked the Kempton and Bagnall families for their donation of time in cleaning up the Adamsville Cemetery.

Mr. Billingsley stated that the Town and Pinal County co-sponsored a MAG-300 ICS training for disaster response. He stated that the class was full and many entities participated. The MAG – 400 training will take place in June 2017.

Mr. Billingsley stated that the Regional Transportation Authority (RTA) Community will have a public hearing which will be an Open House on April 6, 2017 at the Library and Community Center. Mr. Andy Smith, Pinal County, previously presented the routes of regional significance for safety and mobility. He stated that this will provide the public with an opportunity to learn more about the RTA and ask questions or provide comments on the future election of the half-cent sales tax. He invited everyone to attend.

Mr. Billingsley stated that the 2017 Boards and Commissions Appreciation Dinner has been scheduled for April 25, 2017.

DEPARTMENT REPORTS

Community Development
Courts
Finance
Fire
Library
Parks and Recreation
Police
Public Works

The Department Reports were received and filed.

CALL TO THE PUBLIC

There were no public comments.

CALL TO THE COUNCIL – CURRENT EVENTS ONLY

Councilmember Larsen stated that the events on April 1, 2017 were well attended and everyone had a great time. It was great to see so much happening in Town.

Councilmember Wall stated that she had a great time at the Road to Country Thunder event. She also attended the Arizona Association for Economic Development at CAC. The focus was on what we (southeastern Pinal County) do to promote further economic development. The report will be presented to Council once it is provided.

Councilmember Anderson stated that the IDA is in support of the Façade Program and the policies for the program need to be approved. The IDA is willing to run the program.

Councilmember Anderson stated that there was an article in the Arizona Republic regarding the training of horses at the Arizona State Prison. He stated that it was good PR for the Town and the prison.

Councilmember Guilin asked that the Façade Program be brought before the Council for adoption.

Councilmember Hawkins complimented staff with regards to the Road to Country Thunder event. He heard quite a bit of positive feedback.

Mayor Walter thanked Taco Bell for the challenge they sponsored and for the prizes they offered, which included:

- \$500 to the Florence High School Band
- \$1,000 to the Florence High School Football Team
- \$2,000 to the Florence High School Cheerleaders

Mayor Walter stated that it was a huge investment in the Town and our youth.

Mayor Walter stated that the Arts and Culture Commission hosted the Sidewalk Chalk event. She also thanked the many entities who helped support and sponsored the event. She is proud to live and serve in Florence.

Mayor Walter thanked the Police Department for addressing the Florence Gardens resident's concerns regarding entering and exiting the park during the Country Thunder event.

ADJOURN TO EXECUTIVE SESSION

An Executive Session will be held during the Council Meeting for the purposes of discussions or consultations with designated representatives of the public body and/or legal counsel pursuant to A.R.S. Sections 38-431.03 (A)(3), (A)(4) and (A)(7) to consider its position and instruct its representatives and/or attorneys regarding:

- a. Enforcement of International Building and Fire Codes for property located at 374 N Main St, Florence, AZ 85132 including Order of Notice of Unsafe Structure, Suspension of Certificate of Occupancy.**
- b. Fire Certificate of Need (district): Fire Joint Powers Authority.**

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

ADJOURN FROM EXECUTIVE SESSION

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

ADJOURNMENT

On motion of Councilmember Wall, seconded by Councilmember Anderson, and carried to adjourn the meeting at 8:01pm.

Tara Walter, 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 April 3, 2017, 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, APRIL 17, 2017, AT 5:00 P.M., IN THE FLORENCE TOWN COUNCIL CHAMBERS, LOCATED AT 775 N. MAIN STREET, FLORENCE, ARIZONA.

CALL TO ORDER

Mayor Walter called the meeting to order at 5:00 pm.

ROLL CALL:

Present: Walter, Hawkins, Guilin, Wall, Larsen, Anderson (arrived at 5:24 pm)

Absent: Woolridge

WORK SESSION

Review of the 2017-2018 Fiscal Year Budget.

Mr. Joe Jarvis, Finance Director, provided a presentation, in which he outlined the following:

- Why are we here?
 - Each year the Town Council must approve an expenditure limitation which serves as the Town of Florence Budget.
 - The amount approved by the Council is the maximum amount of funds that the Town can legally spend in a particular fiscal year.
 - This process includes adopting a series of budgets with the following due dates and must adhere to Arizona posting requirements:
 - Tentative Budget must be adopted on or before the 3rd Monday in July
 - Tentative budget to be presented to the Council by the end of May or the first part of June for consideration.
 - Will hold the required public hearings in the near future
 - Final budget must be adopted on or before August 3rd.
- State Imposed Limitation/Election Information
 - The voters approved a four-year alternative expenditure limitation (Home Rule) on August 30, 2016, to allow the Town to regain local control.
 - Home Rule does not impact the amount of money the Town receives in revenue; it restricts the amount that the Town can expend.
- Budget Basics
 - The budget is broken into funds which are distinct and separate components of operations that occur within the Town.
 - Each fund has its own revenue stream and expenditures and they are tracked as part of the overall budget.
 - Within each fund there are sub-categories known as Departments which further breakdown expenditures for transparency.
 - Staff analyzes the revenues and expenditures for each fund separately.
- Town funds
 - 010 General Fund

- 011 General Capital Improvements Fund
- 012 HURF/Streets/Fleet Fund
- 013 Food Tax Fund
- 014 Economic Development Fund
- 015 Debt Service Fund
- 019 Capital projects Fund E.D.
- 051 Water Fund
- 052 Wastewater Fund
- 053 Sanitation Fund
- 200 Series Grant Funds
- District Funds
 - 300 Series Street Light Improvement District Fund (SLID)
 - 500 Series Impact Fee/Special Revenue Fund
 - 900 Series Community Facility Districts (CFD)
- 2017-2018 Budget Assumptions
 - Assumptions are used as a guide to develop the budget
 - Up to \$1.7M reduction in state shared revenue due to population correction by the US Census
 - Population figures will be available in May 2017
 - Uncertainty as to what the revenue will be this next fiscal year for the five state shared revenue sources

Mr. Brent Billingsley, Town Manager, stated that the concerns are:

- State Shared Revenue
 - Discrepancies with the US Census population figures
 - Modified methodology that is being used for inmate population
 - Surveys are now being done in June which is a low month for prison population.

Mr. Jarvis continued with his presentation, in which he outlined the following:

- 2017-2018 Budget Assumptions (continued)
 - 10% increase in medical and dental benefits over FY17
 - Increases to:
 - Arizona State Retirement System (ASRS): .2%
 - Public Safety Personnel Retirement System (PSPRS): 4.73%
 - Fire Departments 3.95%
 - Changes because of the Hall case and additional brackets added to Public Safety Personnel Retirement System (PSPRS)
 - Trend analysis for revenues/expenditures (conservative)
 - Utilities increase 1% (electric/gas)
 - Liability Insurance increase 4%
 - Continuing to evaluate all vacancies as they arise
- What have we done
 - Developed Draft Capital Improvement Plan (CIP)
 - Developed revenue assumptions

- League of Arizona Cities and Towns have provided the Town its revenue estimates for the upcoming fiscal year
 - The League used the incorrect census figures so the Town could not base its revenue projections on the information provided.
 - Staff reviewed what was collected over the last three years and did a calculation based on the anticipated population. Staff then created an assumption on the five critical shared revenues.
 - The figures are conservative and are based on the FY15 results.
- Reviewed inter-fund transfer program
- Reviewed salary splits
 - Approximately 15 employees have split salaries
- Reviewed all budget requests
- Staff has gone to market for benefits
- Worked with departments to make operational cuts
 - Staff was directed to submit a flat budget

- Budget Status – updated from the last time it was presented to Council

	FY14/15		FY15/16		FY16/17	75% of the year		FY17/18
	Expense	Revenue	Expense	Revenue	Budget	Expense	Revenue	Revenue
	FY14/15	FY14/15	FY15/16	FY15/16	Expense	FY16/17	FY16/17	Estimate
General	13,384,945	14,120,451	13,788,797	14,194,372	14,717,584	9,632,847	9,658,150	13,776,301
CIP	13,972,932	887,921	1,728,915	1,252,880	1,225,000	113,342	931,736	1,248,829
HURF	2,083,006	2,839,221	2,853,286	3,275,680	6,923,274	2,391,974	1,947,578	1,836,975
Construct	-	144,894	-	146,021	-	-	110,099	-
2% Rec	-	228,210	-	241,723	-	-	157,542	-
Debt Srv	429,410	-	359,663	359,663	359,850	69,748	69,748	-
Eco Dev	-	3,967	-	4,736	16,000	15,375	2,525	
Water	1,293,196	2,665,850	2,227,090	2,815,409	4,294,882	1,279,447	2,070,260	2,916,000
WWS	2,934,493	3,784,250	3,836,308	3,969,548	3,859,718	2,201,178	2,880,201	3,863,625
Trash	817,930	690,038	839,163	769,999	900,487	685,667	574,815	766,608
Grants	649,446	682,334	987,115	1,031,547	3,749,188	331,464	611,763	2,500,000*
SLIDs	58,849	6,355	69,363	6,859	74,800	55,708	3,716	6,500
Impact	100,634	586,346	112,679	598,839	285,669	86,012	427,279	590,000
CFDs	3,974,711	2,230,879	3,514,694	4,323,922	8,385,008	1,705,765	1,516,334	3,000,000
* Place holder for grants that the Town may pursue and be awarded								

- Revenue is \$1 million less than expenses
 - Due to decrease in state shared revenue
 - Options to increase revenue
 - Options to decrease expenses

	FY 17/18 Expense	FY 17/18 Revenue	
	Request	Estimate	Difference
General	14,553,562	13,503,581	(1,049,981)
CIP	TBA	1,248,829	
HURF	1,602,141	2,931,039	1,328,898
Construct	-	150,418	150,418
2% Rec	-	277,506	277,506
Debt Srv	TBA	139,495	
Eco Dev	-	2,500	2,500
Water	1,523,679	2,724,222	1,200,543
WWS	1,992,857	4,011,725	2,018,868
Trash	768,404	765,570	(2,834)
Grants	2,500,000	2,500,000	-
SLIDs	74,800	4,153	(70,647)
Impact	285,669	518,582	232,913
CFDs	8,439,456	1,881,666	(6,557,790)

- Budget requests not yet included
 - Department requests for reclassifications and new positions - \$170,000
 - Comp/Class - \$300,000 to \$1,100,000
- Personnel Compensation
 - Comp/class study done by Public Sector Personnel Consultants in 2009
 - Not implemented due to budget and cost
 - PSPC updates 2009 work in 2011/12
 - Fund market shift of <1.5%; updated data
 - Adjusted pay schedule
 - An adjustment was done to help ease pay compression
 - Implemented 7/1/2012
 - An internal update was done for FY14/15
 - Recommended adjustments
 - Not included in budget proposal due to fiscal constraints
- How has compensation changed:
 - FY2011/12 Up to 5% merit + 2% COLA +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
- FY2016/17 3% stipend
- Options for Council to consider:
 - No Increase
 - Stipend (3%) - will cost +/- \$300,000
 - Merit Increase (5% max) – will cost +/- \$500,000
 - Salary Study and its Implementation – will cost +/- \$1,100,000
 - Do we do an internal or external study
 - Permanent Base Adjustment – will cost +/- \$500,000

Mr. Billingsley stated that Council is being asked to provide direction on how they would like staff to proceed. He stated that the Town's primary cost is employees' salaries and benefits.

Mr. Billingsley stated that department heads were asked to find ways in which to reduce the Town's expenses. The expenses have been reduced by \$500,000 and have already been included in the draft budget. He presented the following to Council for consideration:

- Expense reduction
 - Court modifications
 - Warrants
 - Holding cell usage
 - Hold person(s) in cell(s) at the Police Department rather than transfer them to Pinal County Jail (short term use only)
 - Release fee (similar to the City of Eloy)
 - Person is released on his/her recognizance and pays a fee

Mr. Jarvis continued with his presentation, in which he outlined the following:

- One time purchase acceleration
- Benefit reductions
- Convenience fee for credit card transactions
- Organizational restructuring
- Workforce reduction

Mr. Jarvis inquired of the Council if there is anything they would like added to the list.

Councilmember Larsen inquired if there are estimates for each of the individual expense reduction options.

Mr. Jarvis stated that the estimates have not been calculated at this time because staff is seeking Council's direction on how they want to reduce expenditures before moving forward.

Mayor Walter stated that it would have been beneficial to have had this information prior to the meeting to review it. She asked for comments to be held until they have a secondary meeting.

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Mayor Walter stated that in prior years Council was provided historical information on each of the funds. Some departments have increased exponentially and the historical data would be beneficial.

Discussion occurred on what historical information is preferred.

Mr. Jarvis stated that he will provide the following:

- Four years of actual results by line item
- FY16/17 Budget along with forecast of what is expected to be collected/expended by fiscal year end

Mr. Jarvis inquired if Council wanted both revenues and expenditures.

Councilmember Guilin stated that she would prefer both revenues and expenditures.

Mr. Jarvis continued with his presentation, in which he outlined the following:

- Organizational dues that the Town is part of
 - League of Arizona Cities and Towns \$16,627
 - Potential increase due to population number
 - MAG \$1,981
 - CAG \$11,797
 - Potential increase of \$10,000 due to changes occurring at CAG
 - Pinal Partnership \$3,000
 - East Valley Partnership \$2,500
 - Pinal Water Augmentation Authority \$20,000
 - Will cost \$1,861 to join the National League of Cities and Towns

Mayor Walter asked that the pros and cons be outlined for each organization that the Town is a member of as well as what benefits the Town or its members have received in the past.

Mr. Billingsley stated that CAG's dues have increased greatly. There has been a change in leadership and upon review of their finances, it is determined that they are operating in the red. Florence is being asked to pay a special assessment fee of \$10,000 for the next two fiscal years to assist them in making payroll.

Councilmember Anderson stated that he feels that they can cut back on the Pinal County Water Augmentation Authority fee. He stated that the Town should remain a member of the organization; however, there are currently only two members who pay the higher fee.

Councilmember Hawkins inquired if CAG's fees are increasing due to employee raises or the need to hire additional personnel.

Mr. Billingsley stated that it is his understanding that they are unable to meet their payroll. There have been some challenges with regards to leadership and financial sustainability. The special assessments are to keep the doors open.

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Councilmember Hawkins asked for something in writing from CAG stating the rationale for their increase in fees.

Councilmember Larsen inquired if there is an opportunity to negotiate any of the fees as well as the possibility of cutting some of the partnerships.

Mr. Jarvis continued with his presentation, in which he outlined the following:

- Revenue Enhancement
 - Use Food or Construction Tax
 - Use fund balance
 - Adjust rates for Sales or Property Tax
 - Adjust fees for service (library, parks, administration, community development...)
 - Staff is reviewing possible fee increases and will present options for adjusting the fee schedule to Council at a future meeting.
 - Incorporate additional rates such as an Excise Tax, special district, etc.
 - Naming rights and advertising

Mr. Billingsley asked if Council had any suggestions for revenue enhancement.

Councilmember Guilin inquired what additional rates for excise tax would there be.

Mr. Jarvis stated that there is an additional excise tax that was implemented by Pinal County. He stated that there are additional options outside of that, that the Town could implement.

Councilmember Guilin stated that the Council needs to understand what is being recommended or suggested and how it will impact the residents.

Mr. Jarvis stated that staff is presenting ideas; however, they have not researched the ideas further until they have direction from the Council. He stated that the staff is not making any recommendations; but rather providing options for the Council to consider.

Mr. Billingsley stated that the consideration of additional excise tax is likely coming. He referenced the upcoming election, specifically to regional transportation improvements, including the North-South corridor and what is all entailed with this project. He stated that Council has mentioned the need to expand the transit service locally. He stated that SLIDS are listed because Council has indicated that SLIDs need to be looked at as a potential funding mechanism for lighting.

Mr. Jarvis continued with his presentation, in which he outlined the following:

- Food Tax
 - Adopted in July 1989
 - Tax on food for home consumption
 - Earmarked for improvements to recreational grounds and facilities

- Ordinance No. 647-16 was adopted in March 2016.
 - Use shall not be restricted and be consistent with the Town's Budget and Fiscal Policy of FY15-16
- Earmarked funds: \$41,658
- Revenue in FY16 was \$282,558 and as of January 2017 is \$140,084
- This option was not utilized to balance the budget last year or this year's budget.
- Construction Tax
 - Adopted in July 1989
 - Tax on construction
 - Earmarked for community facilities construction
 - Ordinance No. 648-16 was adopted in March 2016.
 - Use shall be expended pursuant to the Town's Budget and Fiscal Policy
 - Earmarked funds: \$2,739,194
 - Revenue in FY16 \$122,204 and as of January 2017 \$91,650
 - Allowed for a three-year period
 - This option was not utilized to balance last year or this year's budget.
- Next Steps
 - Official Budget Worksheets
 - Updated CIP sheets
 - Budget Review:
 - Town Council
 - Legal
 - Economic Development

Mr. Billingsley stated that the CIPs are near completion and can be incorporated into the budget.

Mayor Walter stated that she does not need a cell phone and this will yield a savings of \$50.00 per month to the Town.

MOMENT OF SILENCE

Mayor Walter called for a moment of silence.

PLEDGE OF ALLEGIANCE

Mayor Walter 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.

Mr. Arnie Hopkins, Florence Resident, stated that the money that is allocated to fight Florence Copper during the budget process is a huge issue. Council needs to ask itself how much money is too much money to save the Town. He does not believe the money spent on Florence Copper is wasted; it is an investment in the Town so it can flourish many years from now. He stated that with the new housing and future growth they cannot afford to have the groundwater contaminated. He stated that he hopes that the short-term promises of Florence Copper do not change the direction of the Town. He thanked the Council for preserving the future of Florence.

Ms. Vickie Delia, Florence Resident, spoke in support of allocating funds in the budget to fight Florence Copper. She stated that copper is king in Arizona; however, Florence's children are our future. She would like Florence to set an example for the children to fight for what they believe in. She also wants to ensure that Florence's water is not poisoned for the future. Florence is one community and would like everyone to come together. She stated that the growth that has taken place in the last 10 years, specifically Anthem, has afforded the Town to build a new water park and library.

Ms. Cathy Adams, Florence Resident, stated that as part of the Historic District Advisory Commission, they were afforded the opportunity to preview the GIS tool that is being discussed at tonight's meeting. She commended Mr. Mark Eckhoff, Community Development Director, and Mr. Jamie White, GIS Coordinator, for the tool and the value that it brings. The implementation of the tool is excellent and is user-friendly.

Ms. Denise Kollert, Florence Resident, spoke on behalf of several Florence Garden residents. regarding the road conditions in Florence Gardens. She stated that it was their understanding that the Town was going to do Phase IV and V of the roads in Florence Gardens, which they have been waiting to have done for approximately seven years. She further understands that the roads will not have curbs like the rest of the development. She stated that the residents do not agree with this and want all the roads to be consistent. She does not understand if funding is an issue, but believes that the money could have been saved up to ensure the roads are done consistently to one another. She stated that the values of the home decrease when there is no curbing. She, along with her neighbors, are requesting that that projects be modified to include curbing and to make all the roads in Florence Gardens consistent to one another.

Mayor Walter asked Mr. Chris Salas, Public Work Director, to discuss this at the next budget meeting.

Ms. Barbara Manning, Florence Resident, thanked the present and past Council for protecting the Town's aquifer and fighting against the in-situ mining process. She asked the Council to continue to protect its residents. She stated that Florence has been facing a lawsuit brought against the Town by Florence Copper since 2013 and it has cost money; and asked that Town continue to fight for Florence because of the issues that will occur if the in-situ mining process is allowed on the 18 acres of land for the course of 20 years.

Ms. Christina Dumall, Florence Resident, asked for the Council to continue its stance against Florence Copper. She provided a brief history of what has taken place since January 2010 to

current, when Florence Copper first came to Town and the information that they have shared with the residents regarding their opinion of the safety of the in-situ mining process.

Ms. Dumall discussed her opinion regarding the dangers of in-situ mining and referenced a 1996 Cogswell Report, which stated that there is a possibility of the water and aquifer to be contaminated. She noted that Florence Copper has immersed itself into the community by providing scholarships, which is great; however, that is an old tactic to influence residents. They have done other things such as providing financial support for the Pinal County Truth Squad, which targeted individuals.

Ms. Sandra Hamburg, Florence Residents, discussed the issues with the streets in Florence Gardens. She stated that the roads are in poor condition and need to be addressed. The streets should have a common look and all the roads should have curbing.

Mr. Gary Pranzo, Florence Resident, discussed the conditions at Florence Hospital at Anthem. His wife, Abbie, passed away at the Florence Hospital on April 4, 2017. He explained what transpired with his wife and his concerns with the lack of a physician present in the ICU unit, where his wife was, when she went into distress. His concerns included that the staff was found to be unprofessional and inattentive as well as there was never a diagnosis of her condition nor any information provided of the severity. His concerns are also that there is only one physician present in the building during the night.

Mr. Pranzo stated that he recalls how the community pushed for Florence to get a hospital and to have peace of mind that a hospital was nearby. He stated that the hospital was a major part of the equation in Pulte selling homes. The peace of mind is an illusion. He stated that for the ambulance to take a critically ill patient to the Florence Hospital in Anthem is like delivering them to hospice.

Mr. Pranzo understands the power of the Council in these types of situations is limited; however, ambulances can be required to take critically ill patients to hospitals where they will receive adequate care. The public can also be informed of the inadequacies that exist at that hospital so that the public can make informed decisions. He stated that if him sharing his story can help one person avoid the nightmare that he has endured, then the effort is worthwhile.

Mayor Walter stated that an ambulance is required to take the patient to whichever hospital the patient requests. She asked for anyone needing more information to contact Mr. David Strayer, Fire Chief.

Mr. George Johnson spoke in support of the Town Council to continue with the Curis claim. He volunteered land for an industrial park and will sponsor a free trade zone for the Town.

PRESENTATIONS

Presentation by John Lewis, President and CEO of East Valley Partnership.

The presentation has been postponed to a future date.

Presentation and discussion on the Town's draft 2017-2022 Strategic Plan.

Mr. Mark Eckhoff, Community Development Director, provided a presentation, in which he outlined the following:

- Overview of Town's Strategic Plan
 - Summary of our process (key steps)
 - Direction from Town Council (March 2016)
 - Scope of work established
 - Project Facilitator hired
 - Extensive stakeholder and public outreach
 - Surveys, meetings, interviews, etc.
 - Citizen's Advisory Group established (multiple meetings)
 - Review of plans
 - Data analysis
 - Citizen's Advisory Group Presentation to Council (January 13, 2017)
 - Strategic Plan Town Council Retreat (February 24, 2017)
 - Presentation of Draft Strategic Plan to Town Council (April 17, 2017)
 - Adoption of Strategic Plan and implementation Process
 - Would like to present final Strategic Plan to Council for adoption on May 15, 2017.
 - Implementation Plan is concurrent with the Strategic Plan
- Town proposed updated Vision Statement
 - Florence provides a safe, diverse, family-friendly community in which to live, work, and play. Florence strives for economic and environmental sustainability, while protecting and promoting its unique history and culture.
- Key Strategic Plan Priority Areas Identified by the Town Council
 - Community Vitality
 - Economic Prosperity
 - Leadership and governance
 - Partnerships and relationships
 - Transportation and infrastructure
 - Communication: a key component within each priority area
 - What is the message?
 - Is everyone on the same page?
 - How is the message conveyed?
 - Are we using the right communication tools?
 - Are we reaching all areas of the community?
 - How is successful communication measured?
- Structure of Strategic Plan
 - Priority Area (color coded)
 - Description of the priority area
 - List of objectives
 - Area of emphasis
 - Multiple tasks for every objective
 - Due date for every task

- Responsibility
- Additional notes
- Next Steps
 - Finalize Strategic Plan per comments on the draft plan.
 - Complete the development of measurable results.
 - How do you know the objective is being accomplished?
 - Complete the development of strategies and tools to track accountability.
 - How do you accomplish the objective?
 - Who is responsible for accomplishing the objective?
 - Present the Final Strategic Plan for adoption.
 - Implementation Plan (ongoing).

Mr. Eckhoff stated that the Citizens Advisory Group has also been provided a copy of the draft Strategic Plan for review.

Councilmember Wall inquired if Council will be provided the details for each of the objectives.

Mr. Eckhoff stated that Council will be provided the details.

Mayor Walter inquired if they will receive the draft Strategic Plan prior the meeting in which it is to be considered for adoption.

Mr. Eckhoff stated that Council will be provided a copy beforehand.

Presentation on the implementation of the newly developed web-based Historic Property GIS Mapping Tool, which was created for the use and benefit of internal and external customers.

Mr. Jamie White, GIS Coordinator, discussed the web-based Historic Property GIS Mapping Tool and its benefits, which include:

- Tool can be found under services on the GIS Section of the Town's website
- Link is included on the historic page of the website
- Will have access to historic property information
- Tool has basic navigation as well as being able to turn on/off layers
- Ability to search for property by address or property number on record
- Can obtain information about the property by clicking on the property itself.
- Can view what the site looks like
- Can view historical photos of the site
- Can obtain information from the Historical Register
- Ability to look at the site documents
- Have access to the National Register
- Can look at the historical plaque if the property has a plaque
- Ability to save maps
- Can sort by building type
- Can sort by decade
- Imagery Tool

- Contains imagery from 1953 forward and you can view how Florence has changed from 1953 to current.
- Ability to switch tool for walk tour, audio tour. The GIS tool follows you as you take the tour on your smartphone without having to check out an MP3 player from the library.
- Tool can be continually updated

Mayor Walter asked if it easy to update pictures on the tool.

Mr. White stated it easy to upload pictures so long as they are accurate and approved.

Councilmember Anderson commended the Community Development Department for this tool.

Councilmember Wall inquired if there is satellite imagery available, such as Google Earth.

Mr. White stated that there is a cost to use their imagery. MAG currently provides the imagery to the Town.

Mr. White stated that Mr. Will Randolph collected the imagery of the historical markers.

Councilmember Larsen liked how new technology is utilized for historic information.

Proclamation declaring the Town of Florence, Arizona, as a Purple Heart Town.

Mayor Walter read the proclamation into the record and declared the Town of Florence, Arizona, a Purple Heart Town.

Councilmember Anderson stated that the proclamation was sponsored by the Gila Valley Masonic Lodge.

Mr. David Wall, Commander, American Legion Post 9, thanked the Council for the proclamation. He stated that when he was first approached about the Florence becoming a Purple Heart Town, he was not sure how he would appeal to the Town for the request. He was surprised to know that the Town was already declaring Florence a Purple Heart Town.

Mr. Wall read the history of the Purple Heart. He also discussed the military history of Staff Sergeant Darrel Kasson, Florence resident. He stated that during Operation Iraqi Freedom, Staff Sergeant Kasson gave the ultimate sacrifice. He was born February 5, 1964 and killed in action on March 4, 2007 while serving as the lead vehicle commander for a 27-vehicle convoy of logistic patrol in the City of Baiji, Iraq. While heading back, his vehicle was hit by an improvised explosive device (IED).

Mr. Wall explained that the Gold Star signifies a family member killed in action and is given to the family members of those who were awarded the Purple Heart. He stated that for every purple heart that is awarded in the military, there is also a family member who stands behind them. He stated that by becoming a Purple Heart Town, we can help to make everyone aware of the sacrifices of our military and proudly show our support.

Mr. Wall introduced Ms. Sheron Jones, mother of Staff Sergeant Kasson.

Ms. Jones stated that is still very difficult to deal with the loss of her son, even though it has been 10 years since her son passed away. No parent should have to bury their child. She explained that Staff Sergeant Kasson was a very caring person and explained all that he did for everyone. She was told that while in Iraq, he could have sat at a desk, but chose to be in the field with his men. She stated that he completed 21 missions while in Iraq.

Ms. Jones stated that her son was very proud to serve his country and the community and she is happy to see Florence proclaimed as a Purple Heart Town.

Presentation on the 2017-2018 Budget Process.

Mr. Jarvis stated that the Town has begun the budget process. He presented a short video that was prepared by the League of Arizona Cities and Towns which provides a better sense of the budget development process.

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 April 28, 2017 as Arbor Day in the Town of Florence, Arizona, and recognition of the Town of Florence as a Tree City USA community for the 11th consecutive year.

Proclaim April 21, 2017 as PowerTalk 21® Day in the Town of Florence, Arizona.

Resolution No. 1616-17:

Mayor Walter read Resolution No. 1616-17 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AUTHORIZING THE TOWN MANAGER TO SUBMIT AN APPLICATION FOR THE ARIZONA DEPARTMENT OF TRANSPORTATION 5310 VAN GRANT PROGRAM WHICH PROVIDES VEHICLES TO SERVICE THE ELDERLY AND PERSONS WITH DISABILITIES IN THE COMMUNITY.

Approval of accepting the register of demands ending February 28, 2017, in the amount of \$2,296,724.13.

Approval of the March 6, March 20, and March 27, 2017 Town Council meeting minutes.

Receive and file the following board and commission minutes:

February 22, 2017 Historic District Advisory Commission minutes.

Florence Town Council Meeting Minutes

April 17, 2017

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On motion of Councilmember Wall, seconded by Councilmember Hawkins, and carried to approve the Consent Agenda, as written.

UNFINISHED BUSINESS

Ordinance No. 653-17:

Mayor Walter read Ordinance No. 653-17 by title only.

AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AMENDING CHAPTER 30 TOWN COUNCIL, GENERAL PROVISIONS SECTION, EFFECTIVE MAY 17, 2017.

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, stated that this is the third revision of this ordinance. She stated that staff has provided two options for Council to consider.

Ordinance No. 653-17 A states the following:

In addition to monthly compensation, each Councilmember shall be reimbursed for the following:

- (A) Gasoline for liaison duties outside the town limits of Florence on the same basis as town employees and as allowed by the annual budget.
- (B) Training and conferences as are deemed beneficial to the town and as allowed by the annual budget.

Ordinance No. 653-17 B states what currently exists and reads as follows:

In addition to monthly compensation, each Councilmember is to be reimbursed on the same basis as town employees for necessary expenses incurred in the attendance of up to three, in-state but out-of-county meetings each fiscal year. Each Councilmember may also, by prior Council approval, attend and be reimbursed for such out-of-state or excess in-state meetings and/or out-of-pocket expenses of as are deemed beneficial to the Town and as allowed by the annual budget.

Councilmember Wall stated that there is a typographical error on the ordinance numbers listed on the Request for Council Action form.

Ms. Garcia stated that the ordinance numbers are listed incorrectly in the body of the RCA; however, the numbers are correct on the ordinances themselves.

Councilmember Hawkins stated that Council has more leeway with regards to travel in the first option.

Ms. Garcia clarified that Option No. 1 (Ordinance No. 653-17A) allows for reimbursement of travel inside of Pinal County, but outside the Town limits. Option No. 2 (Ordinance No. 653-17B) only allows for reimbursement of three liaison duty meetings that are outside of Pinal County.

Ms. Garcia stated that liaison duties are assigned by the Mayor at the beginning of the fiscal year and those expenses will be allocated in the budget should Council choose to adopt Ordinance No. 653-17A.

Councilmember Larsen inquired about the \$800 increase.

Ms. Garcia explained that the Town currently does not reimburse Council for travel to attend meetings as a liaison. Council is afforded the opportunity to utilize a Town vehicle. Should the Council so desire to offer reimbursement in the future, funding needs to be added to the budget.

Councilmember Anderson explained that it is approximately 25 miles, round trip, for him to come to Town Hall to pick up a Town vehicle to attend a meeting, which is not reimbursable. He stated that he would rather spend his time driving directly to the meeting and be reimbursed. He stated that it would cost him and the Town more money if he were to pick up a Town vehicle.

Mayor Walter stated that it may be more feasible to have a Town vehicle located at the Fire Station 2 for the Councilmembers that live in Anthem to utilize for their meetings.

On motion of Councilmember Guilin, seconded by Councilmember Wall, and carried to Adopt Ordinance No. 653-17 A.

Ordinance No. 654-17:

Mayor Walter read Ordinance No. 654-17 by title only.

AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AMENDING CHAPTER 30 TOWN COUNCIL, RULES OF ORDER AND PROCEDURE SECTION 30.21, REGULAR MEETINGS, EFFECTIVE MAY 17, 2017.

Ms. Garcia stated that this is the third presentation of the ordinance to the Council. There have been no changes made to the ordinance since the last presentation.

Ms. Garcia stated that Council has requested to not hold regular meetings on first Monday in July nor on the second Monday in December. If a meeting is required, the meeting will be held as a Special Meeting. The Town Code of Ordinances must be modified in order to accomplish this change.

On motion of Councilmember Wall, seconded by Councilmember Larsen, and carried to adopt Ordinance No. 654-17.

Resolution No. 1621-17:

Mayor Walter read Resolution No. 1621-17 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AMENDING THE FLORENCE TOWN COUNCIL RULES OF PROCEDURE, EFFECTIVE MAY 17, 2017.

Ms. Garcia stated that the resolution takes into consideration all changes that were made in the adoption of Ordinance No. 653-17A and Ordinance No. 654-17. The resolution also includes the following Council requested changes:

- Speaker to utilize Speaker Request Form to be utilized for the Call to the Public.
- The Vice-Mayor will be appointed after each election with candidates, or every two years.
- No regular meeting will be held the first Monday in July nor the second Monday in December. If a meeting is required, the meeting will be held as a Special Meeting.

On motion of Councilmember Anderson, seconded by Councilmember Larsen, and carried to adopt Resolution No. 1621-17.

NEW BUSINESS

Resolution No. 1622-17:

Mayor Walter read Resolution No. 1622-17 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AUTHORIZING THE TOWN OF FLORENCE TO ACCEPT AN INDUSTRIAL EASEMENT FROM FLORENCE ARTISAN ACRES, LLC, AN ARIZONA LIMITED LIABILITY COMPANY, FOR PROPERTY LOCATED AT THE SOUTHEAST CORNER OF PLANT ROAD AND BUTTE AVENUE.

Mr. Eckhoff stated the industrial easement is for Artisan Acres, also known as the expansion of the Windmill Winery Project. The subject site is located immediately south of the Windmill Winery, on the southeast corner of Plant Road and Butte Avenue. He stated one condition that was agreed upon by all parties was to have an industrial easement (odor and noise easement) placed over the property. This serves to protect both the Town and the property owner. The condition acknowledges that the plant is there and that they need to work together to address any future impacts of the plant.

Mr. Eckhoff stated that the easement will remain on the property until such time that both parties agree to extinguish the easement; which would only exist if the plant were no longer there.

Councilmember Wall inquired where the plant is located.

Mr. Eckhoff stated that the plant is immediately west of the property.

On motion of Councilmember Guilin, seconded by Councilmember Anderson, and carried to adopt Resolution No. 1622-17.

Resolution No. 1623-17:

Mayor Walter read Resolution No. 1623-17 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AUTHORIZING THE TOWN OF FLORENCE TO EXECUTE A DEVELOPMENT AGREEMENT WITH FLORENCE ARTISAN ACRES, LLC, AN ARIZONA LIMITED LIABILITY COMPANY, FOR PROPERTY LOCATED AT THE SOUTHEAST CORNER OF PLANT ROAD AND BUTTE AVENUE.

Mr. Eckhoff stated that the development agreement is for 15 years. He provided visuals of the project and stated that they will break ground in the very near future. Phase II will come online shortly thereafter.

Mr. Eckhoff stated that the development is straight forward. He stated that there is deferral and phasing of some of the costs associated with the infrastructure and development fees; however, there was no elimination of fees. The industrial easement was also addressed. He discussed additional details of the project regarding the development standards.

Mr. Harold Christ, Property Owner, stated that he is excited to start this next phase of the Windmill Winery. The project includes a cotton gin from Coolidge along with an inn which will have 25 rooms. He stated that half of the events they do are for clients that are out of state or out of the country. These events have become lengthier events that last a few days.

Councilmember Wall stated that Florence Copper is listed in the Deed of Trust documents. She inquired if they are a party of the project.

Mr. Christ stated that they have no affiliation with Florence Copper and acquired the land from Harrison Merrill. He stated that the name may have carried forward on the documents as it may have been something that Mr. Merrill was affiliated with.

Mr. Billingsley clarified that the document that Councilmember Wall referred to is not the development agreement but the title report on the property, which has to do with the chain of property ownership.

On motion of Councilmember Guilin, seconded by Councilmember Anderson, and carried to adopt Resolution No. 1623-17.

LEGISLATIVE REPORT

There was no Legislative Report.

TOWN MANAGER'S REPORT

Mr. Billingsley stated that the 60% plan submittal from the engineering firm for Phase IV and V in Florence Gardens is due to the Town next week.

CALL TO THE PUBLIC

There were no public comments.

CALL TO THE COUNCIL – CURRENT EVENTS ONLY

Councilmember Anderson stated that he attended the Pinal County Water Augmentation Authority Meeting in which they discussed an agreement with Pinal County Partnership to do a study which will cost approximately \$1.2 million. They planned on doing this study last year, but due to funding, it was not feasible and hope to do the study this year. The study will review water quantity as well as water quality information.

Councilmember Anderson stated that he attended the Pinal County Partnership Meeting. The speakers for the meeting specialized in economic development. The speakers stated that Pinal County and the cities and towns need to emphasize four things: transportation, labor market, education, and infrastructure. Florence is rated low on infrastructure and transportation and the Town needs to add emphasis to those two items.

Councilmember Anderson stated that his daughter is part of the Mustang Club and they are interested in having a car show in Florence in October. They would like to donate the money raised from the event to a charity in Florence. It was suggested that the proceeds go towards the Veterans Memorial.

Councilmember Anderson stated that his son is a landscaping engineer and is willing to do the work for the Veterans Memorial pro bono. He asked for this item to be added to a future agenda for consideration.

Councilmember Hawkins stated that it has been a pleasure working with Mr. Harold Christ regarding his development. He has shown what can be done when there is positive communication and when everyone works together.

Mayor Walter thanked everyone for attending the Council meeting.

ADJOURN TO EXECUTIVE SESSION

An Executive Session will be held during the Council Meeting for the purposes of discussions or consultations with designated representatives of the public body and/or legal counsel pursuant to A.R.S. Sections 38-431.03 (A)(3), (A)(4) and (A)(7) to consider its position and instruct its representatives and/or attorneys regarding:

- a. Possible negotiations with government agencies and private entities involving the purchase, sale or lease of the Town's real property, and contracts and/or settlement discussions related to such real property, including the Silver King Complex property and Brunenkant facility property.**
- b. Complaint filed by William Vockel.**

- c. Possible contract negotiations related to the proposed “Attaway Crossing Project”.
- d. Possible contract negotiations related to the proposed entertainment venue/ economic development project.
- e. Possible contract negotiations related to the proposed workforce development/economic development project.
- f. Circle K Stores Development Agreement Update.

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

ADJOURN FROM EXECUTIVE SESSION

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

ADJOURNMENT

On motion of Councilmember Anderson, seconded by Councilmember Gulin, and carried to adjourn the meeting at 8:55 pm.

Tara Walter, 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 April 17, 2017, 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, MARCH 09, 2017 AT 3:00 P.M. IN
RUGGLES ROOM 1, LOCATED AT 778 N. MAIN STREET, FLORENCE, AZ.**

1. CALL TO ORDER

Chair Cochran called the meeting to order at 3:02 p.m.

2. ROLL CALL:

Present: Cochran, Curran, Hagemann, Rankin

Absent:

3. PLEDGE OF ALLEGIANCE

4. NEW BUSINESS

a. Discussion/Approval/Disapproval of Minutes from the February 9, 2017 Regular Meeting.

On motion by Commissioner Hagemann, seconded by Commissioner Curran, and carried to approve the Minutes from the February 9, 2017 Regular Meeting.

b. Review of 2017 Quick Draw.

Chair Cochran stated that she communicated with three of the Quick Draw participants via email and asked them for feedback about the event; they all liked the event and did not suggest any changes. All three participants agreed that the time, place and date of the event were good. Commissioner Curran stated that he believed the event was a success. Chair Cochran asked what the total revenue was for the event. Liaison Bryan Hughes stated the revenue totaled \$380.00.

c. Discussion/Approval/Disapproval of "Chalk Art for Kids" at the Road to Country Thunder.

Liaison Hughes stated that Alison Feliz and he had previously spoken about having an Arts and Culture themed activity for kids at the Road to Country Thunder event. Liaison Hughes stated that the "Chalk Art for Kids" along with all kid oriented activities and entertainment set for that day will be located at Padilla Park. Liaison Hughes suggests closing off part of the sidewalk so children may create their chalk artwork on a sidewalk square. Liaison Hughes apologized for the short notice, but asked if any of the Commissioners would like to volunteer for this event. Commissioner Hagemann and Vice-Chair Rankin volunteered to oversee this activity.

On motion by Commissioner Curran, seconded by Vice-Chair Rankin, and carried to approve the "Chalk Art for Kids" at the Road for Country Thunder.

d. Discussion/Approval/Disapproval of the Suter House Enrichment Academy and Related Expenditures.

Liaison Hughes asked for suggestions for other programming to host at the Suter House. Commissioner Hagemann suggested having a drum circle. Chair Cochran asked Commissioner Hagemann what time of day is best for Commissioner Hagemann to hold a drumming circle? Commissioner Hagemann stated that late afternoons are best because it allows for people of all age groups to participate.

Vice-Chair Rankin suggested having an open house event at the Suter House. Vice-Chair Rankin suggested possibly having this event Monday or Tuesday morning from 9:00 A.M. to 12:00 P.M. Vice-Rankin stated that a lot of the Quick Draw participants are eager to participate in an event like this.

e. Discussion of available Arizona Commission on the Arts Grants.

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.

6. CALL TO THE COMMISSION- CURRENT EVENTS ONLY

7. ADJOURNMENT


On motion by Commissioner Curran, seconded by Commissioner Hagemann, and carried to adjourn the meeting at 3:53 P.M.

Approved:



Ann Rankin, Vice-Chairman

Posted 14th day of April, 2017, by Maria Hernandez, Deputy Town Clerk, at 775 North Main Street and 1000 South Willow Street, Florence, Arizona 85132 and at www.florenceaz.gov.

	TOWN OF FLORENCE COUNCIL ACTION FORM	<u>AGENDA ITEM</u> 8a.
MEETING DATE: May 15, 2017 DEPARTMENT: Public Works Department STAFF PRESENTER: Christopher A. Salas, Public Works Director/Town Engineer SUBJECT: Repair contract with Felix Construction Company at the North Florence Wastewater Treatment Plant		<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:

Motion to approve entering into a contract with Felix Construction Company, for work at the North Florence Wastewater Treatment Plant, in an amount not to exceed \$290,000, expiring on April 11, 2018.

BACKGROUND/DISCUSSION:

The Town, in coordination with EUSI, has determined the most economical and effective solution to various deficiencies at the North Wastewater Treatment plant is to utilize the services of Job Order Contractor. A search was performed with references checked and Felix Construction Company has been selected to perform the work. Felix Construction Company has an existing job order contract with the City of Peoria. The Peoria contract has specific cooperative purchasing language that allows the Town to purchase from the existing Peoria contract. The type of work provided for in the contract includes "design and construction of new facilities or rehabilitation of existing water related facilities". The cost proposal provided by Felix Construction Company is for an amount of \$290,000.00. The planned services are listed below:

- Phase I Electrical Upgrade to 480/3 phase for new equipment
- Installation of replacement chlorination building (Owner Provided)
- Aeration piping and diffuser installation
- Blower replacement
- Basin piping reconfiguration and concrete Repair
- Concrete rehab on drying bed area slabs and curbing
- Safety railing, walkway, and access rehab
- Rehab bypass pump station
- Installation of piping and rehab of recharge basins
- Clarifier tank rehab

- Belt Filter Press (BFP) removal and installation of New BFP
- Installation of loop or check valve on effluent line to keep Mag meter full
- Reroute filter backwash line to BFP filtrate line
- Re-pipe clean water source to filter backwash pump
- Replace two decant butterfly valves and valve stems
- Installation of piping and rehab of recharge basins- INF, EFF Slide Gates
- Reroute filter backwash line to BFP filtrate line
- Old influent headworks screen rehab and odor control
- Mixed liquor transfer pump and piping
- Install irrigation pump, meter, and line to deliver effluent to frontage landscaping

Per Section 4.12 of the Town's Purchasing Policy, Town Council approval is required on any purchases of \$25,000 or more.

FINANCIAL IMPACT:

The cost to make the repairs is \$290,000. Monies have been identified in the current Public Works Department operation and maintenance budget under CIP account SU-13.

RECOMMENDATION:

Staff recommends approval to extend Felix Construction Company's existing contract to make the repairs at the south wastewater treatment plant, in an amount not to exceed \$290,000.00, expiring April 11, 2018.

ATTACHMENTS:

Contract and Addendums – City of Peoria

**TOWN OF FLORENCE, ARIZONA
CONTRACT FOR COOPERATIVE USE OF CITY OF PEORIA JOB ORDER
CONTRACT WITH FELIX CONSTRUCTION COMPANY CONTRACT NO. P13-0042
FOR WATER AND WASTEWATER TREATMENT FACILITIES PROJECTS**

THIS CONTRACT (the "Contract") is made and entered into effective as of the 15th day of May, 2017 ("Effective Date"), by and between the Town of Florence, Arizona (the "Town"), and Felix Construction Company (the "Contractor") and together with the Contract Documents referred to and incorporated herein, is the "resultant contract" contemplated in the City of Peoria, AZ solicitation Request for Statement of Interest and Qualifications P13-0042 and Job Order Contracting Contract with Felix Construction Company for Water & Wastewater Facilities Projects, Contract No. P13-0042 dated April 12, 2013 along with Contract Amendments Nos. 1,2,3 and 4. The Town and the Contractor are sometimes referred to in this Contract collectively as the "Parties" and each individually as a "Party".

1. **SCOPE OF WORK:** The Contractor shall provide the Town all necessary labor, material, transportation services and equipment to perform Water and Wastewater Facilities projects, such Work to be described further in job order agreements/individual project agreements per contract specifications described in the attached scope of materials and services set forth in **Exhibit "1"** (the "Services"). The Contractor shall provide the Services in accordance with schedules attached in **Exhibit "1"**, and the Contract Documents, including all exhibits to the Master Contract including but not limited to any Standard Terms and Conditions, Special Terms and Conditions, Specifications and Plans. Contractor agrees, at its own cost and expense, to do all of the work and furnish all of the equipment, personnel and materials necessary to provide in a good and substantial manner, and to the satisfaction of the Town, the Services.
2. **PRIORITY OF DOCUMENTS.** It is further expressly agreed by and between the Parties that should there be any conflict between the terms of this Contract and the Contractor's Proposal, then this Contract and the provisions of the Contract Documents shall control and nothing herein shall be considered as an acceptance of the terms of the said Proposal conflicting herewith or with the Master Contract, unless expressly stated herein.
3. **INCORPORATION:** For and in consideration of this Contract and other good and valuable consideration, the Contractor agrees that the master cooperative solicitation/contract (the City of Peoria, AZ solicitation Request for Statement of Interest and Qualifications P13-0042 and Job Order Contracting Contract with Felix Construction Company for Water & Wastewater Facilities Projects, Contract No. P13-0042 dated April 12, 2013 along with Contract Amendments Nos. 1,2,3 and 4) is in full force and effect, and all terms and conditions of the Master Contract are incorporated by reference into this Contract, creating an agreement identical in terms between the Town and Contractor. In the Master Contract, the terms: "Owner", "City of Peoria", "Peoria", "City" and "Vendor" shall be deemed to be and refer to the Town of Florence; the terms: "City of Peoria Department of

Public Works/Director", "Agent", "Project Manager", "Transportation Director" and "Contracting Officer" shall be deemed to be and refer to the Florence Public Works Director, Town of Florence, 425 E. Ruggles Street, Florence, AZ 85132; and the terms: "Bidder", "Contractor", "JOC firm", "JOC Contractor", "Job Order Contractor", "firm" and "Offeror", shall be deemed to be and refer to the Contractor under this Contract.

4. **CONTRACT DOCUMENTS:** This Contract consists of the following contract documents, which by reference are incorporated herein:
 - A. This signed Contract.
 - B. The solicitation documents, including, City of Peoria, AZ solicitation Request for Statement of Interest and Qualifications P13-0042 and Job Order Contracting Contract with Felix Construction Company for Water & Wastewater Facilities Projects, Contract No. P13-0042 dated April 12, 2013 along with Contract Amendments Nos. 1,2,3 and 4; and including, but not limited to: Invitation for Bid, Instructions to Bidders, Fee Schedules; Notices; Checklists; Requirements for Proposers; Standard Terms and Conditions; Special Terms and Conditions; Scope of Work; Work Schedule; Certificates of Compliance; Plans, Specifications, Addenda, Warranties for Work; Work Forms; Attachments; Price Sheets; Questionnaires; Response Forms; Special Provisions and Specifications; Technical Provisions and Specifications; Schedules; Cooperative Authorizations; Exhibits, Attachments A, B, C and D, JOC General Scope of Services, SIQ and Contractor's Response, JOC Cost Proposal Forms and Contractor's Contacts (the "Contract Documents" or "Master Contract").
5. **CONTRACT PRICING:** Contract pricing shall be consistent with the Contract Documents and Contractor's Proposal and is listed in **Exhibit "1"** ("Pricing Matrix"), and shall not exceed **\$ 290,000.00**.
6. **TERM OF CONTRACT:** The term of this Contract shall be from the Effective Date through satisfactory completion of the Services or delivery of Goods and acceptance of the Services and/or Goods by the Town. Time is of the essence to the terms of this Contract.
7. **COMPLIANCE WITH FEDERAL AND STATE LAWS.**
 - A. 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.
 - B. 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").
 - C. 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.

- D. 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.
 - E. 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 verification performed.
 - F. 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.
 - G. 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.
8. **METHOD OF PAYMENT.** Method of payment shall be set forth in **Exhibit "1"**. If payment is to be made monthly, Contractor shall prepare monthly invoices and progress reports which clearly indicate the progress to date and the amount of compensation due by virtue of that progress. All invoices shall be for Services completed or Goods accepted by the Town.
9. **TERMINATION.** Town, at any time and for any reason and without cause, may terminate, suspend or abandon any portion, or all, of this Contract at Town's convenience without penalty or recourse. Contractor shall receive payment for Services or Goods satisfactorily completed and accepted by Town, as determined by Town in its reasonable discretion, based on the Goods and/or Services requirements and schedule for payment.
10. **INDEPENDENT CONTRACTOR.** It is understood that Contractor shall be an independent contractor with respect to Services and/or Goods provided under this Contract, and shall not be deemed to be a partner, employee, joint venture, agent, or to have any other legal relationship with Town.
11. **Notices.** Any notice to be given under this Contract shall be in writing, shall be deemed to have been given when personally served or when mailed by certified or registered mail, addressed as follows: Town: Town of Florence, Town Clerk, 775 N. Main Street, PO Box 2670, Florence, AZ 85132; and Contractor: Felix Construction Company Attn: David Giannetto, 1326 W. Industrial Drive. Coolidge, AZ 85128.

12. **INDEMNIFICATION.** To the fullest extent permitted by law, the Contractor, its successors, assigns and guarantors, shall pay, defend, indemnify and hold harmless the Town of Florence, its Mayor and Council members, its agents, officers, officials, representatives and employees, from and against all demands, claims proceedings, suits, damages, losses and expenses (including but not limited to attorney's fees, court costs, and the costs of appellate proceedings), and all claim adjustment and handling expenses, relating to, arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, Goods or Services of the Contractor, its agents, employees or any tier of Contractor's subcontractors related to the Goods or Services in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify Town of Florence, its Mayor and Council members, its agents, officers, officials, representatives and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting therefrom, caused by Contractor's acts, errors, mistakes, omissions, Goods, Services in the performance of this Contract including any employee of the Contractor, any tier of Contractor's subcontractors or any other person for whose acts, errors, mistakes, omissions, Goods, Services the Contractor may be legally liable.
13. **WARRANTY.** Contractor warrants that the Goods and Services will conform to the requirements of this Contract. Additionally, Contractor warrants that all Services will be performed in a good, workman-like and professional manner. The Town's acceptance of Goods or Services provided by Contractor shall not relieve Contractor from its obligations under this warranty. If any Goods or Services are of a substandard or unsatisfactory manner as determined by the Town, Contractor, at no additional charge to the Town, will provide Goods or redo such Services until they are in accordance with this Contract and to the Town's reasonable satisfaction. Unless otherwise agreed, Contractor, warrants that Goods will be new, unused, of most current manufacture and not discontinued, will be free of defects in materials and workmanship, will be provided in accordance with manufacturer's standard warranty for at least one (1) year, unless otherwise specified, and will perform in accordance with manufacturer's published specifications.
14. **PURCHASING POLICY.** The Town of Florence Town Code and Purchasing Policy govern this procurement and are incorporated as part of this Contract by this reference.
15. **GOVERNING LAW.** This Contract shall be deemed to be made under, shall be construed in accordance with, and shall be governed by the laws of the State of Arizona, without reference to choice of law or conflicts of laws principles thereof. The exclusive forum selected for any proceeding or suit in law or equity arising from or incident to this Contract shall be Pinal County, Arizona.
16. **PROHIBITED BOYCOTT.** Pursuant to A.R.S. 35-393.01, the Contractor, by execution of this Contract, certifies that it is not currently engaged in, and agrees for the duration of this Contract to not engage in, a boycott of Israel.

IN WITNESS WHEREOF, the Parties have executed this Contract effective as of the Effective Date set forth above.

TOWN OF FLORENCE, A municipal corporation

Date: _____

By: _____
Tara Walter, Mayor

ATTEST:

Lisa Garcia, Town Clerk

APPROVED AS TO FORM:

Clifford L. Mattice, Town Attorney

CONTRACTOR

By: _____

Date: _____

Its: _____



CONTRACT AMENDMENT

Solicitation No. P13-0042A

Page 1 of 1

Description: JOC for Water & Wastewater Treatment Facilities
Projects (Felix Construction Co.)

Amendment No. Four (4)

Date: March 7, 2017

Materials Management Procurement

9875 N. 85th Ave., 2nd Fl.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118

Buyer: Christine Finney

In accordance with the Contract Special Terms and Conditions, **Contract Extension**, the above referenced contract shall expire on 4/11/2017 and is hereby extended an additional twelve (12) months.

The New Contract Term is therefore **4/12/2017 to 4/11/2018**.

LAST EXTENSION.

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

Signature

03/29/2017

Date

David Giannetto, Principal

Typed Name and Title

Felix Construction Company

Company Name

1326 W. Industrial Drive

Address

Coolidge

City

AZ

State

85128

Zip Code

Attested By:

Rhonda Geriminsky, City Clerk

CC Number

ACON18313D

Contract Number

Director:

Stuart Kent, Public Works/Utilities Director

Project Manager:

Dan Davis, Construction Superintendent

Approved as to Form:

Steve Burg, City Attorney


The above referenced Contract Amendment is hereby Executed:

April 3, 2017, at Peoria, Arizona

Dan Zenko, Materials Manager



City Seal
Copyright 2003
City of Peoria, Arizona

	TOWN OF FLORENCE COUNCIL ACTION FORM	<u>AGENDA ITEM</u> 8b.
<p>MEETING DATE: May 15, 2017</p> <p>DEPARTMENT: Public Works Department</p> <p>STAFF PRESENTER: Christopher A. Salas, Public Works Director/Town Engineer</p> <p>SUBJECT: Regional Pavement Maintenance of Arizona, Inc., for the Hunt Highway Improvement Project contract</p>		<p> <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 </p>

RECOMMENDED MOTION/ACTION:

Motion to enter into a contract with Regional Pavement Maintenance of Arizona, Inc., for the Hunt Highway Improvement Project for the amount of \$239,663.49, plus 10% contingency of \$23,966.35 making the not to exceed amount \$263,629.84 under Job Order Contract (JOC) 2014-007 for the City of Buckeye. This project is identified as CIP Project "Hunt Highway Improvement Project."

BACKGROUND/DISCUSSION:

Hunt Highway's asphaltic concrete is in poor condition with signs of block cracking, alligator cracking and reveling.

The improvements consist of a full depth reconstruction of the existing asphaltic concrete and aggregate base course within the project limits. Based on the Geotechnical Report that was performed for this project, the new structural section will be increased to 4.5 inches of asphaltic concrete and 6 inches of aggregate base course.

Two-way traffic will be maintained during the construction of the project. A bypass road will be constructed out of aggregate base course to allow two-way traffic to continue and provide safe access for fire trucks during the construction project. The project is scheduled for June 15th through June 23rd assuming the Council approves the contract.

The award of this contract will allow a Notice to Proceed for the project work consisting of overlay improvements along Hunt Highway.

FINANCIAL IMPACT:

Currently, the tentative budget for the project is projected to be \$239,663.49, plus 10% contingency of \$23,966.35 making the not to exceed amount \$263,629.84. The project will be funded with HURF CIP Funds from line item 012-566-507 of the current Fiscal Year 2016/2017 Budget.

The fixed fee proposed for this project has been negotiated by staff and compared to three independent estimates prepared by three separate companies.

Services will be obtained following the Town's Purchasing Policy, Section 5.63 Purchases of \$25,000 or More (specifically, 5.6321 of Vendor Selection).

5.632 Vendor Selection

5.6321 Alternative purchase methods are identified if approved by necessity or by the Town Manager as indicated by Emergency/Sole Source Purchase, **cooperative purchase**, state contract or any other method authorized. The Finance Director reviews for budget availability and bidding procedures. The Town Manager reviews for need.

4.12 Purchasing Policy

Town Council is required on
any purchases of \$25,000 or more.

RECOMMENDATION:

Staff recommends awarding the contract to Regional Pavement Maintenance of Arizona, Inc., \$239,663.49, plus 10% contingency of \$23,966.35 making the not to exceed amount \$263,629.84 to facilitate the improvements to Hunt Highway.

ATTACHMENTS:

1. Cooperative Cover Contract
2. Regional Pavement Proposal No. 171026R2
3. City of Buckeye Fully Executed JOC No. 2014-007 for Street Maintenance
4. City of Buckeye Change Order No. 2014-007 for Street Maintenance

**TOWN OF FLORENCE, ARIZONA
CONTRACT FOR COOPERATIVE USE OF CITY OF BUCKEYE
SOLICITATION/CONTRACT NO. 2014-007 FOR JOB ORDER CONTRACT STREET
MAINTENANCE SERVICES**

THIS CONTRACT (the "Contract") is made and entered into effective as of the 17th day of January, 2017 ("Effective Date"), by and between the Town of Florence, Arizona (the "Town"), and Regional Pavement Maintenance of Arizona, Inc. (the "Contractor") and together with the Contract Documents referred to and incorporated herein, is the "resultant contract" contemplated in the City of Buckeye Solicitation/Contract No. 2014-007 for Job Order Contract Street Maintenance, effective March 13, 2014 and Change Order No.1. The Town and the Contractor are sometimes referred to in this Contract collectively as the "Parties" and each individually as a "Party".

1. **SCOPE OF WORK:** The Contractor shall provide the Town the materials and services described in the attached scope of materials and services set forth in **Exhibit "1"** ("Services"). The Contractor shall provide the Services in accordance with the schedule attached in **Exhibit "1"**, and the Contract Documents, including all exhibits to the Master Contract including but not limited to any Standard Terms and Conditions and Detailed Specifications. Contractor agrees, at its own cost and expense, to do all of the work and furnish all of the equipment, personnel and materials necessary to provide, in a good and substantial manner and to the satisfaction of the Town, the Services.
2. **PRIORITY OF DOCUMENTS.** It is further expressly agreed by and between the parties that should there be any conflict between the terms of this Contract, the Master Contract, or the Contractor's Proposal, then this Contract and the provisions of the Contract Documents shall control and nothing herein shall be considered as an acceptance of the terms of the said Proposal conflicting herewith or the Master Contract, unless expressly stated herein.
3. **INCORPORATION:** For and in consideration of this Contract and other good and valuable consideration, the Contractor agrees that the master cooperative solicitation/contract (the City of Buckeye Solicitation/Contract No. 2014-007 for JOC Street Maintenance, effective March 13, 2014 and Job Order Contract Between City of Buckeye and Regional Pavement Maintenance of Arizona, Inc. Contract Number: 2014-007) is in full force and effect, and all terms and conditions of the Master Contract are incorporated by reference into this Contract, creating an agreement identical in terms between the Town and Contractor. In the Master Contract, the terms: "City", "City of Buckeye", shall be deemed to be and refer to the Town of Florence; the terms: "Maricopa County", shall be deemed to be and refer to Pinal County; the terms: "Manager, Construction and Contracting", shall be deemed to be and refer to the Florence Public Works Director, Town of Florence, 425 E. Ruggles Street, Florence, AZ 85132; and the terms: "Respondent", or "Contractor," or "Job Order Contractor", or "Regional Pavement Maintenance of Arizona, Inc." shall be deemed to be and refer to the Contractor under this Contract.

4. **CONTRACT DOCUMENTS:** This Contract consists of the following contract documents, which by reference are incorporated herein:
 - A. This signed Contract.
 - B. The solicitation Documents for the City of Buckeye Solicitation/Contract No. 2014-007 for JOC Street Maintenance, effective March 13, 2014 between the City of Buckeye and Regional Pavement Maintenance of Arizona, Inc., including, but not limited to: Instructions, Fee Schedules; Notices; Checklists; Requirements for Proposers; General Conditions; Special Conditions; Scope of Work; Work Schedule; Certificates of Compliance; Warranties for Work; Work Forms; Attachments; Price Sheets; Questionnaires; Response Forms; Specifications and Pricing Sheets; Special Provisions and Specifications; Technical Provisions and Specifications; Schedules; Cooperative Authorizations; Exhibits; **Contract No. 2014-007, Change Order No.1** dated August 14, 2014 (the "Contract Documents" or "Master Contract").
5. **CONTRACT PRICING:** Contract pricing shall be consistent with the Contract Documents and Contractor's Proposal and is listed in **Exhibit "1"** (Price Sheet), and shall not exceed \$_____.
6. **TERM OF CONTRACT:** The term of this Contract shall be from the Effective Date through satisfactory completion of the Services or delivery of Goods and acceptance of the Services and/or Goods by the Town. Time is of the essence to the terms of this Contract.
7. **COMPLIANCE WITH FEDERAL AND STATE LAWS.**
 - A. 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.
 - B. 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").
 - C. 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.
 - D. 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.
 - E. 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.

- F. 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.
- G. 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.
- H. 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.
8. **METHOD OF PAYMENT.** Method of payment shall be set forth in **Exhibit "1"**. If payment is to be made monthly, Contractor shall prepare monthly invoices and progress reports which clearly indicate the progress to date and the amount of compensation due by virtue of that progress. All invoices shall be for Services completed or Goods accepted by the Town.
9. **TERMINATION.** Town may terminate this Contract, or any part thereof for its sole convenience, at any time without penalty or recourse. Contractor shall receive payment for Services or Goods satisfactorily completed and accepted by Town, as determined by Town in its reasonable discretion, based on the Goods and/or Services requirements and schedule for payment.
10. **INDEPENDENT CONTRACTOR.** It is understood that Contractor shall be an independent contractor with respect to Services and/or Goods provided under this Contract, and shall not be deemed to be a partner, employee, joint venture, agent, or to have any other legal relationship with Town.
11. **Notices.** Any notice to be given under this Contract shall be in writing, shall be deemed to have been given when personally served or when mailed by certified or registered mail, addressed as follows: Town: Town of Florence, Town Clerk, 775 N. Main Street, PO Box 2670, Florence, AZ 85132; and Contractor: Regional Pavement Maintenance of Arizona, Inc. Attn: Joseph P. DiGiugno, Phoenix, AZ 85003.
12. **INDEMNIFICATION.** To the fullest extent permitted by law, the Contractor, its successors, assigns and guarantors, shall pay, defend, indemnify and hold harmless the Town of Florence, its Mayor and Council members, its agents, officers, officials, representatives and employees, from and against all demands, claims proceedings, suits, damages, losses and expenses (including but not limited to attorney's fees, court costs, and the costs of appellate proceedings), and all claim adjustment and handling expenses, relating to, arising out of, or

alleged to have resulted from the acts, errors, mistakes, omissions, Goods or Services of the Contractor, its agents, employees or any tier of Contractor's subcontractors related to the Goods or Services in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify Town of Florence, its Mayor and Council members, its agents, officers, officials, representatives and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting therefrom, caused by Contractor's acts, errors, mistakes, omissions, Goods, Services in the performance of this Contract including any employee of the Contractor, any tier of Contractor's subcontractors or any other person for whose acts, errors, mistakes, omissions, Goods, Services the Contractor may be legally liable.

13. **WARRANTY.** Contractor warrants that the Goods and Services will conform to the requirements of this Contract. Additionally, Contractor warrants that all Services will be performed in a good, workman-like and professional manner. The Town's acceptance of Goods or Services provided by Contractor shall not relieve Contractor from its obligations under this warranty. If any Goods or Services are of a substandard or unsatisfactory manner as determined by the Town, Contractor, at no additional charge to the Town, will provide Goods or redo such Services until they are in accordance with this Contract and to the Town's reasonable satisfaction. Unless otherwise agreed, Contractor, warrants that Goods will be new, unused, of most current manufacture and not discontinued, will be free of defects in materials and workmanship, will be provided in accordance with manufacturer's standard warranty for at least one (1) year unless otherwise specified, and will perform in accordance with manufacturer's published specifications.
14. **PURCHASING POLICY.** The Town of Florence Town Code and Purchasing Policy govern this procurement and are incorporated as part of this Contract by this reference.
15. **GOVERNING LAW.** This Contract shall be deemed to be made under, shall be construed in accordance with, and shall be governed by the laws of the State of Arizona, without reference to choice of law or conflicts of laws principles thereof. The exclusive forum selected for any proceeding or suit in law or equity arising from or incident to this Contract shall be Pinal County, Arizona.
16. **PROHIBITED BOYCOTT.** Pursuant to A.R.S. 35-393.01, the Contractor, by execution of this Contract, certifies that it is not currently engaged in, and agrees for the duration of this Contract to not engage in, a boycott of Israel.

IN WITNESS WHEREOF, the Parties have executed this Contract effective as of the Effective Date set forth above.

TOWN OF FLORENCE, A municipal corporation

Date: _____

By: _____
Tara Walter, Mayor

ATTEST:

Lisa Garcia, Town Clerk

Approved as to Form:

Cliff Mattice, Town Attorney

CONTRACTOR

By: _____

Date: _____

Its: _____



PROPOSAL NO. 171026R2

March 20, 2017

SUBMITTED TO:

Town of Florence Public Works

Mario Grijalva

425 E Ruggles

Florence AZ 85132

PH: (520) 868-7634

FAX: (520) 868-7637

EMAIL: mario.grijalva@florenceaz.gov

JOB SITE:

Hunt Hwy

Hunt Highway & Franklin Rd

Florence

AZ 85132

Scope of Work

City of Buckeye JOC Contract 2014-007 / S.A.V.E.

MILL, GRADE & PAVE (Per Plan Given)

- 1 Construct temporary detour road with ABC and/or millings; recondition temp roadway shoulder.
- 2 Mill & remove approximately **48,000 SF** of existing asphalt to a depth of **11.5" (inches)**, and stockpile.
- 3 Compact existing subgrade. Supply, grade & compact approx. **48,000 SF of ABC** (aggregate base course) to a depth **6" (inches)** and compact.
- 4 Pave Approx. **48,000 SF** with hot A-12.5mm asphalt in **2 lifts** and compact to an average dept of **4.5" (inches)**, and compact with steel drum vibratory rollers.
- 5 Roadway Striping

Detour Road/Recondition Shoulder	\$	24,664.70
Sawcut/Mill/Subgrade Prep/ABC/Pave/Tack	\$	164,055.88
Traffic Control	\$	19,333.17
Survey	\$	8,333.17
Testing	\$	4,235.89
Striping	\$	3,456.00

NOTE: Regional will pave 1 lift on the 1st day and apply a SS-1H Tack oil to the asphalt and pave the second lift on the second day.

Bid based on 1 Mobilization. (Additional Mobs will be billed at \$1,250 each)

SUBTOTAL: \$ 224,078.81

TAX: \$ 15,584.68

TOTAL: \$ 239,663.49

ALL APPLICABLE TAX INCLUDED

INCLUSIONS:

Striping, Traffic Control, Sweeping, Survey & Testing

EXCLUSIONS:

Inspection, Dust Control Permit, Hydrant Meter / Onsite Water Supply (To be Provided by Town of Florence Public)

PROPOSAL NOTES:

- 1 Pricing is protected for 90 days.
- 2 A signed Proposal, Contract or Purchase Order is required prior to commencement of work.
- 3 It is your responsibility to make sure sprinklers and hard water are not sprayed on pavement 24 hours before and after application.
- 4 Warranty Period: One (1) Year from Date of Completion.



PROPOSAL NO. 171026R2

March 20, 2017

Thank you for the opportunity to bid your project!

Brett Peacock

Regional Pavement Maintenance of Arizona, Inc.

brett@regionalaz.com

Cell #: (602) 799-9387

ACCEPTANCE OF PROPOSAL:

The above pricing, specifications and conditions are satisfactory and hereby accepted. You are authorized to do the work as specified. I understand a prelien will be filed. Payment terms are Net 30 days (please complete Billing Information below):

SIGNATURE: _____

DATE: _____

PRINT NAME: _____

TITLE: _____

OWNER INFORMATION:

If the 'Owner' contact name & address is the 'same' as "Submitted To:" on the first page of the Proposal, please check the box below. If not, please provide the correct 'Owner' information below:

☐

Owner Information is the same as the "Submitted To:" contact on the first page of the Proposal.

OWNER/COMPANY NAME: _____

POINT OF CONTACT: _____

BILLING ADDRESS: _____

CITY/STATE/ZIP: _____

PHONE: _____

FAX: _____

EMAIL: _____

BILLING INFORMATION:

If the 'Billing' contact name & address is the 'same' as "Submitted To:" on the first page of the Proposal, please check box below. If not, please provide the correct 'Billing' information below for invoicing:

☐

Billing Information is the same as the "Submitted To:" contact on the first page of the Proposal.

COMPANY NAME: _____

POINT OF CONTACT: _____

BILLING ADDRESS: _____

CITY/STATE/ZIP: _____

PHONE: _____

FAX: _____

EMAIL: _____

☐

Credit Cards are accepted for payment. Please check the box if you intend to make an electronic payment.



CITY OF BUCKEYE
CONSTRUCTION & CONTRACTING DIVISION

August 18, 2014

Joseph P. DiGiugno
Regional Pavement Maintenance of Arizona, Inc.
2435 S. 6th Avenue
Phoenix, AZ 85003

Re: Change Order 1; Contract No.2014-007
JOC Street Maintenance

Dear Mr. DiGiugno:

The City of Buckeye is hereby providing you with the enclosed fully executed Change Order 1 to your JOC Street Maintenance Contract for your records. This Change Order adds Cooperative Language to your JOC Contract, allowing other municipalities and eligible agencies to "piggyback" off of our contract with you.

Should you have any questions or concerns, please feel free to contact me at 623-349-6225 or cwilliams@buckeyeaz.gov.

Sincerely,


Christopher A. Williams, Manager
Construction & Contracting Division

cc: file



CITY OF BUCKEYE
JOC CONTRACT NO. 2014-007
JOC Street Maintenance

CHANGE ORDER #1

Pursuant to the Contract between Regional Pavement Maintenance of Arizona, (Contractor) and the CITY OF BUCKEYE, an Arizona municipal Corporation (City), dated March 4, 2014, the following changes apply:

The following cooperative language is hereby added to and included in the contract:

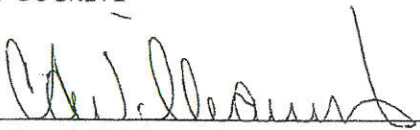
Any contract resulting from this solicitation shall be for the use of the City of Buckeye. In addition, specific eligible political subdivisions and nonprofit educational or public health institutions may also participate at their discretion. In order to participate in any resultant contract, a political subdivision or nonprofit educational or public health institution must have been invited to participate in this specific solicitation and the contractor must be in agreement with the cooperative transaction. In addition to cooperative purchasing, any eligible agency may elect to participate (piggyback) on any resultant contract; the specific eligible political subdivision, nonprofit educational or public health institution and the contractor must be in agreement.

This is a NO COST Change Order, and shall not affect the any other aspects of the Contract.

The terms and conditions of the Change Order, including the cost and time contained herein, constitute a full accord and complete satisfaction for all costs and time of performance related to the work described or referenced. Except as amended herein, all provisions of the contract remain in full force and effect. This document shall become an amendment to the contract and all provisions of the contract will apply hereto.

THEREFORE, the City of Buckeye by its Manager of Construction and Contracting has hereunto subscribed his name this 14 day of August, 2014.

CITY OF BUCKEYE



Christopher A. Williams, Manager
Construction & Contracting Division



CITY OF BUCKEYE
CONSTRUCTION & CONTRACTING DIVISION

March 13, 2014

Joseph P. DiGiugno
Regional Pavement Maintenance of Arizona, Inc.
2435 S. 6th Avenue
Phoenix, AZ 85003

Re: Fully Executed JOC Street Maintenance
Contract No. 2014-007

Dear Mr. DiGiugno:

The City of Buckeye is hereby providing you with the enclosed fully executed Contract for JOC Street Maintenance, for your records.

Should you have any questions or concerns, please feel free to contact me at 623-349-6225 or cwilliams@buckeyeaz.gov.

Sincerely,

Christopher A. Williams, Manager
Construction & Contracting Division

cc: file



**JOB ORDER CONTRACT BETWEEN
CITY OF BUCKEYE
AND
REGIONAL PAVEMENT MAINTENANCE OF ARIZONA, INC.**

Contract Number: 2014-007

This JOB ORDER CONTRACT FOR STREET MAINTENANCE (the "Contract") is made and entered into by and between the City of Buckeye, an Arizona municipal corporation (the "City") and Regional Pavement Maintenance of Arizona, Inc., an Arizona Corporation (the Contractor). This Contract is for street maintenance as described in Exhibit A and issued as required by award of individual Delivery Orders (the "Project").

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements stated herein, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the City of Buckeye and Job Order Contractor agree as follows:

**ARTICLE 1
CONTRACT TERM**

1. This Contract has a base period of one (1) year and four option periods of one (1) year each that may be exercised if it is in the best interest of City to do so. Any exercise of any option to renew this Contract beyond the base period will only be effective upon written notice from the City.
2. The Contract Time for each Delivery Order shall start with the Notice to Proceed (NTP) and end with Final Acceptance, as set forth below. The Notice to Proceed will not be issued until prior approval and acceptance by City of the Delivery Order.
3. The Contract Time is identified in the Delivery Order as the Contract Duration in terms of calendar days. Contractor agrees that it will commence performance of the Work after receiving an official NTP letter and complete the Project through both Substantial Completion (if applicable) and Final Completion within the Contract Time.
4. Time is of the Essence of this Contract, and each Delivery Order issued hereunder, for each Project, and for each phase and/or designed Milestone thereof.
5. Failure on the part of Contractor to adhere to the approved Project Schedule will be deemed a material breach and sufficient grounds for termination of a specific Delivery Order and/or this Contract by City. The City will assess liquidated damages as described in each Delivery Order.

ARTICLE 2
OVERVIEW OF DELIVERY ORDER CONTRACTING UNDER THIS CONTRACT

1. This Contract establishes an indefinite delivery, indefinite quantity, Delivery Order Contract for such Construction services within the scope of this Contract as City may request from time to time by issuance of an individual Delivery Order for each Project. Unless otherwise specified in a specific Delivery Order, Delivery Orders generally will not include Design Services and that where Design Services are necessary, City will provide them under separate contract. There will be a separate Delivery Order for each Project that will describe the Work to be provided by Contractor for that Project. There may be multiple Projects and therefore multiple Delivery Orders under this Contract.

2. The amount to be paid by the City for the Project under each Delivery Order is the Contract Price for that Delivery Order. The Delivery Order price will include a total amount for each Delivery Order priced for the Work described for that Delivery Order. The Contract Price for any Delivery Order will be established as a Firm Fixed Price, subject to the following:

(a) The Contract Price for each Delivery Order shall not exceed \$1,000,000.00 [may be higher if approved via Council Action], including any Change Orders. Therefore, to allow for any potential Change Orders, the maximum initial amount of each Delivery Order will normally not exceed \$1,000,000.00. The expectation for this Contract is that the majority of Delivery Orders will be less than \$100,000.00.

(b) The cumulative sum of all Delivery Orders performed by the Contractor during any twelve (12) month term shall not exceed \$1,000,000.00 (unless otherwise approved by the City Council).

(c) There is no limit on the number of Delivery Orders that City may issue to the Contractor during any twelve (12) month term of this Contract or during the entire period this Contract is in effect.

(d) Contractor may not refuse any Delivery Order under this Contract properly issued by City, unless Contractor legitimately claims in writing that the scope of work is poorly defined or hazardous to health or safety.

3. City shall have the right to perform work of the types included in this Contract itself or to have other Contractors perform such work. In addition, as to any Delivery Order, City may elect to have Design Services provided by City's internal consultants or by independent Design Professionals. Such action by City shall not be a breach or otherwise violate the Contract Documents.

4. This Contract does not obligate or require City to offer any Delivery Order to Contractor, no Contract in relation to any specific Work being entered into until a Delivery Order therefore has been fully executed by City and Contractor.

5. This Contract is for a broad range of street maintenance, repair and minor construction work within the planning area of the City of Buckeye. The scope of this Contract will be to provide construction services, including the possibilities of design services, for a broad range of City Street maintenance and construction projects described in Exhibit A of this contract.

6. During the Term of this Contract, City will issue an individual Delivery Order request for proposal to Contractor for each Project. Each Delivery Order will have specific instruction concerning that Delivery Order. The Contractor will follow these specific instructions when preparing a response in the form of a Delivery Order Proposal.

7. The general steps for development of a Delivery Order are:

(a) When City identifies a need for performance of a Project under a Delivery Order; City will issue an RFP to Contractor and also advise Contractor of the nature of the Work to be done. At the same time, City will advise the Contractor if Design Services are required and how those services will be provided. Within two (2) working days of receipt of this notification, Contractor will:

- (i) Visit the proposed site of the Project with City designated representatives; and,
- (ii) Arrange with City to further define the scope of the needed Project.

Contractor shall thoroughly acquaint itself with all available information concerning the conditions of the Work under each Delivery Order and is responsible for correctly and fully estimating the difficulty of performing the Work, the actions required to perform the Work and the cost of successfully performing the Work under each Delivery Order.

(b) City may arrange for any needed Design Services to produce the Drawings and Specifications. Design Services will not begin until the scope of Design Services is approved by City. The Drawings and Specifications developed by the Design Services are subject to approval by City. If there are no Design Services, City will develop Drawings and Specifications consisting of a line drawing and a written description of the contemplated Work.

(c) Upon establishment of the scope of the needed Project, Contractor will prepare its proposal for accomplishment of the Project.

8. Upon award of a Delivery Order, a signed copy of the Delivery Order will be mailed or electronically forwarded to Contractor. Failure by Contractor to pick up or receive the mailed or electronic orders shall not relieve Contractor from the obligation to complete the Work under the Delivery Order in accordance with the terms of this contract or the terms of each Delivery Order.

9. City may provide a verbal Notice to Proceed (NTP) for the Work in advance of issuing the formal NTP letter (which will be followed up with a written NTP). Normally, NTP will be issued under separate cover from the Delivery Order. The Contract duration starts with the date on the NTP letter.

ARTICLE 3 DEFINITIONS

“Addenda” written or graphic instruments issued prior to the submittal of the Proposal(s), which clarify, correct or change the Proposal(s) requirements.

“Agreement” means the executed agreement between City and Contractor.

“Change Order” means a written instrument issued after execution of a Delivery Order or this JOC Contract signed by City and the Contractor, stating their agreement upon all of the following: the scope of the change in the Work; the amount of the adjustment to the Contract Price; and the extent of the adjustment to the Contract Time(s).

“City” means the City of Buckeye, a municipal corporation, with whom Contractor has entered into this Contract and for whom the services is to be provided pursuant to said Contract.

“City’s Project Criteria” means information developed by or for the City to describe City’s program requirements and objectives for the Project, including use, space, price, time, site and expandability requirements, as well as submittal requirements and other requirements governing Contractor’s performance of the Work. City’s Project Criteria may include conceptual documents, design criteria, performance requirements and other Project-specific technical materials and requirements.

“City’s Representative” means the person designated within this contract.

“Commissioning” means the process for achieving, validating and documenting the performance of the Project including any works and its systems to meet the design needs and requirements of the City.

“Construction Documents” means the plans, specifications and drawings prepared by the Contractor or a Consultant.

“Construction Drawings” means the detailed drawings approved as part of the approved Construction Documents.

“Contract Documents” means the following items and documents in descending order of precedence: (i) all written modifications, amendments and Change Orders to this Contract; (ii) this Contract, including all exhibits and attachments, executed by City and Contractor to include each Delivery Order; (iii) written supplementary conditions; (iv) Construction

Documents prepared and approved; (v) Contractor's approved Variations of the City's Project Criteria, as contained in Exhibit A.; (vi) City's Project Criteria; (vii) Contractor's Proposal(s), except for accepted Variations of the City's Project Criteria, submitted in response to City's Project Criteria.

"Contract Price" means the amount or amounts set forth in each awarded Delivery Order subject to adjustment in accordance with this Contract.

"Contract Time" means the Days set forth in each awarded Delivery Order subject to adjustment in accordance with this Contract.

"Day(s)" means calendar days unless otherwise specifically noted in the Contract Documents.

"Deliverables" means the work products prepared by the Contractor in performing the scope of work described in each Delivery Order.

"Design Services" means all professional services to be performed or procured by the Contractor or by City to provide required Project design under this Contract and any subsequent amendments.

"Job Order Contractor" means the firm, corporation, or other approved legal entity with whom the City has entered into this Contract to provide services as detailed in this Contract. The term Contractor may be used to identify the Job Order Contractor.

"Differing Site Conditions" means concealed or latent physical conditions or subsurface conditions at the Site that, (i) materially differ from the conditions indicated in the Scope of Work issued with each Delivery Order or (ii) are of an unusual nature, differing materially from the conditions ordinarily encountered and generally recognized as inherent in the Work.

"Final Acceptance" means the completion of the Project as prescribed in Article 10.

"Float" means the number of Days by which an activity can be delayed without lengthening the Critical Path and extending the Substantial Completion date.

"Legal Requirements" means all applicable federal, state and local laws, codes, ordinances, rules, regulations, orders and decrees of any government or quasi-government entity having jurisdiction over the Project or Site, the practices involved in the Project or Site, or any Work.

"Notice to Proceed" or "NTP" means the directive issued by the City, authorizing the Contractor to start Work or a portion of the work.

"Payment Request" means the City form used by the Contractor to request payment for Work performed.

“Product Data” means illustrations, standard schedules, performance charts, instructions, brochures, diagrams and other information furnished by the Contractor to illustrate materials or equipment for some portion of the Work.

“Project” means the Work to be completed in the execution of any awarded Delivery Order and as amended and as prescribed as any Scope of Work in identified in each awarded Delivery Order. Project means the Work associated with each awarded Delivery Order issued under this JOC Contract.

“Project Schedule” means a schedule as prescribed in this Contract or subsequent Delivery Orders.

“Project Record Documents” means the documents created pursuant to Article 12.

“Samples” means physical examples which illustrate materials, equipment or workmanship and establish standards by which the Work will be judged.

“Schedule of Values (SOV)”, means the Document specified in the construction phase, which divides the Contract Price into pay items, such that the sum of all pay items equals the awarded Delivery Order Price for the Work, or for any portion of the Work having a separate specified Contract Price.

“Shop Drawings” mean drawings, diagrams, schedules and other data specially prepared for the Work by the Contractor or a Subcontractor, Sub-subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Work.

“Scheduled Substantial Completion Date” means the calendar date equal to the Notice to Proceed date established plus the number of Days established in each Delivery Order.

“Site” means the land or locations on which the Project is located, as more particularly described in the Delivery Order.

“Subcontractor” or “Subconsultant” means any person or entity retained by Contractor as an independent contractor to perform a portion of the Work and shall include material, men and suppliers.

“Substantial Completion” means the date on which the Work, or an agreed upon portion of the Work, is sufficiently complete so that City can occupy and use the Project or a portion thereof for its intended purposes.

“Technical Consultant” means an agent of the City who furnishes project management assistance (if applicable to a Delivery Order).

"Variations of the City's Project Criteria" means agreed changes to the City's Project Criteria by both Parties.

"Work" means any design and construction services, including procuring and furnishing materials, equipment, services, Commissioning and labor reasonably inferable from the Construction Documents.

ARTICLE 4 DESIGN PHASE AND DESIGN SERVICES

1. Costs for Preconstruction services will be included in Contractor's firm fixed price cost proposal.
2. Contractor may also be required to provide incidental Design Services for all or a portion of the Work to be constructed under a specific Delivery Order. If consulting services for design and the preparation of Plans and Specifications are required; they will be paid for as a separate line item in the Contractor's price proposal. Normally the City will obtain design services from a consultant or prepare design documents using City staff.

ARTICLE 5 CONSTRUCTION SERVICES

1. JOC Contractor shall perform all Work necessary to construct the Project in accordance with this Contract and the specifications outlined in each Delivery Order, and to render the Project and all its components operational and functionally and legally usable for their intended purpose.
2. The term "Work" shall mean whatever is done by or required of Contractor to perform and complete its duties relating to the construction of each Delivery Order under the Contract, including, without limitation, the following:
 - (a) Construction of the whole and all parts of the Project in full and strict conformity with each Delivery Order;
 - (b) The provision and furnishing, and prompt payment therefore, of all labor, supervision, services, materials, supplies, equipment, fixtures, appliances, facilities, tools, transportation, storage, power, fuel, heat, light, cooling, other utilities and things required for the construction of each Delivery Order;
 - (c) The procurement and furnishing of all necessary permits and other permits required for the construction of each Delivery Order;
 - (d) The creation and submission to City of detailed as-built drawings depicting all as-built construction;

(e) The furnishing of any required surety bonds and insurance as may be required by each Delivery Order;

(f) The furnishing of all equipment and product warranties, manuals, test results and user guides required by each Delivery Order or otherwise reasonably available to Contractor;

(g) The furnishing of all other services and things required or reasonably inferable from the Contract Documents, including the provisions of Article 6 below.

ARTICLE 6

TIME FOR CONSTRUCTION: THE CONTRACT TIME

1. After City has awarded each Delivery Order, City shall issue a notice to proceed (NTP) the Work directing Contractor to proceed with the Work on the date indicated in the notice (the "Commencement Date"). The notice to commence Work shall be issued at least ten (10) days prior to the Commencement Date.

2. Contractor shall commence the Work on the Commencement Date, and the Work shall be carried out regularly and without interruption. Contractor shall substantially complete the Work no later than the date established in each Delivery Order or such other date as may be issued by a Change Order (the "Scheduled Completion Date"). The number of calendar days between the effective date of the Contract and the Scheduled Completion Date is the "Contract Time". Contractor shall achieve Final Completion of the Work no later than thirty (30) calendar days after achieving Substantial Completion.

3. Contractor understands that if Substantial Completion for entire project is not attained by the Scheduled Substantial Completion date, City will suffer damages which are difficult to determine and accurately specify. Contractor agrees that if Substantial Completion is not attained by the Scheduled Substantial Completion Date, Contractor shall pay City the amount established in each Delivery Order as liquidated damages for each day that Substantial completion extends beyond the Scheduled Substantial Completion Date.

4. All limitations of time set forth in each Delivery Order are material and time is of the essence of each Delivery Order.

ARTICLE 7

ADDITIONAL DUTIES AND RESPONSIBILITIES OF CONTRACTOR

1. The intent of this Contract is to require complete, correct and timely execution of all Delivery Orders awarded for the Construction Work. Any and all Construction Work that may be required reasonably implied or reasonably inferred by each Delivery Order as necessary to

produce the intended result shall be provided by Contractor for the Construction Price as provided in each awarded Delivery Order.

2. All Construction Work performed by Contractor shall be in strict compliance with each Delivery Order. "Substantial Compliance" is not strict compliance. Any Construction Work not in strict compliance with each Delivery Order is defective.

3. The Construction Work shall be strictly supervised and directed using Contractors best and highest skill and effort. Contractor shall bear full responsibility for any and all acts or omissions of those engaged in the Construction Work on behalf of the Contractor.

4. Contractor warrants and guarantees to City that all labor furnished to perform the Construction Work under each Delivery Order will be competent to perform the tasks undertaken and is the best quality obtainable, that the product of such labor will yield only superior results in strict compliance with the requirements of each Delivery Order, that materials and equipment furnished will be of high quality and new unless otherwise permitted by the Delivery Order, and that the Construction Work will be of high quality, free from faults and defects and in strict conformance with the requirements found in each Delivery Order. Any and all Construction Work not strictly conforming to these requirements shall be considered defective and shall constitute a breach of Contractor's warranty.

5. Special or specific guarantees and warranties which are required by each Delivery Order to run for a fixed period of time shall commence running on the date of Substantial Completion of all Construction Work. In general, Contractor warrants all work, including labor and materials, for a period of two (2) years from the date of Substantial Completion, unless otherwise specified in the Delivery Order.

6. Contractor, within fifteen (15) days after the Commencement Date, shall submit to the Manager of Construction and Contracting for his information, and shall comply with, Contractor's Schedule of Construction for each Delivery Order awarded. The Schedule of Construction shall reflect the performance of all Construction Work on weekdays and non-holidays. The Schedule of Construction shall be a detailed critical path (CPM) schedule in a form acceptable to City. The Schedule of Construction shall be revised at least monthly and shall be revised to reflect conditions encountered from time to time and shall be related to the entire Project awarded as a Delivery Order. Each such revision shall be furnished to the City. Strict compliance with the requirements of this Paragraph shall be a condition precedent for payment to Contractor, and failure to strictly comply with this requirement shall constitute a material breach of the Contract. No claim for an increase in the Construction Price shall be allowed as a result of Contractor basing the Construction Price upon an early completion schedule, or as a result of delays and costs attributable to completion later than the planned early completion date.

7. Contractor shall continuously maintain at the site, for the benefit of City, an updated copy of the awarded Delivery Order, including one record copy of the Delivery Order Documents marked to record on a current basis changes, selections and modifications made during construction. Additionally, Contractor shall maintain at the site, for the benefit of City, a copy of all Shop Drawings, Product Data, Samples, and other Submittals, if specified in the awarded Delivery Order. Upon Final Completion of the Construction Work, or upon the City's request, all of the documents described in this Paragraph shall be finally updated and delivered to City and shall become the property of the City.

8. Contractor shall review, study, and approve, or take other necessary action upon all Shop Drawings, Product Data, Samples, and other Submittals to ensure that each Delivery Order will be constructed in a timely fashion in strict compliance with the requirements of the Contract and Delivery Order. No deviation from, substitution for, or other modification from the Documents shall be allowed by Contractor in a shop drawing or submittal without written approval, in the form of a Change Order, from City. Contractor shall engage in prompt and adequate review of Shop Drawing and other Submittals to maintain the Construction Schedule; Contractor also warrants it will use its best independent professional judgment in its review to determine compliance with the Contract Documents.

9. City shall also, in its discretion, have the right to review and approve Submittals, and if City so elects, Contractor shall not perform any portion of the Construction Work as to which the City has required submittal and review until such Submittal has been approved by the City. Approval by the City, however, shall not be evidence that Construction Work installed pursuant to the City's approval conforms with the requirements of the Contract nor shall such approvals relieve Contractor of any of its responsibilities or warranties under the Contract. If City elects to review Submittals, Contractor shall maintain a Submittal log which shall include, at a minimum, the date of each Submittal, the date of any resubmittal, the date of any approval or rejection, and the reason for any approval or rejection. Contractor shall have the duty to carefully review, inspect and examine any and all Submittals before submission of same to City. Shop Drawings and other Submittals from Contractor do not constitute a part of this Contract.

10. Contractor shall procure from all Subcontractors and Suppliers and shall transmit to the City, all warranties required by the Contract. Contractor shall review all such warranties and shall certify to City that the warranties are in strict compliance with the requirements of the Contract.

11. Contractor shall prepare or procure and shall transmit to the City all documentation required by this Contract regarding the operation and recommended maintenance programs relating to the various elements of the Construction Work.

12. If required in the Delivery Order, Contractor shall prepare and provide to the City a complete set of all as-built drawings which shall be complete and, except as specifically noted,

shall reflect performance of the Construction Work in strict compliance with the requirements of this Contract.

13. Contractor shall assume all labor responsibility for all personnel assigned to or contracted for the performance of the Construction Work and agrees to strictly comply with all its obligations as employer with respect to said personnel under all applicable labor laws.

14. Contractor shall be responsible for procuring all tests and inspections required by sound professional practices and by governmental authorities having jurisdiction over the Project. Contractor shall submit certified results of such tests to City. If the laws, ordinances, rules, regulations or orders of any public authority having jurisdiction require any Construction Work to be specifically inspected, tested, or approved, Contractor shall assume full responsibility therefore, pay all costs in connection therewith and furnish to City the required certificates of inspection, testing or approval.

15. Contractor shall, during the course of the Construction Work, comply with any regulations or guidelines prescribed by City. Contractor warrants that it will comply with all public laws, ordinances, rules and regulations applicable to the services to be performed under the Contract, including without limitation, those relating to the terms and conditions of the employment of any person by Contractor in connection with the Construction Work to be performed under the Contract.

16. Contractor shall perform the Construction Work in accordance with all construction codes, laws, ordinances or regulations applicable to the design and execution of the Construction Work. Any fine or penalty which may be imposed as consequence of any violation of this provision shall be paid by Contractor, and Contractor, to the fullest extent permitted by the law, shall fully defend, indemnify and hold City harmless for, from and against all loss, damage, and expense, including attorney's fees, resulting from any such violation or alleged violation of codes, laws, ordinances, or regulations, regardless of a concurrent contribution by City, through negligence or other wrongful act, to such loss, damage, or expense, except that such indemnity shall not apply if the violation is solely and directly caused by a negligent or willful act or omission of City, its officers, agents, or employees.

17. All construction and building permits, licenses and authorizations necessary for the construction of the Project shall be secured and paid for by Contractor. Contractor shall notify the City when it has received said permits, licenses, and authorizations, and upon receipt shall supply the City with copies of same. The originals of permits, licenses and authorizations shall be delivered to the City upon completion of the Construction Work, and receipt of these documents by City shall be a condition precedent to final payment. Contractor shall also give and maintain any and all notices required by applicable laws pertaining to the construction of the Construction Work.

18. While on City's property, all Contractor's employees and Subcontractors shall confine themselves to areas designated by the City and will be subject to City's badge and pass requirements, if any, in effect at the site of the Construction Work.

19. Contractor shall take all reasonable steps and legally required measures at the site to comply with applicable safety regulations and standards and to adequately protect the Construction Work, stored materials, and temporary structures located on the premises, and to prevent unauthorized persons from entering upon the site. Contractor shall at all times safeguard City's property and employees from injury or loss in connection with the performance of the Contract. Contractor shall at all times safeguard and protect its own partially or completely finished Construction Work and that of the adjacent property and all adjacent construction Work from damage. Contractor shall protect City's equipment, apparatus, machinery, and other property and all adjacent construction Work with boarding and other safeguards so as to keep the premises free from dampness, dirt, dust, or other damage and shall remove all such temporary protection upon completion of the Construction Work.

20. Unless otherwise instructed by City, Contractor shall repair and return to original condition all buildings, streets, curbs, sidewalks, utilities or other facilities affected by Contractor's performance of the Construction Work.

21. Contractor shall keep the site reasonably clean during performance of the Construction Work. Upon Final Completion of the Construction Work, Contractor shall thoroughly clean the site and the Project and remove all waste, debris, trash and excess materials or equipment, together with Contractor's property therefrom.

22. At all times relevant to the Contract, Contractor shall provide access to the Construction Work to City and its designees without formality or other procedure.

23. The City's decisions in matters relating to aesthetic standards and effect shall be final.

24. In performing both Design Services and Construction Work under this Contract, the relationship between City and Contractor is that of independent contractor, and the execution of this Contract does not change the independent status of Contractor. Contractor shall exercise independent judgment in performing its duties under this Contract and is solely responsible for setting working hours, scheduling or prioritizing the Contract work flow and determining how all Contract work is to be performed. No term or provision of this Contract or act of Contractor in the performance of this Contract shall be construed as making Contractor the agent, servant or employee of City, or making Contractor or any of its employees eligible for the fringe benefits, such as retirement, insurance and worker's compensation, which City provides its employees.

ARTICLE 8 CONTRACT PRICE

1. City shall pay, and Contractor shall accept, as full and complete payment for all work associated with each Delivery Order the amount approved and awarded to the Contractor as a Delivery Order. Each Delivery Order will be a separate contract under this blanket JOC Contract. The general terms and conditions will be established by this contract and special contract provisions will be established within each Delivery Order.

2. Delivery Order Construction Price, unless changed by Supplemental Agreement or Change Order, represents the absolute limit of obligation or liability that City may ever have insofar as the cost for full and final completion of the Construction Work, and the total of all payments to Contractor or its Subcontractors are concerned. Should additional amounts be required to be expended, over and above a Delivery Order Construction Price, to achieve completion of the Construction Work, including Project construction, and payment to Contractor, in accordance with this Contract and any Special Provisions included in each awarded Delivery Order, liability for and payment of such additional amounts shall be the sole responsibility of Contractor and its Contract Surety herein, and City shall never be liable for same.

3. In addition to the Construction Work Contractor will perform, it will also provide all the usual and necessary traditional construction management services incident to construction projects of the nature and scope of this Project, for which the Management Fee described in this Contract is paid. The services required are not intended in any manner to diminish the overall responsibility of Contractor for the full and final completion of the Construction Work within the time and cost constraints specified in this Contract.

4. City agrees to pay Contractor for the Cost of the Construction Work as defined in each Delivery Order, subject to submission by Contractor of all backup substantiation as may be reasonably required by the City. In no event shall the sum of payments for the Cost of the Construction Work and any other Contractor compensation exceed the Construction Price, as adjusted by Change Order. The term "Cost of the Construction Work" shall be defined in each Delivery Order and be established as a Firm-Fixed Price Contract.

ARTICLE 9 PAYMENT OF THE CONTRACT PRICE

1. Payments of the Contract Price will be made monthly as Work progresses. Payment Applications, covering labor, material, equipment, supplies, and other items completed, delivered or suitably stored on site during a period ending on the last calendar day of each month, shall be submitted to the City by the Contractor on the current edition of AIA Documents G702 and G703, within five (5) days after end of the period. Payment Applications shall be notarized shall be supported by such data substantiating the Contractor's right to

payment as the City may require, and reflect retainage, if any, as is provided. All payments shall be subject to any offset or retainage provisions of the Contract.

2. Each payment made to the Contractor shall be on account of the total amount payable to the Contractor, and title to all Work covered by a paid partial payment shall thereupon pass to the City. Nothing in this section shall be construed as relieving the Contractor from the sole responsibility for care and protection of materials and Work upon which payments have been made, for restoration of any damaged Work, or as a waiver of the right of the City to require fulfillment of all terms of Contract Documents.

3. The City, within seven (7) days after receipt of the Payment Application, will either issue a Certificate for Payment for such amount as is properly due or issue written notice of the reasons for withholding such a certificate.

4. The issuance of a Certificate for Payment will constitute a representation by the City, observations at the site and the data comprising the Application for Payment, that the Work is in accordance with the Contract Documents (subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to the results of any subsequent tests required by or performed under the Contract Documents, to minor deviations from the Contract Documents correctable prior to completion, and to any specific qualifications stated in his certificate); and that the Contractor is entitled to payment in the amount certified.

5. Payment may be withheld in whole or in part to protect the City on account of:

- (a) Unsatisfactory job progress as determined by the City.
- (b) Defective Work or materials not remedied.
- (c) Disputed Work or materials.
- (d) Claims or other encumbrances filed or reasonable evidence indicating probable filing of claims or other encumbrances by Subcontractors or Suppliers, or others.
- (e) Failure of the Contractor to make payment to Subcontractors or Suppliers within seven (7) days after receipt of each progress payment.
- (f) A reasonable doubt as determined by the City that the Work can be completed for the unpaid balance of the Contract Price or within the Contract Time.
- (g) The Contractor's failure to perform any of its contractual obligations under the Contractor Documents, or any other Contract with the City.
- (h) Deficiencies or claims asserted by City against Contractor arising from any other project. Within fourteen (14) days following the receipt of the Certificate of Payment, the City shall pay to the Contractor 90% of the value of the Work in place and materials suitably stored at the site. The remaining 10% shall be retained by the City until the Contract is 50% completed at which time the retainage shall be reduced to 5%; provided that: (a) the Contractor is making satisfactory progress on the Contract; and (b) in the City's sole judgment, there is no specific cause or claim requiring a greater amount than 5% to be retained. Thereafter, the City shall pay the Contractor 95% of the value of the Work, unless and until it determines satisfactory progress is not being made, at which time the 10% retainage may be reinstated. Such 10%

reinstatement would be 10% of the total contract value of Work in place and materials stored. The City's sole judgment concerning the satisfactory progress of the Work shall be final.

6. Within sixty (60) days after the issuance of the Certificate of Final Completion by the City and receipt of all other documents required by the Contract, all retained amounts shall be paid to Contractor as part of Final Payment:

(a) The Final Payment shall not become due until the Contractor delivers to the City full and final unconditional releases from Subcontractors and major Suppliers acknowledging payment in full. Any claim filed thereafter shall be the responsibility of the Contractor.

(b) If any claim remains unsatisfied after all payments are made, the Contractor shall immediately upon demand refund to the City all monies that the latter may be compelled to pay in discharging such claim including all costs, interest and attorneys' fees.

7. If any payment of the Contract Price is not made within thirty (30) days and without just cause, interest shall thereafter accrue on the unpaid principal balance at the minimum rate allowed by state law (A.R.S. § 44-1201) on the due date.

ARTICLE 10 SUBSTANTIAL AND FINAL COMPLETION

1. "Substantial Completion" means that stage in the progression of the Construction Work, as approved by City in writing, when the Project is sufficiently complete in accordance with the Contract that City can enjoy beneficial use or occupancy of the entire Project and can utilize it for all of its intended purposes. A condition precedent to Substantial Completion is the receipt by City of all necessary authorizations for the use of the Project required by any governmental or regulatory authority. City reserves the right to use any part, phase or system of the Project when such part, phase or system is substantially completed, but such partial use of the Project shall not result in the Project being deemed substantially complete, and such partial use shall not be evidence of Substantial Completion.

2. When Contractor believes that the Construction Work is substantially complete, Contractor shall notify the City in writing and shall submit to City a list of items remaining to be completed or corrected. The City, the City's designee, (or an independent consultant hired by City) will perform an inspection. If the Construction Work is substantially complete, in the sole opinion of City, City will prepare a Certificate of Substantial Completion which shall establish the date of Substantial Completion. The Certificate of Substantial Completion shall state the responsibilities of City and Contractor for Project security, maintenance, damage to the Construction Work, and insurance, and shall fix the date, not longer than 30 days after the established date of Substantial Completion, within which Contractor shall complete any items of incomplete or defective Construction Work. The Certificate of Substantial Completion shall be submitted to Contractor for its written acceptance of the responsibilities assigned to it in such certificate.

3. Upon Substantial Completion of the Construction Work, and upon execution by both City and Contractor of the Certificate of Substantial Completion, City shall pay Contractor, within thirty (30) days, all sums due Contractor, including such amount of retainage as the City in its sole discretion wishes to pay based upon the value of remaining performance, less the reasonable costs, as determined by City in City's sole discretion, for completing all incomplete Construction Work and/or any Design Services, correcting and bringing into strict conformance all defective and nonconforming Construction Work, and handling all outstanding or threatened claims.

4. "Final Completion" means the completion of all Work required by, and in strict compliance with, this Contract, the Delivery Order, including Contractor's provision to City of all documents and things required to be provided by the Contract.

5. When Contractor believes that all of the Construction Work is finally complete, and Contractor is ready for a final inspection, Contractor shall so notify the City in writing. The City (or an independent consultant hired by City) will then make final inspection of the Construction Work and, if the Construction Work is complete in strict accordance with the Contract, and the Contract has been fully performed, then City will issue a Certificate for Final Payment, providing for payment of the remainder of the Contract Price, less any amount withheld pursuant to the Contract.

6. City shall make final payment of all remaining sums due to Contractor within thirty (30) days after Final Completion as reflected by City's Certificate for Final Payment, provided that all documents and things required to be delivered to City under this Contract have been delivered as required, and provided that all other conditions precedent to payment have been satisfied.

7. Prior to being entitled to receive final payment, and as a condition precedent thereto, Contractor shall furnish City, in the form and manner required by the City, the following:

(a) an Affidavit of Final Payment and Release, in particular certifying that all Subcontractors and Suppliers have been paid all sums lawfully due to them, and releasing City from all claims that Contractor had or might have asserted during the performance of this Contract;

(b) if required by City, separate releases of lien or lien waivers from each Subcontractor, lower tier subcontractor, laborer, Supplier or other person or entity who has, or might assert a claim against City or City's property;

(c) consent of surety to final payment;

(d) a complete set of the as-built drawings to include AutoCAD disks and the record set of Contract Documents; and

(e) all product warranties, operating manuals, instruction manuals and other record documents, drawings and things customarily required of a Contractor, or expressly required herein, as a part of or prior to Project closeout.

8. Acceptance by Contractor of final payment shall constitute a waiver and release of all claims against City by Contractor except for those claims previously made in writing against City by Contractor, pending at the time of final payment and specifically identified on Contractor's pay request for final payment as unsettled at the time it submits its pay request.

ARTICLE 11

CITY'S DUTIES, OBLIGATIONS, AND RESPONSIBILITIES

In addition to payment, City shall undertake to perform the following:

1. City shall provide Contractor with information regarding City's requirements for the Project including any desired or required design or construction schedule.
2. City shall review any documents submitted by Contractor requiring City's decision, and shall render any required decisions pertaining thereto.
3. In the event City knows of any material fault or defect in the Construction Work, nonconformance with the Contract, or of any errors, omissions or inconsistencies in the Design Documents, then City shall give prompt notice thereof in writing to Contractor.
4. City shall provide Contractor access to the site and to the Construction Work, and shall provide Contractor with such information, existing and reasonably available, necessary to Contractor's performance of the Contract as Contractor may request.
5. City shall cooperate with Contractor in securing any necessary licenses, permits, approvals or other necessary authorizations for the design, construction and certification of the Project.
6. City shall perform the duties set forth in this Article 11 in a reasonably expeditious fashion so as to permit the orderly and timely progress of Contractor's Design Services and of the Construction Work.
7. City's review, inspection, or approval of any Construction Work, Design Documents, Submittals, or pay requests by Contractor shall be solely for the purpose of determining whether such Construction Work and such documents are generally consistent with City's construction program and requirements. No review, inspection, or approval by City of the Construction Work or documents shall relieve Contractor of its responsibility for the performance of its obligations under the Contract or the accuracy, adequacy, fitness, suitability, or coordination of its Design Services or the Construction Work. Approval by any governmental or other regulatory agency or other governing body of any Construction Work, Design Documents, or Contract Documents shall not relieve Contractor of responsibility for the strict performance of its obligations under the Contract. Payment by City pursuant to the Contract

shall not constitute a waiver of any of City's rights under the Contract or at law, and Contractor expressly accepts the risk that defects in its performance, if any, may not be discovered until after payment, including final payment, is made by City.

8. City's agreement not to exercise, or its delay or failure to exercise, any right under the Contract or to require strict compliance with any obligation of Contractor under the Contract shall not be a waiver of the right to exercise such right or to insist on such compliance at any other time or on any other occasion.

9. City shall furnish to Contractor, prior to the execution of each Delivery Order, any and all written and tangible material knowingly in its possession concerning conditions below ground at the site of the Project. Such written and tangible material is furnished to Contractor only in order to make complete disclosure of such material and for no other purpose. By furnishing such material, City does not represent, warrant, or guarantee its accuracy or completeness either in whole or in part, and shall have no liability therefore. If Contractor requests in writing, City shall also furnish surveys, legal limitations, and utility locations (if known), and a legal description of the Project site.

10. City shall obtain all easements required for construction, and shall pay for necessary assessments and charges required for use and occupancy of the Construction Work. Contractor shall render such assistance as City may request in obtaining such easements, certificates of occupancy, and the like.

11. In the event Contractor fails or refuses to perform the Construction Work in strict accordance with the Contract, or is otherwise in breach of this Contract in any way, City may, at its option, instruct Contractor to cease and desist from performing further Construction Work, or any part thereof. Upon receipt of such instruction from City in writing, Contractor shall immediately cease and desist as instructed by City and shall not proceed further until the cause for City's instructions has been corrected, no longer exists, or City instructs that the Construction Work may resume.

12. In the event City issues such instructions to stop Construction Work, and in the further event that Contractor fails and refuses within seven (7) days of receipt of same to provide adequate assurance to City that the cause of such instructions will be eliminated or corrected, then City shall have the right to carry out the Construction Work with its own forces, or with the forces of other contractors, and Contractor shall be fully responsible for the costs incurred in correcting any defective or deficient Construction Work. The rights set forth in Paragraph 14(K) and this Paragraph 14(L) are in addition to, and without prejudice to, any other rights or remedies City may have against Contractor, including the rights to terminate or withhold payment as provided herein.

ARTICLE 12
DELIVERY ORDER (PROJECT) DOCUMENTATION

1. Contractor shall maintain and protect all records relating in any manner whatsoever to the Project (the "Project Records") for no less than four (4) years after Final Completion of the Project, and for any longer period of time as may be required by law or good management practice.

2. All Project Records which are in the possession of Contractor or Contractors Subcontractors shall be made available to City for inspection and copying upon City's request at any time. Additionally, such records shall be made available upon request by City to any state, federal or other regulatory authorities, and any such authority may review, inspect and copy such records. The Project Records include, without limitation, all drawings, plans, specifications, Submittals, correspondence, logs, minutes, memoranda, photographs, tape or videotape recordings, or other writings or things which document the Project, its design, or its construction. Said records include those documents reflecting the cost of design and construction to Contractor.

ARTICLE 13
PERSONNEL, SUBCONTRACTORS AND SUPPLIERS

1. A "Subcontractor" means an entity which has a direct contract with Contractor to perform a portion of the Construction Work or the Design Services. For purposes of the Contract, Subcontractors shall also include those furnishing any equipment and materials for the Project.

2. A "Supplier" means an entity providing only equipment or materials for the performance of the Construction Work.

3. Upon execution of this Contract, and at such later times as may be applicable, Contractor shall furnish City, in writing, the names of persons or entities proposed by Contractor to act as Subcontractors on the Project. Contractor shall provide such information regarding such proposed Subcontractors as City deems necessary. City shall promptly reply to Contractor, in writing, stating any objections City may have to such proposed Subcontractors. Contractor shall not enter into a subcontract with an intended Subcontractor with reference to whom City objects. Any consent or failure to reject by City shall in no way relieve Contractor of any of its duties or warranties under the Contract.

4. All subcontracts and purchase orders with Subcontractors shall afford Contractor rights against the Subcontractor which correspond to those rights afforded to City against Contractor under this Contract, including those rights of Contract suspension, termination, and stop Construction Work orders as set forth in this Contract. It is expressly agreed that no relationship of agency, employment, contract, obligation or otherwise shall be created between City and

any Subcontractor of Contractor, and a provision to this effect shall be inserted into all agreements between Contractor and its Subcontractors.

5. Should Contractor subcontract all or any part of the Construction Work, such subcontracting of the Construction Work shall not relieve Contractor from any liability or obligation under the Contract or under any applicable policy, law or regulation, and Contractor shall be responsible for all and any acts, defaults, omissions or negligence of its Subcontractors, Suppliers, and consultants.

6. In accordance with Article 3 above, Contractor shall employ and assign only qualified and competent personnel to perform any service or task concerning the Project. Contractor shall designate one such person as the Project Contractor. Absent written instruction from Contractor to the contrary, the Project Contractor shall be deemed to be Contractor's authorized representative and shall be authorized to receive and accept any and all communications from City. Key design and supervisory personnel assigned by Contractor to each Delivery Order will be provided at the time the contractor submits the RFP pricing package. The contractor shall conform to all requirements established in each Delivery Order RFP issued by the City.

7. If, at any time during the course of the Project, City reasonably determines that the performance of any Subcontractor or any member of Contractor's staff construction Working on the Project is unsatisfactory, City's Representative may require Contractor to remove such Subcontractor or staff member from the Project immediately and replace the staff member at no cost or penalty to City for delays or inefficiencies the change may cause.

ARTICLE 14 CHANGES AND EXTENSIONS OF TIME

1. Changes in the Design Services (if required) or the Construction Work under this Contract, consisting of additions, deletions, revisions or any combination thereof, may be ordered unilaterally by City without invalidating the Contract. Such changes shall be communicated by Change Order, Field Order or supplemental agreement, as applicable. Contractor shall proceed diligently with any changes, and same shall be accomplished in strict accordance with the terms and conditions as set forth in this Contract/Delivery Order.

2. All change orders, changes requested by Contractor, or extensions of Contract Time occurring during construction of the Project related to actual Construction Work shall be governed by the applicable provisions of this Contract/Delivery Order. All requests for additional compensation due to a change in the scope, and all requests for an extension of time to the Schedule, shall include sufficient backup documentation to reasonably understand the request and the amount of time or compensation requested and determine the merits of the request.

3. Upon the occurrence of a change order for Construction Work which increases the Cost of the Construction Work, the Construction Price will thereafter include such Cost of the Construction Work and Services attributable to such change to the extent allowed.

4. In the event the parties are unable to agree on the terms of a Change Order or Supplemental Agreement, then Contractor shall continue to diligently perform the Work, including any change directed by City by Change Order or Supplemental Agreement, and shall keep thorough records of the cost of performance of such Change Order or Supplemental Agreement.

5. Contractor recognizes and accepts a fiduciary relationship of trust and confidence hereby established between Contractor and City and agrees that it shall at all times in good faith use its best efforts to advance City's interests and agrees to perform the Work in the highest professional manner.

ARTICLE 15 CLAIMS BY CONTRACTOR

1. Claims by Contractor against City are subject to the terms and conditions of this Article 15, and strict compliance herewith shall be a condition precedent to any liability of City therefore.

2. All claims for additional compensation or additional time, regardless of their nature, when they occur, or whether they occur during the design or construction phase, shall be governed by the City of Buckeye Procurement Code.

3. Contractor shall provide, and continue to provide, to City all such documentation, including cost and time records, as and when City may request so that City may evaluate Contractor's claim.

4. Contractor shall continue its performance under this Contract regardless of the existence of any claims submitted by Contractor against City.

5. In the event Contractor seeks to make a claim for an increase in the Construction Price, as a condition precedent to any liability of City for any claim, Contractor shall strictly comply with the requirements of Paragraph 2 above and such notice shall be given by Contractor before proceeding to execute any alleged additional or changed Construction Work. Failure of the condition precedent to occur shall constitute a waiver by Contractor of any claim.

6. In connection with any claim by Contractor against City for compensation in excess of the Construction Price, any liability of City shall be strictly limited to the Cost of the Construction Work and Design Services if required as defined and allowed in this Contract and subsequent Delivery Orders and shall in no event include, indirect, consequential, impact or

other costs, expenses or damages of Contractor or its Subcontractors. City shall not be liable to Contractor for claims of third parties, including Subcontractors, for acts, omissions, events, or conditions for which City would not be liable to Contractor under the terms of the Contract. As a condition precedent to City's liability to Contractor for any loss or damage resulting from claims of third parties, including Subcontractors, such third parties must have complied with all conditions contained in their agreements with Contractor and such claims must have been submitted to City by Contractor in strict compliance with all the requirements of this Article. City shall not be liable to Contractor for claims of third parties including Subcontractors, unless and until the liability of Contractor has been established in a court of competent jurisdiction.

7. The resolution of any claim under this Article shall be reflected by a Change Order or Supplemental Agreement executed by City and Contractor.

ARTICLE 16

UNCOVERING AND CORRECTING CONSTRUCTION WORK

1. If any of the Construction Work is covered, concealed or obscured contrary to the written request of City, or contrary to any provision of the Contract, said Construction Work shall, if required by City, be uncovered for inspection and shall be properly replaced at Contractor's expense without change in the Contract Time.

2. If any of the Construction Work is covered, concealed or obscured in a manner not inconsistent with Paragraph 1 above, it shall, if required by City, be uncovered for inspection. If such Construction Work conforms strictly with the Contract, the cost of uncovering and proper replacement shall be charged to City. If such Construction Work does not strictly conform to the Contract, Contractor shall pay the cost of uncovering and proper replacement.

3. Contractor shall immediately proceed to correct Construction Work rejected by City as defective or failing to conform to the Contract. Contractor shall pay all costs and expenses associated with correcting such rejected Construction Work, including any additional testing and inspections made necessary thereby.

4. In addition to its warranty obligations set forth elsewhere herein, Contractor shall be specifically obligated to correct at its cost and expense any and all defective or nonconforming Construction Work for a period of twelve (12) months following Final Completion upon written direction from City. This obligation shall survive final payment by City and termination of the Contract.

5. Nothing contained in Paragraph 4 shall establish any period of limitation with respect to other obligations which Contractor has under the Contract. Establishment of the one-year time period in Paragraph 4 above relates only to the duty to Contractor to specifically correct the Construction Work.

6. City may, but shall in no event be required to, choose to accept defective or nonconforming Construction Work. In such event, the Contract Price shall be reduced by the reasonable costs of removing and correcting the defective or nonconforming Construction Work. City shall be entitled to a reduction in the Construction Price regardless of whether City has, in fact, removed and corrected such defective Construction Work. If the unpaid balance of the Construction Price, if any, is insufficient to compensate City for the acceptance of defective or nonconforming Construction Work, Contractor shall, upon written demand from City, pay City such additional compensation for accepting defective or nonconforming Construction Work.

ARTICLE 17

SUSPENSION AND TERMINATION

1. City may for any reason whatsoever suspend performance under the Contract. City shall give written notice of such suspension to Contractor specifying when such suspension is to become effective.

2. From and upon the effective date of any Suspension ordered by City, Contractor shall incur no further expense or obligations in connection with this Contract, and Contractor shall cease its performance. Contractor shall also, at City's direction, either suspend or assign to City any of its open or outstanding subcontracts or purchase orders.

3. In the event City directs a suspension of performance under this Article 17, through no fault of Contractor, and provided Contractor submits a proper claim as provided in this Contract, City shall pay Contractor as full compensation for such suspension Contractor's reasonable costs, actually incurred and paid, of:

- (a) demobilization and remobilization, including such costs paid to Subcontractors;
- (b) preserving and protecting Construction Work in place;
- (c) storage of materials or equipment purchased for the Project, including insurance thereon; and
- (d) performing in a later, or during a longer, time frame than that contemplated by this Contract.

4. If City lifts the suspension it shall do so in writing, and Contractor shall promptly resume performance of the Contract unless, prior to receiving the notice to resume, Contractor has exercised its right of termination as provided herein.

5. City reserves the right, for any reason whatsoever (including, but not limited to, the City's failure to appropriate funding for this Contract), or without reason, terminate performance under the Contract by Contractor for convenience. City shall give thirty (30) calendar days advance written notice of termination for convenience to Contractor. Contractor shall incur no further obligations in connection with the Contract and Contractor shall stop Work when such termination becomes effective. Contractor shall also, at City's direction, either

terminate or assign to City outstanding orders and subcontracts. Contractor shall settle the liabilities and claims arising out of any terminated subcontracts and orders. City may direct Contractor to assign Contractor's right, title and interest under terminated orders or subcontracts to City or its designee. Contractor shall transfer title and deliver to City such completed or partially completed Design Documents (if any), Construction Work and materials, equipment, parts, fixtures, information and Contract rights as Contractor has.

6. When terminated for convenience, Contractor shall be compensated as follows:

(a) Contractor shall submit a termination claim to City specifying the amounts believed to be due because of the termination for convenience together with costs, pricing or other data required by City. If Contractor fails to file a termination claim within three (3) months from the effective date of termination, City shall pay Contractor an amount derived in accordance with Subparagraph (c) below;

(b) City and Contractor may agree to the compensation, if any, due to Contractor under this paragraph;

(c) Absent agreement to the amount due to Contractor, City shall pay Contractor, as full compensation for termination for convenience, the following amounts:

(i) the Cost of the Construction Work and Services, as defined and allowed by to the extent incurred or paid prior to receipt by Contractor of the notice of termination;

(ii) such portion of Work which is completed and unpaid as of the date of receipt by Contractor of the notice of termination; and

(iii) reasonable costs of settling and paying claims arising out of the termination of subcontracts or orders hereinabove. These costs shall not include amounts paid in accordance with other provisions of this Contract. In no event shall Contractor be entitled to recover lost profits or other incidental or consequential damages from City on account of a termination for convenience, or an erroneous termination for cause as described below.

7. If Contractor does not perform the Construction Work, or any part thereof, in a timely manner, supply adequate labor, supervisory personnel or proper equipment or materials, or if it fails to timely discharge its obligations for labor, equipment and materials, or proceeds to disobey applicable laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, or otherwise commits a violation of a material provision of the Contract, then City may by written notice to Contractor, without prejudice to any other right or remedy against Contractor or others, terminate the performance of Contractor and take possession of the Project site and of all materials and equipment at the site and may finish the Construction Work by whatever methods it may deem expedient. In such cases, Contractor shall not be entitled to receive any further payment until the Construction Work is finished.

8. In the event the employment of Contractor is terminated by City for cause and it is subsequently determined by a court or other tribunal of competent jurisdiction that such termination was without cause, such termination shall thereupon be deemed a Termination for Convenience under this Paragraph and the provisions of this Paragraph regarding compensation shall apply.

ARTICLE 18 INDEMNITY

1. To the fullest extent permitted by law, Contractor agrees to defend, indemnify and hold City, its elected officials, officers, agents and employees, harmless for, from and against any and all claims, lawsuits, judgments, costs and expenses for personal injury (including death), property damage or other harm for which recovery of damages is sought, suffered by any person or persons, that may arise out of or be occasioned by Contractor's breach of any of the terms or provisions of this Contract, or by any negligent, grossly negligent or strictly liable act or omission of Contractor, its officers, agents, or employees, in the performance of this Contract; except that the indemnity provided for in this paragraph shall not apply to any liability resulting from the sole negligence or fault of City, its elected officials, officers, agents, employees or separate contractors. The provisions of this paragraph are solely for the benefit of the parties hereto and are not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

ARTICLE 19 INSURANCE AND BONDS

1. Concurrently with the execution of the Contract, the Contractor shall furnish the City of Buckeye a certificate of insurance on a standard insurance industry ACORD form. The ACORD form shall be issued by an insurance company authorized to transact business in the State of Arizona.

2. Contractor, subcontractors and subconsultants shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property, which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees, or subcontractors.

3. The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract.

4. The City in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees, subcontractors or subconsultants and Contractor is free to purchase such additional insurance as may be determined necessary.

5. Minimum Scope And Limits Of Insurance. Contractor shall provide coverage at least as broad and with limits of liability not less than those stated below.

(a) Commercial General Liability-Occurrence Form Policy shall include bodily injury, property damage, broad form contractual liability and XCU coverage.

General Aggregate	\$2,000,000
Products-Completed Operations Aggregate	\$1,000,000
Personal & Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000

The policy shall be endorsed to include the following additional insured language: "The City of Buckeye shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor."

(b) Automobile Liability- Bodily injury and property damage for any owned, hired, and non-owned vehicles used in the performance of this Contract

Combined Single Limit (CSL)	\$1,000,000
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The policy shall be endorsed to include the following additional insured language: "The City of Buckeye shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor" including automobiles owned, leased, hired or borrowed by the Contractor."

(c) Workers Compensation and Employers Liability

<u>Workers Compensation</u>	<u>Statutory</u>
Employers' Liability	
Each Accident	\$ 100,000
Disease-Each Employee	\$ 100,000
Disease-Policy Limit	\$ 500,000

The policy shall contain a waiver of subrogation against the City of Buckeye.

(d) Professional Liability

Each Claim	\$1,000,000
Annual Aggregate	\$2,000,000

(i) The required professional liability coverage must cover work done or to be done or on the behalf of the Contractor.

(ii) In the event that professional liability insurance required by this Contract is written on a "claims made" basis, coverage shall be maintained for two years past completion and acceptance of the Work or services required by this Contract.

(iii) Should any Delivery Order include the services of design as an integral part of the work, any professional liability shall specifically delete any design-build or similar

exclusions that could compromise coverage's because of the design-build delivery of the Project.

(e) Umbrella/Excess Liability: Umbrella/Excess Liability insurance with a limit of not less than \$5,000,000 per occurrence combined limit Bodily Injury and Property Damage, that "follows form" and applies in excess of the Commercial General Liability, Automobile Liability, and Employer's Liability, as required above.

6. Additional Insurance Requirements. The policies shall include, or be endorsed to include, the following provisions:

(a) On insurance policies where the City of Buckeye is named as an additional insured, the City of Buckeye shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.

(b) The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

(c) Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

7. Subconsultant's and Subcontractor's Insurance. Contractor's certificate(s) shall include all subcontractors as additional insureds under its policies or subcontractors shall maintain separate insurance as determined by the Contractor, however, subcontractor's limits of liability shall not be less than \$1,000,000 per occurrence / \$2,000,000 aggregate. All coverage's for subcontractors and subconsultants shall be appropriate to cover all of its work performed herein.

8. Notice Of Cancellation. Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice has been given, by certified mail, return receipt requested to:

Christopher A. Williams
Manager, Construction and Contracting
City of Buckeye
530 East Monroe Avenue
Buckeye, Arizona 85326

9. Acceptability Of Insurers. Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the State of Arizona and with an A. M. Best's rating of no less than A -. The City in no way warrants that the above required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

10. Verification of Coverage:

(a) Contractor shall furnish the City Certificates of Insurance (ACORD form or equivalent approved by the City) and with original endorsements effecting coverage as required by this Contract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. *Any policy endorsements that restrict or limit coverages shall be clearly noted on the certificate of insurance.*

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

(c) All certificates of insurance required by this Contract shall be sent directly to the City of Buckeye, Manager of Construction and Contracting. The contract number and project description shall be included on the Certificates of Insurance. The City reserves the right to require complete, certified copies of all insurance policies required by this Contract, at any time.

11. Approval. Any modification or variation from the insurance requirements in this Contract shall be approved by the City, whose decision shall be final. Such action will not require a formal contract amendment, but may be made by administrative action.

12. Bonds and Other Performance Security. Contractor shall provide the following performance bond and labor and material payment bond:

(a) Prior to execution of this Contract, the Contractor must provide a performance bond and a labor and materials bond, each in an amount equal to the amount of initial Contract Price designated for construction services set forth in each Delivery Order.

(b) Each such bond shall be executed by a surety company or companies holding a Certificate of Authority to transact surety business in the State of Arizona, issued by the City of the Arizona Department of Insurance. A copy of the Certificate of Authority shall accompany the bonds. The Certificate shall have been issued or updated within two years prior to the execution of the Contract.

(c) The bonds shall be made payable and acceptable to the City of Buckeye.

(d) The bonds shall be written or countersigned by an authorized representative of the surety who is either a resident of the state of Arizona or whose principal office is maintained in this state, as by law required, and the bonds shall have attached thereto a certified copy of Power of Attorney of the signing official. If one Power of Attorney is

submitted, it shall be for twice the total Contract amount. If two Powers of Attorney are submitted, each shall be for the total Contract amount. Personal or individual bonds are not acceptable.

(e) Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall permit a copy to be made.

(f) All bonds submitted for this project shall be provided by a company which has been rated "A- or better" by the A.M. Best Company.

13. Approval, disapproval or failure to act by City regarding any insurance supplied by Contractor or its Subcontractors shall not relieve Contractor of full responsibility or liability for damages, errors, omissions or accidents as set forth in this Contract. Neither the bankruptcy or insolvency of Contractor's insurer nor any denial of liability by Contractor's insurer shall exonerate Contractor from the liability or responsibility of Contractor set forth in this Contract.

ARTICLE 20 CANCELLATION UNDER A.R.S. § 38-511

1. This Contract may be cancelled pursuant to the terms of Arizona Revised Statutes Section 38-511, as amended.

ARTICLE 21 GIFT TO PUBLIC SERVANT

1. City may terminate this Contract immediately if Contractor has offered, conferred, or agreed to confer any benefit upon a City of Buckeye employee or official that the City of Buckeye employee or official is prohibited by law from accepting.

2. For purposes of this section, "benefit" means anything reasonably regarded as pecuniary gain or pecuniary advantage, including benefit to any other person in whose welfare the beneficiary has a direct or substantial interest, but does not include a contribution or expenditure made and reported in accordance with law.

3. Notwithstanding any other legal remedies, City may require Contractor to remove any employee of Contractor from the Project who has violated the restrictions of this section or any similar state or federal law, and obtain reimbursement for any expenditures made to Contractor as a result of the improper offer, agreement to confer, or conferring of a benefit to a City employee or official.

ARTICLE 22 NONDISCRIMINATION

1. As a condition of this Contract, Contractor covenants that Contractor will take all necessary actions to insure that, in connection with any work under this Contract, Contractor, his associates and subcontractors, will not discriminate in the treatment or employment of any individual or groups of individuals on the grounds of race, color, religion, national origin, age, sex, or handicap unrelated to job performance, either directly, indirectly or through contractual or other arrangements. Contractor shall also comply with all applicable requirements of the Americans with Disabilities Act, 42 U.S.C.A. §§12101-12213, as amended. In this regard, Contractor shall keep, retain and safeguard all records relating to this Contract or work performed hereunder for a minimum period of three (3) years from final Contract completion, with full access allowed to authorized representatives of City, upon request, for purposes of evaluating compliance with this and other provisions of the Contract.

2. Subject to existing law, and regulations, illegal or undocumented persons will not be employed by the Contractor for any work or services to be performed pursuant to this contract. The Contractor will ensure that this provision is expressly incorporated into any and all subcontracts or subordinate agreements issued in support of this contract. Contractor shall notify the City upon the selection and agreement with any sub-contractor, and shall notify the City prior to any subcontractor being on site doing work. Contractor agrees to comply with the provisions of section 274A(a)(1)(A) and 274A(a)(2) of the Immigration and Nationality Act (8 U.S.C.1324a(a)(1)(A), 1324a(a)(2)) (the "INA employment provisions"), and any amendments thereto, prohibiting the unlawful employment of illegal or undocumented persons. Under the terms of this agreement, the Contractor shall not knowingly hire or employ for any work performed pursuant to this contract any workers or employees not lawfully authorized to work in the United States under the provisions of the Immigration and Nationality Act or any other applicable federal or state laws. Violation of the provisions of this section shall be deemed a material breach of this Contract.

ARTICLE 23 MISCELLANEOUS PROVISIONS

1. This Contract shall be governed by the laws and court decisions of the State of Arizona. This Contract is performed in Maricopa County, Arizona, and exclusive venue for the enforcement of rights or legal obligations under this Contract shall be in Maricopa County, Arizona.

2. This Contract shall be binding upon and inure to the benefit of the parties to this Contract and their respective successors and, except as otherwise provided in this Contract, their assigns.

3. Contractor shall not assign this Contract, or any part of this Contract, without prior written consent of City.

4. All notices, communications, and reports required or permitted under this Contract shall be personally delivered or mailed to the respective parties by depositing same in the United States mail, postage prepaid, at the addresses shown below, unless and until either party is otherwise notified in writing by the other party, at the following addresses. Mailed notices shall be deemed communicated as of five days after mailing.

If intended for City, to:

Christopher A. Williams
Manager, Construction and Contracting
City of Buckeye
530 E. Monroe Ave.
Buckeye, Arizona 85326
Phone: (623) 349-6225

If intended for Contractor, to:

Regional Pavement Maintenance of Arizona, Inc.
ATTN: Joseph P. DiGiugno
2435 S. 6th Avenue
Phoenix, AZ 85003
Phone: (623) 640-1800

5. No information relative to the existence or the details of the Design Services or the Construction Work shall be released by Contractor, either before or after completion of the Project, for publication, advertising or any commercial purposes without City's prior written consent.

6. In the event that any portion or any portions of this Contract are held to be unenforceable by a court of competent jurisdiction, then the remainder of this Contract shall be enforced as though such portions had not been included, unless to do so would cause this Contract to fail of its essential purposes.

7. This Contract, with all Exhibits and incorporated or referenced attachments, and any Delivery Order, together with Contractor's and Surety's performance and payment bonds for the Project, constitute the entire and exclusive agreement between City and Contractor with reference to the Project. This Contract supersedes any and all prior documents, discussions, communications, representations, understandings, negotiations or agreements by and between the parties.

8. If the City Council does not appropriate funds to continue this Contract in to a subsequent fiscal year, and pay for charges hereunder or under any current Delivery Order for a Project that extends into a new fiscal year, the City may terminate this Contract at the end of the current fiscal period, or at the time that funds are no longer available to meet the City's payment obligations hereunder. The City agrees to give written notice of termination to the Contractor at least thirty (30) days prior to any termination for a lack of funds and will pay to

the Contractor all approved charges incurred prior to Contractor's receipt of such notice, subject to the availability of funds therefore.

ARTICLE 24

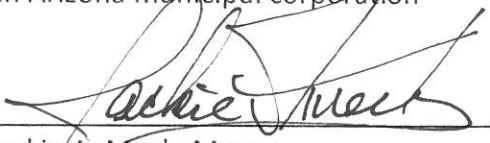
E-VERIFY

1. E-Verify Requirements. To the extent applicable under Arizona Revised Statute § 41-4401, the Contractor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under Arizona Revised Statute § 23-214(A). The Contractor or subcontractor's breach of the above-mentioned warranty shall be deemed a material breach of the Contract and may result in the termination of the Contract by the Town of Buckeye. The Town of Buckeye retains the legal right to randomly inspect the papers and records of the Contractor or subcontractor employee who work on the Contract to ensure that the Contractor and its subcontractors are complying with the above-mentioned warranty.
2. The Contractor and its subcontractors warrant to keep the papers and records open for random inspection during normal business hours by the Town. The Contractor and its subcontractors shall cooperate with Town's random inspections including granting the Town's entry rights onto its property to perform the random inspections and waiving their respective rights to keep such papers and records confidential.

[Signature Pages to Follow]

"City"

CITY OF BUCKEYE, ARIZONA,
an Arizona municipal corporation



Jackie A. Meck, Mayor

ATTEST:



Lucinda Aja, City Clerk

APPROVED AS TO FORM:



Scott W. Ruby, City Attorney

RECOMMENDED:



Christopher A. Williams, Manager
Construction & Contracting Division

ACKNOWLEDGEMENT

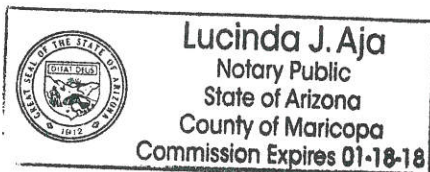
STATE OF ARIZONA)

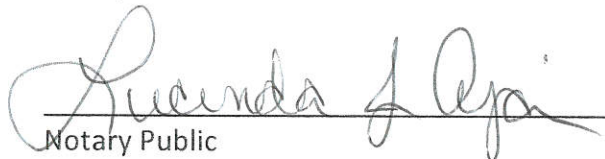
)

County of Maricopa)

On this 4th day of March, 2014, before me personally appeared **Jackie A. Meck**, the Mayor of the CITY OF BUCKEYE, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he or she signed the above/attached document.

(Affix notary seal here)





Notary Public

ACKNOWLEDGEMENT

STATE OF ARIZONA)

)

County of Maricopa)

On this ____ day of _____, 2014, before me personally appeared **Jackie A. Meck**, the Mayor of the CITY OF BUCKEYE, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he or she signed the above/attached document.

(Affix notary seal here)

Notary Public

"Contractor"

REGIONAL PAVEMENT MAINTENANCE OF ARIZONA, INC.,
an Arizona corporation

By: _____

Name: JOSEPH P. DIGILUGNO

Title: PRESIDENT

ACKNOWLEDGEMENT

STATE OF ARIZONA)

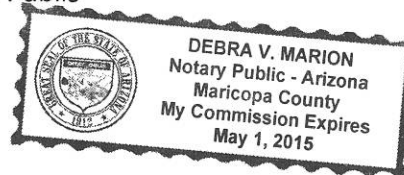
)

County of Maricopa)

On this 5 day of FEBRUARY, 2014, before me personally appeared JOSEPH P. DIGILUGNO, whose identity was proven to me on the basis of satisfactory evidence to be the person who he or she claims to be, and acknowledged that he or she signed the above/attached document.

(Affix notary seal here)

Debra V. Marion
Notary Public





CITY OF BUCKEYE
CONSTRUCTION & CONTRACTING DIVISION

August 18, 2014

Joseph P. DiGiugno
Regional Pavement Maintenance of Arizona, Inc.
2435 S. 6th Avenue
Phoenix, AZ 85003

Re: Change Order 1; Contract No.2014-007
JOC Street Maintenance

Dear Mr. DiGiugno:

The City of Buckeye is hereby providing you with the enclosed fully executed Change Order 1 to your JOC Street Maintenance Contract for your records. This Change Order adds Cooperative Language to your JOC Contract, allowing other municipalities and eligible agencies to "piggyback" off of our contract with you.

Should you have any questions or concerns, please feel free to contact me at 623-349-6225 or cwilliams@buckeyeaz.gov.

Sincerely,


Christopher A. Williams, Manager
Construction & Contracting Division

cc: file



CITY OF BUCKEYE
JOC CONTRACT NO. 2014-007
JOC Street Maintenance

CHANGE ORDER #1

Pursuant to the Contract between Regional Pavement Maintenance of Arizona, (Contractor) and the CITY OF BUCKEYE, an Arizona municipal Corporation (City), dated March 4, 2014, the following changes apply:

The following cooperative language is hereby added to and included in the contract:

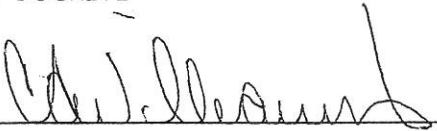
Any contract resulting from this solicitation shall be for the use of the City of Buckeye. In addition, specific eligible political subdivisions and nonprofit educational or public health institutions may also participate at their discretion. In order to participate in any resultant contract, a political subdivision or nonprofit educational or public health institution must have been invited to participate in this specific solicitation and the contractor must be in agreement with the cooperative transaction. In addition to cooperative purchasing, any eligible agency may elect to participate (piggyback) on any resultant contract; the specific eligible political subdivision, nonprofit educational or public health institution and the contractor must be in agreement.

This is a NO COST Change Order, and shall not affect the any other aspects of the Contract.


The terms and conditions of the Change Order, including the cost and time contained herein, constitute a full accord and complete satisfaction for all costs and time of performance related to the work described or referenced. Except as amended herein, all provisions of the contract remain in full force and effect. This document shall become an amendment to the contract and all provisions of the contract will apply hereto.

THEREFORE, the City of Buckeye by its Manager of Construction and Contracting has hereunto subscribed his name this 14 day of August, 2014.

CITY OF BUCKEYE



Christopher A. Williams, Manager
Construction & Contracting Division

	TOWN OF FLORENCE COUNCIL ACTION FORM	<u>AGENDA ITEM</u> 8c.
MEETING DATE: May 15, 2017 DEPARTMENT: Administration STAFF PRESENTER: Jess Knudson. Assistant Town Manager SUBJECT: Professional Services Contract with Willdan Finance Services for the completion of a Utility Rate Study.		<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:

Authorization to enter into a Professional Services Contract with Willdan Financial Services, for the completion of a Utility Rate Study, in an amount not to exceed \$59,500..

BACKGROUND/DISCUSSION:

The last Utility Rate Study conducted by the Town of Florence was in 2012 and is now outdated. It is time for the Town to commission the creation of a new Utility Rate Study to guide the Town for the next five years.

If this Professional Services Contract is approved by the Florence Town Council, then Willdan Financial Services will conduct a Utility Rate Study that will evaluate the Town's water and sewer infrastructure, operational and capital costs (existing and future), as well as the needs of the Town to develop rates and fees for water and wastewater services.

In summary, Willdan Financial Services will be responsible for research and to analyze existing and future conditions, fees, plans and studies to develop the necessary understanding needed to develop a rate structure for water and wastewater fees to provide funding for operations, maintenance, debt service, and capital projects. The final recommendations must incorporate feedback from the Town of Florence Town Council, residents and Town staff. The Town Council will have input on the study and will have the authority to adopt the study, if it wishes, upon completion.

The Town distributed a Request for Proposals (RFP) to solicit the best qualified consultant to complete this study. Four proposals were received and two were interviewed by the Town's Utility Rate Committee (URC), comprised of Town staff. The costs of conducting the study, based on the proposals received by the Town, ranged from \$55,365 to \$99,950. The cost for the Town to enter into this Professional Services

Contract and authorize Willdan Financial Services to complete the Utility Rate Study in an amount not to exceed \$59,500.

FINANCIAL IMPACT:

The cost to enter this Professional Services Contract with Willdan Financial Services is \$59,500.

STAFF RECOMMENDATION:

Staff recommends the execution of a Professional Services Contract with Willdan Financial Services for the completion of a Utility Rate Study.

ATTACHMENTS:

Professional Services Contract with attachments (Town of Florence Request for Proposals and Willdan Proposal).

**TOWN OF FLORENCE
PROFESSIONAL SERVICES CONTRACT**

THIS PROFESSIONAL SERVICES CONTRACT ("**Contract**"), is made and entered into as of May____, 2017 ("Effective Date"), and is by and between the Town of Florence, a municipal corporation of the State of Arizona ("**Town** "), and _____ ("**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 professional services for development and implementation of a water and wastewater rate study as specified in **Exhibit "A"**("Scope of Work" or "Services");

WHEREAS, Contractor is duly qualified to perform the requested Services;

WHEREAS, Contractor has agreed to perform the Services as set forth in **Exhibit "A"** attached hereto and incorporated herein;

WHEREAS, Contractor has agreed to perform the Services in accordance with the schedule of performance, including critical path for tasks and completion dates, attached as **Exhibit "C"**; and

WHEREAS, Contractor agrees that this Contract is entered into by the parties pursuant to the Town's issuance of a Request for Proposals: _____ (the "RFP") and subsequent award by the Town (collectively the "Solicitation") and all terms and conditions of the Solicitation are incorporated by reference into this Contract.

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 Contractor shall provide the requested services as set forth in **Exhibit "A"** (the "Services"). This Contract includes this agreement, including any attachments, the RFP and Solicitation documents. 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 Services. 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"**. The amount paid to Contractor under this Contract shall be consistent with the fee

schedule attached in **Exhibit “B”**, including reimbursable expenses, and **shall not exceed \$59,500.00**.

1.2 Performance. 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, provided by Contractor. Contractor shall be responsible for coordinating the Services with the Assistant Town Manager and other departments or agencies within the Town, other professionals and other contractors as directed by the Town. 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.

1.3 Acceptance, Documentation.

1.3.1 Each deliverable shall be reviewed and approved by the Assistant Town Manager, or his designee, to determine acceptable completion. Final Completion of the Services shall be deemed to have occurred upon acceptance by the Assistant Town Manager. 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 acceptance and all required Final Completion close-out documentation 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 Assistant Town Manager before final payment is made to the Contractor.

2.0 FEES, CATEGORIES OF SERVICE, PAYMENTS AND LICENSE

2.1 Fees. Contractor shall complete the Services in accordance with the fee schedule attached in **Exhibit “B”**. 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 Assistant Town Manager by Contractor for the Services completed through the last day of the proceeding calendar month and for the timely production of the deliverables in accordance with and as described in **Exhibit “A”** and **Exhibit “B”**. 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. Contractor shall furnish all necessary work which will be defined and further described as to specific task requirements in **Exhibit “A”**.

2.3 Payment Approval. Amounts set forth in Sections 1.1, 2.1, and **Exhibit "B"**, represent the entire amounts payable under this Contract and shall be paid upon the submission of monthly invoices to and approved by the Town. 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 of performance attached in **Exhibit "C"**.

3.2 Termination.

3.2.1 Termination for Cause: Town may also terminate this Contract with seven (7) calendar days' prior written notice for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any industry standards and customary practices terms and conditions of this Contract. Unsatisfactory performance as judged by industry standards and customary practices, and failure to provide Town, upon request, with adequate assurances of future performance shall all be causes allowing Town to terminate this Contract for cause. In the event of termination for cause, Town shall not be liable to Contractor for any amount, and Contractor shall be liable to Town for any and all damages sustained by reason of the default which gave rise to the termination.

3.2.2 Termination for Convenience. Town may terminate performance of the Services under this Contract, in whole or, from time to time, in part, if Town determines termination is in Town's interest. Town shall effect such termination by delivering to Contractor a Notice of Termination specifying the extent of termination and the effective date. After receipt of a Notice of Termination, and except as directed by the Town, Contractor shall immediately proceed to stop work as specified in the notice and place no further subcontracts or orders. In the event the Town terminates this Contract pursuant to this Section 3.2.2, then in that event the Town agrees to pay for the Services performed prior to the date of termination. 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 commence on the Effective Date and shall continue through satisfactory completion of the Services and acceptance of the Services by the Town. Time is of the essence to the terms of this Contract.

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"** 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 Assistant Town Manager 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 submit 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 attorney's 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.

4.13 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:

Attn: _____

In the case of Town:

Town of Florence
775 N, Main Street
PO Box 2670
Florence, AZ 85132

Attn: Assistant Town Manager

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.

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.

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"** only 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 wrongful 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 Contract.

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 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 Cooperative Use of Contract. In addition to the Town of Florence, and with the approval of the Contractor, this Contract may be extended for use by other municipalities, school districts and government agencies of the State. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity. Payment for purchases made under this Contract will be the sole responsibility of each eligible political subdivision. The Town shall not be responsible for any disputes arising out of transactions made by others.

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.

4.30 Use of Documents/Perpetual License. Upon execution of the Contract, the Contractor and all 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 any activities related to the 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 use for the same type of services 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 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 professionals, and sub-consultants. The license granted hereunder shall survive any termination 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, 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, 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 warranties, representations 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 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 attachments are fully incorporated herein as though set forth at length herein.

4.36 Project Communications/Contract Administrator. The Town's Assistant Town Manager 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.

4.37 Conformance/Warranties. Contractor shall be responsible for and shall and hereby does warrant that all Services provided shall: (a) be of good quality; (b) be provided by properly trained, qualified, and licensed (where applicable) workers and/or subcontractors; (c) conform to the requirements of this Contract (including all applicable descriptions, specifications, drawings and samples); (d) be appropriate for the intended purpose; (e) meet or exceed all specifications, requirements and legal regulations, statutes and/or codes that apply thereto, including, without limitation, all federal, state, county and Town rules, regulations, ordinances and/or codes that may apply; and (f) be fully covered by Contractor's warranties running in favor of the Town under this Contract.

4.38 Boycott Prohibited. Pursuant to A.R.S. 35-393.01, the Contractor, by execution of this Contract, certifies that it is not currently engaged in, and agrees for the duration of this Contract to not engage in, a boycott of Israel.

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 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, 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, Tara Walter has hereunto subscribed his name this _____ day of _____, 2017.

TOWN OF FLORENCE

By: _____
Tara Walter, Mayor

By: _____

Name: _____

Its: _____

ATTEST:

Lisa Garcia, Town Clerk

By: _____
Contractor

By: _____

Name: _____

Its: _____

Approved as Form:

Clifford Mattice, Florence Town Attorney

**Exhibit “A” and “B”
Willdan Proposal**

**Scope of Work/Services
Fee Schedule**

Town of **Florence** | Arizona

Proposal

Utility Rate Study





January 10, 2017

Mr. Jess Knudson
Assistant Town Manager
Town of Florence
775 N. Main Street
Florence, AZ 85132

Re: *Proposal to Prepare a Utility Rate Study for Water and Wastewater Services*

Dear Mr. Knudson:

Willdan Financial Services/Economists.com ("Willdan") is pleased to submit the following proposal to prepare a Financial Plan & Utility Rate Study for Water and Wastewater Services for the Town of Florence ("Town"). Willdan acquired Economists.com in 2015, and the same project team members who have served the Town over the past decade are available to work on this project. In order to efficiently and effectively address each task identified within the Town's Request for Proposal, we have partnered with our engineering colleagues at Coe and Van Loo Consultants, Inc. Our team possesses considerable experience specific to rate and financial analysis and consulting for utilities; and look forward to this opportunity to work with you on this important project.

Willdan's interactive approach will result in a customized Excel financial model that the Town will retain, and a focused and tailored analysis of the Town's current rates, revenues, capital project and operational expenditures, debt commitments, reserve funding, and other financial data. The culmination of our analyses will be a comprehensive financial management plan that develops projected system operating results for the next 10 fiscal years, and suggested rates for up to ten years. We will employ our proven interactive approach, supported with advanced financial modeling techniques, to develop a sophisticated and flexible financial model to help us guide the Town through operating and financial scenarios, while evaluating the impact of policy assumptions, and performing sensitivity analysis on utility rate and financial strategies.

Our ability to focus on the financial aspects of operating publicly-owned utility systems is coupled with recognized leadership in strategic planning and operations, and enables us to bring unmatched value to our clients. Our team brings a set of nationally-recognized qualifications and experts that sets us apart. These qualifications include:

Experience with Florence —We have worked with the Town of Florence on numerous projects since 2008 and would be honored to continue this relationship. We are proud of the work we have produced, the relationships we have developed, and our extensive knowledge of the Town. We will bring this same level of professionalism and expertise to this proposed engagement, and build on the understanding already possessed by the project team. ***We will utilize our knowledge of the Town to facilitate this study in a cost-effective and efficient manner.***

Expertise in Financial and Rate Modeling – The Project Team's efforts will result in a focused and tailored analysis of the Town's current utility rates and revenues, development of a comprehensive financial management plan, cost of service analysis based on guiding industry practices, and innovative rate design solutions. The model developed will have the capability to carefully test and evaluate financial scenarios and rate design and policy assumptions.

Experience with Neighboring Communities – We have recently completed highly successful comprehensive studies for the Arizona cities of ***Buckeye, Goodyear, Yuma, Queen Creek, Marana, Eloy, Casa Grande, Somerton, San Luis, and Chino Valley***, as well as the Colorado ***Town of Erie, and City of Brighton***; and the California cities of ***Covina, La Palma, Soledad, and Crescent City***. All of these studies required experience that relates closely to the goals and objectives of the Town's proposed study.

Communicating the Results — Sound technical analysis is only one element of this process. It will be equally important to ***effectively and transparently communicate results and implications of the proposed rate structure*** to Town staff, Council members, key stakeholders and, ultimately, to those that will be subject to new rates. Most of our projects incorporate significant community and/or stakeholder involvement and education efforts, and our experienced consultants are able to communicate complicated technical analysis in a manner that is easy to follow and understand. In our prior studies we earned the trust and confidence of the Florence Town Council, and we hope to continue that feeling of mutual respect in this engagement.

Innovative Approach — Our approach to the development of utility rates has been carefully honed over the years. **We will work collaboratively with Town staff to carefully assess and understand the Town's unique water and wastewater utility system concerns and issues, and develop a tailored approach that will best serve your needs.** We do not use a “cookie-cutter” approach, but rather bring a combination of planning and financial expertise providing a thorough understanding of all aspects of utility operations and management. This allows us to work collaboratively to provide comprehensive business solutions. Our objective is to educate and inform throughout the process, not just at the completion of the project.

Dashboard Driven Model – The customized, dashboard driven, financial model will have the capability to carefully test and evaluate financial scenarios, rate design and policy assumptions. These techniques, in the hands of our experienced consultants, serve as a powerful decision-making tool and provide business solutions and recommendations relative to the strategic direction of the Client's utility system.

Fixed Fee – Willdan is uniquely cost competitive and guarantees project costs. This is accomplished by utilizing a fixed fee approach based on a defined scope of service(s), and not requesting change orders or budget amendments unless additional services are requested by the client. We note that the Town's RFP includes several tasks, deliverables and meetings that are in addition to a typical cost of service study. While this will inevitably result in additional effort and fees, we believe our proposed project cost is competitive and appropriate for the services requested.

Fully Insured with Coverages Required by the Town – With a rating of A+XV, Willdan maintains insurance from top-rated companies, as well as standard legal licenses that uphold state and federal labor laws. Upon award of contract, certificates of insurance and endorsements will be provided to the Town. Willdan will comply with the Town's required coverage of 1,000,000 General Liability and 2,000,000 per general aggregate; 1,000,000 Auto Liability; 1,000,000 Professional Liability and 2,000,000 per annual aggregate; and the required Arizona statutory limits for Workmen's Compensation.

Willdan possesses exceptional experience in these areas, and is excited about this opportunity to use our skills and expertise to assist the Town of Florence. I, Dan Jackson, am an officer of the firm, and therefore authorized to bind Willdan Financial Services.

Please feel free to contact me directly at (972) 378-6588 or via email at DJackson@willdan.com.

Respectfully submitted,
WILLDAN FINANCIAL SERVICES



Dan Jackson
Vice President



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Firm Experience

Firm Profile

Willdan Financial Services is one of four operating divisions within Willdan Group, Inc. (WGI), which was founded in 1964 as an engineering firm working with local governments. Today, WGI is a publically owned company on NASDAQ (ticker: WLDN). WGI provides technical and consulting services that ensure the quality, value, and security of our nation's infrastructure, systems, facilities, and environment. The firm has been a consistent industry leader in providing all aspects of municipal and infrastructure engineering, public works contracting, public financing, planning, building and safety, construction management, homeland security, and energy efficiency and sustainability services. Today, WGI has over 600 employees operating from offices in Arkansas, Arizona, California, Colorado, District of Columbia, Florida, Illinois, Kansas, Nevada, New Jersey, New York, Ohio, Oregon, Texas, and Washington.



ENGINEERING & PLANNING



ENERGY EFFICIENCY & SUSTAINABILITY



FINANCIAL & CONSULTING SERVICES



NATIONAL PREPAREDNESS & INTEROPERABILITY

Established on June 24, 1988, Willdan Financial Services is one of the largest public sector financial consulting firms in the United States. Since that time, we have helped over 800 public agencies successfully address a broad range of financial challenges, such as financing the costs of growth and generating revenues to fund desired services. Willdan assists local public agencies by providing the following services:

- Real estate economic analysis;
- Economic development plans and strategies;
- Tax increment finance district formation and amendment;
- Housing development and implementation strategies;
- Financial consulting;
- Real estate acquisition;
- Classification/compensation surveys and analysis;
- Development impact fee establishment and analysis;
- Utility rate and cost of service studies;
- Feasibility studies;
- Debt issuance support;
- Long-term financial plans and cash flow modeling;
- Cost allocation studies; and
- Property tax audits.

The Plano, Texas office of Economists.com, co-founded by Dan V. Jackson in 1997 joined Willdan Financial Services in April 2015. This consolidation was a natural fit as both organizations share the same strong commitment to client services and an individualized approach to each project. Our combined staff of over 70 full-time employees supports our clients by conducting year-round workshops and on-site training to assist them in keeping current with the latest developments in our areas of expertise.

Sub-Consultant

Willdan has teamed with our **engineering colleagues at Coe and Van Loo Consultants, Inc.**, who possess extensive experience consulting throughout Arizona. Following is a brief overview of our teaming partner's firm profile, qualifications and experience as it relates to this assignment.

Coe and Van Loo Consultants, Inc.

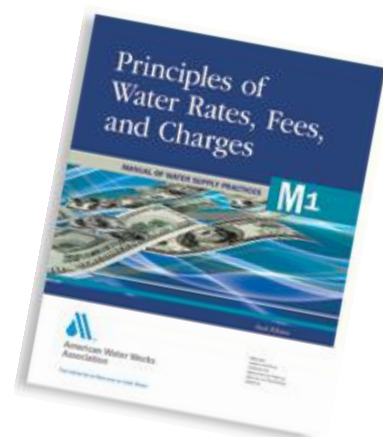
Founded in Arizona by Bill Van Loo and Percy Coe in 1958, CVL's long history demonstrates the continuity, consistency and reliability our clients have depended on for almost 60 years. CVL has 57 designers, planners, surveyors, and administrative staff. Our diversified team of experts and licensed professionals responsively and seamlessly provide a variety of services to clients.

CVL's Water/Wastewater Department provides complete engineering services for the design, permitting, and construction of water and wastewater infrastructure projects in Maricopa and Pinal Counties. Capabilities include large scale water and sewer system master planning, conceptual system layouts, modeling, infrastructure system design, drawing preparation and cost analysis for both new infrastructure and replacement projects in rural and congested urban areas. We have developed a great working relationship with municipalities, water and sewer utilities and the regulatory community (Pinal County, ADEQ, CAAG, ADWR). Our recent experience includes the preparation of a water system evaluation for the Town of Chino Valley, AZ and the Sunrise Water Company, Peoria, AZ.



Utility Rate Experience

Willdan's professional staff has provided professional consulting services, including financial planning; rate and cost-of-service studies; alternative and feasibility analyses; and operational and management studies for water, reclaimed water, wastewater, solid waste, and stormwater utility clients across the United States. Additionally, Willdan staff are involved with the development of the rate-setting methodologies set forth in the American Water Works Association (AWWA) M-1 manual "Principles of Water Rates, Fees and Charges," and the AWWA M-29 manual, "Water Utility Capital Financing." Willdan is nationally recognized for its expertise with its staff frequently being called upon to speak or instruct on utility financial matters, as subject matter experts, including the AWWA Utility Management conference. ***In fact, two of our senior consultants are members of the AWWA Utility Rate and Charges Committee, which oversees the development of the M-1 and other manuals published by the AWWA.***

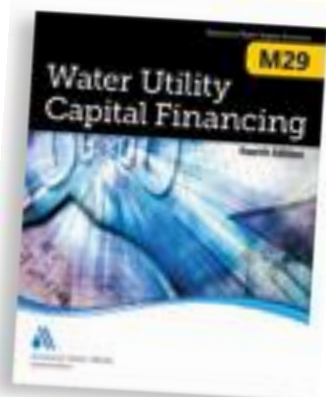


Willdan staff is experienced in a broad range of utility planning services; and therefore understand the importance of an approach that integrates elements of utility planning, engineering, and finance. Willdan Team members possess considerable experience in utility rate and cost-of-service studies, and have performed these services for hundreds of utilities throughout the country. Our team includes staff with public sector experience spanning 30 years, and staff on the forefront of utility rate-making and rate-modeling. In addition, team members have held positions as finance directors, deputy city managers, and auditors, and therefore understand the financial, operational, and political realities faced by governmental staff and management; we craft solutions, which are sensitive to this.

Our expertise spans across the following utility financial planning services:

- Retail and Wholesale Rate Studies;
- Revenue Sufficiency Analyses;
- Utility Management and Policy Assistance;
- Connection Fee / System Development Charge Studies;
- Miscellaneous Fee and Charge Studies;
- Bond Feasibility Reports;
- Renewal and Replacement Sufficiency Analyses;
- Comprehensive Alternatives Analyses;
- Interactive Rate Model Development with Dashboards Showing Key Performance Indicators;
- Capital Project Funding Studies;
- CIP Financial Scenario Planning;
- Rate Ordinance Drafting;
- Billing System Validation/Rate Testing;
- Valuation/Divestiture Studies; and
- Life Cycle Costs Analyses

Willdan will work with the Town to identify, and prioritize operational and fiscal objectives, and match these to specific rate attributes; and use this information throughout the engagement to develop a comprehensive financial plan and design utility rates that effectively meet these goals. The culmination of our analyses will be rate policies that guide the rate setting process, and a financial management plan that develops projected system operating results for the utility for the forecasted period. Willdan will employ its proven interactive approach, coupled with advanced financial modeling techniques to design rates and a financial plan that meet established goals and performance criteria. These modeling techniques serve as a powerful decision-making tool and provide the Town with genuine business solutions and recommendations as to the strategic direction of its utilities.



During rate and financial planning projects we employ tools and techniques, which focus on consensus building among stakeholders to ensure the team understands the future financial implications of current management decisions. Our extensive project expertise is bolstered by our unique interactive financial planning process and model.

Key Personnel

Our management and supervision of the project team is very simple: staff every position with experienced, capable personnel in sufficient numbers to deliver a superior product to the Town, on time and on budget. With that philosophy in mind, we have selected experienced professionals for this engagement. We are confident that our team possesses the depth of experience that will successfully fulfill your desired work performance.

Mr. Dan V. Jackson is a co-founder, Managing Director and Chief Executive of Economists.com. Since the acquisition of Economists.com, Mr. Jackson now serves as a Willdan Financial Services Vice President. Mr. Jackson has 30 years of experience in financial consulting for water, wastewater, stormwater, solid waste and electric utilities throughout Oklahoma, the southwest, the United States and Pacific Region. He has conducted cost of service and rate studies, impact fee and connection fee studies, pro forma financial modeling, financial feasibility studies, privatization analyses, lease vs. buy analysis, economic development, and market impact and assessment studies. He has also provided expert witness testimony on financial issues before such venues as regulatory commissions, state and federal courts, where his opinions and analysis have withstood cross-examination successfully in every case. Mr. Jackson will serve as **Principal-in-Charge and Project Manager** for this engagement, and he will provide direction and supervision throughout the project. In this role, Mr. Jackson will also present final recommendations to Town staff and the Town Council.

Ms. Rebecca Schafer will serve as **Senior Consultant** for this study. Ms. Schafer has worked with Dan Jackson for the past 15 years providing utility financial analysis and consulting services with Economists.com, and now with Willdan Financial Services. Ms. Schafer is a Principal Consultant and she specializes in cost of service rate studies for water, wastewater, reuse and stormwater, as well as financial feasibility analysis. She has worked with a wide variety of clients of varying sizes and complexity, designing customized software rate models used as financial planning tools. She has extensive experience in such areas as budget analyses, customer and usage analyses, development of revenue requirements, cost of service allocations, and sensitivity analyses related to the implementation of rate structures designed to achieve revenue and consumption goals. She will provide analytical support for this engagement, gathering, verifying, and analyzing the data necessary for the study, and working with the team to develop and tailor the financial model to the Town's specific needs and objectives, and customizing it to accommodate the Town's data.

Ms. JoLynn Rains, Principal Consultant will serve as **Senior Analyst** for this study. She will work closely with Ms. Schafer to ensure client satisfaction. She has over 20 years of experience advising municipal utilities and national retail customers on issues relating to utility budgets, review of contracts with private parties, procurement and rate studies. She has participated in numerous utility cost of service rate and non-rate revenue studies for municipalities in Texas, Oklahoma, and Arizona, as well as utilities in the Pacific Rim. Ms. Rains has conducted extensive statistical research, data compilation and analytical reviews for a variety of clients. She also has provided litigation support for complex proceedings and testimony filed before the Federal Energy Regulatory Commission, the Oregon, Washington, Utah and California Public Utilities Commission. Mrs. Rains received a B.S. degree from Portland State University in Economics with a specialization in statistical mathematics.

Mr. Eric Laurin, PE will serve as **Engineering Consultant** for the Town's engagement. Mr. Laurin has over 40 years of experience in water, wastewater and environmental engineering. He has been involved in the planning, design, construction surveillance of many municipal engineering projects, including water/wastewater master planning and population projections, value engineering, sewage systems evaluation surveys, lift stations and collection systems, water system analysis and modeling, financial analysis, system design, and regulatory compliance studies for public and private clients. He will provide policy and technical analysis for the engineering related components of this project.

Resumes

As requested in the Town's RFP, resumes for Willdan's project team are presented in the Appendix.



References

Representative project descriptions are provided below. We are proud of our reputation for customer service and encourage you to contact our past clients in regard to our commitment to completing these assignments.

Town of Florence, Arizona | 2007 Water System Acquisition Assistance; 2009 Water, Wastewater and Sanitation Cost of Service Rate Study; 2011 Water and Wastewater Rate Study Update; and 2013 Sanitation Rate Update

The Town of Florence engaged Dan Jackson (former CEO of Economists.com and now Vice President and Project Manager of the proposed Willdan project team) in January 2007 to perform a financial evaluation and impact analysis of a proposed water system acquisition. The Town ultimately decided not to proceed with the acquisition. In December 2008 the Town engaged the team to provide a water, wastewater and sanitation cost-of-service rate study. In 2011 the Town requested a water and wastewater rate study and long term financial plan. A detailed analysis was completed with series of rate designs provided with recommendations. In late 2012 the Town requested that Economists.com review alternatives related to its Solid Waste utility. Two scenarios were analyzed and the Town Council was briefed with summarized findings.

Client Contact: Ms. Becky Guilin, Former Finance Director and Current Councilmember
775 N. Main Street, Florence, AZ 85132
Tel #: (520) 868-7531

Town of Goodyear, Arizona | Water and Sewer Cost of Service Rate Study

In December 2013, the City of Goodyear contracted with project team members Dan Jackson and Rebecca Schafer (at that time as Economists.com) to conduct a comprehensive cost of service study and rate model development for the City's water and wastewater utilities. This suburb of Phoenix encompasses 195 square miles and is home to a current population of approximately 75,000. Goodyear was the third fastest growing municipality in AZ between 1990 and 2000 with an increase of 245% during that time, and forecasts are for a population of 800,000 by 2085. The City owns and operates its own water and wastewater treatment facilities, and is actively pursuing the acquisition of additional water rights. One of the primary objectives of the rate study was to assist the City in developing a strategy to convert 18,000 acre feet of "paper" water to treated water and integrate it into their system, as it is not sustainable to continue drilling additional wells. In addition to ground water from 12 active wells, the City owns an allocation of Central Arizona Project ("CAP") water supply, but does not have physical access to the CAP canal that is approximately 50 miles away. The City has a program for recharge and reclamation, and the study encompasses an analysis of the costs and benefits of these programs as well as the development of a reasonable interim rate for reclaimed water sales. Their goal is to recover and treat all water to be potable in the future.

The broad objective of the study was the development of a financial rate model for the water and wastewater utilities that will be used to generate recommendations for equitable cost of service rates for current and future ratepayers. The rate plans developed will be sufficient to fund utility operations, debt, capital improvements, cash reserves, general fund obligations and desired coverage ratios with rates that are accurate and minimize rates to the greatest degree possible. In addition to the typical objectives of a standard water and wastewater rate study, the City requested reviews and recommendations for their non-rate fees and charges, including wastewater pretreatment fees, and collaboration with City staff to verify the methodology of several specific cost allocations and rates within the rate model. The City's Water Advisory Board was updated consistently throughout the project by the team and provided input which was factored into the recommendations presented to Council. This project was completed in August 2015 with the completion of the final report and the adoption of the recommended rate plan.

Client Contact: Mr. Mark Holmes, Water Resources Manager
4980 S. 157th Avenue, Goodyear, AZ 85338
Tel #: (623) 932-3010 | Email: gypworks@goodyearaz.gov

City of Buckeye, Arizona | Water, Sewer, Reclaimed Water & Flood Irrigation Cost of Service Rate Study; 2012 Global Acquisition Feasibility Analysis

The Economists.com project team of Dan Jackson, Rebecca Schafer, and JoLynn Rains were engaged by the City of Buckeye in November 2012 to provide a comprehensive water, sewer, reclaimed water, and flood irrigation rate study and long-term financial plan. Buckeye is one of the fastest growing municipalities in the country and town limits encompass more than 660 square miles, just west of Phoenix. Following a comprehensive review of current and forecast expenses, capital expenditures and proposed funding scenarios, recommendations for rate restructuring and proposed rate plans are being discussed with the Town. In particular, several recommendations for restructuring rates are being proposed in order to enhance the Town's ability to attract and retain commercial businesses, encourage conservation and align revenues more closely with cost of service by customer class.

Additionally, the City of Buckeye engaged Economists.com for a separate project in December 2012 to evaluate the feasibility of acquiring a privately owned water company. The project included valuation analysis, financial impact analysis as well as presentation and negotiation assistance. This project culminated in the City's acquisition of Global Water.

Willdan is currently in the process of updating the City's Utility Rate Study for FY 2017 and beyond.

Client Contact: Mr. Mark Seamans, Water Resources Director
423 East Arizona Ave, Buckeye, AZ 85326
Tel #: (623) 349-6126 | Email: mseamans@buckeyeaz.gov

Town of Queen Creek, Arizona | Water and Sewer Cost of Service Rate Studies

Willdan principals Dan Jackson and Rebecca Schafer were engaged during their Economists.com days to conduct several utility financial studies for the Town, beginning in 2005. In September 2005 they were engaged to perform a rate and financial forecast for the Town's first proposed water system acquisition. The acquisition was completed and subsequently, the Town engaged them to perform a 2008 Impact Fee Study and a 2009 Wastewater Rate Analysis. In 2011 the Town retained the services of Economists.com once again to evaluate the feasibility of acquiring the water system owned by H2O, Inc., a private water company serving approximately 9,000 customers. The project team prepared a valuation analysis to assess the value of H2O, Inc. as a going concern using Cost, Market and Asset methodologies.

Additionally, the project team prepared an analysis of the impact of the acquisition on the Town's existing system and ratepayers, and provided a detailed review and projection of revenue requirements including O&M expense, recurring capital expenditures, existing debt service, cost of new debt, and adherence to all financial and capital policies and covenants.

Most recently the project team was engaged in to conduct a water and sewer cost of service rate study. A primary factor in the Town's planning was the tremendous resurgence in growth over the several years following a steep decline in growth during the recession. This has led to a complex financial situation involving the Town's acquisitions, growth in various service areas, capacity fee funding, and in a regional water reclamation plant. This project is ongoing.

Client Contact: Mr. Scott McCarty, Finance Director
22350 S. Ellsworth Road, Queen Creek, AZ 85142
Tel #: (480) 358-3170 | Email: scott.mccarty@queencreek.org

Town of Marana, Arizona | Water and Wastewater Cost-of-Service Rate Study and Capacity Fee Study

Economists.com was engaged by the City of Marana in October 2007 to perform a cost-of-service rate and capacity fee study for its water and wastewater utility. The objective of the study was to provide the Town with a long-term rate plan that would enable the Town to recover sufficient funds to meet all operating and capital expenses while minimizing the impact on the ratepayers. Importantly, the long-term rate plan included the impact of future growth and capital improvements required to maintain and expand the system. The proposed rate recommendations were approved by the Council in September 2008. The City expanded the scope of the project in April 2008 to include the potential acquisition of additional territory and connections. Economists.com has also completed a 2009 Impact Fee study, a Water Rate Update, and a 2010 Water & Wastewater Rate Study, and continues to work with the City of Marana on an ongoing basis.

Client Contact: Mr. John Kmiec, Utilities Director
5100 West Ina Blvd, Marana AZ 85743
Tel #: (520) 382-2582 | jkmiec@marana.com

Scope of Work

The following activities are based on Willdan Financial Services' ("Willdan") and Coe and Van Loo Consultants, Inc. (together, the Willdan Team) current understanding of the services requested by the Town of Florence ("Town"). The Willdan Team is confident our proposed work plan will effectively meet project objectives. A final scope and schedule will be prepared following further discussions with Town staff.

Project Understanding and Key Issues Discussion

Based on our review of the Town's Request for Proposal ("RFP"), it is our understanding that the broad objective of the rate study is the updating or development of the Town's financial and rate models for the water and wastewater utilities.

As we have worked with the Town previously to develop the water and wastewater rate models we propose to build on that experience and to update/develop customized rate models for the Town's water and wastewater utilities that will be used to generate recommendations for equitable cost of service rates for current and future ratepayers. Our rate model for Florence is already designed to work with the duality of having some meters measuring consumption in gallons and some in cubic feet. Our rate model also already contains an algorithm for calculating the cost of service for the prisons, one of the Town's most important customer classes. The rate plans developed will be sufficient to fund utility operations, capital improvements, debt, cash reserves, general fund obligations, and provide revenues projected to meet targeted financial benchmarks for financial and operating stability.

We recognize the Town's commitment to involving Staff, Town Council, Rate Advisory Committee and ratepayers in the course of the project, and striving to make the development and acceptance of the resulting rate plan a transparent and corroborative process. The challenges faced by municipalities throughout Arizona are well known by the project team and we further understand that in addition to the significant growth and resource demands faced by others, the Town has additional complications arising from multiple providers and a sprawling geographic service area. We will work with the Town staff to ensure that any resulting rate plan is understandable, acceptable, and successfully implemented. However, this results in the need for additional meetings, as set forth in the Town's RFP. Based on our experience with the Town ***we believe the numbers of meetings outlined in the RFP are reasonable and necessary, and our all-inclusive cost proposal takes this into consideration.***

With respect to the page limit requirement set forth in the Town's RFP, and to maximize space, we will not restate each of the Town's objectives and tasks here, we will assert that the majority of the Town's objectives are standard in our rate studies, and the project team considers these objectives to be reasonable and prudent. We have worked with many municipal clients over the years to develop rate and financial plans to address all of these concerns and issues. There are a few specific tasks in the Town's request for proposal which we will highlight and include in our work plan to follow.

The study methodology proposed herein will consist of reviewing the historical operating results of the utility system, analyzing the budget to identify the net revenue requirements to be recovered from user rate revenues, performing general cost of service allocations based on the rate components, and revising the rates based on the applicable costs and expenditures to be recovered from user rates. In developing the proposed rates, the rate analysis will consider such other factors as the impact on existing customers, the relative comparability with neighboring utilities, the equity of the existing/proposed rate structures, and the impact on future growth and usage due to any potential conservation pricing signals. It is further understood that any new rate structure modifications will be based on industry accepted standards and consistent with methodologies defined by the American Water Works Association (AWWA).

The Project Team will also work with the Town to establish rates and fees around a broader set of goals or objectives (e.g. financial/rate stability, conservation, minimize customer impacts). To accomplish these overall goals and objectives, the approach will utilize "generally accepted" rate setting methodologies, and tailor those methodologies to the specific circumstances of the Town and each utility system. In addition, the process will develop ten-year projected operating results for each respective utility system. The resulting analyses will give the Town the ability to test various scenarios for determining the respective impacts on the overall financial status. The analyses will include the development of utility rates, fees, and charges to be used to support the costs of system operations and improvements, as well as the ten-year capital financing analyses, which will create a comprehensive plan for funding future capital improvements.

The financial plan will be created ***using a highly flexible and interactive model and dashboard that will allow us to work collaboratively with the Town to present and evaluate different methodologies and financial scenarios, and quickly make changes in underlying assumptions based on feedback and discussions.***

Willdan Model

During this project, we will be utilizing our Microsoft Excel-based model, with its interactive dashboard, as a comprehensive financial tool to allow planning and evaluation of variable inputs and assumptions, thereby creating a thorough analysis of revenue requirements to address the Town's goal of ensuring predictable and stable revenue. These analyses are then seamlessly integrated with the rate development component of the model to demonstrate and project various rate design alternatives, and the effects they would have on the Town's financial outlook.

The Financial Planning component of the model provides transparency such that users can develop a viable financial plan and understand the reasons for needed revenue adjustments.

The model is used in meetings, in order to efficiently cycle through rate scenarios and establish the most viable rate plans for the Town. During these interactive meetings we invite Town staff to participate in scenario planning/"what-if" sessions, where we use the dashboard to demonstrate and evaluate the financial/rate impact of alternative data (CIP, operating costs, etc.) and assumptions (interest rates, customer growth, cost escalation, etc.) in real-time to focus on the most critical drivers of the analysis. This ensures the resulting rate plan alternatives are viable from a financial, operational, managerial and political perspective. The rate plan alternatives will then be incorporated into the water and wastewater rate study report, which will provide the Town every assumption, data item, and calculation used in the development of each rate plan alternative.

Willdan Models Guide You to Your Optimal Solutions

Real-Time Financial Modeling

The goal of financial forecasting is to provide clear vision regarding the potential financial outcomes of current management decisions. Our goal is to help you mold the existing knowledge base of the Town into a viable financial management and rate plan. At Willdan, the development and use of real-time financial models in an interactive, collaborative process is an integral part of the model development.

Model Development as Part of the Consulting Process

Each model is designed with the following elements:

- Graphical dashboard to clearly show the results of various scenarios to the user;
- Assumptions;
- Data tables; and
- Calculation engine.

Each model is "baselined" after an initial meeting with staff to ensure that we have the correct data and a basic understanding of the financial dynamics of your system. We will then conduct interactive financial planning sessions with Town staff. After validating our data, calculation approach, and baseline assumptions, we will explore alternative scenarios, varying a number of assumptions and financial planning techniques:

- Rate increase magnitude and timing;
- Alternative timing of capital projects;
- Alternative financing options (alternative combinations of pay-as-you-go, revenue bond debt and SRF debt, for example);
- Alternative growth/demand forecasts; and other "what-if" analyses, such as the impact of a loss of one or more service areas or customers; and
- Effect of increases in other sources of funds, such as impact fees.

The model is self-solving through the use of controlled feedback loops, and therefore does not require significant manipulation by the user to solve correctly. Given any combination of cost requirements (both operating and capital), non-rate sources of funds, and forecast assumptions, rate increases are generated that:

- Meet specified reserve targets;
- Fully fund capital expenditures using specified financing techniques; and
- Meet legal and contractual requirements that are financially measurable, such as debt service coverage on revenue bonds.

Alternatively, the user can specify rate increases and then examine the results to determine if the desired/required parameters are met.

Subsequent to careful development and validation of the baseline forecast, a series of alternative forecasts will be prepared illustrating various results in the following general categories:



- **What if things turn out differently?** These alternatives will demonstrate the sensitivity of the forecast to the significant assumptions used. This results in a sound understanding of areas where a conservative forecast approach is warranted.
- **What happens when we try this?** This series of alternatives focuses on different financial management approaches.
- **What can we do to make it better?** This approach to forecasting identifies the factors that may be causing significant rate increases in a given year and explores alternatives. For example, if a large capital project in a single year is the culprit, we would work with staff and the consulting engineers to determine whether this project could be phased or delayed.

In like manner, the rate design model can be used to explore the impact of various rate structures on bills for each customer class over the relevant consumption range.

To summarize, rate model development is a natural part of the Willdan consulting process, and one in which staff and other stakeholders play a collaborative part. Consequently, at the completion of the analysis, the model will be completely customized to emulate the precise financial dynamics of the Town, and staff will already have a high level of familiarity with the functionality and use. Interactive workshops will help develop an effective, efficient working relationship among the participating stakeholders that will carry forward into future rate-setting processes.

Willdan's Suite of Financial Models – Description of Product Features

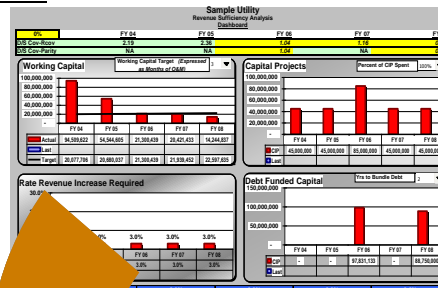
The key to success is a robust, real-time financial forecasting model, customized to simulate the utility's financial dynamics. Our suite of modeling products includes:

Suite of Models:

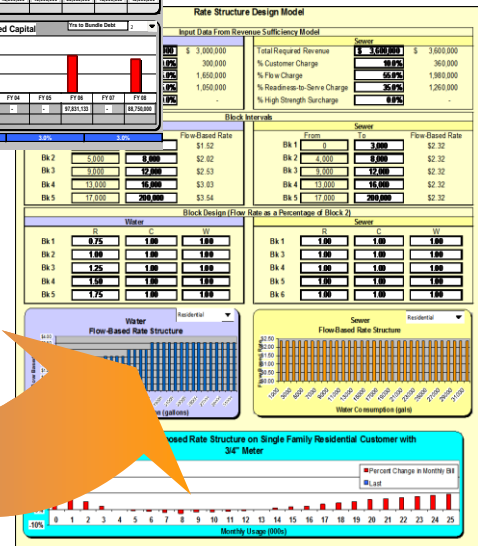
- Financial planning;
- Cost of service design; and
- Rate design.

The suite of models includes financial planning tools for water, wastewater, recycled water, stormwater and virtually any utility or municipal government fund, and has the ability to analyze any rate structure and determine the levels of revenue generated by each customer class. In addition, the rate design model can use the Town's detailed billing data to develop a bill impact analysis on individual customer bills, which, can be updated for each rate design scenario.

Financial Planning Model



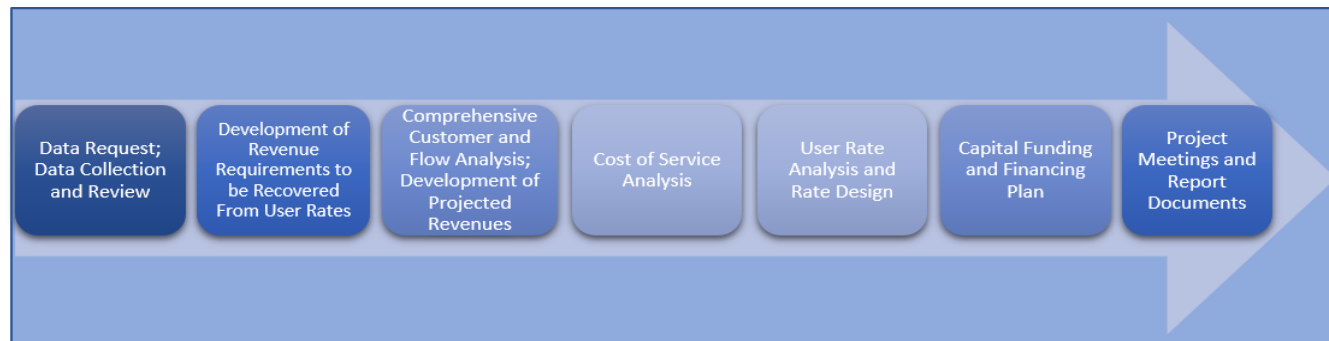
Rate Design Model



Rate Revenue Requirements

Study Tasks / Method of Approach

The remainder of this section presents our approach to performing the major tasks required to successfully complete the tasks outlined in this water and wastewater rate study and long-term financial plan.



Task I: Project Kick-off, Data Acquisition and Assessment

The project team will meet with Town staff at the outset of this project. The purpose of this meeting will be to discuss study goals and objectives, review requirements for completing each task, establish responsibilities and lines of communication, and refine the work plan and schedule. We have found in our prior studies that these meetings are extraordinarily beneficial in terms of gathering required data, finalizing study objectives, and ensuring that the goals of both the project team and the Town are synonymous.

Willdan will conduct a kick-off meeting with the Town where stakeholder considerations and project objectives are outlined. There are two levels to this initial meeting – the first is to discuss study goals and objectives, review the scope and requirements for completing each task, establish responsibilities and lines of communication. The second major area will focus on reviewing data needs and availability, and refinement of the project work plan and schedule.

Based on our experience, it is most effective to obtain and review some portion of the Town's information prior to the first meeting. We will prepare a detailed list of data requirements pertaining to the subsequent financial and consumption analysis, and submit it to the Town upon receipt of a notice to proceed so that staff can begin compiling data and the project team can initiate our review of the data and develop questions for clarification and follow up.

As these studies are data intensive, and in order to remain on schedule, it is imperative that all data be provided in a timely manner and be delivered in an electronic format. This approach respects your staff's time, and ensures that we are completely prepared for a productive first meeting. During this initial site visit the project team will tour Town facilities and meet with the appropriate Town staff. The project team will be available to meet with other Town representatives as deemed appropriate by Town staff.

The project kick-off meeting will be followed by a detailed review of data available to support the cost-of-service rate study. The data will be reviewed for completeness and to ensure a sufficient understanding of historical utility operations. The data collection and review process will be ongoing throughout, as the need for additional information arises.

Task II: Data Review and Rate Model Development

We will review each system's 5 to 10-year financial plan assumptions for system growth, customer usage, expenditure and economy factors and other relevant information, and based on our review of the current growth projections, forecast expenditures, capital needs, consumption trends and more, we will recommend modifications to the previous assumptions. The new projections and assumptions will be built into the financial and cost of service rate models and the scenario alternatives developed for the Town. Each alternative will be evaluated for compliance with the Town's ordinances, fiscal policies and level of achievement towards the fiscal objectives of the Town's Utility Services.

Before variables are identified and projected into the revenue requirements, a baseline revenue and rate analysis is performed. Willdan will utilize a "cash-needs" approach, where cash needs refer to the total revenue required by the utility to meet its cash expenditures. Basic revenue requirement components of the cash-needs approach include O&M expenses, debt-service payments, contributions to specified reserves, and the cost of capital expenditures that are not debt-financed or contributed from other sources. The revenue requirements analysis will be developed for a 10-year planning period, based upon the utility's existing financial statements, to test for base year revenue sufficiency. If operating revenues are shown to be deficient, revenue adjustments will be implemented to adequately recover costs. This baseline analysis will be used as a point of reference and comparison for scenarios and analysis developed during the course of the study.

In developing reliable and accurate revenue and financial projections, it is necessary to project and analyze the impact and sensitivity of multiple and sometimes complicated variables. We will develop the revenue requirements component of the comprehensive financial plan to include operating (water supply, treatment, personnel, etc.) and non-operating (debt, depreciation, etc.) costs incurred by the water and wastewater utilities.

Building from the baseline scenario generated in the previous task, we will start generating expenditure scenarios by varying operation, depreciation, capital costs, and reserve levels. We will review CIP information to determine: 1) short-term, high-priority needs; 2) annual replacement and repair schedules; and 3) available funding options for the CIP projects

Historical Billing Data Analysis. The data request document will provide instructions for the development of historical customer billing information. It is anticipated that the billing information will be provided in a format necessary to summarize all three utility system accounts and usage by customer class for a recent historical period for which audited revenues exist. The customers and usage provide the basis on which operating revenues are derived and are therefore the primary factors utilized in reviewing the user rates and charges. As such, the historical billing data provides an important basis for analyses that will be used to develop assumptions for projecting revenues under existing and/or proposed rates. Given the critical nature of this task, the Willdan Team will work closely with assigned staff members to ensure that the customer and consumption/usage/collection data is as accurate as possible.

Customer and Usage Forecast/Peak/Growth (Flow/Load) (Volume/Frequency of Collection) Projections. The utility system accounts and respective usage will be forecast for a 10-year planning period. Such projections will be developed by considering historical growth trends, peak demands, climatological patterns, local economic conditions, potential for adding/losing major utility customers, changes in customer class usage patterns over time, and experienced judgment. The forecast usage projections will be based on the projected number of utility accounts and a usage per account analysis to differentiate the historical effects of account growth and increased (decreased) average usage by customer class.

Review Utilities' Capital Improvement Program/Plan and Funding Options - (CIP). The Town's existing utility system CIP will be reviewed in conjunction with conversations with Town staff. The objective of such review is to gain an understanding of the types of projects scheduled; the timing associated with such projects, and associated expenditure requirements.

Develop Capital Financing Plan. Based on the findings made in the review thus far, a general financing plan will be developed to provide for the anticipated capital expenditure activities, including debt issuances, relative to the CIP. Such a financing plan will include consideration for the use of restricted and unrestricted funds, surplus operating reserves, capital recovery fees, and future rate adjustments. We propose to include a 5 to 10-year analysis of anticipated capital requirements, as well as adequate reserve funding. In reviewing the CIPs, it is necessary to know current policy on available funding sources, and the type of improvements and costs to fund through rates on a Pay-As-You-Go basis (PAYGO) or connection fees. As such, these funding options play a role in determining the total amount of revenue required in any given year.

These options will be included within the model to allow staff the ability to optimize Pay As You Go (Acquire) and various bond and financing alternatives while minimizing shock on utility ratepayers.

Development of Customized Rate Model - The project will develop a customized computer rate model for the Town which will be provided in electronic Excel format to the Town at the conclusion of the study. **Willdan has developed an easy to use graphical dashboard component in our financial model, which clearly identifies parameters that Town staff can adjust to create and test new scenarios, while visualizing and balancing those outcomes with the impact to utility rates, operating revenues and reserve balances.**

The model developed will have the capability to carefully test and evaluate financial scenarios and rate design and policy assumptions. Our team has decades of experience in utility rate modelling, and the final dashboard-driven model developed for the Town will be both technically proficient and remarkably easy to understand and update. **Willdan has developed an easy to use graphical dashboard component in our financial model, which clearly identifies parameters that Town staff can adjust to create and test new scenarios, while visualizing and balancing those outcomes with the impact to utility rates, operating revenues and reserve balances. Due to our previous experience we propose to update the financial and rate models we have developed previously for the Town's water and wastewater utilities and incorporate the new features and functionality of the Willdan dashboard.**

The following points are standard in the Willdan model:

- Model will be developed using Microsoft Excel
- Model will allow for updating of consumption by customer classification
- Model will allow for updating of operating, debt service and capital costs

- Model will include the **Willdan Dashboard**, a pre-defined graphical presentation of consumption, revenue and expense data as well as key financial data by scenario
- Model will integrate the revenue produced by rates with the Utility fund financial plan
- The project team will train Town personnel to periodically update model cost factors and develop scenarios by rate and customer class

Task III: Engineering Assessment of Development Projects and Impacts

The project team engineer will identify the type, location and implementation schedule of all proposed developments within the Town for the period 2017 - 2016. This information will be obtained from the Town's Planning Department, Pinal County Planning and Economic Development and from CVL's strong association with land brokers that operate in Pinal County that will help us identify long term projects. All such developments will be tabulated by type, location, size, number of units (for residential), floor area (commercial and industrial) and anticipated water demands and sewer discharges calculated using the Town's engineering standards. Each development will also be placed on a map showing the existing water and sewer system. We will note all assumptions made in compiling this list of developments. The result will be a highly preliminary assessment that will be used for the purposes of determining general debt levels that will be needed to be issued by the Town. A detailed Master Plan would be beyond the scope of this assessment.

Task IV: Wastewater System Capacity Assessment – Demands and Expansion Needs

The project team engineer will begin this task by reviewing the reports prepared during the design of the North and South WWTPs. Aquifer Protection Permits (APP) issued by the Arizona Department of Environmental Conservation (ADEQ) will also be reviewed to determine permit limits. Process design sizing and capacities will be obtained and catalogued from contract documents. We will also visit both sites and meet with Operations Staff to fully understand the current operation methods and process needs. Additional capacity necessary to enable each process to handle existing, immediate and future demands through 2016 will be identified as phased expansions, where required. The result will be a highly preliminary assessment that will be used for the purposes of determining general debt levels that will be needed to be issued by the Town. A detailed Master Plan would be beyond the scope of this assessment.

Task V: Cost Allocation Assessment

Included in the Town's Scope is a cost allocation assessment to ensure that the Water and Wastewater Fund is paying its fair share to the General Fund. We will review the Town's current methodology for making this transfer and provide input on alternatives for compensating the General Fund for the indirect support services provided to the water and wastewater utilities. A cost allocation model will be developed specifically for the Town, customized for use as organizational structure changes and costs evolve so that future allocations can be readily developed.

Task VI: Bill Comparison and Socioeconomic Assessment

Typical Bill Comparison. Comparisons of typical utility bills under the existing and proposed rates will be developed for each customer class under various levels of usage. The selected customer class usage levels will reflect the results of the billing analysis so as to better demonstrate rate impacts on typical customer accounts in each class. Depiction of user rates in our deliverables will be designed to promote ease of explanation to rate payers.

Benchmarking and Bill Comparison to Neighboring Utilities. A comparison will be prepared to assess the difference between the existing and proposed rates of the Town with those of other comparable municipal utility systems in the same geographic region for all comparable customer classifications. One of the objectives of the benchmarking component will be to advise the Town on the potential impact that proposed rates could have on the ability of the Town to attract and retain retail and commercial businesses.

Task VII: Determination of Revenue Requirements

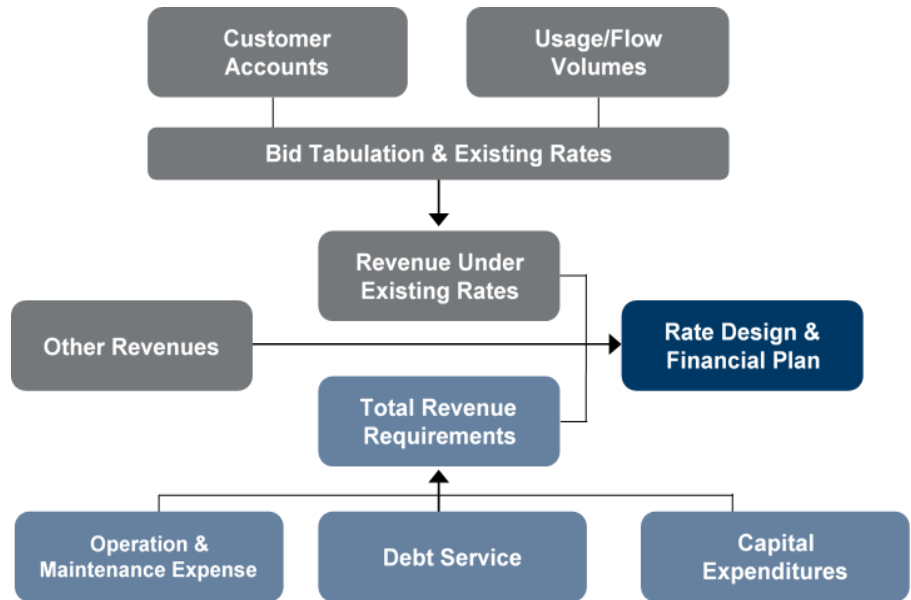
In this task the project team will determine overall revenue requirements for the current year and for a ten year forecast period. Requirements will reflect the Town's current policies and practices regarding appropriate levels of fund balance, interfund transfers, and capital financing (including debt service coverage levels and debt-to-equity ratios). Accordingly, revenue requirements that will meet financial performance measures will be determined.

Concurrent with the development of the projected operating results, the study will review the general financial health of the utility operations and, as necessary, make recommendations for changes in fund balances, reserves, and debt service coverage ratios to maintain financial integrity and a stable bond rating.

The ultimate objective of this task is to determine overall revenue requirements for the water and wastewater systems. The process of functionalizing these costs between water services such as pumping, storage, transmission, treatment and distribution, and wastewater functions such as collection and treatment will be addressed in Task VII.

The first step in this analysis is to gain some historical perspective on the Town's system. This includes analyzing the data provided in response to the Data Request (Task I) such as current and historical volumetric data, customer and account data, budgets, financial statements, capital expenditures, customers, debt service, historical water and wastewater rates, current rates, rate setting procedures, and historic collection efficiency.

Total revenue requirements for the water and wastewater utilities will be calculated after analyzing the data outlined above. The revenue requirements consist of the total cost to provide this service, including operation and maintenance (O&M) costs, payments in lieu of taxes, debt service requirements (including coverage requirements) on existing and any proposed new debt, direct capital outlays financed by rates, and other financial needs.



O&M costs will be projected by detailed expenditure categories and, if necessary, by component system. These projections will be based on past trends, expected inflation levels, new facilities that may affect operating costs, changes in the customer base, and other factors. We will also consider the levels of cash reserve funding required for the water and wastewater system operations in our determination of the revenue requirements.

The development of a reasonable set of assumptions concerning future capital spending for repairs and replacements and system expansion is one of the most critical elements of the revenue requirement. The project team will discuss all components of this category with Town staff, including the expected amount of CIP, funding alternatives (i.e. pay-as-you-go vs. long term (tax vs. revenue) bonds), expected reserve requirements, and coverage requirements. It is essential that all parties agree on the reasonableness of these assumptions, since they will have the greatest impact on the recommended rate alternatives. As noted earlier, this involves balancing what needs to be spent from an operations/engineering perspective with the willingness and ability of ratepayers to pay. Finally, the project team will discuss with Town staff the types of additional capital improvement projects that may be required and the timing and source of funding for each. Variation in these assumptions will form the basis of the alternative rate designs to be presented.

Once the total costs of providing water and wastewater service have been calculated, these costs will be compared to the actual billing and collection for the past several fiscal years. We understand that this is one of the specific goals set forth by the Town – to review the billing system for adequacy in calculation and implementation. This will have the effect of determining both the adequacy of the billing and collection procedures in effect, and the degree to which customers are currently paying the costs of providing this service.

Task VIII: Determination of User Characteristics and Customer Classes (Incl. Sales Forecast Review and Revenue Test)

A fundamental principle of cost-of-service ratemaking for water and wastewater utilities is for costs to be allocated to user groups based on the demands each group places on the system. In the case of water service, demands typically are measured in terms of base and peak demands that are critical to the sizing and operation of system facilities. For wastewater service, demands usually are measured in terms of customer flows and sewage strength characteristics that determine wastewater treatment plant influent loadings. These demands are collectively referred to as “user characteristics.”

This task involves determining the appropriate groupings of customers so that customers with similar user characteristics populate the same customer class. For cost-allocation purposes, customers are grouped into different classes based on differences in their user characteristics. The development of information for grouping customers and allocating costs to specific customer groups is an essential step in the ratemaking process, to ensure that costs will be recovered from these groups in direct proportion to their use of the system. As with all our studies, the AWWA Manual M-1 will provide the framework for our allocation methodology.

The determination of customer user characteristics as noted above will include a careful review of the Town's sales volume histories and forecasts. The volume data must be considered as a whole and separately for each defined customer class. Methodologies for projecting water and wastewater revenues will be assessed to confirm appropriate accounting for expected growth, water losses, inflow and infiltration, and normal weather conditions. Historical water sales data used for forecasting purposes will be reconciled against water production records; historical wastewater flow and loadings data will be used to determine flows and loadings for the system and individual customer classes.

The utility system accounts and respective usage will be forecast for a 10-year planning period. Such projections will be developed by considering historical growth trends, peak demands, climatological patterns, local economic conditions, potential for adding/losing major utility customers, changes in customer class usage patterns over time, and experienced judgment. The forecast usage projections will be based on the projected number of utility accounts and a usage per account analysis to differentiate the historical effects of account growth and increased (decreased) average usage by customer class.

The project team will finalize 10-year projections of sales volumes that will then be used to calculate projected revenues under current rates for the 10-year rate forecast period. This step is often referred to as a revenue test.

Task IX: Cost Functionalization, Classification, and Allocation

In this task the project team will calculate the cost of water transmission, treatment and distribution, and wastewater collection and treatment, based on the information gathered in previous tasks. As discussed in Task III, these costs include such categories as O&M (personnel, chemicals, engineering, administrative, equipment maintenance, vehicles, materials, etc.), reserves, debt service, and capital outlays funded by rates (assuming that the Cash Basis is utilized). These costs will then be assigned to individual customer classes through a three-step apportionment process.

These steps are referred to as "functionalization," "classification," and "allocation." **Functionalization** involves the categorization of utility costs according to the utility functions these costs are incurred to perform. Typical water utility functions include treatment, pumping, storage, distribution, and customer billing; wastewater functions include treatment, collection, disposal, and customer billing. **Classification** is the apportionment of functionalized utility costs according to the types (or classes) of demands served by the utility. For water utilities, AWWA M-1 ratemaking methodologies prescribe classification of costs according to base, maximum-day, maximum-hour, and customer demands. Water Environment Federation (WEF) and U.S. Environmental Protection Agency (EPA) methods classify wastewater costs according to flow, biochemical oxygen demand (BOD) loadings, and total suspended solids (TSS) loadings. **Allocation** is the assignment of classified utility costs to individual customer classes. Costs are allocated proportionately to customer classes based on their contributions to total utility system demands.

Under typical circumstances, standard industry ratemaking principles and practices as outlined in AWWA and WEF ratemaking manuals serve as the foundation for cost allocations to customer classes. These industry manuals are not prescriptive and recognize the need to afford utility decision makers the flexibility to reflect local circumstances.

Task X: Alternative Rate Designs for Current Year and 10 Year Forecast

After allocating costs to customer classes, a plan will be developed for evaluating rate design options that will recover allocated costs, including O&M, debt service, and reserve requirements. Because several rate alternatives will be examined in this report, the project team proposes that for ease of evaluation the rate design process be segregated into a two-step process. In this task, the current year and ten year forecast rate design alternatives will be presented separately. This will enable Town staff to evaluate both its immediate short-term needs and its longer-term needs under each alternative.

Rate Structure Alternatives, including those designed to encourage Conservation. The rate model spreadsheet will be developed in a dynamic manner such that Willdan and Town staff will be able to analyze various "What If" scenarios detailing the financial impacts under each scenario. Alternative rate structure scenarios will be developed and the financial impacts associated with fluctuations in the economy, area growth, planned capital expenditures and/or implementation of mandated regulatory requirements will be estimated. The rate structure alternatives will be developed to recover the projected revenues needed to fund utility operations, recognizing equitable cost recovery by customer class, establishing reasonable recovery of costs from existing and new utility customers, and complying with applicable regulations and policies.

We intend to consult closely with Town officials to develop a consensus on the most appropriate alternative rate designs for each of the alternatives. In this task we also intend to accomplish the following objectives:

- Determine whether any rate classes are subsidizing the others, and the degree to which any subsidy is equitable;
- Estimate the impact of the proposed rate structures on conservation efforts;
- Provide a detailed delineation of the advantages and disadvantages of each alternative;



- Calculate the impact of any proposed “transition period” into the new rates;
- Compare the recommended rates to the Town’s ten-year historical rate structure; and
- Prepare the cost of water and wastewater service per household based on the new rate design (also known as a “bill impact analysis” which is commonly performed in our rate studies). If so desired we will moderate an internal review/discussion with management regarding such topics as operational objectives, long term objectives, rate impacts on users, alternative rate designs, rate elasticity and use of rate studies in implementing rate changes

Specific attention will be given to the sensitivity of system revenues to possible decreases in water usage prompted by a more aggressive conservation rate structure. Rate designs will be subjected to revenue generation tests and also reviewed for administrative efficiency.

In instances where cost-of-service-based changes in revenue responsibility will result in significant rate increases for any one customer class, the merits of implementing rate changes over a multiyear period will be discussed with Town staff. If appropriate, multiyear rate transition plans will be developed that meet, to the extent possible, expressed criteria for rate change acceptance.

The project team will meet with Town officials prior to unveiling any recommendations to the Town Council or the public in order to go over the initial alternatives and to make any revisions as deemed appropriate by Town staff and management.

Task XI: Prepare and Present Recommendations / Deliverables / Training

The project team will prepare concise draft and final rate study reports/memoranda. The report will include documentation of the analyses conducted for each study task as well as recommendations for implementation, administration, and future updating. The report will provide detailed information on the determination of revenue requirements, document allocations of revenue requirements to functional parameters and customer classes, and alternative rate recommendations for the water and wastewater utilities. Information on the impact of recommended rate changes to customers’ typical monthly bills will be provided. The steps in the rate calculations will be described so that there is a full understanding of the technical steps and assumptions contained in the determination of the rates.

We will conduct a formal presentation of the report and the most significant findings to Town staff and the Town Council. The presentation will include easy-to-understand graphic displays (in Microsoft PowerPoint). As we indicated earlier, we take great pride in our ability to develop a summary presentation that documents all findings and recommendations in an easy to understand format, which will facilitate both the decision making process and the degree of acceptance for the rate plan within the community.

The project engagement will include applicable project meetings with Town staff, a public presentation to the Town Council, preparation of a report summarizing the financial evaluation and study results, development of a computerized rate model using Microsoft Excel, and training of Town personnel to update the model. Twenty bound copies of the study methodology and final recommendations will be presented to the Town, along with an electronic copy of the rate model in Microsoft Excel.

Task XII: Utility Rate Committee / Public Involvement / Education / Communication

Our project team is a strong advocate of the need for a comprehensive public involvement program to accompany any changes in the Town’s water and wastewater rates. It is important that the ratepayers have a proper understanding of the reasons for any proposed rate changes, and the impact of these changes on their monthly bills. It is also important for Town staff to reach out to the public, to solicit comment and input, to determine the preferences among ratepayers as to alternative rate structures, and to ensure that accurate information is disseminated among the community. **We will develop a meeting schedule to work with the Utility Rate Committee (URC) over the course of 4 meetings and will conduct a public hearing for the ratepayers at a time and location to be set by Town staff. This hearing will be critical to obtain input from the public and answer any inquiries as to the findings and conclusions of the study. Attendance at more than 4 meetings with the URC or additional public hearings may be outside the scope of the study and after discussion and approval with Town staff, may be billed at the hourly rates and expenses of the involved project team members.**

Finally, we will note that due to our decade-long relationship with the Town and series of successful projects, we believe we have the confidence of the Mayor and Council of the Town of Florence. The Town has adopted our rate and financial recommendations in the past. Such a level of trust is sometimes difficult to achieve by an outside consultant, and we are proud of and grateful for the confidence the Town has shown in us.

Task XIII: Project Management and Quality Control

The cost-of-service rate study for the Town will be effectively managed through a variety of project planning and monitoring tools, including the project budget and schedule and regular project progress reporting.

Our project team consists of experienced senior-level professionals who have conducted dozens of cost of service and financial studies for clients over the past two decades. This is not a team composed of one senior person and little-experienced staff; all team members are seasoned professionals who know how to complete a study on time and on budget.

Willdan's perspective on technical and logistical issues is based on and consistent with common quality assurance and quality control (QA/QC) business standards. Although the QA/QC concept has historically been applied to manufacturing and engineering standards, the concept can also be applied to utility services such as those proposed herein. For service-oriented businesses, quality control (QC) is any procedure or set of procedures intended to ensure that a performed service meets the requirements of the client or customer. Similarly, but not identical, quality assurance (QA) is defined as a procedure or set of procedures intended to ensure that a service under development (before work is complete, as opposed to afterwards) meets specified requirements. An effective quality assurance system will increase customer confidence, enhance a company's credibility, improve work processes and efficiency, and enable a company to better compete with others. For Willdan, the QA/QC concept is based on overall "Company Quality." This concept includes a focus on the client, the company personnel and the final product. Willdan has realized that success is only possible if the project manager leads the quality process by example. As such, the company-wide quality approach places an emphasis on three aspects:

- 1. Communication** – This is actually a reoccurring theme behind each Willdan procedure and activity. We believe that frequent and open communication, both with the client and our own personnel, is the true key to completing a successful project engagement. Specific communication measures utilized by Willdan during the course of the project include active discussions and e-mail correspondences during the data acquisition stage of the project, periodic status reports, meetings to review assumptions and projections, conference calls as necessary to ensure that those involved in the process are "on the same page," and delivery of study output in portions as completed in order to make for more effective review by staff.
- 2. Relationships** – Although this proposal document places specific attention on the project as defined in the RFP, one of our primary goals with any new project is to develop a positive relationship with the client. While the key to the success of a project is communication, the key to the success of Willdan is the client relationship. Of course, there is direct correlation between items 1 and 2 because communication and a successful project are the foundation for a long-term relationship.
- 3. Product** – For a rate study project, the final product is generally considered to be the rate study report, delivered upon project completion. However, there are many other elements that lead to the development and generation of the final report. Of these other elements, the rate model (and applicable software) represents the primary component in the development of the utility rate analysis. As such, the development of the rate model is where much of the QA/QC efforts are focused. Specific measures utilized by Willdan during the course of the project to ensure that the data provided and final rate model is accurate and complete include performing internal peer reviews for calculation accuracy, reviewing data input information with Town staff (e.g. historical customer data, budgets, financial reports, capital improvement program, etc.), walking staff members through the model for understanding and auditing, and actively seeking reviews and revisions from each participating project team members. As a result of such upfront due diligence, the possibility of significant inaccuracies is mitigated.

Project Schedule

We have developed a general timeline that will begin upon authorization to proceed, and is designed to complete the tasks within the 6-month window requested by the Town. Completion of the tasks within this timeframe will depend to a great extent upon the availability of required data from the Town and the ability to schedule meetings in a timely manner with Town staff, the URC and Council. However, we will prepare an initial request for information for the Town and submit it in advance of the Project Initiation Workshop in order to assist the Town in compiling the data needed.

Based on these factors and our current understanding of the solicitation, Willdan has developed the following preliminary project schedule:

Town of Florence Water and Wastewater Rate Study Proposed Project Schedule																									
Scope of Services	Week	Month 1				Month 2				Month 3				Month 4				Month 5				Month 6			
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
I - Initial Project Meeting / Kickoff																									
II - Data Review & Model Development																									
III - Engin. Assessment of Development Projects/Impacts																									
IV- WW System Capacity Assess/ Demands/Expan Needs																									
V- Cost Allocation Assessment																									
IV- Bill Comps & Socioeconomic Assessment																									
V - Revenue Requirements																									
VI - User Characteristics/Customer Classes																									
VII - Cost Functionalization/Classify/Allocate																									
VIII- Alternative Rate Designs																									
IX - Prep/Present Recomm. / Deliverables																									
X - Public Involvement / Education/ Communications																									
XI - Project Management/ Quality Control																									

Stage 1: Project Initiation & Data Gathering

Stage 2: Volume Model and Rate Model Development

Stage 3: Revenue Test of Data and Model Updating

Stage 4: Revenue Requirements Development

Stage 5: Utilities and Customer Class Cost of Service

Stage 6: Financial Plan Development & Rate Design

Stage 7: Public Involvement and Meetings/Calls

Stage 8: Project Deliverables

Price Sheet

Willdan will perform the tasks described in our Work Plan, for **a not to exceed amount of \$59,500 (fifty-five thousand five hundred dollars)**. The table below provides a breakdown of this fee by team member hours and task. This price is fully inclusive of all expenses and professional fees. This price is firm for a period of 90 days from the proposal closing date of January 12, 2017.

Town of Florence Water and Wastewater Rate Study Proposed Project Team Hours and Professional Fees					
	D. Jackson Principal in Charge	R. Schafer Senior Consultant	J. Rains Senior Analyst	E. Laurin Engineer	Total Hours
	\$195	\$165	\$165	\$140	
Scope of Services					
Task I – Project Kick-off, Data Acquisition & Assessment	8.0	12.0	8.0	16.0	44.0
Task II – Data Review and Rate Model Development	-	24.0	4.0	-	28.0
Task III – Engin. Assessment of Development Projects/Impacts	-	-	-	16.0	16.0
Task IV – WW System Capacity Assessment/ Demands/Expan Needs	-	-	-	12.0	12.0
Task III – Cost Allocation Assessment	4.0	24.0	8.0	-	36.0
Task IV – Bill Comparison & Socioeconomic Assessment	-	4.0	4.0	-	8.0
Task V – Determine Revenue Requirements	4.0	4.0	4.0	-	12.0
Task VI – Determine User Characteristics/Customer Classes	2.0	4.0	4.0	-	10.0
Task VII – Cost Functionalization, Classification, & Allocation	-	8.0	4.0	-	12.0
Task VIII – Alternative Rate Designs	8.0	8.0	4.0	-	20.0
Task IX – Prep/Present Recommendations/Deliverables	16.0	16.0	16.0	4.0	52.0
Task X– Public Involvement/ Education/Communications	24.0	8.0	24.0	4.0	60.0
Task XI – Project Management & Quality Control	12.0	8.0	-	-	20.0
Subtotal Hours	78.0	120.0	80.0	52.0	330.0
Task I – Project Kick-off, Data Acquisition & Assessment	1,560	1,980	1,320	2,240	\$ 7,100
Task II – Data Review and Rate Model Development	-	3,960	660	-	4,620
Task III – Engin. Assessment of Development Projects/Impacts	-	-	-	2,240	2,240
Task IV – WW System Capacity Assessment/ Demands/Expan Needs	-	-	-	1,680	1,680
Task III – Cost Allocation Assessment	780	3,960	1,320	-	6,060
Task IV – Bill Comparison & Socioeconomic Assessment	-	660	660	-	1,320
Task V – Determine Revenue Requirements	780	660	660	-	2,100
Task VI – Determine User Characteristics/Customer Classes	390	660	660	-	1,710
Task VII – Cost Functionalization, Classification, & Allocation	-	1,320	660	-	1,980
Task VIII – Alternative Rate Designs	1,560	1,320	660	-	3,540
Task IX – Prep/Present Recommendations/Deliverables	3,120	2,640	2,640	560	8,960
Task X– Public Involvement/ Education/Communications	4,680	1,320	3,960	560	10,520
Task XI – Project Management & Quality Control	2,340	1,320	-	-	3,660
Subtotal Professional Fees	15,210	19,800	13,200	7,280	\$ 55,490
Travel and Production Expenses					\$ 4,010
Total Cost					\$ 59,500
Official Bid – Not to Exceed					\$ 59,500

Appendix

Required Forms

Proposer's Proposal

III. PROPOSER'S PROPOSAL

3.1 Proposer's Proposal: For the proposal deadline is January 12, 2017.

3.2 Conditions Accepted: The undersigned Proposer declares that before preparing this proposal, he or she has read the Proposal Documents (RFP) carefully, and that this proposal is made with full knowledge of the RFP requirements. By signing this proposal, proposer agrees to all conditions contained in the Proposal Documents.

3.3 Proposal Amount: For the terms set forth in Paragraph 3.2 above: Proposers offers to provide the services for a total in the amount of:

Fifty Nine Thousand

(Enter Proposal price in writing) Five Hundred dollars. ("Proposal Amount")

3.4 Acceptance: Proposer proposes and agrees that if this proposal is accepted, he or she will enter into a contract with Florence within thirty days after Florence's acceptance of this proposal at the listed Proposal Amount.

3.5 Affidavit: The following affidavit is submitted by the Proposer as part of this Proposal:

The undersigned deponent, of lawful age, being duly sworn upon his oath, deposes and says:

1. The he/she has lawful authority to execute the within and foregoing Proposer's proposal.
2. That the Proposer has not directly or indirectly entered into any agreement, express or implied, with any Proposer or Proposers, having for its object the controlling of the price or amount of such proposal or proposals, the parceling out to any Proposer or any other person of any part of the subject matter of the proposal or proposals or the profits thereof, and that he/she had not and will not divulge the sealed proposal to any other person whatsoever, except those having a partnership or financial interest with him and said Proposer, until after the sealed proposal or proposals are open.
3. That Proposer has received any Addenda issued.


Name Mark J. Risco

President & CEO
Title

STATE OF ARIZONA)
County of Pinal)SS

SUBSCRIBED AND SWORN TO before me this ____ day of _____,

20____, by_____.

Notary

My Commission Expires: _____

Notary Form

CALIFORNIA JURAT WITH AFFIANT STATEMENT

GOVERNMENT CODE § 8202

- ☒ See Attached Document (Notary to cross out lines 1–6 below)
☐ See Statement Below (Lines 1–6 to be completed only by document signer[s], *not* Notary)

1 _____
 2 _____
 3 _____
 4 _____
 5 _____
 6 _____

Signature of Document Signer No. 1

Signature of Document Signer No. 2 (if any)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Riverside

Subscribed and sworn to (or affirmed) before me

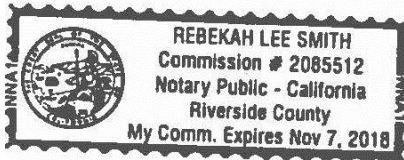
on this 10 day of January, 2017.
 by Date Month Year

(1) Mark Risco

(and (2) NA),
 Name(s) of Signer(s)

proved to me on the basis of satisfactory evidence
 to be the person(s) who appeared before me.

Signature Rebekah Lee Smith
 Signature of Notary Public



Seal
 Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Proposer's Proposal Document Date: 1-10-17
 Number of Pages: 1 Signer(s) Other Than Named Above: NA

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Deviation/Compliance Certification

DEVIATION/COMPLIANCE CERTIFICATION

If the undersigned Bidder intends to deviate from the Requirements for Proposers, Special Conditions, or any other Contract Document made a part of this solicitation, all such deviations shall be listed on this certification form, with complete detailed conditions and information included or attached. The Town may consider any deviations in its review, scoring and award decisions, and the Town reserves the right to accept or reject any proposal, offer, or bid based upon any deviations indicated herein or in any attachments hereto.

In the absence of any deviation entry on this form, the Bidder agrees, certifies, and warrants the Town of their full compliance with the Requirements for Proposers, Special Conditions, or any other Contract Document, and all other information contained in this solicitation.

Please list any deviations from the solicitation document below (attach additional sheets as needed):

By signing below, I agree, certify, and warrant that the offer/proposal I am submitting does X does not (check one line) deviate from the Requirements for Proposers, Special Conditions, or any other Contract Document listed in this document. If deviating from the specifications of the solicitation, all such deviations are listed on this form, with complete detailed conditions and information included or attached. Any attachments to this form are identified as a continuation of the deviations to this solicitation.

Printed Name:

Signature:

Date:

Mark J. Risco



January 10, 2017

THIS PAGE MUST BE RETURNED WITH THE OFFER/PROPOSAL



Offer Sheet

OFFER SHEET

MANDATORY – RETURN THIS PAGE WITH YOUR RESPONSE. UNSIGNED OFFERS WILL BE CONSIDERED NON-RESPONSIVE AND REJECTED.

To the Town of Florence: By signing below, Offeror certifies that he/she has read, understands, and will faithfully execute the terms and conditions stated herein. The signer also certifies that he/she is an officer or duly authorized agent of the Offeror's firm with full power and authority to submit binding offers for the goods or services as specified. Offeror certifies that the prices offered were independently developed without consultation with any of the other offerors or potential offerors.



Authorized Signature (required)

Willdan Financial Services

Company Name

Mark J. Risco

Printed Name

27368 Via Industria, Suite 200

Address

President & CEO

Title

Temecula, CA 92590

City, State, Zip

Arizona Transaction (Sales) Privilege Tax License
Number

(800) 755-6864

Telephone Number

33-0302345

Federal Employer Identification Number

Fax Number

For clarification of this offer contact:
(If different from above)

Dan Jackson

Contact Name

www.Willdan.com

Company E-mail Address

DJackson@Willdan.com

E-mail Address

(800) 755-6864

Telephone Number



Demonstrating Lawful Presence

Town of Florence
P.O. Box 2670
Florence, AZ 85132
(520) 868-7500
Demonstrating Lawful Presence

Bids, Proposals or Qualifications

Arizona Revised Statutes 1-501 and 1-502 apply to applicants of "federal public benefits" and "state and local public benefits". Grants, contracts and loans are considered public benefits and state law requires each person who applies for such benefits to submit at least one of the following documents demonstrating "lawful presence" in the United States. The Principal of each group, consultant, or organization will complete this form.

Check the box next to the document indicating lawful presence.

	An Arizona driver license issued after 1996 or an Arizona non-operating identification license
X	A driver license issued by a state that verifies lawful presence in the United States. (See Overview of State's Driver's License Requirements)
	A birth certificate or delayed birth certificate issued in any state, territory or possession of the United States.
	A United States certificate of birth abroad.
	A United States passport.
	A foreign passport with a United States visa.
	An I-94 form with a photograph.
	A United States citizenship and immigration services employment authorization document or refugee travel document.
	A United States certificate of naturalization.
	A United States certificate of citizenship.
	A tribal certificate of Indian blood.
	A tribal or Bureau of Indian affairs affidavit of birth.

****Attach copy of document to this sheet.**



 Signature of Applicant

January 10, 2017

 Date

 Signature of Municipal Employee
Effective Date: November 1, 2009

 Date

Participation if Boycott if Israel

Participation if Boycott of Israel

Town of Florence
PO Box 2670
Florence, AZ 85132

All materials submitted as part of a response to a solicitation are subject to Arizona public records law and will be disclosed if there is an appropriate public records request at the time of or after the award of the contract. Recently legislation has been enacted to prohibit the Town of Florence from contracting with companies currently engaged in a boycott of Israel. To ensure compliance with A.R.S. §35-393.01, this form must be completed and returned with the response to the solicitation and any supporting information to assist the Town in making its determination of compliance.

As defined by A.R.S. §35-393.01:

1. "Boycott" means engaging in a refusal to deal, terminating business activities or performing other actions that are intended to limit commercial relations with Israel or with persons or entities doing business in Israel or in territories controlled by Israel, if those actions are taken either:
 - (a) In compliance with or adherence to calls for a boycott of Israel other than those boycotts to which 50 United States Code section 4607(c) applies.
 - (b) In a manner that discriminates on the basis of nationality, national origin or religion and that is not based on a valid business reason.
2. "Company" means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company or other entity or business association, and includes a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate.
3. "Direct holdings" means all publicly traded securities of a company that are held directly by the state treasurer or a retirement system in an actively managed account or fund in which the retirement system owns all shares or interests.
4. "Indirect holdings" means all securities of a company that are held in an account or fund, including a mutual fund, that is managed by one or more persons who are not employed by the state treasurer or a retirement system, if the state treasurer or retirement system owns shares or interests either:
 - (a) together with other investors that are not subject to this section.
 - (b) that are held in an index fund.
5. "Public entity" means the Town of Florence ("Town"), a political subdivision of this STATE or an agency, board, commission or department of this Town or a political subdivision of this Town
6. "Public fund" means the state treasurer or a retirement system.
7. "Restricted companies" means companies that boycott Israel.
8. "Retirement system" means a retirement plan or system that is established by or pursuant to title 38.

All offerors/vendors must select one of the following and thereby certify that:

- X My company **does not** participate in, and agrees not to participate in during the term of the contract a boycott of Israel in accordance with A.R.S. §35-393.01. I understand that my entire response will become public record.
- My company **does** participate in a boycott of Israel as defined by A.R.S. §35-393.01.

By submitting this certification, proposer agrees to indemnify and hold the Town of Florence, its agents and employees, harmless from any claims or causes of action relating to the Town's action based upon reliance on the above representations, including the payment of all costs and attorney's fees incurred by the Town in defending such an action.

Willdan Financial Services

Company Name

27368 Via Industria, Suite 200

Address

Temecula

City

CA

State

92590

Zip



Signature of Person Authorized to Sign

Mark J. Risco

Printed Name

President & CEO

Title



Resumes

Dan Jackson, MBA

Education

Master of Business Administration, University of Chicago, 1984; Specialization in Finance/Accounting

Bachelor of Arts, University of Chicago, 1982; Major in Social Sciences Dean's Honor List

Areas of Expertise

Rate Design

Cost of Service

Financial Forecasting

Strategic Planning

Utility/Company

Valuation

Acquisition Analysis

Privatization Analysis

Economic Impact and

Development

Expert Witness

Testimony

Affiliations

Member, American

Water Works

Association

National Association for Business Economics

Society of Government Economists

Commissioner,

Community

Development

Commission, City of

Dallas, Texas, 1993-

1995

Board of Directors,

Southern Dallas

Development

Corporation, 1993-1994

30 Years' Experience

Principal-in-Charge and Project Manager

Mr. Jackson has 30 years' experience as an international financial expert, having completed more than 200 water, wastewater, electric, gas, solid waste and stormwater rate/cost of service studies and long-term financial plans for clients in the USA and the Pacific region. He also has served as an expert witness in state court, federal court and before several public utility commissions. Mr. Jackson's prior experience includes positions with Deloitte and Touche, Arthur Andersen and Reed-Stowe and Company. In 1997, Mr. Jackson co-founded Economists.com LLC, which became an international consulting firm with offices in Dallas and Portland, Oregon. Willdan acquired Economists.com in 2015, and Mr. Jackson now serves as Vice President and Managing Principal.

His experience is summarized below.

Water/Wastewater – Rate Studies and Long Term Financial Plans for which Mr. Jackson served as Project Manager

▪ Ada, OK	2014, 2015
▪ Edmond, OK	2010, 2015
▪ Miami, OK	2009, 2015
▪ North Chicago, IL	2001, 2005
▪ Hot Springs, AR	2005, 2009-2015
▪ North Little Rock Wastewater Utility, AR	1999, 2003, 2006, 2011-2015
▪ Russellville, AR	2013, 2014, 2015
▪ South Adams County WSD, Colorado	2013
▪ Allen, TX	2007, 2009, 2012
▪ Beeville, TX	2015
▪ DeSoto, TX	2005, 2014
▪ Donna, TX	2007, 2011, 2012, 2013
▪ Duncanville, TX	2002, 2003, 2007, 2013, 2014
▪ Hewitt, TX	2009 – 2015
▪ Little Elm, TX	2001, 2004, 2008 – 2014
▪ Aqua Water Supply Corporation, TX	2003
▪ Cibolo Creek Municipal Authority	2012, 2015
▪ El Paso County WCID #4, TX	2005, 2007, 2010, 2011, 2014
▪ El Paso County Tornillo WCID, TX	2006, 2010
▪ Garland, TX	2009 – 2012
▪ Groesbeck, TX	2001, 2004
▪ Hackberry, TX	2006
▪ Harker Heights, TX	2006
▪ Jonah Special Utility District, TX	2006
▪ Kaufman, TX	1994
▪ Kempner WSC, TX	2014 – 2015
▪ Laguna Madre Water District, TX	1991, 1994, 1999, 2005, 2014
▪ La Villa, TX	2007
▪ Little Elm, TX	2001, 2004, 2008-2014
▪ Los Fresnos, TX	2007
▪ Mercedes, TX	2001, 2003
▪ Midlothian, TX	2000, 2003, 2006, 2010, 2011, 2015
▪ North Fort Bend Water Authority, TX	2011
▪ Oak Point, TX	2006, 2011
▪ Paris, TX	1995
▪ Plano, TX	2015
▪ Port of Houston Authority, TX	2001
▪ Princeton, TX	2012
▪ Prosper, TX	2005



D. Jackson
Resume Continued

▪ Raymondville, TX	2001
▪ Royse City, TX	2007, 2011, 2015
▪ Robinson, TX	2012, 2014, 2015
▪ Robstown, TX	2014, 2015
▪ Sachse, TX	2014
▪ Schertz, TX	2012 – 2014
▪ Seguin, TX	2015
▪ Schertz-Seguin Local Govt Corporation, TX	2010 – 2015
▪ Sonora, TX	2012
▪ Southmost Regional Water Authority, TX	2001
▪ Troup, TX	2006
▪ Venus, TX	2005, 2012
▪ Waxahachie, TX	2008
▪ West Harris County Regional Water Auth, TX	2003, 2006, 2010, 2011
▪ Webb County, TX	2011
▪ Whitehouse, TX	2008
▪ Winona, TX	2009
▪ Venus, TX	2005, 2012
▪ Yancey Water Supply Corporation, TX	2005
▪ Bisbee, AZ	2000 – 2005
▪ Buckeye, AZ	2013, 2015
▪ Camp Verde Sanitary District, AZ	2006, 2008
▪ Casa Grande, AZ	2009
▪ Chino Valley, AZ	2010-2014
▪ Chloride Domestic Water Imp District, AZ	2003
▪ Clarkdale, AZ	2005
▪ Cottonwood, AZ	2004, 2007, 2009
▪ Douglas, AZ	2009, 2011, 2015
▪ Eagar, AZ	2006, 2011, 2012
▪ Eloy, AZ	2007, 2011 – 2013
▪ Florence, AZ	2008, 2012
▪ Flowing Wells Improvement District, AZ	2008
▪ Goodyear, AZ	2014, 2015
▪ Holbrook, AZ	2004
▪ Marana, AZ	2008 – 2013
▪ Miami, AZ	2010 – 2012, 2015
▪ Nogales, AZ	2011, 2015
▪ Patagonia, AZ	1999, 2002
▪ Payson, AZ	2006, 2010, 2012, 2013, 2014
▪ Prescott, AZ	2008
▪ Quartzsite, AZ	2004, 2009, 2011, 2012
▪ Queen Creek, AZ	2004, 2007, 2015
▪ Safford, AZ	2006
▪ San Luis, AZ	2002, 2012, 2013
▪ Show Low, AZ	2011, 2014
▪ Somerton, AZ	1999, 2002, 2005-2010
▪ Tombstone, AZ	2001
▪ Wellton, AZ	2003
▪ Willcox, AZ	2002
▪ Yuma, AZ	2007, 2014, 2015

Solid Waste and Stormwater – Rate Studies and Long Term Financial Plans

▪ Duncanville, TX	2007
▪ Hewitt, TX	2010
▪ Mercedes, TX	1999
▪ San Luis, AZ	2003, 2013
▪ Somerton, AZ	2006
▪ Hot Springs, AR	2011, 2012, 2013
▪ Miami, OK	2009



D. Jackson

Resume Continued

Water/Wastewater –CCN/ System Valuations and Acquisitions

▪ North Little Rock WW Authority	2015
▪ Aubrey, TX	2015
▪ Arlington, TX	1999, 2001
▪ Celina, TX	2006, 2015
▪ Gunter, TX	2006
▪ Taylor, TX	1999
▪ Whitehouse, TX	2006
▪ Rockwall, TX	2005
▪ Trinity Water Reserve, TX	2000
▪ Avondale, AZ	2006
▪ Buckeye, AZ	2013-2015
▪ Chino Valley, AZ	2006
▪ Cottonwood, AZ	2009, 2012
▪ Clarksdale, AZ	2009
▪ Florence, AZ	2007, 2014
▪ Marana, AZ	2009, 2010
▪ Pine Strawberry Water Imp District, AZ	2009
▪ Prescott, AZ	2006
▪ Prescott Valley, AZ	1998
▪ Queen Creek, AZ	2008, 2011
▪ Show Low, AZ	2010, 2011
▪ North Chicago, IL	2001

Water/Wastewater – Impact Fee Studies

▪ Cibolo Creek Municipal Authority	2015
▪ East Medina County Special Utility District, TX	2000
▪ Harlingen, TX	2005
▪ Laguna Madre Water District, TX	1993, 1996, 2000, 2003
▪ Los Fresnos, TX	2006
▪ Mesquite, TX	1996
▪ Seguin, TX	2015
▪ San Luis, AZ	2002
▪ Marana, AZ	2011 – 2014
▪ Wellton, AZ	2003
▪ Prescott, AZ	2007
▪ Yuma, AZ	2004, 2007
▪ Hot Springs, AR	2005, 2009

Water/Wastewater – Other Studies

City of Paris, TX – Campbell's Soup Co. wholesale contract review/negotiations.

City of Conroe, TX – Evaluation of proposed long-term wholesale contract.

Cities of Bellmead, Woodway and Hewitt, TX – Least cost alternative analysis and assistance with wholesale contract negotiations with City of Waco.

City of Lubbock, TX – Analysis of reasonableness of rates for Franklin Water System, January 2002.

City of Rockwall, TX – Wholesale contract review, 2005.

City of Miami, OK – Non-rate revenue study, 2010.

Town of Payson, AZ – Financial feasibility and economic impact study of C.C. Cragin Reservoir, 2011.

City of Duncanville, TX – Water and wastewater cost allocation study, 2002.

City of Whitehouse, TX – Economic analysis of potential acquisition of a water supply corporation, 2006.

City of Midlothian, TX – Drought management plans, 2001.

City of Midlothian, TX – Assistance with wholesale contract negotiations, 2000-2001.



D. Jackson
Resume Continued

City of Arlington, TX – Cost of service study for non-water/sewer revenues, 1997.

City of Arlington, TX – Lease vs. purchase analysis of city fixed assets, 1998.

City of Donna, TX – Water and wastewater affordability analysis, 2005.

Southmost Regional Water Authority – Economic and financial impact of proposed desalination treatment plant, 2001.

Texas Water Development Board Region M – Financial feasibility analysis of water resource alternatives, 2006.

Laguna Madre Water District – Lost/unaccounted for water study, 1992.

Schertz Seguin Local Government Corporation – Assistance in contract negotiations with SAWS, 2010.

California-American Water Company – Reasonableness of rate structure for City of Thousand Oaks, 2003.

California-American Water Company – Reasonableness of rate structure for City of Felton, 2004.

Forsyth County, GA – Business plan with extensive recommendations for managing unprecedented growth in volume and customer connections. Ten-year projection of operating income, 1998.

City of Lakeland, FL – Valuation of wastewater reuse alternatives over 20-year timeframe.

Border Environment Cooperation Commission and City of Bisbee, AZ – Wastewater system improvements plan, 2003.

Water Infrastructure Finance Authority of Arizona – Evaluation of 40-year wastewater construction financing plan for Lake Havasu City, 2002.

Water Infrastructure Finance Authority of Arizona – Comprehensive residential water and wastewater rate survey for the state of Arizona, 2004-2008.

Regulated Utilities – Pacific Region

Commonwealth Utilities Corporation Saipan – Ongoing rate and financial consulting assistance, 2006-2015.

Palau Public Utilities Commission – Electric rate study, 2008.

American Samoa Power Authority – Electric, water, wastewater and solid waste rate study, 2009, 2014

EPC, Independent State of Samoa – Electric cost of service and tariff study, 2013.

Regulated Utilities – USA

City of Miami, OK – Electric, water and wastewater and electric rate study, 2006.

Bonneville Power Administration – Participation in Average System Cost (ASC) program, including proposed changes in ASC methodology, 1988-1990.

Houston Lighting & Power – Feasibility/Prudence analysis of South Texas Nuclear Project vs. alternate forms of energy. Analysis formed the basis of partner's expert testimony before the Public Utility Commission of Texas, 1988.

Kansas Power & Light – Analysis of proposed merger with two separate companies, 1988.

Greenville Electric Utility System – Development of short-term cash investment policy in accordance with state law, 1989.

Horizon Communications – Business plan development, 2000.

City of Mercedes, TX – Economic Impact of New City Projects, 2000.



Rebecca Schafer, MBA

Senior Consultant

Education

*Master of Business
Administration,
University of Phoenix*

*Bachelor of Science,
Business
Administration, Indiana
University, Bloomington*

Areas of Expertise

*Management
Consulting*

*Business and Financial
Analysis*

*Dynamic Computer
Modeling*

*Utility Rate and Cost
Studies*

*Feasibility and Financial
Analysis and Reporting*

*Debt Structuring
Analyses*

Affiliations

*American Water Works
Association*

*Texas Section
American Water Works
Association*

20 Years' Experience

Ms. Schafer is a Principal Consultant with over a decade of experience in utility financial analysis. She specializes in cost of service rate studies for water, wastewater, reuse and stormwater, as well as financial feasibility analysis. She has worked with a wide variety of clients of varying sizes and complexity, designing customized software rate models used as financial planning tools. She has extensive experience in such areas as budget analyses, customer and usage analyses, development of revenue requirements, cost of service allocations, and sensitivity analyses related to the implementation of rate structures designed to achieve revenue and consumption goals. Ms. Schafer is proficient in the development of comprehensive reports and presentations designed to capture the significant facts and issues of a project and convey them in an easily understood manner to audiences with varying levels of expertise.

Professional Experience

Development of extensive and dynamic computer models for water, wastewater and reclaimed water rate studies, feasibility studies, forecasts, and user rate studies for public utilities. Recent clients include the Town of Queen Creek, AZ; City of Goodyear, AZ; City of Buckeye, AZ; Town of Quartzsite, AZ; City of Allen, TX; City of Garland, TX; City of Robinson, TX; City of Sachse, TX; City of Princeton, TX; City of Royse City, TX; and Texas Municipal Utility Districts ("MUD") including Fort Bend MUD #23; Fort Bend MUD #50; and the Lazy Nine MUD.

Development of capital funding plans and user rates and charges including the preparation of water, wastewater, and reclaimed water user rate studies for public utilities on a year-to-year or recurrent basis. Recent clients include the City of Allen, TX; City of Buckeye, AZ; City of DeSoto, TX; City of Duncanville, TX; City of Edmond, OK; City of Ada, OK and City of Castroville, TX.

Assistance and documentation for revenue and other special forms of tax-exempt bond financing including detailed projections and reports to support the issuance of long-term indebtedness. Clients include the City of Ada, OK; City of Buckeye, AZ; City of Garland, TX; Town of Quartzsite, AZ; City of Springerville, AZ; and the City of Springtown, TX.

Selected Relevant Experience

City of Buckeye, AZ – Water, Sewer, Reclaimed Water and Flood Irrigation Cost of Service Rate Study: Served as lead analyst for this water, sewer, reclaimed water and flood irrigation rate study and long-term financial plan update, having also served in the same capacity in the original comprehensive rate study in 2012. Buckeye is one of the fastest growing municipalities in the country and town limits encompass more than 660 square miles just west of Phoenix. Given the high level of growth and recent new debt issuance for water and wastewater capital improvements, the update objectives included a review and update of the financial plan developed in the 2012 study incorporating operating adjustments, new debt obligations and potential water rights acquisitions to ensure ongoing ability to fully fund revenue requirements and minimize customer impact. Completion date 2014. Currently Project Manager conducting the 2017 Utility Rate Study Update for the Town.

Town of Queen Creek, AZ – Water and Sewer Cost of Service Rate Study: Serving as project manager and lead analyst on this study to provide a detailed review and projection of revenue requirements including O&M expense, recurring capital expenditures, existing debt service, cost of new debt, and adherence to all financial and capital policies and covenants. A primary factor in the Town's planning is the sizable variance in growth over the past decade. This has posed significant challenges for the Town due to their initial reliance on capacity fees for funding of its participation in a regional water reclamation plant. This project is ongoing.

City of Goodyear, AZ – Water and Wastewater Utility Cost of Service Rate and Fee Study: Served as lead analyst to build the water and wastewater rate model and develop a long term financial plan and cost of service based rates. The rate plans developed were required to incorporate sufficient revenues to assist the City during a period of high growth and to fund approximately \$115 million in new debt for capital improvements over 10 years. Many alternatives detailing various CIP project scenarios were considered and presented to staff, the City's Water Planning Committee comprised of citizen volunteers, and Council, culminating in approval of the



R. Schafer

Resume Continued

final rate recommendations. Completion date August 2015.

City of Sachse, TX – Water and Sewer Cost of Service Rate Study: Served as project manager and lead analyst to provide long term financial plan and cost of service based rates sufficient to fund \$36 million in capital improvements over 10 years while also recovering steeply increasing operational cost increases from the wholesale water provider. Many alternatives detailing varying CIP project scenarios were considered and presented to staff and Council, culminating in unanimous approval of the final rate recommendations. Completion date 2014.

City of Allen, TX – Water and Sewer Cost of Service Rate Study: Served as senior manager and analyst for these comprehensive studies since 2006. The City of Allen receives treated water and wastewater treatment services from the North Texas Municipal Water District (NTMWD). The scope of each study included an analysis of the effects of mandated conservation and irrigation restrictions and erratic weather patterns on the City's consumption history. Also integral to each study, were the steeply increasing charges from NTMWD. Willdan/Economists.com has continued to provide ongoing advice and direction to the City and has completed formal updates to the water and wastewater rate study periodically since 2007. Completion dates 2007, 2009, and 2012. In January 2017 Willdan will kick off the 2017 Rate Study Update for the City of Allen with Ms. Schafer as the Project Manager.

City of Princeton, TX – Water and Sewer Cost of Service Rate Study: Served as project manager and lead analyst to provide long term financial plan and cost of service based rates sufficient to assist the City to during a period of high growth and to fund approximately \$42 million in capital improvements over 10 years while also recovering steeply increasing operational cost increases from the wholesale water provider. Many alternatives detailing varying CIP project scenarios were considered and presented to staff and Council, culminating in approval of the final rate recommendations. Completion date November 2015. Ms. Schafer is currently conducting a wholesale rate and contract analysis for the City of Princeton.

City of DeSoto, TX – Water and Sewer Cost of Service Rate Study with Annual Reviews and Updates: Served as analyst and subsequently Project Manager to perform annual reviews with budget, capital funding and rate updates for water and wastewater annually since 2007, with the completion of a full-scale rate study every five years. Each year a comparison of forecast to actual account growth, consumption and revenues is performed, followed by an update of the rate model with revised operating, capital and debt service scenarios. Modifications to the rate plan are recommended in concert with additional scenarios and guidance as requested relative to fund balance, financing, and more. Completion dates 2007 through 2016.

City of Duncanville, TX – Water and Sewer Cost of Service Rate Study: Served as senior analyst to establish a long-term plan to finance needed capital improvements to the water distribution and wastewater collection systems and to update rate structures and rate plans following significant policy changes within City government. Participated in presentations to staff and Council to fully explain the issues and financial options available. Completion date 2014.

City of Edmond, OK – Water and Sewer Cost of Service Rate Study 2009, 2015: Served as lead analyst and then Project Manager for these comprehensive cost of service rate studies. These included the development of equitable wholesale water supply and wastewater treatment rates for services provided to interested parties outside the Edmond municipal limits. This fast growing City, just north of Oklahoma City, required a rate plan supportive of the issuance of over \$250 million in new debt over 10 years to finance its capital improvement plan for the water and wastewater system. In the 2015 rate study, alternative water rate structures were developed in response to reduced consumption due to drought conditions, and the need for funding of repair and replacement reserves was emphasized as this community transitions to a more established entity with aging infrastructure.

In addition, Ms. Schafer brings extensive operational and management experience gained from her 15 years of private sector work in manufacturing and utilities industries. This includes marketing, development of operations infrastructure, process and procedure development, soft skills assessment and training for clients including General Motors, AT&T, and several start-up companies.



JoLynn Rains

Senior Analyst

Education

*Bachelor of Science,
Major in Economics,
Specialization in
Statistical Mathematics
Portland State
University*

Areas of Expertise

Rate Design

Cost of Service

Financial Forecasting

Strategic Planning

*Utility/Company
Valuation*

Acquisition Analysis

Privatization Analysis

*Economic Impact and
Development*

*Expert Witness
Testimony*

24 Years' Experience

Mrs. Rains has worked as an economist in the electric, natural gas, water/wastewater and solid waste industries for the past 24 years. She has worked with U.S. and International clients in the Pacific Rim to develop rate studies and alternatives for electric, water, wastewater, and solid waste utilities. She has advised city, municipal utilities, and national retail customers on issues relating to budgets, evaluation of electric and natural gas procurement, rate issues, as well as tariff development and customer class applications.

Mrs. Rains has developed a National Electric and Natural Gas Procurement Program for Nordstrom, Inc. to serve 175 facilities in 35 states. She has managed a variety of RFP issuances and responses and made recommendations for clients in the procurement of natural gas and electricity in the deregulated market place.

Mrs. Rains has supported complex litigation proceedings with organizing cases, extensive statistical research, data compilation and analytical review. She has provided quantitative and qualitative research, analysis, and support for testimony filed before the Federal Energy Regulatory Commission as well as the Oregon, Washington, Utah, and California Public Utilities Commissions.

Mainland USA Project Experience

City of Miami, OK – Electric, Water, Wastewater, Solid Waste and Non-Rate Revenue Studies; 2009, 2010 and 2016

City of Hempstead, TX – Electric, Natural Gas, Water and Wastewater Rate Study; 2015

City of Aubrey, TX – Water and Wastewater Rate Study; 2015

City of Robstown, TX – Electric and Wastewater Rate Study; 2014

American Samoa Power Authority, American Samoa – Electric, Water, Wastewater and Solid Waste Rate Study; 2008 and 2014

City of Chino Valley, AZ – Water System Valuation; 2014

City of Goodyear, AZ – Water, Wastewater Rate Study and Non-Rate Revenue Study; 2014

City of Yuma, AZ – Water and Wastewater Rate Study; 2014

Commonwealth Utilities Commission, Commonwealth of the Northern Mariana Islands – Electric, Water and Wastewater Utility Rate Application including a Non-Rate Revenue Study; 2009,

Commonwealth Utilities Commission, Commonwealth of the Northern Mariana Islands – Levelized Electric Adjustment Clause (LEAC), Water Electric Charge (WEC), Wastewater Electric Charge (WVEC); 2013 – Present

Electric Power Corporation, Independent State of Samoa – Electric Cost of Service and Tariff Study; 2013

City of Arlington, TX – Non-Rate Revenue Study; 2013

City of Globe, Arizona – Water and Wastewater Rate Study; 2013

Town of Marana, AZ – Water, Wastewater Rate Study and Impact Fee Study; 2012 – Present

City of San Luis, AZ – Water and Wastewater Rate Study; 2012

Town of Payson, AZ – Economic and Financial Feasibility Study for the C.C. Craigin Project, Water Rate Study; 2011 – Present



J. Rains
Resume Continued

Palau Public Utilities Commission, Republic of Palau – Electric Rate Study; 2008

City of Eloy, AZ – Water, Wastewater and Solid Waste Rate Study; 2007, 2011, 2013 and 2014

Town of Florence, AZ – Water, Wastewater and Solid Waste Rate Study; 2009, 2011 and 2012

City of Nogales, AZ – Water, Wastewater Rate Study; 2011

City of Casa Grande, AZ – Wastewater Rate Study; 2009

City of Whitehouse, TX – Water, Wastewater Rate Study; 2007

City of Portland, OR – Audit of Competitive Local Exchange Carriers (CLECs) Franchise Fees; 2006. Review and verify 2003-2006 CLEC methodology for calculation of 5% Gross Revenues Franchise Fee and evaluate compliance with City of Portland ordinances.

Research TX PUC rulings and applications concerning Renewable Energy Credits. Research value of credits in the electricity market. Research available grants for renewable energy at the national and Texas state level. 2005

Selected Projects and Engagements

2002 – Present; Advisor to Nordstrom, Inc. on energy issues for 170 stores and distribution centers in 35 states. Solicit and evaluate energy price offers from power and natural gas suppliers. Inform Nordstrom of issues involved in purchasing in the market based on current deregulation and market issues based on location of facilities. Evaluation of market and tariff options available including dollar and resource impact of all options. Evaluate the impact of proposed rate changes and rate options made available by gas and electric utilities.

Prepare advisory reports for upper management, review regulatory developments, advise management on important state and federal regulatory trends or issues that may impact energy transactions and decisions, and identify proposed treatments of utility rate technical issues and their impact on Nordstrom.

Additional projects include forecast of \$65 million electricity and \$2.5 million natural gas budgets, evaluate appropriate tariff applications and on-going review of contracts and property management company charges, and review electricity budgets quarterly and make recommendations for necessary changes.

2000 – Present; Successful purchase of electric and natural gas on behalf of a variety of clients in the Texas, Georgia, Maryland, New York, New Jersey, Illinois, and Massachusetts markets. Prepare, distribute, and evaluate results of commodity terms and purchase requests. Make recommendations to clients, negotiate contract terms, and facilitate transactions. Monitor contract implementation and review billings for application of contract terms.





Eric Laurin, PE

Education

MS Environmental Engineering, University of North Carolina at Chapel Hill, 1976

BS Civil and Environmental Engineering, Clarkson University, 1974

Civil Engineering Team Leader

Mr. Laurin has over 40 years of experience in water, wastewater, and environmental engineering. He has been involved in the planning, design, construction surveillance of many municipal engineering projects, including water/wastewater master planning and population projections, value engineering, sewage systems evaluation surveys, lift stations and collection systems, water system analysis and modeling, financial analysis, system design, and regulatory compliance studies for public and private clients.

Project Experience

Chino Valley Water System Valuations and Master Planning-Chino Valley, AZ

As Project Manager, Eric Laurin provided the Town with Water Company Valuations for the eight private water systems the Town intended to acquire. In addition, CVL developed a comprehensive planning tool for the Town in the form of a 10-Year Water Master Plan, which included a Capital Improvement Plan. A Water and Wastewater Rate Study was also provided, which included water and wastewater connection or development fees.

Globe-Miami Wastewater Master Plan-Globe Miami, AZ

As Project Manager, Eric Laurin prepared a Wastewater Master Plan for the Globe-Miami area. The project participants included Gila County, the Towns of Globe and Miami, the Pinal County Sanitary District, and the Southern Gila County Economic Development Corporation. The project consisted of reviewing available sewer facilities under operation by Globe, Miami, and active sanitary districts. The incidence of system failures and malfunctioning systems was recorded and a priority list developed outlining repairs or improvements needed and presented to the Public.

Desert Hills WWTP; Lake Havasu City, AZ

The Desert Hills Wastewater Treatment Plant was proposed to serve a new 294-acre subdivision in Mohave County, north of Lake Havasu City for Arizona-American Water Company (EPCOR). The

facility was built to serve 0.25 MGD initially, expandable to 1 MGD. The facility consisted of a prepackaged extended aeration process with tertiary filtration. As Project Manager, Mr. Laurin prepared the site design, 30 percent and 60 percent contract documents. The project was abandoned due to budgetary constraints.

Cotton Lane/Elwood Road Interceptor Sewer Goodyear, AZ

This project consisted of approximately 4 miles of 24-inch to 60-inch interceptor sewer. As Project Manager Mr. Laurin lead the design, contract document preparation, bidding and construction phase services efforts.

City of Eloy WWTP Improvements, City of Eloy, AZ

Design of a sludge handling and drying system in advance of the ADEQ mandated abandonment of a 5-acre sludge holding lagoon for the City. As Project Manager Mr. Laurin prepared a closure plan for the sludge holding lagoon in accordance with ADEQ mandates, he also prepared contract documents and assisted in bidding and participated in the construction phase.

I-17 & Sweetwater 24-inch Water Transmission Main Replacement, Phoenix, AZ

A 50-year old 22-inch steel water main located along the Thunderbird Road alignment crossed I-17 had reached the end of its design life. The City of Phoenix Water Services Department (WSD) retained CVL to design its replacement. As Project Manager, Mr. Laurin performed a routing study and prepared construction documents for 2,800 LF of 24-inch DIP using MAG standards and Phoenix supplements thereto. The work included a 340 LF jack and bore of the new line under I-17.

Professional Experience

*40 years
With the Firm: 18 years*

Professional Registrations

Professional Civil Engineer:

Arizona #14478

North Dakota #PE-7057

Nevada #021667

Texas #103934

New Mexico #20126

Professional Associations

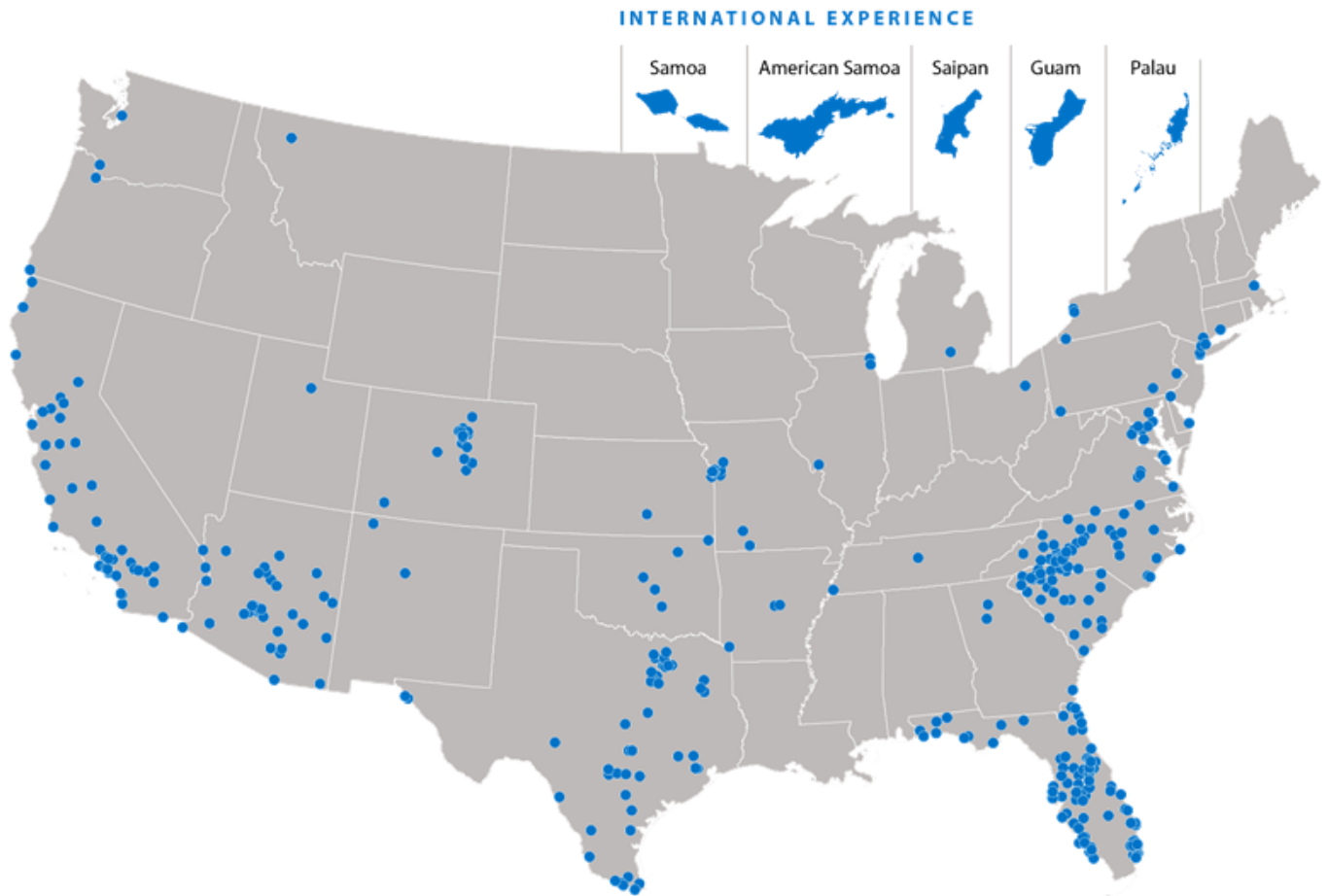
*American Public Works Association, American Water Works Association
AZ Water Association*

40 Years' Experience



National Experience

A graphical representation of Willdan's client presence is depicted to the right of recent water and sewer rate and financial projects completed within the last few years.



Sample Agreement

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into this «Day» day of «Month», «Year», by and between **WILLDAN FINANCIAL SERVICES (“WFS”)**, a corporation, and the **«Agency_Name»**, hereinafter referred to as “Client.”

WHEREAS, Client desires to employ WFS to furnish ongoing professional services in connection with **«Project Description»**, hereinafter referred to as the “Project.”

NOW, THEREFORE, in consideration of the mutual premises, covenants and conditions herein contained, the parties agree as follows:

SECTION I – BASIC SERVICES

WFS shall provide to the Client the basic services described in detail in “Exhibit A,” Scope of Services, attached hereto and incorporated herein by this reference.

SECTION II – ADDITIONAL SERVICES

If authorized, WFS shall furnish additional services, which are in addition to the basic services. To the extent that the additional services have been identified in this Agreement, they are itemized in “Exhibit A” and will be paid for by Client as indicated in Section III hereof. As further additional services are requested by Client, this Agreement may be modified and subject to mutual consent by execution of an addendum by authorized representatives of both parties, setting forth the additional scope of services to be performed, the performance time schedule and the compensation for such services.

SECTION III – COMPENSATION

WFS shall be compensated for basic services rendered under Section I, as in accordance with the terms and conditions indicated in “Exhibit B,” Fees for Services; and WFS will be compensated for any additional services rendered under Section II as more particularly described in a fully approved and executed addendum to this Agreement. If no addendum is executed, then WFS shall be compensated at its then-prevailing hourly rates for such additional services.

WFS may submit monthly statements for basic and additional services rendered. It is intended that Client will make payments to WFS within thirty (30) days of invoice. All invoices not paid within thirty (30) days shall bear interest at the rate of one and one-half (1½) percent per month or the then-legal rate allowed.

SECTION IV – INDEMNITY; INSURANCE REQUIRED

A. **Indemnity.** WFS shall indemnify and hold harmless Client, its officers, officials, directors, employees, designated agents, and appointed volunteers from and against all claims, damages, losses and expenses, including attorney fees, arising out of the performance of the services described herein, to the extent caused in whole or in part by the negligent acts, errors, or omissions of WFS, any subconsultant, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the active negligence or willful misconduct of Client or Client's officers, agents, or employees.

The parties shall cooperate with each other with respect to resolving any claim, liability or loss for which indemnification may be required hereunder, including by making, or causing the indemnified party to make, all commercially reasonable efforts to mitigate any such claim, liability or loss. Neither party shall have an obligation to indemnify the other party for any losses to the extent they are caused, contributed to or exacerbated by the actions or failure to act of the indemnified party, including without limitation, the failure to take actions to mitigate such losses.

B. **Insurance.** Without in any way limiting WFS' liability pursuant to the indemnification described above, WFS shall maintain, during the term of this contract, the following insurance:

Coverage	Minimum Limits
General Liability Comprehensive General Liability, including: Premises and Operations Contractual Liability Personal Injury Liability Independent Contractors Liability (if applicable)	\$1,000,000 Combined Single Limit, per occurrence and \$2,000,000 general aggregate
Automobile Liability Comprehensive Automobile Liability (including owned, non-owned and hired autos)	\$1,000,000 Combined Single Limit, per occurrence
Workers' Compensation and Employer's Liability Workers' Compensation Insurance Employer's Liability	Statutory, \$1,000,000
Professional Liability Professional Liability Insurance	\$1,000,000 per claim and annual aggregate

SECTION V – INDEPENDENT CONTRACTOR STATUS

WFS shall be an independent contractor and shall have responsibility for and control over the details and means of providing the services under this Agreement.

SECTION VI – OWNERSHIP AND MAINTENANCE OF DOCUMENTS

WFS may rely upon the accuracy of any documents provided to WFS by Client. All documents, including without limitation, reports, plans, specifications, field data, field notes, laboratory test data, calculations, estimates, schedules, spreadsheets, or other documents furnished by WFS pursuant to this Agreement, regardless of media (e.g., paper, electronic, magnetic, optical, Mylar, etc), are instruments of WFS' services in respect to this Project and not products. All such documents shall the property of WFS provided, however, that a copy of the final documents shall be made available to Client upon request. These documents are not intended, nor represented to be suitable for reuse by Client or any others on extensions of this Project or on any other project. Any modification or reuse without specific written verification and adoption by WFS for the specific purposes intended will be at user's sole risk. Client agrees to save, keep and hold harmless WFS from all damages, costs or expenses in law and equity including costs of suit and attorneys' fees resulting from such unauthorized reuse. Client further agrees to compensate WFS for any time spent or expenses incurred by WFS in defense of any such claim, in accordance with WFS' prevailing fee schedule.

Client acknowledges that its right to utilize the services and instruments of services of WFS will continue only so long as Client is not in default of the terms and conditions of this Agreement and Client has performed all obligations under this Agreement. Client further acknowledges that WFS has the unrestricted right to use the services provided pursuant to this Agreement, as well as to all instruments of service provided pursuant to this Agreement.

Client agrees not to use or permit any other person to use any instruments of service prepared by WFS, which are not final and which WFS does not sign. Client agrees to be liable for any such use of non-final instruments of service not signed, stamped or sealed by WFS and waives liability against WFS for their use.

WFS shall be entitled to rely upon, with no obligation to verify, the completeness and accuracy of all information, data, reports, studies, plans and specifications provided by Client or by Client's attorney(s), engineer(s), accountant(s), consultant(s) or employee(s) to Consultant. Client shall make no claim against WFS alleging that WFS should not have relied upon such information provided by Client to WFS.

WFS' records, documents, calculations, test information and all other instruments of service shall be kept on file in legible form for a period of not less than two (2) years after completion of the services covered in this Agreement.

SECTION VII – SUSPENSION OF SERVICES

Client may, at any time, by thirty (30) days' written notice, suspend further performance by WFS. All suspensions shall extend the time schedule for performance in a mutually satisfactory manner and WFS shall be paid for all services performed and reimbursable expenses incurred prior to the suspensions date.

SECTION VIII – TERMINATION

Either party may terminate this Agreement at any time by giving thirty (30) days' written notice to the other party of such termination. If this Agreement is terminated as provided herein, WFS will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of WFS covered by this Agreement, less payments of compensation previously made.

SECTION IX – COMPLIANCE WITH LAW

Each party hereto will use reasonable care to comply with applicable laws in effect at the time the services are performed hereunder, which to the best of their knowledge, information and belief apply to their respective obligations under this Agreement.

SECTION X – SUCCESSORS AND ASSIGNS

This Agreement shall be binding on the successors and assigns of the parties; but either party, without written consent of the other party, shall not assign it.

SECTION XI – ATTORNEYS' FEES

In the event that any judgment is entered in any action upon this Agreement, the party hereto against whom such judgment is rendered agrees to pay the amount equal to the reasonable attorneys' fees of the prevailing party in such action and that such amount may be added to and made a part of such judgment.

SECTION XII – ALTERNATIVE DISPUTE RESOLUTION

If a dispute arises between the parties relating to this Agreement, the parties agree to use the following procedure prior to either party pursuing other available remedies:

A. 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.

B. If, within thirty (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 forty (40) days from the initial meeting. The parties shall share the fees of the neutral equally.

C. 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 sixty (60) days after selection of the neutral) if the parties have been unable to agree on any of such matters within twenty (20) days after initial consultation with the neutral.

D. 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 binding arbitration or a private adjudicator, or either party may seek an adjudicated resolution through the appropriate court.

SECTION XIII – RECORDS

Records of WFS' direct labor costs, payroll costs, and reimbursable expenses pertaining to the Project covered by this Agreement will be kept on a generally recognized accounting basis and made available during normal business hours upon reasonable notice.

WFS' records will be available for examination and audit if and as required.

SECTION XIV – MISCELLANEOUS PROVISIONS

This Agreement is subject to the following special provisions:

- A. The titles used in this Agreement are for general reference only and are not a part of the Agreement.
- B. This Agreement shall be interpreted as though prepared by both parties.
- C. Any provision of this Agreement held to violate any law shall be deemed void, and all remaining provisions shall continue in full force and effect.
- D. This Agreement shall be interpreted under the laws of the State of California.
- E. This Agreement comprises a final and complete repository of the understandings between the parties and supersedes all prior or contemporary communications, representations, or agreements, whether oral or written, relating to the subject matter of this Agreement.
- F. Any notices given pursuant to this Agreement shall be effective on the third business day after posting by first class mail, postage prepaid, to the address appearing immediately after the signatures below.
- G. WFS shall not be liable for damages resulting from the actions or inactions of governmental agencies, including, but not limited to: permit processing, environmental impact reports, dedications, General Plans, and amendments thereto; zoning matters, annexations, or consolidations; use or Conditional Use Permits; project or plan approvals; and building permits.

H. WFS' waiver of any term, condition, or covenant, or breach of any term, condition, or covenant, shall not constitute the waiver of any subsequent breach of any other term, condition, or covenant.

I. Client acknowledges that WFS is not responsible for the performance of services by third parties, provided that said WFS has not retained third parties.

IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this Agreement upon the terms, conditions, and provisions above stated, as of the day and year first above written.

WILLDAN FINANCIAL SERVICES

«Agency_Name»

By: _____

By: _____

«FirstName» «LastName»

Title:

Title: «JobTitle»

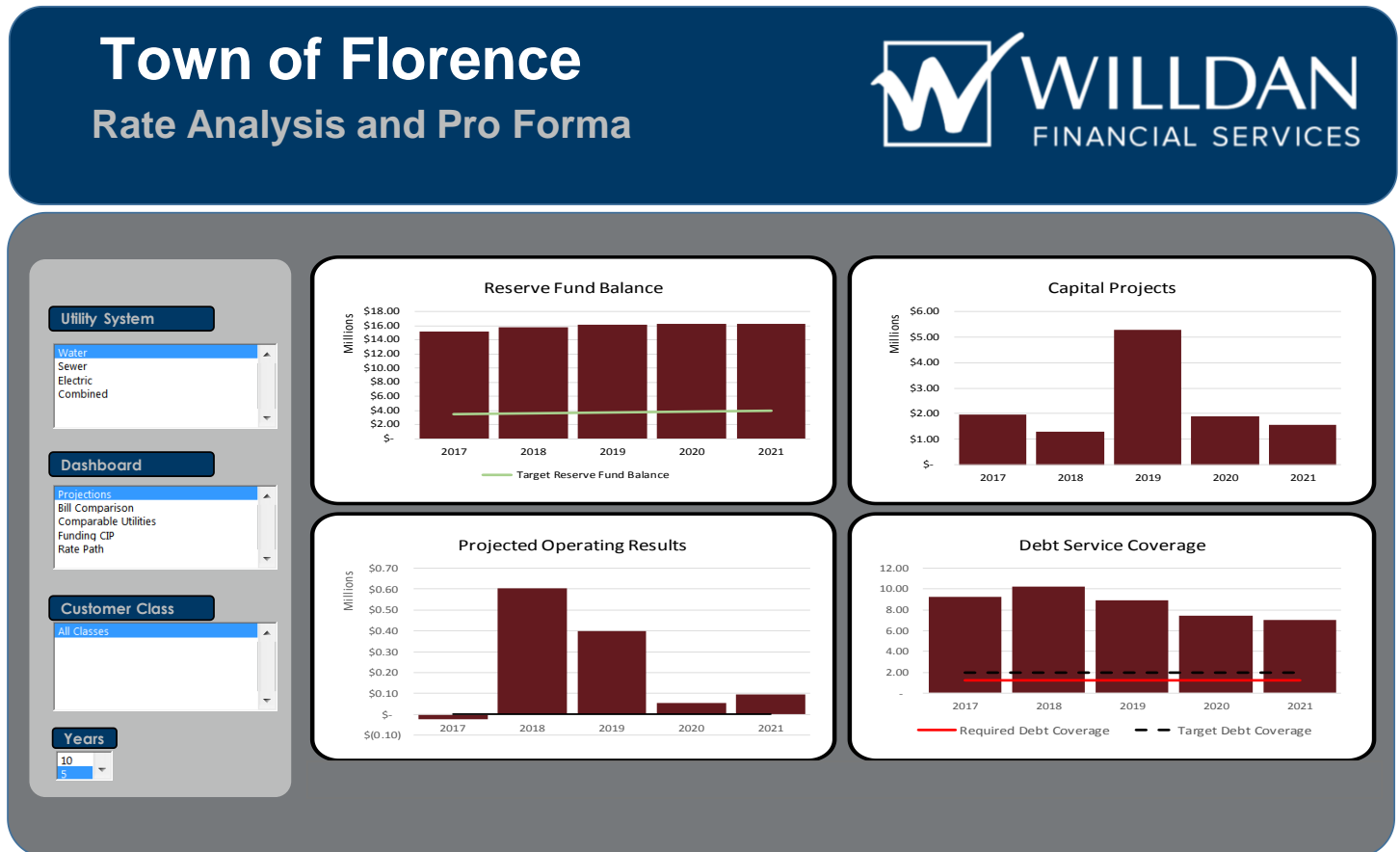
Address:

Address: «Address»

«City», «State» «Zip»

Sample Dashboard

A sample dashboard is presented below, which shows how we summarize the data, assumptions, and calculations into an easy-to-understand graphical interface which updates with each alternative scenario evaluated.



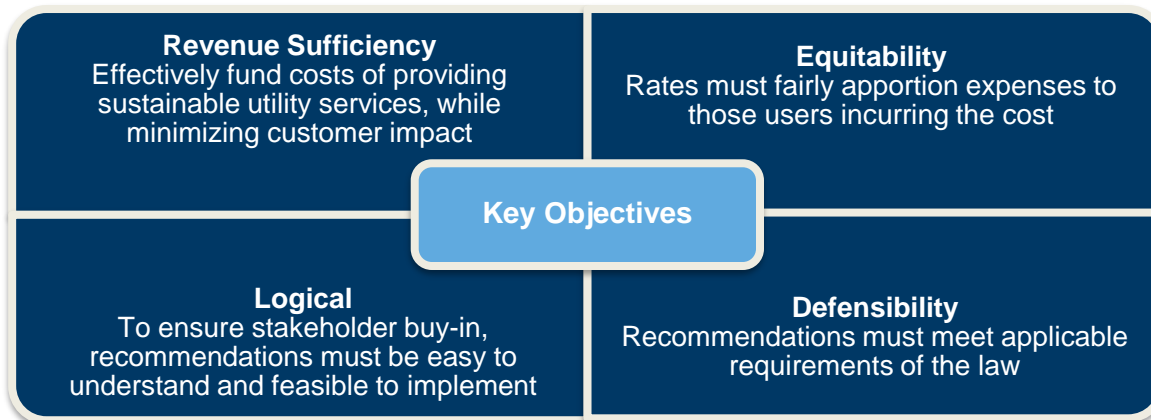
Features:

- Excel-based open architecture that allows easy integration of Town financial data;
- Modular design that allows for maximum design flexibility;
- Easy to update - open architecture and modular design equate to easy annual data updates;
- Automated calculation engine that optimizes financial plan based on user-set constraints;
- Navigation features to quickly move around the model;
- Side-by-side scenario analysis comparison; and
- Healthy listing of user defined assumptions that can be customized to meet the Town's needs.

Our utility rate Excel-based model is the most user friendly, comprehensive and well-designed utility rate model currently used in the industry, and has all of the elements necessary to provide analysis and feedback to facilitate meaningful policy discussions, and conduct a full financial and rate study. The comprehensive and efficient design of our models allows us to complete the scope items in an effective manner during our interactive meetings.

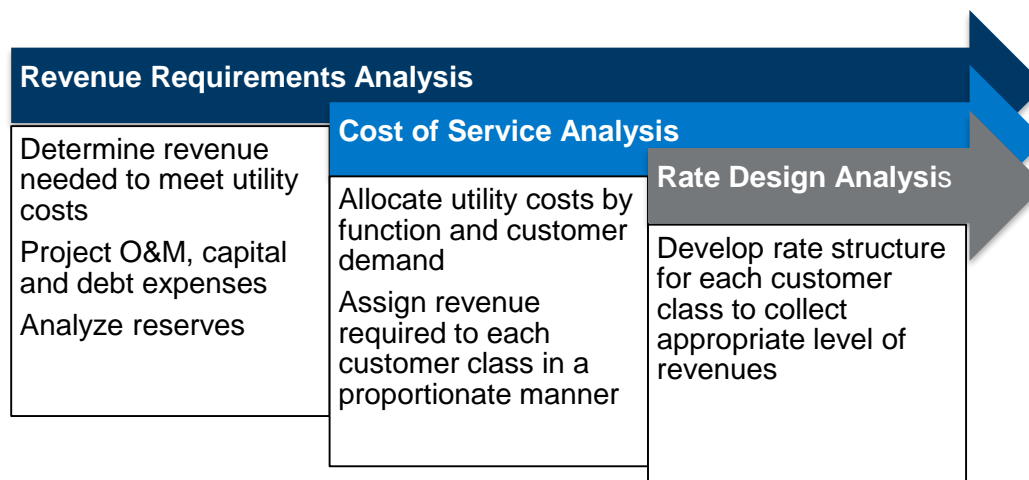
Rate Study Objectives

The overarching rate study objectives are outlined below.



Rate Setting Process

The graphic below summarizes the standard approach commonly employed to develop utility rates. Willdan's rate-setting process and model has been developed through the completion of many successful studies over the course of a decade and continues to be the basis for developing proven, well-balanced financial plans that are supported by equitable rate structures. Willdan's combination of consulting experience and technical expertise helps distill the complex decisions into a clear and easy-to-understand process. As there are often competing objectives, for a successful rate study it is necessary to understand not only the technical details and corresponding rates, but also the social and political corollaries that can often jeopardize the implementation of a technically sound rate structure. Our rate experience goes beyond simply "running the numbers" by creating numerous scenarios and considering stakeholder considerations, such as customer impact (ability to pay) to ensure a complete and unimpeded rate analysis.



Each step of the three-step approach is typically performed in tandem. Although presented sequentially, the overall analysis is circular – as variables in one analysis may influence another. Thus, it is imperative to constantly review assumptions to determine if variables are fixed (i.e. debt service) or flexible (i.e. staffing needs), and monitor how changes in certain variables affect the overall analysis.



5500 Democracy Drive, Suite 130
Plano, Texas 75024
972.378.6588 | 800.755.6864 | Fax: 972.378.6988
www.willdan.com

Exhibit “C”
Town of Florence Request for Proposals

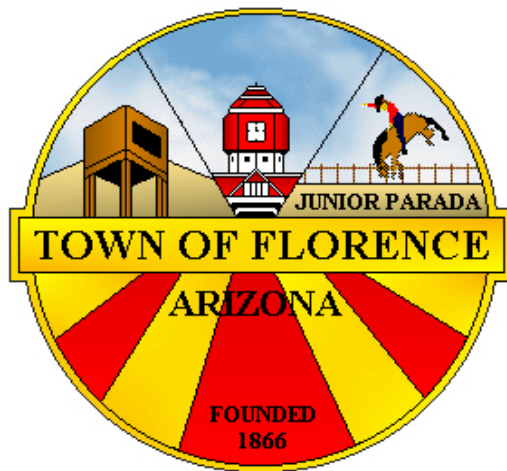
Schedule of Performance

Town of Florence

REQUEST FOR PROPSALS

FOR PROFESSIONAL SERVICES

Utility Rate Study



Town of Florence
775 N. Main Street, Box 2670
Florence, Arizona 85132
(520) 868-7541
jess.knudson@florenceaz.gov
Jess Knudson, Assistant Town Manager

Public Notice Town of Florence

INVITATION FOR PROFESSIONAL SERVICES

Request for Proposals

The Town of Florence hereby solicits proposals from qualified consultants to conduct a Utility Rate Study.

The Town of Florence must receive proposals no later than 2:00 P.M, local time, Thursday, January 12, 2017. All proposals should be identified as “Florence Utility Rate Study.”

To secure a complete copy of the Request for Proposals (RFP) package, please visit www.florenceaz.gov/rfp. Mail completed proposals to the Town Clerk, at Florence Town Hall, P.O. Box 2670, Florence, Arizona 85132 or hand deliver to the Town of Florence. Faxed proposals are not accepted. Failure of the proposer to complete all of the proposal requirements may result in rejection of the proposal.

All questions and comments pertaining to this RFP are addressed to Jess Knudson, Assistant Town Manager, at (520) 868-7541 or jess.knudson@florenceaz.gov.

The Town of Florence is an Affirmative Action and Equal Opportunity Employer. Persons with disabilities may request a reasonable accommodation, by contacting the 504/ADA Coordinator for the Town of Florence at (520)868-7574. Please make all requests as early as possible to allow time to arrange the accommodation.

Request for Proposals Utility Rate Study

Background

The Town of Florence was founded in 1866 and is the sixth-oldest non-Native American settlement in the state of Arizona. Florence is the county seat of Pinal County and is located 45 minutes away from the Phoenix and Tucson metropolitan areas. Florence is a major employer with approximately 75% of its work force commuting into the area on a daily basis. The Town's corporate limits are approximately 62.7 square miles.

The Town of Florence provides water and sewer services to the Town Core and Florence Gardens areas. Johnson Utilities (JU) provides water and sewer services to Florence residents living in the Anthem area. Sanitation services are contracted out to Right Away Disposal (RAD).

Project Description

Research and analyze existing and future conditions, fees, plans and studies to develop the necessary understanding needed to develop a rate structure for water and wastewater fees to provide funding for operations, maintenance, debt service, and capital projects. The final recommendations must incorporate feedback from Town of Florence Town Council, residents and Town staff.

All questions and comments pertaining to this RFP are addressed to Jess Knudson, Assistant Town Manager, at (520) 868-7541 or jess.knudson@florenceaz.gov.

Project Schedule

The completion of the Utility Rate Study is expected to be six months, from the date of the executed contract. The proposal must include timeline with milestones.

Staff Participation

The selected consultant is responsible for the majority of the tasks during the planning process. Key tasks that the Town staff is responsible for include:

- Provide all related and existing plans, records, documents, and studies.
- Review all draft reports prior to their reproduction and distribution.
- Schedule appropriate locations for public involvement events.
- Providing interim briefings to Town Council and Town Staff.
- Additional team involvement as mutually agreed upon.

Evaluation

Each Proposal will be evaluated on the following criteria

Proposal Conforms to Format	5%
-----------------------------	----

Key Issues Discussion	15%
Project Manager/Team Member Capabilities	15%
Budget	15%
Scope of Work	35%
Discretionary	15%

Interview

After proposals are collected by the Town, the Town will determine if interviews will be conducted. The Town will determine the time and order of interviews.

REQUIREMENTS FOR PROPOSERS

These terms will be the general contract conditions for any contract entered into as a result of the RFP and are incorporated therein and shall be fully binding upon the Proposer.

1.1 Proposal Opening Date and Location: Proposals will be received at the Town of Florence Clerk's Office, Town Hall, 775 North Main Street, Florence, Arizona 85132 until 2:00 p.m. (local Arizona time) Thursday, January 12, 2017. Late Proposals are not accepted or considered by the Town.

1.2 Proposal Documents Available: The Proposal Documents consist of: (1) Requirements for Proposers; (2) Proposer's Proposal (form); (3) Compliance Certification(s) (form) (4) Offer Sheet (form) and (5) Demonstrating lawful Presence (form). The Proposal Documents are available for downloading from www.florenceaz.gov/rfp.

1.3 Incorporation of Proposal Documents: All of the Proposal Documents apply to and become a part of the terms and conditions of the Proposer's offer/proposal. The resultant contract between the Town and the Proposer shall include the: (1) RFP, including instructions, all terms and conditions, specifications, scope of work, attachments, any amendments thereto, any contract documents, and the Proposal Documents; and (2) the offer submitted by the Proposer in response to the RFP only to the extent it is consistent with the RFP terms and contract documents. All previous contracts between the Proposer and the Town are not applicable to this contract or other resultant contracts. Any award to a Proposer will be subject to a selected Proposer entering a services contract acceptable to the Town of Florence.

1.4 Proposer's Proposal Form: Proposals must be submitted only on the Proposer's Proposal form. All Proposals must be submitted in an envelope clearly marked "Florence Utility Rate Study." Mail completed proposals to the Town Clerk, at Florence Town Hall, P.O. Box 2670, Florence, Arizona 85132 or hand deliver to the Town of Florence. Faxed proposals are not accepted.

1.5 Florence's Right to Reject Proposals: Notwithstanding any other provision of this RFP, the Town expressly reserves the right to reject any or all Proposals, or portions thereof; and/or waive any defect or informality in a Proposal; and/or reissue an RFP;

and/or exercise any other rights available to the Town under the terms of the RFP, the Town Code, law, or equity; and/or to withhold the award of the RFP for any reason the Town determines.

1.6 Execution of Contract: A sample contract from the proposing firm is required in Word format. No contract or agreement, expressed or implied, shall exist or be binding on the Town before the execution of a written contract by both parties. If agreement on the terms of a resultant contract cannot be reached after a period deemed reasonable by the Town in its sole discretion, the Town may negotiate and enter a contract with any other Proposer who submitted a timely, responsive and responsible proposal to this RFP.

1.7 Additional Investigation: The Town reserves the right to make such additional investigations as it deems necessary to establish the competence and financial stability of any Proposer submitting an offer.

1.8 Prior Experience: Experiences with the Town and entities that the evaluation committee members represent may be taken into consideration when evaluating qualifications and experience.

1.9 Cost of Proposal: The Town shall not reimburse the cost of developing or providing any response to this RFP and development and provision of any offer shall be at the respective Proposer's sole cost. Offers submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner. All legal advertising, notifications and reproductions are the responsibility of the firm.

1.10 Late Proposals: Late submittals and/or unsigned proposals will not be considered under any circumstances. Envelopes containing Proposals with insufficient postage will not be accepted by Florence. It is the sole responsibility of the Proposer to see that his/her proposal is delivered and received by the proper time and at the proper place.

1.11 Proposal Amendment or Withdrawal: A proposal may be withdrawn any time before the Proposal due date and time. A proposal may not be amended or withdrawn after the proposal due date and time except as otherwise provided by applicable law.

1.12 Public Record: All proposals submitted in response to this solicitation and all evaluation related records shall become property of Florence and shall become a matter of public record for review, subsequent to proposal award. Request for nondisclosure of data such as trade secrets and other proprietary data, must be made known in writing to Florence in proposals submitted, and the information sought to be protected clearly marked as proprietary. Florence will not insure confidentiality of any portions of the proposal that are submitted in the event that a public record request is made. The Town will provide 48 hours' notice before releasing materials identified by the proposal as confidential or proprietary in order for the Proposer to apply for a court order blocking the release of the information.

1.13 Persons with Disabilities: Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Clerk's Office. Requests shall be made as early as possible to allow time to arrange the accommodation.

1.14 Proposal Acceptance Period: All proposals shall remain open for 90 days after the day of the opening of proposals, but the Town may, at its sole discretion, release any proposal and return the proposal security (as applicable) prior to that date. No Proposer may withdraw his proposal during this period without written permission from the Town. Should any Proposer refuse to enter into a contract, under the terms and conditions of the procurement, the Town may retain the security (as applicable), not as a penalty, but as liquidated damages.

1.15 Addendum: This Request for Proposals may only be modified by a written Addendum. Potential Proposers are responsible for obtaining all addenda.

1.16 General Evaluation Standards: The Town of Florence is seeking proposals from qualified firms who have experience in conducting Utility Rate Studies. The Town will be the sole judge of whether the proposals offered are acceptable.

1.16.1 Deviations. Any deviations from General Evaluation Standards contained within may render the proposal non-responsive.

1.16.2 Disqualification. A Proposer (including each of its principals) who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity may have its proposal rejected. The Proposer will be required to submit documentation demonstrating lawful presence in the United States pursuant to A.R.S. §§ 1-501 and 1-502 by completing the *Demonstrating Lawful Presence* form provided by the Town.

1.16.3 Waiver and Rejection Rights. The Town reserves the right to reject any or all proposals or to cancel the solicitation altogether, to waive any informality or irregularity in any proposal received, and to be the sole judge of the merits of the respective proposals received.

1.17 Proposal Preparation:

1.17.1 Format. Proposers shall submit their proposal with an original and five copies. Submittals are limited to 20 - 8.5" x 11" pages of one-sided text or graphics. The appendix does not count toward the overall page limit of the proposal. Offeror shall also submit one electronic version of their proposal on a flash drive, using Microsoft Word or Adobe PDF file formats.

1.17.2 No Facsimile or Electronic Mail Proposals. Proposals may not be submitted in facsimile or electronically. All facsimile or electronic mail proposals shall be rejected.

1.17.3 Typed or Ink Corrections. The proposal shall be typed or in ink. Erasures, interlineations or other modifications in the proposal shall be initialed in ink by the person signing the proposal.

1.17.4 No Modifications. Modifications shall not be permitted after proposals have been opened except as otherwise provided under applicable law.

1.17.5 Content. The proposal shall contain all of the following information:

Proposal Amount. The proposal amount for the Utility Rate Study shall be listed in the Proposal Section. Provide a table format of tasks and organization of labor hours for each project team member. Identify the hourly rate of each team member and their subtotal hours for the entire project. A subtotal of all labor expended per task shall also be provided. Please also include a summary breakdown for all anticipated reimbursable expenses.

Brief description of the Proposer/Experience/Qualifications. List the individuals who are selected for this project. The project manager and key task managers must be identified. Briefly describe the directly related project experience of the project manager and team members. Include information that describes the role of the team member, related project experience (i.e. year project was prepared, budget and project duration). Provide a complete resume in the appendix of the proposal.

Tax ID Number. Proposer shall provide its Arizona Transaction Privilege Tax Number and/or Federal Tax Identification number in the space provided in the Proposal Section. A Town of Florence Sales Tax Number, if applicable, must also be supplied.

1.17.6 Solicitation Addendum Acknowledgement. Each Solicitation Addendum shall be acknowledged in the proposal Section, which shall be submitted together with the proposal by the proposal deadline. Failure to note a Solicitation Addendum may result in rejection of the proposal.

1.17.7 Evidence of Intent to be Bound. The proposal form submitted shall include a signature by a person authorized to sign the proposal. The offer sheet shall be submitted. Failure to submit verifiable evidence of intent to be bound, such as an original signature, shall result in rejection of the proposal.

1.17.8 Non-Collusion and Non-Discrimination. By signing and submitting the Proposal, the Proposer certifies that:

- A. The Proposer did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of its proposal; and

- B. The Proposer does not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, age, sex, national origin, or disability, and that it complies with all applicable Federal, state and local laws and executive orders regarding employment.

1.18 Inquiries:

- 1.18.1 Duty to Examine. It is the responsibility of each Proposer to examine the entire Solicitation, seek clarification (inquiries), and examine its proposal for accuracy before submitting the proposal. Lack of care in preparing a proposal shall not be grounds for modifying or withdrawing the proposal after the proposal due date and time, nor shall it give rise to any contract claim.
- 1.18.2 Contact Person. Any inquiry related to a solicitation, including any requests for or inquiries regarding standards referenced in the solicitation should be directed solely to the contact person listed within this Solicitation. The Proposer shall not contact or direct inquiries concerning this solicitation to any other Florence employee unless the solicitation specifically identifies a person other than the Contact Person as a contact.
- 1.18.3 Submission of Inquiries. All inquiries shall be submitted in writing and shall refer to the appropriate solicitation number, page and paragraph. Do not place the solicitation number on the outside of the envelope containing the inquiry, since it may then be identified as a proposal and not be opened until after the proposal due date and time. The Town shall consider the relevancy of the inquiry but is not required to respond in writing.
- 1.18.4 Timeliness. Any inquiry or exception to the solicitation shall be submitted as soon as possible and should be submitted at least 5 days before the proposal due date and time for review and determination by Florence. Failure to do so may result in the inquiry not being considered for a Solicitation Addendum.
- 1.18.5 No Right to Rely on Verbal Responses. A Proposer shall not rely on the Town verbal responses to inquiries. A verbal reply to an inquiry does not constitute a modification of the solicitation.

II. SPECIAL CONDITIONS.

2.1 Insurance. The firm or prime consultant shall indicate that they maintain commercial general, vehicle, and workers compensation insurance liability coverage as outlined in the “Town of Florence Insurance Requirements for Contractors”. Insurance coverage shall be identified in the cover letter.

2.2 Indemnification: The Proposer shall at all times indemnify, keep indemnified, defend and save harmless Town and any of its mayor, councilmembers, officials, representatives, volunteers and employees from any and all claims, demands, suits, actions, proceedings, loss, cost and/or damages of every kind and description including any attorney's fees and/or litigation expenses which may be brought or made against or incurred by Town on account of loss of or damage to any person or for injuries to or death of any person caused by, arising out of, or contributed to, in whole or in part, by reason of any alleged act, omission, professional error, fault, mistake, or negligence of the Proposer, its employees, agents, representatives, or subcontractors, their employees, agents or representatives in connection with or incidental to the performance of this contract or arising out of Worker's compensation claims, Unemployment Compensation claims, or Unemployment Disability Compensation claims of employees of the Proposer or its subcontractors or claims under similar laws or obligations. The Proposer's obligations under this paragraph shall not extend to any liability caused by the sole negligence of Town or its employees.

In the event that any action or proceeding shall at any time be brought against Town by reason of any claim referred to in this Section, the Proposer, at Proposer's sole cost and upon at least 10 day's written notice from Town shall defend the same with counsel acceptable to Town, in Town's sole discretion. The Proposer's obligations under the Section shall survive the expiration or termination of this contract. 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 of the magnitude of this Indemnification, nor shall this Indemnification be construed in any way to limit the scope, magnitude or applicability of the insurance provisions.

III. PROPOSER'S PROPOSAL

3.1 Proposer's Proposal: For the proposal deadline is January 12, 2017.

3.2 Conditions Accepted: The undersigned Proposer declares that before preparing this proposal, he or she has read the Proposal Documents (RFP) carefully, and that this proposal is made with full knowledge of the RFP requirements. By signing this proposal, proposer agrees to all conditions contained in the Proposal Documents.

3.3 Proposal Amount: For the terms set forth in Paragraph 3.2 above: Proposers offers to provide the services for a total in the amount of:

(Enter Proposal price in writing) _____ ("Proposal Amount")

3.4 Acceptance: Proposer proposes and agrees that if this proposal is accepted, he or she will enter into a contract with Florence within thirty days after Florence's acceptance of this proposal at the listed Proposal Amount.

3.5 Affidavit: The following affidavit is submitted by the Proposer as part of this Proposal:

The undersigned deponent, of lawful age, being duly sworn upon his oath, deposes and says:

1. The he/she has lawful authority to execute the within and foregoing Proposer's proposal.
2. That the Proposer has not directly or indirectly entered into any agreement , express or implied, with any Proposer or Proposers, having for its object the controlling of the price or amount of such proposal or proposals, the parceling out to any Proposer or any other person of any part of the subject matter of the proposal or proposals or the profits thereof, and that he/she had not and will not divulge the sealed proposal to any other person whatsoever, except those having a partnership or financial interest with him and said Proposer, until after the sealed proposal or proposals are open.
3. That Proposer has received any Addenda issued.

Name

Title

STATE OF ARIZONA)
County of Pinal)SS

SUBSCRIBED AND SWORN TO before me this ____ day of _____,

20_____, by_____.

Notary

My Commission Expires: _____

Preliminary Scope of Work

Utility Rate Study

PROJECT ORGANIZATION AND MANAGEMENT

Project Understanding

Although creativity is encouraged, your proposal must satisfy the Preliminary Scope of Work outlined herein. Failure to comply may diminish the scoring of your proposal. Your proposals should clearly indicate a full understanding of financial and planning tools for municipalities, included, but not limited to capital improvement plans and general plans. Knowledge of all legal requirements for municipalities, as related to this project, is also required. All deviations from the Preliminary Scope of Work shall be summarized in the proposals.

The preliminary scope of work presented here is for a comprehensive Utility Rate Study. Its purpose is to provide rate structures within the Town of Florence Water and Wastewater Funds to support operations and maintenance, capital project expenditures, debt service and provide a structure for reserving fund balance and identifying the reserve components within the fund balance. Rates are planned out for future years and must provide equitable base water meter and usage fees, base sewer fee, calculation method to bill sewer based on water usage, deposit fees, connection fees (tapping) and service fees to initiate service. Each group of rates and associated fees must provide adequate revenue to ensure funding for all expenditures within each fund.

The Town of Florence requires the Consultant to provide the project management from onset to closing of the project, plan, develop, attend and manage the public participation portion, provide schedules for all phases of the project, present findings to the Town Council and provide the staff with a procedure to update and expand this plan on an annual basis. It is required to comply with any Arizona State statutory requirements necessary for development, presentation and implementation of a Utility Rate Study.

Related studies and documents, including the Town's existing fee schedule and previous studies are located at www.florenceaz.gov/finance.

CONSULTANT RESPONSIBILITIES

The products identified below comprise the minimum deliverables for the Utility Rate Study:

1. The consultant shall review documentation supporting the current rate structures for all services with regards to supplying potable water to customers throughout the Town's service area and including the impact of provide services in Florence's area of influence.
2. The consultant shall review documentation supporting the current rate structures for all services with regards to the wastewater collection and treatment from customers

throughout the Town's service area and including the impact of provide services in Florence's area of influence.

3. Conduct Sensitivity Analysis by assessing the ability of the revenue stream generated by the recommended rate structures to continue to fully fund water and sewer system costs. Assessment is to include a sensitivity analysis where the long-term revenue generated under each alternative shall be illustrated when confronted with the impacts of growth.
4. Rate-payer Education/Communication: Recommend methods for communicating utility costs to include layout of the utility bill and how it might be used to identify actual costs of providing water and sewer services under recommended rate structures. Assess ease of communication associated with each recommended rate structure.
5. Review existing Water and Wastewater plans and models to become familiar with anticipated Capital Project needs. Post review, the consultant should consult Town staff to develop chronological infrastructure needs for the Town's service area and Florence's area of influence. The analysis should consider potential capital projects through 2026.
6. Describe assumptions, and bases for assumptions, regarding the type of development projects planned for the Town's water and wastewater systems, and the impact the developments would have upon the level of service for existing facilities. This description would include a description of any varying impacts caused by residential development versus commercial and industrial development.
7. Identify and assess existing socioeconomic conditions to enable the Town to make judgments regarding future utility needs and economic abilities. To the extent available, data will be developed for the Town of Florence, other competitive jurisdictions and Pinal County, for comparative purposes
8. Review the existing potable water and wastewater rates and provide justifiable, equitable, and legally defensible methodologies for collection of appropriate user and service fees that are adequate to fully fund the expenditures associated with system operations, maintenance, replacement, improvements and debt service costs through Fiscal Year 2026.
9. Review the expenditures recovered from the rate structure components with full consideration of equivalent industry standards (i.e. ERU's, meter sizes, rate indexing and volumetric billing).
10. Develop water and wastewater rate/fee proposals that include incentive based, conservation structures.
11. Develop modifications to the Town Code, if necessary, to address water and wastewater rates and fee issues.

12. Develop a Cost Allocation Model for calculating the full costs of providing water and wastewater services. The requirements of the model shall allow for the following:
 - a. The addition or removal of direct and overhead costs so that the overhead cost allocation plan can be developed from a simple plan to a progressively more inclusive plan.
 - b. The ability to continuously update the model and overhead cost allocation plan from year-to-year as the organizational structure changes and the costs change.
 - c. The addition of planned service area information for future service enhancements, and the ability to calculate the estimated costs for providing the services under consideration of expansion.
13. Identify the capacity of the existing wastewater treatment systems to provide the necessary services for wastewater. The capacity of each should be evaluated for existing, immediate and future demands. Additional capacity for each system needs to be accounted for programmed expansions.
 - a. Evaluate the current wastewater classification categories and recommend re-classification categories for determining necessary treatment required for each category.
 - b. Evaluate the current capacity of wastewater system in order to determine the existing, immediate and future capacity needed as identified above.
 - c. Determine the appropriate cost for implementation of future treatment capacity based on future developments.
14. Engage citizens and Town Council early in the process and gather information on priorities and desires.
 - a. Identify multiple opportunities for the consultant to solicit feedback.
 - b. All public participation events are summarized in a standard summary format previously approved by the Town.
 - c. Present the materials to the Town Council for final adoption.
 - i. All materials are the responsibility of the Consultant.
15. Finalize the Work Program and develop a meeting schedule to work with the Utility Rate Committee (URC).
 - a. A minimum of four meetings shall be held during the planning process. More may be required. Attendance by Consultant is required.

Products Delivered by Consultant:

- Two copies of any draft report to be presented at a public meeting must be submitted to the Town Project Manager at least seven days prior to the public meeting.
- 12 copies of any draft report presented at a Town staff meeting must be submitted to the Town Project Manager at least three days prior to meeting.
- 20 copies of any report to be presented to the Town Council must be submitted to the Town Project Manager at least 20 days prior to the Town Council meeting.
- Final and draft reports are transmitted via flash drive or email to the Town Project Manager prior to meeting date.

DEVIATION/COMPLIANCE CERTIFICATION

If the undersigned Bidder intends to deviate from the Requirements for Proposers, Special Conditions, or any other Contract Document made a part of this solicitation, all such deviations shall be listed on this certification form, with complete detailed conditions and information included or attached. The Town may consider any deviations in its review, scoring and award decisions, and the Town reserves the right to accept or reject any proposal, offer, or bid based upon any deviations indicated herein or in any attachments hereto.

In the absence of any deviation entry on this form, the Bidder agrees, certifies, and warrants the Town of their full compliance with the Requirements for Proposers, Special Conditions, or any other Contract Document, and all other information contained in this solicitation.

Please list any deviations from the solicitation document below (attach additional sheets as needed):

By signing below, I agree, certify, and warrant that the offer/proposal I am submitting ___ does ___ does not (check one line) deviate from the Requirements for Proposers, Special Conditions, or any other Contract Document listed in this document. If deviating from the specifications of the solicitation, all such deviations are listed on this form, with complete detailed conditions and information included or attached. Any attachments to this form are identified as a continuation of the deviations to this solicitation.

Printed Name:

Signature:

Date:

THIS PAGE MUST BE RETURNED WITH THE OFFER/PROPOSAL

OFFER SHEET

MANDATORY – RETURN THIS PAGE WITH YOUR RESPONSE. UNSIGNED OFFERS WILL BE CONSIDERED NON-RESPONSIVE AND REJECTED.

To the Town of Florence: By signing below, Offeror certifies that he/she has read, understands, and will faithfully execute the terms and conditions stated herein. The signer also certifies that he/she is an officer or duly authorized agent of the Offeror's firm with full power and authority to submit binding offers for the goods or services as specified. Offeror certifies that the prices offered were independently developed without consultation with any of the other offerors or potential offerors.

Authorized Signature (required)

Company Name

Printed Name

Address

Title

City, State, Zip

Arizona Transaction (Sales) Privilege Tax License
Number

Telephone Number

Federal Employer Identification Number

Fax Number

**For clarification of this offer contact:
(If different from above)**

Contact Name

Company E-mail Address

E-mail Address

Telephone Number

**Town of Florence
P.O. Box 2670
Florence, AZ 85132
(520) 868-7500
Demonstrating Lawful Presence**

Bids, Proposals or Qualifications

Arizona Revised Statutes 1-501 and 1-502 apply to applicants of "federal public benefits" and "state and local public benefits". Grants, contracts and loans are considered public benefits and state law requires each person who applies for such benefits to submit at least one of the following documents demonstrating "lawful presence" in the United States. The Principal of each group, consultant, or organization will complete this form.

Check the box next to the document indicating lawful presence.

<input type="checkbox"/>	An Arizona driver license issued after 1996 or an Arizona non-operating identification license
<input type="checkbox"/>	A driver license issued by a state that verifies lawful presence in the United States. (See Overview of State's Driver's License Requirements)
<input type="checkbox"/>	A birth certificate or delayed birth certificate issued in any state, territory or possession of the United States.
<input type="checkbox"/>	A United States certificate of birth abroad.
<input type="checkbox"/>	A United States passport.
<input type="checkbox"/>	A foreign passport with a United States visa.
<input type="checkbox"/>	An I-94 form with a photograph.
<input type="checkbox"/>	A United States citizenship and immigration services employment authorization document or refugee travel document.
<input type="checkbox"/>	A United States certificate of naturalization.
<input type="checkbox"/>	A United States certificate of citizenship.
<input type="checkbox"/>	A tribal certificate of Indian blood.
<input type="checkbox"/>	A tribal or Bureau of Indian affairs affidavit of birth.

****Attach copy of document to this sheet.**

Signature of Applicant

Date

Signature of Municipal Employee
Effective Date: November 1, 2009

Date

Participation if Boycott of Israel

Town of Florence
PO Box 2670
Florence, AZ 85132

All materials submitted as part of a response to a solicitation are subject to Arizona public records law and will be disclosed if there is an appropriate public records request at the time of or after the award of the contract. Recently legislation has been enacted to prohibit the Town of Florence from contracting with companies currently engaged in a boycott of Israel. To ensure compliance with A.R.S. §35-393.01, this form must be completed and returned with the response to the solicitation and any supporting information to assist the Town in making its determination of compliance.

As defined by A.R.S. §35-393.01:

1. "Boycott" means engaging in a refusal to deal, terminating business activities or performing other actions that are intended to limit commercial relations with Israel or with persons or entities doing business in Israel or in territories controlled by Israel, if those actions are taken either:
 - (a) In compliance with or adherence to calls for a boycott of Israel other than those boycotts to which 50 United States Code section 4607(c) applies.
 - (b) In a manner that discriminates on the basis of nationality, national origin or religion and that is not based on a valid business reason.
2. "Company" means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company or other entity or business association, and includes a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate.
3. "Direct holdings" means all publicly traded securities of a company that are held directly by the state treasurer or a retirement system in an actively managed account or fund in which the retirement system owns all shares or interests.
4. "Indirect holdings" means all securities of a company that are held in an account or fund, including a mutual fund, that is managed by one or more persons who are not employed by the state treasurer or a retirement system, if the state treasurer or retirement system owns shares or interests either:
 - (a) together with other investors that are not subject to this section.
 - (b) that are held in an index fund.
5. "Public entity" means the Town of Florence("Town"), a political subdivision of this STATE or an agency, board, commission or department of this Town or a political subdivision of this Town
6. "Public fund" means the state treasurer or a retirement system.
7. "Restricted companies" means companies that boycott Israel.
8. "Retirement system" means a retirement plan or system that is established by or pursuant to title 38.

All offerors/vendors must select one of the following and thereby certify that:

_____ My company **does not** participate in, and agrees not to participate in during the term of the contract a boycott of Israel in accordance with A.R.S. §35-393.01. I understand that my entire response will become public record.

_____ My company **does** participate in a boycott of Israel as defined by A.R.S. §35-393.01.

By submitting this certification, proposer agrees to indemnify and hold the Town of Florence, its agents and employees, harmless from any claims or causes of action relating to the Town's action based upon reliance on the above representations, including the payment of all costs and attorney's fees incurred by the Town in defending such an action.

Company Name

Signature of Person Authorized to Sign

Address

Printed Name

City

State

Zip

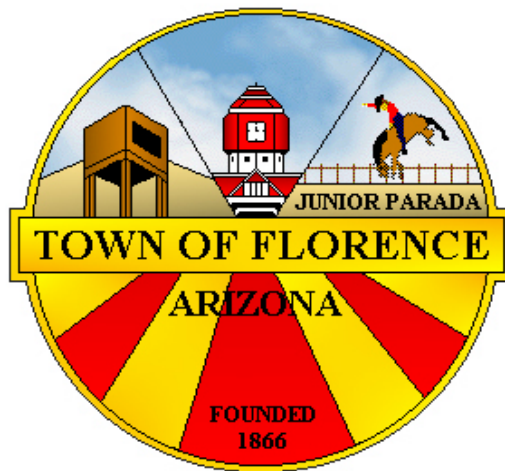
Title

Town of Florence

REQUEST FOR PROPSALS

FOR PROFESSIONAL SERVICES

Utility Rate Study



Town of Florence
775 N. Main Street, Box 2670
Florence, Arizona 85132
(520) 868-7541
jess.knudson@florenceaz.gov
Jess Knudson, Assistant Town Manager

Public Notice Town of Florence

INVITATION FOR PROFESSIONAL SERVICES

Request for Proposals

The Town of Florence hereby solicits proposals from qualified consultants to conduct a Utility Rate Study.

The Town of Florence must receive proposals no later than 2:00 P.M, local time, Thursday, January 12, 2017. All proposals should be identified as “Florence Utility Rate Study.”

To secure a complete copy of the Request for Proposals (RFP) package, please visit www.florenceaz.gov/rfp. Mail completed proposals to the Town Clerk, at Florence Town Hall, P.O. Box 2670, Florence, Arizona 85132 or hand deliver to the Town of Florence. Faxed proposals are not accepted. Failure of the proposer to complete all of the proposal requirements may result in rejection of the proposal.

All questions and comments pertaining to this RFP are addressed to Jess Knudson, Assistant Town Manager, at (520) 868-7541 or jess.knudson@florenceaz.gov.

The Town of Florence is an Affirmative Action and Equal Opportunity Employer. Persons with disabilities may request a reasonable accommodation, by contacting the 504/ADA Coordinator for the Town of Florence at (520)868-7574. Please make all requests as early as possible to allow time to arrange the accommodation.

Request for Proposals Utility Rate Study

Background

The Town of Florence was founded in 1866 and is the sixth-oldest non-Native American settlement in the state of Arizona. Florence is the county seat of Pinal County and is located 45 minutes away from the Phoenix and Tucson metropolitan areas. Florence is a major employer with approximately 75% of its work force commuting into the area on a daily basis. The Town's corporate limits are approximately 62.7 square miles.

The Town of Florence provides water and sewer services to the Town Core and Florence Gardens areas. Johnson Utilities (JU) provides water and sewer services to Florence residents living in the Anthem area. Sanitation services are contracted out to Right Away Disposal (RAD).

Project Description

Research and analyze existing and future conditions, fees, plans and studies to develop the necessary understanding needed to develop a rate structure for water and wastewater fees to provide funding for operations, maintenance, debt service, and capital projects. The final recommendations must incorporate feedback from Town of Florence Town Council, residents and Town staff.

All questions and comments pertaining to this RFP are addressed to Jess Knudson, Assistant Town Manager, at (520) 868-7541 or jess.knudson@florenceaz.gov.

Project Schedule

The completion of the Utility Rate Study is expected to be six months, from the date of the executed contract. The proposal must include timeline with milestones.

Staff Participation

The selected consultant is responsible for the majority of the tasks during the planning process. Key tasks that the Town staff is responsible for include:

- Provide all related and existing plans, records, documents, and studies.
- Review all draft reports prior to their reproduction and distribution.
- Schedule appropriate locations for public involvement events.
- Providing interim briefings to Town Council and Town Staff.
- Additional team involvement as mutually agreed upon.

Evaluation

Each Proposal will be evaluated on the following criteria

Proposal Conforms to Format	5%
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Key Issues Discussion	15%
Project Manager/Team Member Capabilities	15%
Budget	15%
Scope of Work	35%
Discretionary	15%

Interview

After proposals are collected by the Town, the Town will determine if interviews will be conducted. The Town will determine the time and order of interviews.

REQUIREMENTS FOR PROPOSERS

These terms will be the general contract conditions for any contract entered into as a result of the RFP and are incorporated therein and shall be fully binding upon the Proposer.

1.1 Proposal Opening Date and Location: Proposals will be received at the Town of Florence Clerk's Office, Town Hall, 775 North Main Street, Florence, Arizona 85132 until 2:00 p.m. (local Arizona time) Thursday, January 12, 2017. Late Proposals are not accepted or considered by the Town.

1.2 Proposal Documents Available: The Proposal Documents consist of: (1) Requirements for Proposers; (2) Proposer's Proposal (form); (3) Compliance Certification(s) (form) (4) Offer Sheet (form) and (5) Demonstrating lawful Presence (form). The Proposal Documents are available for downloading from www.florenceaz.gov/rfp.

1.3 Incorporation of Proposal Documents: All of the Proposal Documents apply to and become a part of the terms and conditions of the Proposer's offer/proposal. The resultant contract between the Town and the Proposer shall include the: (1) RFP, including instructions, all terms and conditions, specifications, scope of work, attachments, any amendments thereto, any contract documents, and the Proposal Documents; and (2) the offer submitted by the Proposer in response to the RFP only to the extent it is consistent with the RFP terms and contract documents. All previous contracts between the Proposer and the Town are not applicable to this contract or other resultant contracts. Any award to a Proposer will be subject to a selected Proposer entering a services contract acceptable to the Town of Florence.

1.4 Proposer's Proposal Form: Proposals must be submitted only on the Proposer's Proposal form. All Proposals must be submitted in an envelope clearly marked "Florence Utility Rate Study." Mail completed proposals to the Town Clerk, at Florence Town Hall, P.O. Box 2670, Florence, Arizona 85132 or hand deliver to the Town of Florence. Faxed proposals are not accepted.

1.5 Florence's Right to Reject Proposals: Notwithstanding any other provision of this RFP, the Town expressly reserves the right to reject any or all Proposals, or portions thereof; and/or waive any defect or informality in a Proposal; and/or reissue an RFP;

and/or exercise any other rights available to the Town under the terms of the RFP, the Town Code, law, or equity; and/or to withhold the award of the RFP for any reason the Town determines.

1.6 Execution of Contract: A sample contract from the proposing firm is required in Word format. No contract or agreement, expressed or implied, shall exist or be binding on the Town before the execution of a written contract by both parties. If agreement on the terms of a resultant contract cannot be reached after a period deemed reasonable by the Town in its sole discretion, the Town may negotiate and enter a contract with any other Proposer who submitted a timely, responsive and responsible proposal to this RFP.

1.7 Additional Investigation: The Town reserves the right to make such additional investigations as it deems necessary to establish the competence and financial stability of any Proposer submitting an offer.

1.8 Prior Experience: Experiences with the Town and entities that the evaluation committee members represent may be taken into consideration when evaluating qualifications and experience.

1.9 Cost of Proposal: The Town shall not reimburse the cost of developing or providing any response to this RFP and development and provision of any offer shall be at the respective Proposer's sole cost. Offers submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner. All legal advertising, notifications and reproductions are the responsibility of the firm.

1.10 Late Proposals: Late submittals and/or unsigned proposals will not be considered under any circumstances. Envelopes containing Proposals with insufficient postage will not be accepted by Florence. It is the sole responsibility of the Proposer to see that his/her proposal is delivered and received by the proper time and at the proper place.

1.11 Proposal Amendment or Withdrawal: A proposal may be withdrawn any time before the Proposal due date and time. A proposal may not be amended or withdrawn after the proposal due date and time except as otherwise provided by applicable law.

1.12 Public Record: All proposals submitted in response to this solicitation and all evaluation related records shall become property of Florence and shall become a matter of public record for review, subsequent to proposal award. Request for nondisclosure of data such as trade secrets and other proprietary data, must be made known in writing to Florence in proposals submitted, and the information sought to be protected clearly marked as proprietary. Florence will not insure confidentiality of any portions of the proposal that are submitted in the event that a public record request is made. The Town will provide 48 hours' notice before releasing materials identified by the proposal as confidential or proprietary in order for the Proposer to apply for a court order blocking the release of the information.

1.13 Persons with Disabilities: Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Clerk's Office. Requests shall be made as early as possible to allow time to arrange the accommodation.

1.14 Proposal Acceptance Period: All proposals shall remain open for 90 days after the day of the opening of proposals, but the Town may, at its sole discretion, release any proposal and return the proposal security (as applicable) prior to that date. No Proposer may withdraw his proposal during this period without written permission from the Town. Should any Proposer refuse to enter into a contract, under the terms and conditions of the procurement, the Town may retain the security (as applicable), not as a penalty, but as liquidated damages.

1.15 Addendum: This Request for Proposals may only be modified by a written Addendum. Potential Proposers are responsible for obtaining all addenda.

1.16 General Evaluation Standards: The Town of Florence is seeking proposals from qualified firms who have experience in conducting Utility Rate Studies. The Town will be the sole judge of whether the proposals offered are acceptable.

1.16.1 Deviations. Any deviations from General Evaluation Standards contained within may render the proposal non-responsive.

1.16.2 Disqualification. A Proposer (including each of its principals) who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity may have its proposal rejected. The Proposer will be required to submit documentation demonstrating lawful presence in the United States pursuant to A.R.S. §§ 1-501 and 1-502 by completing the *Demonstrating Lawful Presence* form provided by the Town.

1.16.3 Waiver and Rejection Rights. The Town reserves the right to reject any or all proposals or to cancel the solicitation altogether, to waive any informality or irregularity in any proposal received, and to be the sole judge of the merits of the respective proposals received.

1.17 Proposal Preparation:

1.17.1 Format. Proposers shall submit their proposal with an original and five copies. Submittals are limited to 20 - 8.5" x 11" pages of one-sided text or graphics. The appendix does not count toward the overall page limit of the proposal. Offeror shall also submit one electronic version of their proposal on a flash drive, using Microsoft Word or Adobe PDF file formats.

1.17.2 No Facsimile or Electronic Mail Proposals. Proposals may not be submitted in facsimile or electronically. All facsimile or electronic mail proposals shall be rejected.

1.17.3 Typed or Ink Corrections. The proposal shall be typed or in ink. Erasures, interlineations or other modifications in the proposal shall be initialed in ink by the person signing the proposal.

1.17.4 No Modifications. Modifications shall not be permitted after proposals have been opened except as otherwise provided under applicable law.

1.17.5 Content. The proposal shall contain all of the following information:

Proposal Amount. The proposal amount for the Utility Rate Study shall be listed in the Proposal Section. Provide a table format of tasks and organization of labor hours for each project team member. Identify the hourly rate of each team member and their subtotal hours for the entire project. A subtotal of all labor expended per task shall also be provided. Please also include a summary breakdown for all anticipated reimbursable expenses.

Brief description of the Proposer/Experience/Qualifications. List the individuals who are selected for this project. The project manager and key task managers must be identified. Briefly describe the directly related project experience of the project manager and team members. Include information that describes the role of the team member, related project experience (i.e. year project was prepared, budget and project duration). Provide a complete resume in the appendix of the proposal.

Tax ID Number. Proposer shall provide its Arizona Transaction Privilege Tax Number and/or Federal Tax Identification number in the space provided in the Proposal Section. A Town of Florence Sales Tax Number, if applicable, must also be supplied.

1.17.6 Solicitation Addendum Acknowledgement. Each Solicitation Addendum shall be acknowledged in the proposal Section, which shall be submitted together with the proposal by the proposal deadline. Failure to note a Solicitation Addendum may result in rejection of the proposal.

1.17.7 Evidence of Intent to be Bound. The proposal form submitted shall include a signature by a person authorized to sign the proposal. The offer sheet shall be submitted. Failure to submit verifiable evidence of intent to be bound, such as an original signature, shall result in rejection of the proposal.

1.17.8 Non-Collusion and Non-Discrimination. By signing and submitting the Proposal, the Proposer certifies that:

- A. The Proposer did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of its proposal; and

- B. The Proposer does not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, age, sex, national origin, or disability, and that it complies with all applicable Federal, state and local laws and executive orders regarding employment.

1.18 Inquiries:

- 1.18.1 Duty to Examine. It is the responsibility of each Proposer to examine the entire Solicitation, seek clarification (inquiries), and examine its proposal for accuracy before submitting the proposal. Lack of care in preparing a proposal shall not be grounds for modifying or withdrawing the proposal after the proposal due date and time, nor shall it give rise to any contract claim.
- 1.18.2 Contact Person. Any inquiry related to a solicitation, including any requests for or inquiries regarding standards referenced in the solicitation should be directed solely to the contact person listed within this Solicitation. The Proposer shall not contact or direct inquiries concerning this solicitation to any other Florence employee unless the solicitation specifically identifies a person other than the Contact Person as a contact.
- 1.18.3 Submission of Inquiries. All inquiries shall be submitted in writing and shall refer to the appropriate solicitation number, page and paragraph. Do not place the solicitation number on the outside of the envelope containing the inquiry, since it may then be identified as a proposal and not be opened until after the proposal due date and time. The Town shall consider the relevancy of the inquiry but is not required to respond in writing.
- 1.18.4 Timeliness. Any inquiry or exception to the solicitation shall be submitted as soon as possible and should be submitted at least 5 days before the proposal due date and time for review and determination by Florence. Failure to do so may result in the inquiry not being considered for a Solicitation Addendum.
- 1.18.5 No Right to Rely on Verbal Responses. A Proposer shall not rely on the Town verbal responses to inquiries. A verbal reply to an inquiry does not constitute a modification of the solicitation.

II. SPECIAL CONDITIONS.

2.1 Insurance. The firm or prime consultant shall indicate that they maintain commercial general, vehicle, and workers compensation insurance liability coverage as outlined in the “Town of Florence Insurance Requirements for Contractors”. Insurance coverage shall be identified in the cover letter.

2.2 Indemnification: The Proposer shall at all times indemnify, keep indemnified, defend and save harmless Town and any of its mayor, councilmembers, officials, representatives, volunteers and employees from any and all claims, demands, suits, actions, proceedings, loss, cost and/or damages of every kind and description including any attorney's fees and/or litigation expenses which may be brought or made against or incurred by Town on account of loss of or damage to any person or for injuries to or death of any person caused by, arising out of, or contributed to, in whole or in part, by reason of any alleged act, omission, professional error, fault, mistake, or negligence of the Proposer, its employees, agents, representatives, or subcontractors, their employees, agents or representatives in connection with or incidental to the performance of this contract or arising out of Worker's compensation claims, Unemployment Compensation claims, or Unemployment Disability Compensation claims of employees of the Proposer or its subcontractors or claims under similar laws or obligations. The Proposer's obligations under this paragraph shall not extend to any liability caused by the sole negligence of Town or its employees.

In the event that any action or proceeding shall at any time be brought against Town by reason of any claim referred to in this Section, the Proposer, at Proposer's sole cost and upon at least 10 day's written notice from Town shall defend the same with counsel acceptable to Town, in Town's sole discretion. The Proposer's obligations under the Section shall survive the expiration or termination of this contract. 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 of the magnitude of this Indemnification, nor shall this Indemnification be construed in any way to limit the scope, magnitude or applicability of the insurance provisions.

III. PROPOSER'S PROPOSAL

3.1 Proposer's Proposal: For the proposal deadline is January 12, 2017.

3.2 Conditions Accepted: The undersigned Proposer declares that before preparing this proposal, he or she has read the Proposal Documents (RFP) carefully, and that this proposal is made with full knowledge of the RFP requirements. By signing this proposal, proposer agrees to all conditions contained in the Proposal Documents.

3.3 Proposal Amount: For the terms set forth in Paragraph 3.2 above: Proposers offers to provide the services for a total in the amount of:

(Enter Proposal price in writing) _____ ("Proposal Amount")

3.4 Acceptance: Proposer proposes and agrees that if this proposal is accepted, he or she will enter into a contract with Florence within thirty days after Florence's acceptance of this proposal at the listed Proposal Amount.

3.5 Affidavit: The following affidavit is submitted by the Proposer as part of this Proposal:

The undersigned deponent, of lawful age, being duly sworn upon his oath, deposes and says:

1. The he/she has lawful authority to execute the within and foregoing Proposer's proposal.
2. That the Proposer has not directly or indirectly entered into any agreement , express or implied, with any Proposer or Proposers, having for its object the controlling of the price or amount of such proposal or proposals, the parceling out to any Proposer or any other person of any part of the subject matter of the proposal or proposals or the profits thereof, and that he/she had not and will not divulge the sealed proposal to any other person whatsoever, except those having a partnership or financial interest with him and said Proposer, until after the sealed proposal or proposals are open.
3. That Proposer has received any Addenda issued.

Name

Title

STATE OF ARIZONA)
County of Pinal)SS

SUBSCRIBED AND SWORN TO before me this ____ day of _____,

20_____, by_____.

Notary

My Commission Expires: _____

Preliminary Scope of Work

Utility Rate Study

PROJECT ORGANIZATION AND MANAGEMENT

Project Understanding

Although creativity is encouraged, your proposal must satisfy the Preliminary Scope of Work outlined herein. Failure to comply may diminish the scoring of your proposal. Your proposals should clearly indicate a full understanding of financial and planning tools for municipalities, included, but not limited to capital improvement plans and general plans. Knowledge of all legal requirements for municipalities, as related to this project, is also required. All deviations from the Preliminary Scope of Work shall be summarized in the proposals.

The preliminary scope of work presented here is for a comprehensive Utility Rate Study. Its purpose is to provide rate structures within the Town of Florence Water and Wastewater Funds to support operations and maintenance, capital project expenditures, debt service and provide a structure for reserving fund balance and identifying the reserve components within the fund balance. Rates are planned out for future years and must provide equitable base water meter and usage fees, base sewer fee, calculation method to bill sewer based on water usage, deposit fees, connection fees (tapping) and service fees to initiate service. Each group of rates and associated fees must provide adequate revenue to ensure funding for all expenditures within each fund.

The Town of Florence requires the Consultant to provide the project management from onset to closing of the project, plan, develop, attend and manage the public participation portion, provide schedules for all phases of the project, present findings to the Town Council and provide the staff with a procedure to update and expand this plan on an annual basis. It is required to comply with any Arizona State statutory requirements necessary for development, presentation and implementation of a Utility Rate Study.

Related studies and documents, including the Town's existing fee schedule and previous studies are located at www.florenceaz.gov/finance.

CONSULTANT RESPONSIBILITIES

The products identified below comprise the minimum deliverables for the Utility Rate Study:

1. The consultant shall review documentation supporting the current rate structures for all services with regards to supplying potable water to customers throughout the Town's service area and including the impact of provide services in Florence's area of influence.
2. The consultant shall review documentation supporting the current rate structures for all services with regards to the wastewater collection and treatment from customers

throughout the Town's service area and including the impact of provide services in Florence's area of influence.

3. Conduct Sensitivity Analysis by assessing the ability of the revenue stream generated by the recommended rate structures to continue to fully fund water and sewer system costs. Assessment is to include a sensitivity analysis where the long-term revenue generated under each alternative shall be illustrated when confronted with the impacts of growth.
4. Rate-payer Education/Communication: Recommend methods for communicating utility costs to include layout of the utility bill and how it might be used to identify actual costs of providing water and sewer services under recommended rate structures. Assess ease of communication associated with each recommended rate structure.
5. Review existing Water and Wastewater plans and models to become familiar with anticipated Capital Project needs. Post review, the consultant should consult Town staff to develop chronological infrastructure needs for the Town's service area and Florence's area of influence. The analysis should consider potential capital projects through 2026.
6. Describe assumptions, and bases for assumptions, regarding the type of development projects planned for the Town's water and wastewater systems, and the impact the developments would have upon the level of service for existing facilities. This description would include a description of any varying impacts caused by residential development versus commercial and industrial development.
7. Identify and assess existing socioeconomic conditions to enable the Town to make judgments regarding future utility needs and economic abilities. To the extent available, data will be developed for the Town of Florence, other competitive jurisdictions and Pinal County, for comparative purposes
8. Review the existing potable water and wastewater rates and provide justifiable, equitable, and legally defensible methodologies for collection of appropriate user and service fees that are adequate to fully fund the expenditures associated with system operations, maintenance, replacement, improvements and debt service costs through Fiscal Year 2026.
9. Review the expenditures recovered from the rate structure components with full consideration of equivalent industry standards (i.e. ERU's, meter sizes, rate indexing and volumetric billing).
10. Develop water and wastewater rate/fee proposals that include incentive based, conservation structures.
11. Develop modifications to the Town Code, if necessary, to address water and wastewater rates and fee issues.

12. Develop a Cost Allocation Model for calculating the full costs of providing water and wastewater services. The requirements of the model shall allow for the following:
 - a. The addition or removal of direct and overhead costs so that the overhead cost allocation plan can be developed from a simple plan to a progressively more inclusive plan.
 - b. The ability to continuously update the model and overhead cost allocation plan from year-to-year as the organizational structure changes and the costs change.
 - c. The addition of planned service area information for future service enhancements, and the ability to calculate the estimated costs for providing the services under consideration of expansion.
13. Identify the capacity of the existing wastewater treatment systems to provide the necessary services for wastewater. The capacity of each should be evaluated for existing, immediate and future demands. Additional capacity for each system needs to be accounted for programmed expansions.
 - a. Evaluate the current wastewater classification categories and recommend re-classification categories for determining necessary treatment required for each category.
 - b. Evaluate the current capacity of wastewater system in order to determine the existing, immediate and future capacity needed as identified above.
 - c. Determine the appropriate cost for implementation of future treatment capacity based on future developments.
14. Engage citizens and Town Council early in the process and gather information on priorities and desires.
 - a. Identify multiple opportunities for the consultant to solicit feedback.
 - b. All public participation events are summarized in a standard summary format previously approved by the Town.
 - c. Present the materials to the Town Council for final adoption.
 - i. All materials are the responsibility of the Consultant.
15. Finalize the Work Program and develop a meeting schedule to work with the Utility Rate Committee (URC).
 - a. A minimum of four meetings shall be held during the planning process. More may be required. Attendance by Consultant is required.

Products Delivered by Consultant:

- Two copies of any draft report to be presented at a public meeting must be submitted to the Town Project Manager at least seven days prior to the public meeting.
- 12 copies of any draft report presented at a Town staff meeting must be submitted to the Town Project Manager at least three days prior to meeting.
- 20 copies of any report to be presented to the Town Council must be submitted to the Town Project Manager at least 20 days prior to the Town Council meeting.
- Final and draft reports are transmitted via flash drive or email to the Town Project Manager prior to meeting date.

DEVIATION/COMPLIANCE CERTIFICATION

If the undersigned Bidder intends to deviate from the Requirements for Proposers, Special Conditions, or any other Contract Document made a part of this solicitation, all such deviations shall be listed on this certification form, with complete detailed conditions and information included or attached. The Town may consider any deviations in its review, scoring and award decisions, and the Town reserves the right to accept or reject any proposal, offer, or bid based upon any deviations indicated herein or in any attachments hereto.

In the absence of any deviation entry on this form, the Bidder agrees, certifies, and warrants the Town of their full compliance with the Requirements for Proposers, Special Conditions, or any other Contract Document, and all other information contained in this solicitation.

Please list any deviations from the solicitation document below (attach additional sheets as needed):

By signing below, I agree, certify, and warrant that the offer/proposal I am submitting ___ does ___ does not (check one line) deviate from the Requirements for Proposers, Special Conditions, or any other Contract Document listed in this document. If deviating from the specifications of the solicitation, all such deviations are listed on this form, with complete detailed conditions and information included or attached. Any attachments to this form are identified as a continuation of the deviations to this solicitation.

Printed Name:

Signature:

Date:

THIS PAGE MUST BE RETURNED WITH THE OFFER/PROPOSAL

OFFER SHEET

MANDATORY – RETURN THIS PAGE WITH YOUR RESPONSE. UNSIGNED OFFERS WILL BE CONSIDERED NON-RESPONSIVE AND REJECTED.

To the Town of Florence: By signing below, Offeror certifies that he/she has read, understands, and will faithfully execute the terms and conditions stated herein. The signer also certifies that he/she is an officer or duly authorized agent of the Offeror's firm with full power and authority to submit binding offers for the goods or services as specified. Offeror certifies that the prices offered were independently developed without consultation with any of the other offerors or potential offerors.

Authorized Signature (required)

Company Name

Printed Name

Address

Title

City, State, Zip

Arizona Transaction (Sales) Privilege Tax License
Number

Telephone Number

Federal Employer Identification Number

Fax Number

**For clarification of this offer contact:
(If different from above)**

Contact Name

Company E-mail Address

E-mail Address

Telephone Number

**Town of Florence
P.O. Box 2670
Florence, AZ 85132
(520) 868-7500
Demonstrating Lawful Presence**

Bids, Proposals or Qualifications

Arizona Revised Statutes 1-501 and 1-502 apply to applicants of "federal public benefits" and "state and local public benefits". Grants, contracts and loans are considered public benefits and state law requires each person who applies for such benefits to submit at least one of the following documents demonstrating "lawful presence" in the United States. The Principal of each group, consultant, or organization will complete this form.

Check the box next to the document indicating lawful presence.

<input type="checkbox"/>	An Arizona driver license issued after 1996 or an Arizona non-operating identification license
<input type="checkbox"/>	A driver license issued by a state that verifies lawful presence in the United States. (See Overview of State's Driver's License Requirements)
<input type="checkbox"/>	A birth certificate or delayed birth certificate issued in any state, territory or possession of the United States.
<input type="checkbox"/>	A United States certificate of birth abroad.
<input type="checkbox"/>	A United States passport.
<input type="checkbox"/>	A foreign passport with a United States visa.
<input type="checkbox"/>	An I-94 form with a photograph.
<input type="checkbox"/>	A United States citizenship and immigration services employment authorization document or refugee travel document.
<input type="checkbox"/>	A United States certificate of naturalization.
<input type="checkbox"/>	A United States certificate of citizenship.
<input type="checkbox"/>	A tribal certificate of Indian blood.
<input type="checkbox"/>	A tribal or Bureau of Indian affairs affidavit of birth.

****Attach copy of document to this sheet.**

Signature of Applicant

Date

Signature of Municipal Employee
Effective Date: November 1, 2009

Date

Participation if Boycott of Israel

Town of Florence
PO Box 2670
Florence, AZ 85132

All materials submitted as part of a response to a solicitation are subject to Arizona public records law and will be disclosed if there is an appropriate public records request at the time of or after the award of the contract. Recently legislation has been enacted to prohibit the Town of Florence from contracting with companies currently engaged in a boycott of Israel. To ensure compliance with A.R.S. §35-393.01, this form must be completed and returned with the response to the solicitation and any supporting information to assist the Town in making its determination of compliance.

As defined by A.R.S. §35-393.01:

1. "Boycott" means engaging in a refusal to deal, terminating business activities or performing other actions that are intended to limit commercial relations with Israel or with persons or entities doing business in Israel or in territories controlled by Israel, if those actions are taken either:
 - (a) In compliance with or adherence to calls for a boycott of Israel other than those boycotts to which 50 United States Code section 4607(c) applies.
 - (b) In a manner that discriminates on the basis of nationality, national origin or religion and that is not based on a valid business reason.
2. "Company" means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company or other entity or business association, and includes a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate.
3. "Direct holdings" means all publicly traded securities of a company that are held directly by the state treasurer or a retirement system in an actively managed account or fund in which the retirement system owns all shares or interests.
4. "Indirect holdings" means all securities of a company that are held in an account or fund, including a mutual fund, that is managed by one or more persons who are not employed by the state treasurer or a retirement system, if the state treasurer or retirement system owns shares or interests either:
 - (a) together with other investors that are not subject to this section.
 - (b) that are held in an index fund.
5. "Public entity" means the Town of Florence("Town"), a political subdivision of this STATE or an agency, board, commission or department of this Town or a political subdivision of this Town
6. "Public fund" means the state treasurer or a retirement system.
7. "Restricted companies" means companies that boycott Israel.
8. "Retirement system" means a retirement plan or system that is established by or pursuant to title 38.

All offerors/vendors must select one of the following and thereby certify that:

_____ My company **does not** participate in, and agrees not to participate in during the term of the contract a boycott of Israel in accordance with A.R.S. §35-393.01. I understand that my entire response will become public record.

_____ My company **does** participate in a boycott of Israel as defined by A.R.S. §35-393.01.

By submitting this certification, proposer agrees to indemnify and hold the Town of Florence, its agents and employees, harmless from any claims or causes of action relating to the Town's action based upon reliance on the above representations, including the payment of all costs and attorney's fees incurred by the Town in defending such an action.

Company Name

Signature of Person Authorized to Sign

Address


Printed Name

City

State

Zip

Title

	TOWN OF FLORENCE COUNCIL ACTION FORM	<u>AGENDA ITEM</u> 8d.
MEETING DATE: May 15, 2017 DEPARTMENT: Human Resources STAFF PRESENTER: Scott Barber, HR Director SUBJECT: FY 2017-2018 Employee Benefit Package		<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:

Staff recommends approval of FY 2017-2018 Employee Benefit Program: United Healthcare of Arizona for medical, dental, life and vision insurance; Teladoc for 24/7 physician access benefits; Jorgensen Brooks Group for Employee Assistance Program, AFLAC for supplemental insurance products, and Infinisource to administer our Section 125 Flexible Benefit Account Plan.

BACKGROUND/DISCUSSION:

The Employee Insurance Benefit Package renews on July 1st. Garry L. Johnson & Associates, our employee benefit plan consultant, solicited and received renewal quotes from the incumbent carrier, United Healthcare of Arizona (UHC), and asked for quotes from other providers. Our claims experience with UHC since contracting with them last July 1st has been rather high, so a rate increase was anticipated. Our agent/broker did a great job working with both UHC and our prior carrier, Blue Cross/Blue Shield (BC/BS) of Arizona, and we believe we have the best possible quotes from each. UHC reduced its initial renewal quote to match the overall impact of the BC/BS quote. UHC has told us of ongoing negotiations to contract with the Florence Hospital as an in-network provider under the plan. For our dental, life and vision renewal proposals, a modest rate increase was proposed by our current carriers. By bundling these coverages with UHC medical, we were able to gain a worthwhile discount to the medical premium, with no change in benefits from our current provider. Staff continues to be very appreciative of the work done on behalf of the Town by Eric Johnson and his staff.

Medical Insurance – Renewal with UHC keeps us in a fully-insured, PPO-type plan for the 2017/18 policy year, with an overall 6.3% premium increase from current rates. The plan has a \$1,000 maximum out-of-pocket limit for the employee, and a maximum of \$3,000 for a family. The Town fully pays the employee premium and shares the dependent coverage premium with those employees who need and want dependent coverage on a 78%/22% split.

Teladoc – We're completing our fourth year with this coverage which provides our employees 24/7 medical consultations via telephone or internet. Teladoc is a free-standing benefit which supplements our medical insurance. Employees are able to connect with a licensed physician for information, advice, and treatment including prescription medication when appropriate. At a rate of \$4 per month per insured family (up to 5 family members, paid fully by the Town), we think this coverage continues to be a good value for the Town and our employees.

Dental Insurance – The recommendation is to move our fully-insured dental plan to UHC, with a 12.8% decrease from current rates. The Town shares in the same percentage as medical insurance for those employees with dependent coverage.

Group Life Insurance – Staff recommends moving our group life insurance to UHC for all eligible employees and dependents for FY17-18. Group Life coverage is two times an employee's annual salary up to a maximum of \$150,000. The monthly premium renewal quote is \$0.167 per \$1,000 of employee coverage (a 4-cent per thousand dollars of coverage increase from current rates), and \$0.79 for dependent coverage (no increase). UHC is providing a 2-year rate lock. Group Life is paid 100% by the Town. Voluntary coverage is also available.

Vision Insurance – Staff recommends packaging our vision insurance with the medical, life and dental with UHC, with no changes to the basic plan design, a 37.6% reduction in premium, and a 3-year rate lock. The FY17-18 policy year premiums are \$7.53 per month for employee coverage, \$17.66 per month for family coverage. Vision Insurance is paid 100% by the employee.

Employee Assistance Program – Staff is recommending changing carriers this year to the Jorgensen Brooks Group on the strength of a slight reduction in monthly premium and the provision of on-site critical incident stress debriefing services. Provider choices will remain strong. The Town currently pays 100% of the cost for this service.

AFLAC offers a variety of supplemental insurance products to employees through payroll deduction, paid entirely by the employees taking the coverage.

Section 125 Plan Administration has been provided by Infinisource. Through this program, employees can pay qualified medical expenses on a pre-tax basis. We've been very satisfied with the service provided and the company will hold the line on rates for the upcoming year (\$4.95 per employee per month) so we are therefore recommending renewal. The Town covers the cost of this program.

The following chart illustrates monthly medical, dental and vision coverage premiums paid by employees for the 2017-18 plan year:

Medical/Dental Insurance Coverage Premiums	Medical FY17-18	Dental FY17-18	Vision* FY17-18
Employee Only	\$ PAID	\$ PAID	\$ 7.53
Employee + Spouse	\$ 149.18	\$ 4.73	\$ 17.66

Employee + Child(ren)	\$ 121.29	\$ 7.75	\$ 17.66
Employee + Family	\$ 270.47	\$ 14.04	\$ 17.66

*vision is an optional benefit paid 100% by employee

FINANCIAL IMPACT:

The Town's share of the estimated annual cost for the employee benefit package for FY17-18 is included in the various departmental proposed budgets. We estimate the overall net cost increase to the Town to be \$110,000. With the move to UHC last year, we saw a 9% premium reduction from the prior year and expressed our concern to you at that time about the potential for a sizable rate increase at renewal if our loss trend was negative. And in fact, that did come to pass and the initial renewal quote from UHC was at +12.7%. So, keep in mind we did reduce the Town costs for employee benefits for FY16/17 by a greater number than this year's increase.


STAFF RECOMMENDATION:

Staff recommends the Council authorize the Town Manager to contract with the following carriers to provide benefits to our eligible employees and qualified dependents:

- United Healthcare of Arizona for Medical, Dental and Life and Vision Insurance;
- Teladoc benefit for phone/internet physician access;
- Jorgensen Brooks Group for Employee Assistance Program Services;
- AFLAC for AFLAC supplemental insurance products;
- Infinisource for the Section 125 flexible spending account plan.

ATTACHMENTS:

None

	TOWN OF FLORENCE COUNCIL ACTION FORM	<u>AGENDA ITEM</u> 8e.
MEETING DATE: May 15, 2017 DEPARTMENT: Public Works Department STAFF PRESENTER: Christopher A. Salas, Public Works Director/Town Engineer SUBJECT: Ratification of the expenditure with Cactus Asphalt, to provide polymer modified asphalt paving.		<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:

Motion to approve ratification of the expenditure with Cactus Asphalt, for polymer modified asphalt paving, increasing the original contract by \$10,294.62, to raise the approval amount from \$481,334.56 to \$491,629.18.

BACKGROUND/DISCUSSION:

Pinal County has an existing contract with Cactus Asphalt and the Town of Florence had the opportunity to piggyback on the Pinal County's publicity bid with Cactus Asphalt. On February 21, 2017, the Town entered into a contract with Cactus Asphalt, to provide polymer modified asphalt paving. The contract included a 10% contingency amount that raised the approval from \$437,576.87 to \$481,334.56.

After the initial portion of the project was completed the estimated unit price of \$4.00 per square yard was checked against the installed price utilizing weigh back tickets. The installed unit price was \$3.37 and this left the Public Works Department enough funds to complete an additional segment of road. Butte Road, from Diffin Road to the San Carlos Irrigation Bridge, was in very poor condition when the FY 2016-2017 pavement preventive maintenance cycle was determined but due to the low traffic, it was originally left out when decisions were made in November.

The condition of Butte Avenue continued to worsen. The concern was that Butte Avenue would not survive the pending monsoon. A decision was made to advance Butte Avenue from the FY 2017-2018 pavement preventive maintenance cycle to the FY 2016-2017 pavement preventive maintenance cycle. The previous cost estimate was updated to include the new project limits and it was determined that the project could be completed for approximately \$8,000 less than the contract allowance. The day of the project, it was determined that the condition of the existing chip seal was in such poor condition

that the project required the application rate of the chip seal binder be increased from 0.58 gallons per square yard to 0.63 gallons per square yard. This variable caused Public Works to exceed the contract by \$10,294.62.

The work on Butte Avenue was completed April 28, 2017.

FINANCIAL IMPACT:

The additional financial impact cost to chip seal and fog seal various roads is \$10,294.62.

RECOMMENDATION:

Ratification of the expenditure with Cactus Asphalt, for polymer modified asphalt work completed.

ATTACHMENTS:

February 21, 2017 approved Cactus Asphalt contract.

**TOWN OF FLORENCE, ARIZONA
CONTRACT FOR COOPERATIVE USE OF PINAL COUNTY JOB ORDER
CONTRACT WITH CACTUS ASPHALT, A DIVISION OF CACTUS TRANSPORT, INC.
CONTRACT NO. EC15-008-1 FOR PAVEMENT PRESERVATION AND REPAIR
SERVICES ON TOWN STREETS**

THIS CONTRACT (the "Contract") is made and entered into effective as of the 21st day of February, 2017 ("Effective Date"), by and between the Town of Florence, Arizona (the "Town"), and Cactus Transport, Inc. (the "Contractor") and together with the Contract Documents referred to and incorporated herein, is the "resultant contract" contemplated in the Pinal County solicitation Request for Statement of Qualifications 152119 and Job Order Contract with Cactus Asphalt, a division of Cactus Transport, Inc. for Pavement Preservation and Repairs services, Contract No. EC15-0008-1 dated July 6, 2016. The Town and the Contractor are sometimes referred to in this Contract collectively as the "Parties" and each individually as a "Party".

1. **SCOPE OF WORK:** The Contractor shall provide the Town all necessary labor, material, transportation services and equipment to perform Pavement Preservation and Repairs on Town streets per contract specifications described in the attached scope of materials and services set forth in **Exhibit "1"** (the "Services"). The Contractor shall provide the Services in accordance with the schedule attached in **Exhibit "1"**, and the Contract Documents, including all exhibits to the Master Contract including but not limited to any Standard Terms and Conditions, Special Terms and Conditions, Specifications and Plans. Contractor agrees, at its own cost and expense, to do all of the work and furnish all of the equipment, personnel and materials necessary to provide in a good and substantial manner, and to the satisfaction of the Town, the Services.
2. **PRIORITY OF DOCUMENTS.** It is further expressly agreed by and between the Parties that should there be any conflict between the terms of this Contract, the Master Contract, or the Contractor's Proposal, then this Contract and the provisions of the Contract Documents shall control and nothing herein shall be considered as an acceptance of the terms of the said Proposal conflicting herewith or with the Master Contract, unless expressly stated herein.
3. **INCORPORATION:** For and in consideration of this Contract and other good and valuable consideration, the Contractor agrees that the master cooperative solicitation/contract (the Pinal County Job Order Contract between Pinal County and Cactus Asphalt, a division of Cactus Transport, Inc. for Pavement Preservation and Repairs, Contract No. EC15-008-1 dated July 6, 2016) is in full force and effect, and all terms and conditions of the Master Contract are incorporated by reference into this Contract, creating an agreement identical in terms between the Town and Contractor. In the Master Contract, the terms: "County", "Pinal County", "Pinal" shall be deemed to be and refer to the Town of Florence; the terms: "Pinal County Department of Public Works/Director", "Agent", "Project Manager", "Transportation Director" shall be deemed to be and refer to the Florence Public Works Director, Town of Florence, 425 E. Ruggles

Street, Florence, AZ 85132; and the terms: "Bidder", "Contractor", "JOC firm", "JOC Contractor", "firm" and "Offeror", shall be deemed to be and refer to the Contractor under this Contract.

4. **CONTRACT DOCUMENTS:** This Contract consists of the following contract documents, which by reference are incorporated herein:
 - A. This signed Contract.
 - B. The solicitation documents, including Request for Statement of Qualifications 152119 for the Pinal County Job Order Contract between Pinal County and Cactus Asphalt, a division of Cactus Transport, Inc. for Pavement Preservation and Repairs, Contract No. EC15-008-1 dated July 6, 2016, and including, but not limited to: Invitation for Bid, Instructions to Bidders, Fee Schedules; Notices; Checklists; Requirements for Proposers; Standard Terms and Conditions; Special Terms and Conditions; Scope of Work; Work Schedule; Certificates of Compliance; Plans, Specifications, Addenda, Warranties for Work; Work Forms; Attachments; Price Sheets; Questionnaires; Response Forms; Special Provisions and Specifications; Technical Provisions and Specifications; Schedules; Cooperative Authorizations; Exhibits, Material, Equipment, Services Pricing, Exhibit A General Scope of Work and its Special Provisions, Exhibit B Unit Price List (the "Contract Documents" or "Master Contract").
5. **CONTRACT PRICING:** Contract pricing shall be consistent with the Contract Documents and Contractor's Proposal and is listed in **Exhibit "1"** (Price Sheet), and shall not exceed **\$481,334.56**.
6. **TERM OF CONTRACT:** The term of this Contract shall be from the Effective Date through satisfactory completion of the Services or delivery of Goods and acceptance of the Services and/or Goods by the Town. Time is of the essence to the terms of this Contract.
7. **COMPLIANCE WITH FEDERAL AND STATE LAWS.**
 - A. 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.
 - B. 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").
 - C. 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.
 - D. 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.

- E. 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 verification performed.
 - F. 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.
 - G. 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.
 - H. 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.
8. **METHOD OF PAYMENT.** Method of payment shall be set forth in **Exhibit "1"**. If payment is to be made monthly, Contractor shall prepare monthly invoices and progress reports which clearly indicate the progress to date and the amount of compensation due by virtue of that progress. All invoices shall be for Services completed or Goods accepted by the Town.
9. **TERMINATION.** Town, at any time and for any reason and without cause, may terminate, suspend or abandon any portion, or all, of this Contract at Town's convenience without penalty or recourse. Contractor shall receive payment for Services or Goods satisfactorily completed and accepted by Town, as determined by Town in its reasonable discretion, based on the Goods and/or Services requirements and schedule for payment.
10. **INDEPENDENT CONTRACTOR.** It is understood that Contractor shall be an independent contractor with respect to Services and/or Goods provided under this Contract, and shall not be deemed to be a partner, employee, joint venture, agent, or to have any other legal relationship with Town.
11. **Notices.** Any notice to be given under this Contract shall be in writing, shall be deemed to have been given when personally served or when mailed by certified or registered mail, addressed as follows: Town: Town of Florence, Town Clerk, 775 N. Main Street, PO Box 2670, Florence, AZ 85132; and Contractor: Cactus Transport Inc. Attn: Bryan Glazer, 8211 W. Sherman St. Tolleson, AZ 85353.

12. **INDEMNIFICATION.** To the fullest extent permitted by law, the Contractor, its successors, assigns and guarantors, shall pay, defend, indemnify and hold harmless the Town of Florence, its Mayor and Council members, its agents, officers, officials, representatives and employees, from and against all demands, claims proceedings, suits, damages, losses and expenses (including but not limited to attorney's fees, court costs, and the costs of appellate proceedings), and all claim adjustment and handling expenses, relating to, arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, Goods or Services of the Contractor, its agents, employees or any tier of Contractor's subcontractors related to the Goods or Services in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify Town of Florence, its Mayor and Council members, its agents, officers, officials, representatives and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting therefrom, caused by Contractor's acts, errors, mistakes, omissions, Goods, Services in the performance of this Contract including any employee of the Contractor, any tier of Contractor's subcontractors or any other person for whose acts, errors, mistakes, omissions, Goods, Services the Contractor may be legally liable.
13. **WARRANTY.** Contractor warrants that the Goods and Services will conform to the requirements of this Contract. Additionally, Contractor warrants that all Services will be performed in a good, workman-like and professional manner. The Town's acceptance of Goods or Services provided by Contractor shall not relieve Contractor from its obligations under this warranty. If any Goods or Services are of a substandard or unsatisfactory manner as determined by the Town, Contractor, at no additional charge to the Town, will provide Goods or redo such Services until they are in accordance with this Contract and to the Town's reasonable satisfaction. Unless otherwise agreed, Contractor, warrants that Goods will be new, unused, of most current manufacture and not discontinued, will be free of defects in materials and workmanship, will be provided in accordance with manufacturer's standard warranty for at least one (1) year, unless otherwise specified, and will perform in accordance with manufacturer's published specifications.
14. **PURCHASING POLICY.** The Town of Florence Town Code and Purchasing Policy govern this procurement and are incorporated as part of this Contract by this reference.
15. **GOVERNING LAW.** This Contract shall be deemed to be made under, shall be construed in accordance with, and shall be governed by the laws of the State of Arizona, without reference to choice of law or conflicts of laws principles thereof. The exclusive forum selected for any proceeding or suit in law or equity arising from or incident to this Contract shall be Pinal County, Arizona.
16. **PROHIBITED BOYCOTT.** Pursuant to A.R.S. 35-393.01, the Contractor, by execution of this Contract, certifies that it is not currently engaged in, and agrees for the duration of this Contract to not engage in, a boycott of Israel.

IN WITNESS WHEREOF, the Parties have executed this Contract effective as of the Effective Date set forth above.

TOWN OF FLORENCE, A municipal corporation

By: _____
Tara Walter, Mayor

Date: _____

ATTEST:

Lisa Garcia, Town Clerk

APPROVED AS TO FORM:


Clifford L. Mattice, Town Attorney

CONTRACTOR

By: _____

Date: _____

Its: _____

	TOWN OF FLORENCE COUNCIL ACTION FORM	<u>AGENDA ITEM</u> 8f.
MEETING DATE: May 15, 2017 DEPARTMENT: Community Development STAFF PRESENTER: Mark Eckhoff, AICP Community Development Director SUBJECT: Town Council's 2017-2022 Strategic Plan		<input checked="" type="checkbox"/> Action <input type="checkbox"/> Information Only <input type="checkbox"/> Public Hearing <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <div style="margin-left: 20px;"> <input type="checkbox"/> Regulatory <input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading </div> <input type="checkbox"/> Other

RECOMMENDED MOTION/ACTION:

Motion to approve the Town Council's 2017-2022 Strategic Plan.

BACKGROUND/DISCUSSION:

On March 21, 2016, Town Council approved a process and timeline for the Town's Strategic Plan project. Staff has enjoyed an open, transparent, exhilarating and educational process working on this project for the past 14 months. It is with great pleasure that staff presents the Town Council's 2017-2022 Strategic Plan for Council's final review and approval.

Staff is confident that the upmost efforts have been made to reflect the interests of all those that have so tirelessly contributed to this project. The input received on this project was tremendous, and each step of public comment and participation process brought us closer to this day. The stakeholders engaged on this project are too many to mention, but particular credit must be given to the Citizen's Advisory Group that met on many occasions in an effort to ensure the production and ultimate adoption of an outstanding plan.

The joint Town Council and Citizen's Advisory Group meeting was extremely productive and positive. That meeting was followed by a Town Council retreat with the Town Manager and department managers. This meeting proved to be highly beneficial in understanding, organizing and prioritizing all of the information collected to that point so that there was clear direction on what information needed to be included in the Strategic Plan. A new Vision Statement was also produced at the retreat.

With this Strategic Plan, staff presents a companion Implementation Plan that will ensure that there is a clear pathway towards the implementation of the Strategic Plan objectives. The Implementation Plan takes the Strategic Plan Priority Areas and Objectives associated with each Priority Area and identifies tasks that need to be taken to achieve the noted objectives. Tasks are arranged into short, mid and long-range

tasks. The Town Manager and department managers will also have an internal process of ensuring accountability for all tasks.

Staff notes that with the adoption of this Strategic Plan, all major actions taken must address how the actions relate to the Strategic Plan. Budgets, both operational and CIP, need to tie into the Strategic Plan Priority Areas, Objectives and Tasks. That said, there should also be an understanding that this is a living document, as is the Implementation Plan, which will need to be reviewed and updated on a periodic basis. It is further noted, that a comprehensive update to the Strategic Plan should occur in approximately five years.

FINANCIAL IMPACT:

The overall final budget for this project, which is comprised of our contact with Common Sense Consulting and Facilitation, will not exceed \$20,000. As such, this project will be successfully completed within budget.

RECOMMENDATION:

Adoption of the Town Council's 2017-2022 Strategic Plan.

ATTACHMENT:

Town Council's 2017-2022 Strategic Plan with Implementation Plan
Supporting documentation



Florence Town Council

(Draft) Strategic Plan 2017-2022



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2017–2022 TOWN COUNCIL STRATEGIC PLAN

Approved: May 2017

TOWN COUNCIL

Tara Walter – Mayor

Vallarie Woolridge – Vice-Mayor

John Anderson

Rebecca Guilin

William “Bill” Hawkins

Kristen Larsen

Karen Wall

Strategic Plan Team

Brent Billingsley – Town Manager

Lisa Garcia – Deputy Town Manager/Town Clerk

Jess Knudson – Assistant Town Manager

Mark Eckhoff – Community Development Director

Strategic Planning Process Facilitated By:

Common Sense Consulting & Facilitation, Karalea Cox

Message from the Town Council

May 2017

The Town of Florence has undergone remarkable changes within the last several years. The Live, Work, Play, philosophy was enhanced with the additions of the community center, library, aquatic center, soccer fields and pickle ball courts. The Town fared better than many communities during the great recession, but there were still challenges to overcome.

Throughout these developments, the Town of Florence remains in a strong, if not enviable, position. Our fiscal standing is solid. We're purposely positioning ourselves for growth and sustainability. We've wisely used the resources at our disposal to meet the new realities of a fluctuating economy. As we move into a new phase of economic opportunity, we are determined to take the lessons we learned during the past few years in applying them to our Town's future. For these reasons, we've developed this Strategic Plan.

In our deliberations and outreach to residents, we have earnestly worked to measure each issue and every goal and objective by our dedication to maintaining our government's commitment to remaining fiscally responsible and transparent, providing exceptional public services, building community attachment through mutual respect, and creating a community environment where people want to live, work and play.

No strategic plan can address every issue – nor should it. The most effective strategic plans are road maps by which organizations are able to track their steps and maintain their focus as they move toward a common vision of the future.

This is what we have done with our Strategic Plan. With the assistance of Town staff and engaged citizens, we have laid out a road map by which we are confident that, by working together, we will be able to build a better future for the Town of Florence.



Tara Walter – Mayor

Vallarie Woolridge – Vice Mayor

John Anderson

Rebecca Guilin

William “Bill” Hawkins

Kristen Larsen

Karen Wall

Overview of the Planning Process

The Florence Town Council decided in the spring of 2016 to undertake a strategic planning process for town government.

The Town Council determined that staff would work internally on this project with the limited assistance of an outside facilitator, the goal being that the Town would have more ownership over the Strategic Planning process, timeline, costs and final product. Karalea Cox of Common Sense Consulting and Facilitation was hired to facilitate and advise the planning process. Karalea worked closely with the Strategic Planning Team in developing and facilitating the process.



Community outreach was determined to be the foundation of this process. Several outreach activities in a variety of formats were conducted. They included: one-on-one Council and Candidate for Council interviews, one-on-one staff interviews, an electronic citizen survey, an electronic survey to Florence High School students, one-on-one stakeholder interviews conducted by town staff, two public forums and the formation of an ad hoc Citizen Advisory Group, which met frequently over the course of this process.

The result of these outreach activities provided the foundation for two Council work sessions: the first between the Town Council and the Citizens Advisory Group and the second, a Strategic Planning Retreat for Council which was held on February 24, 2017. During the Strategic Planning Retreat, Council members and staff identified the five most important priorities for town government to focus on during the next five years. Realistic strategic objectives were created to guide the necessary steps in implementing each priority. Upon the recommendation of the consultant, the Council decided to develop an implementation framework created by department leaders to outline the action steps necessary to implement the Plan. Each Key Priority Area will include a communication components and marketing components in the implementation framework. This framework is designed to ensure both cross-departmental coordination and promote consideration of innovative ideas amongst town employees.

The Town of Florence staff and the consultant drafted this plan in consultation with the Town Council. Additional historical information, current guiding documents and related consultant conversations with Council members, the Citizens Advisory Group and stakeholders provided further context in the development of the plan.

Guiding Principles

Purpose of this Strategic Plan

This plan clarifies where we are today, where we'd like to be in the coming years, and how we're going to get there. The Plan will work concurrently with other documents, such as the General Plan, as a road map for the Council, Town Manager and Department Managers to ensure that decision-making and funding allocations are moving the Town in a unified and consistent manner for the benefit of Florence's future.

Our Mission and Vision

Florence provides a safe, diverse, family-friendly community in which to live, work, and play. Florence strives for economic and environmental sustainability, while protecting and promoting its unique history and culture.

Our Stakeholders

The Town of Florence values its stakeholders and seeks to actively engage and partner with our stakeholders wherever possible.

Our Strategic Priority Areas

The Town of Florence has identified the following five areas to focus on during the next five years.



Making This Plan a Reality

The Town of Florence Council retains ultimate responsibility for the implementation of this plan. The Council shall, at its discretion, take steps that are necessary and appropriate to ensure the plan's successful implementation.

To ensure this Strategic Plan is implemented in a collaborative process across all areas of Town government, the implementation process will be directed by the Strategic Plan Team.

The Strategic Plan Team, under the direction of the Town Manager, will report to the Town Council, carry out the Council's directives and gather feedback from all parties involved within Town government.

The Strategic Plan Team will report to Council on a bi-annual basis on accomplishments made in reaching objectives and carrying out specific action steps in each Priority Area.

Strategic partners and other governmental agencies will be an additional resource for the implementation of this Strategic Plan. The Strategic Plan Team will work with those partners and agencies to determine appropriate partnerships throughout the implementation of this plan.



Community Vitality

Community Vitality is the art of connecting all of the multi-dimensional aspects of community life to create a community and environment where people want to live, work, volunteer, recreate and socialize. It is more than creating quality of life; it's creating quality of place, life and connectedness.



Objectives

Promote, allocate resources, and propagate partnerships that facilitate the ongoing completion of key Town initiatives.

Enhance existing community events and develop new community events that showcase Florence and encourage the involvement of, amongst others, the schools, community organizations and the Town.

Review and evaluate existing and proposed codes, regulations and procedures that can proactively assist in addressing strategies and solutions pertaining to vacant buildings, undeveloped lots, infill development and blight.

Promote and evaluate current services and programs that the Town offers to residents.

Pursue partnerships to provide additional services to Florence's youth, seniors, and families.

Seek opportunities to enhance access to fresh, healthy and local food.

Identify additional opportunities to celebrate and capitalize on the Town's history and Historic District.

AREAS of EMPHASIS

- ~ Open Spaces
- ~ Events/Programs
- ~ Visual Appearance
- ~ Community Promotion
- ~ Community Services
- ~ Community Involvement

Economic Prosperity

Economic Prosperity is more than economic development or simply creating jobs, although those are important. Economic Prosperity is diversifying the local economy through innovative, entrepreneurial development that embraces and supports, current economic sectors, increases small business opportunities and provides community amenities that increase quality of life and contribute to Community Vitality.

Objectives

Develop resources and tools to help the Town define its unique identity and serve as a valuable mechanism to communicate and promote a clear, consistent and positive message about Florence.

Seek opportunities to streamline and improve government functions.

Develop strategies, mechanisms and partnerships to foster economic development, including business education, business retention and small business incubation.

Evaluate opportunities to capitalize upon existing regional events to increase the positive economic impact of these events on the Town.

AREAS of EMPHASIS

- ~ Branding and Marketing
- ~ Business Attraction
- ~ Economic Gardening
- ~ Infill Development
- ~ Redevelopment

Leadership and Governance

Community leadership and municipal governance go hand-in-hand. Community leadership comes from all ages, backgrounds and interests. It is stepping up and stepping out to create leaders that are connected in all aspects of community life. Municipal Governance is listening to residents, providing quality services and taking ownership of the budget to increase community capacity and resiliency.



Objectives

Ensure public confidence by maintaining a welcoming, inclusive, and safe environment in the Town of Florence.

Seek opportunities for Council members and staff to serve on regional, state and national committees and organizations.

Attract citizens to serve on Town boards and commissions, and other local volunteer and leadership opportunities.

Provide opportunities for meaningful public involvement in decision-making to ensure a high level of transparency in municipal governance.

Evaluate personnel policies and procedures, and employee compensation and benefits strategies to attract and retain quality employees.

Stay engaged with federal, state, regional, and local government and regulatory agencies regarding existing and ever-evolving regulatory requirements.

AREAS of EMPHASIS

- ~ Developing tomorrow's leaders
- ~ Engaging younger leaders
- ~ Easy access to public information
- ~ Two-way communication
- ~ Transparent

Partnerships and Relationships

Partnerships and relationships are essential to the success of the community. Working together as a community and a larger region to build a better future for Florence is vital to the success of this Strategic Plan. Strong, healthy inter-governmental relationships leverage resources and maximize opportunities. Partnering with community organizations and businesses builds capacity and resiliency.



Objectives

Identify and improve the Town's relationships with regional and professional organizations to leverage resources.

Nurture the Town's partnership with Pinal County and local governments to ensure a positive working relationship and to leverage resources.

Build a stronger relationship with ADOT to enhance the planning, funding and implementation of local and regional transportation projects.

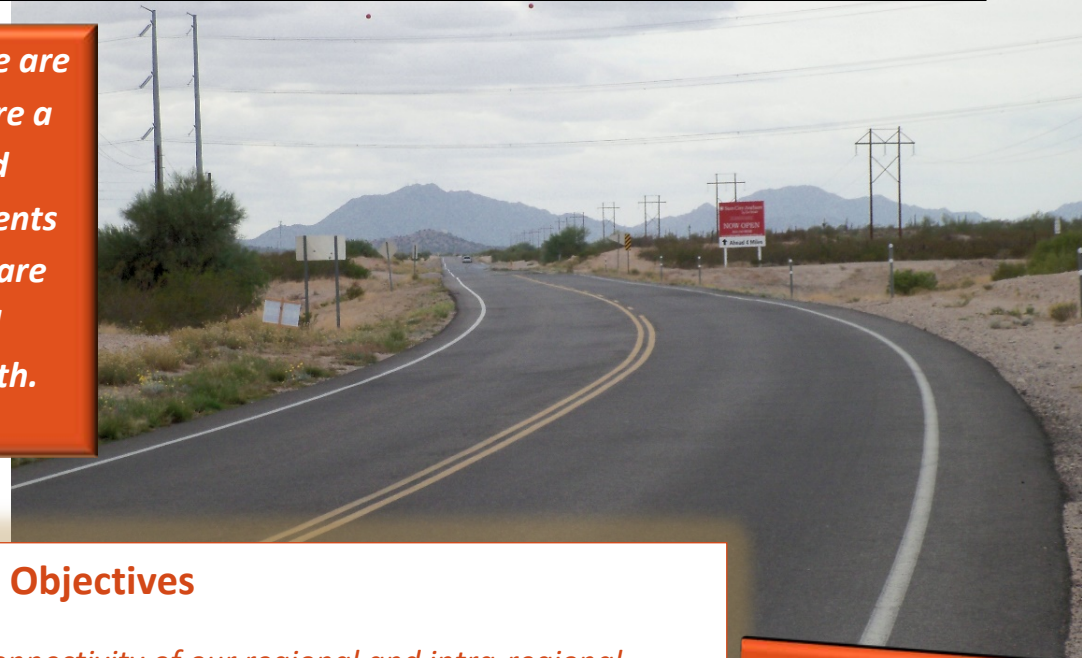
Partner with community stakeholders (i.e., civic, faith, chamber, and historical organizations) so that all residents are engaged and contributing to the Town's activities.

AREAS of EMPHASIS

- ~ Regional Governmental Partners
- ~ Pinal County
- ~ Arizona Dept. of Transportation
- ~ Community Partners

Transportation and Infrastructure

Transportation and Infrastructure are not municipal amenities; they are a necessity. Transportation and Infrastructure are physical elements that reinforce connectivity and are critical for positive sustained residential and economic growth.



Objectives

Enhance the safety, mobility, and connectivity of our regional and intra-regional transportation system.

Dedicate the necessary resources to address water quality and sustainability and other Town provided utilities while controlling costs.

Increase opportunities to save funds and time on municipal development projects.

Utilize alternate project delivery methods to realize economies of scale on construction and maintenance activities.

Enhance relationships with external utility providers to ensure high quality and consistent service and repairs.

Assess, evaluate and make recommendations pertaining to the use of special districts.

Consider multi-modal transportation options in the maintenance of existing infrastructure and the development of new infrastructure.

Maintain, enhance, and expand information technology (IT) infrastructure to pursue the goals, objectives and tasks as established by Town Council and the Strategic Plan.

AREAS of EMPHASIS

- ~ Roads and Highways
- ~ Trails, Parks, Open Space
- ~ Water and Wastewater
- ~ Technology
- ~ Utilities

Our Commitment to the Town of Florence's Future

This Strategic Plan is the product of reflection, consideration and anticipation.

We have reflected on not only what our Town government did right in the past, but also what could have been done differently.

We have carefully considered the Town of Florence's existing challenges.

We have attempted to anticipate the external forces that will shape our Town's future.

In this context, we rededicate ourselves to building a future that further advances the public health, safety and well-being of all Town of Florence residents – as well as the generations of residents yet to come.



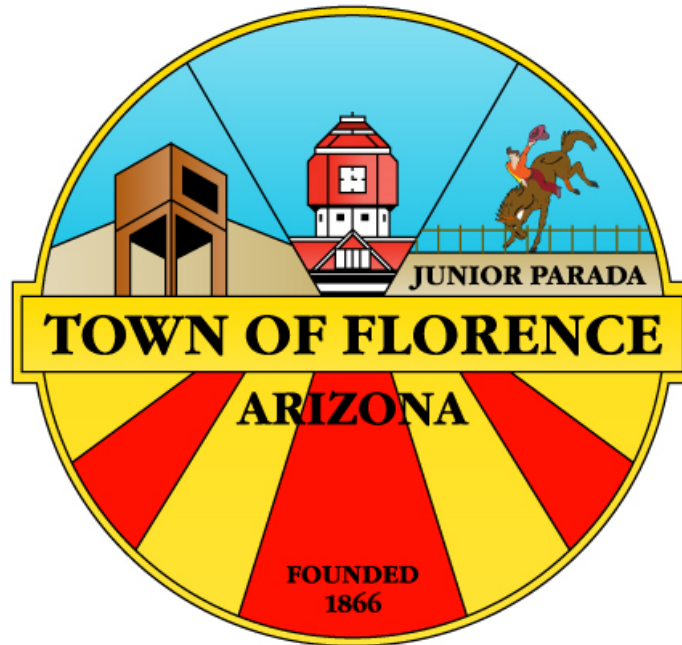
Appendix A: Implementation Plan

DRAFT

Town Council Strategic Plan 2017-2022

Priority Areas, Objectives and Tasks

Implementation Plan



May 15, 2017

Overview

This Implementation Plan is a companion document to the Town Council's 2017-2022 Strategic Plan that shall be used to ensure the successful and timely implementation of the Strategic Plan.

The Implementation Plan lists the five Strategic Plan Priority Areas, Objectives for each Priority Area and then Tasks for each Objective. Tasks are divided into three types:

Short-Term Tasks, which are expected to be accomplished within a six month to one year time period;

Mid-Term Tasks, which are expected to be accomplished within a two to four year period; and

Long-Term Tasks, which are expected to be accomplished within five or more years. Some of these Long-Term Tasks may be carried over into the next five year Strategic Plan for a variety of reasons.

Communication was an overriding concern with the Strategic Plan. As such, the Strategic Plan includes many Objectives that refer to communication and many of the tasks herein have a communication emphasis noted. A related marketing component is also noted herein.

Priority Area: Community Vitality (CV)

CV Objective 1: Promote, allocate resources, and propagate partnerships that facilitate the ongoing completion of key Town initiatives.

Short-Term Tasks (six months to one year):

- Develop a realistic and feasible phasing and implementation plan that continues to expand upon the Town's progress on the Territory Square project.
- Seek grants to fund design and environmental work related to the Poston Butte Park project.

Mid-Term Tasks (two to four years):

- Acquire additional private and/or public (Bureau of Land Management) land adjacent to the Poston Butte Park to facilitate the expansion of this park.
- Negotiate short and long-term easements from the Copper Basin Railway for improved access into the Poston Butte Park.
- Pursue design concepts, funding sources and potential partners to advance the concepts for a path or trail system within the Town, including within the Territory Square project.
- Effectively communicate and promote key Town projects in the Town's branding and marketing efforts. ***Communication Component**

Long-Term Tasks (five or more years):

- Advance Federal Emergency Management Agency (FEMA) Letter of Map Revisions (LOMRs) within the Territory Square project, including facilitating private stakeholders within the project.

- Obtain a permanent right-of-way for the Main Street extension through the Territory Square project.
- Obtain a permanent right-of-way for the east-west River Road that parallels the Gila River through the Territory Square project between State Highway 79 and Plant Road.
- Work with adjacent property owners to improve access to the Poston Butte Park, and work towards facilitating other regional improvements that would benefit this park.
- With a defined scope of work, funding allocations and consistency with the Town's General Plan (GP) and Parks, Trails and Open Space Master Plan (Parks Master Plan), hire a design and construction team to pursue improvements at the Poston Butte Park.
- With a defined scope of work, funding allocations and consistency with the GP and Parks Master Plan, commence with the phased design and construction of additional paths and trails within Florence.

CV Objective 2: Enhance existing community events and develop new community events that showcase Florence and encourage the involvement of, amongst others, the schools, community organizations and the Town.

Short-Term Tasks:

- Evaluate the effectiveness and costs of all current events to determine whether there are events need to be discontinued or improved.
- Evaluate the effectiveness of how community events are communicated and promoted to the public. ***Communication Component**
- Seek partnerships with schools and drama clubs, to perform dramatized re-enactments of moments from Arizona history, to be performed as part of major Town events.

Mid-Term Tasks:

- Incorporate the need for creating and promoting successful community events in the Town's branding and marketing plan efforts. ***Communication and Marketing Component.**

Long-Term Tasks:

- Establish partnerships with private/non-profit entities to plan and create successful community events.
- Work with local historians and community organizations to enhance walking tour.
- Create reenactment scripts that have a uniform approach and message.
- Implement strategies within the approved branding and marketing plan. ***Marketing Component**

CV Objective 3: Review and evaluate existing and proposed codes, regulations and procedures that can proactively assist in addressing strategies and solutions pertaining to vacant buildings, undeveloped lots, infill development and blight.

Short-Term Tasks:

- Adopt more recent International Building Codes and related codes.
- Develop a Council approved Code Compliance Manual to outline Council's code compliance activities.
- In partnership with a local non-profit where possible, develop a local façade improvement program.
- Send property owners of vacant buildings a letter describing the Town's improved code enforcement policies and encourage the use of their building. ***Communication Component**
- Develop a departmental working group to execute code compliance goals.

Mid-Term Tasks:

- Hire/assign a full-time Code Compliance Officer to execute code compliance tasks.
- Allocate funding in Town budget to assist with code compliance activities.
- Allocate funding in Town budget to fully utilize the adopted infill and redevelopment tools.
- Educate and communicate the public on the importance of code compliance and neighborhood beautification. ***Communication Component**

Long-Term Tasks:

- Evaluate other legal mechanisms, potential partnerships and funding sources available for more pro-actively addressing code compliance issues within Town.

CV Objective 4: Actively promote and evaluate current services and programs that the Town offers to residents and visitors.

Short-Term Tasks:

- Evaluate the necessity, costs and effectiveness of programs and services that the Town provides to residents and visitors.
- Seek out options for reducing the costs of services and programs, including using partnerships.
- Effectively promote the Town's programs and services. ***Communication and Marketing Component**
- Identify a partnership to create and promote a community calendar. ***Communication and Marketing Component**

Mid-Term Tasks:

- Distribute citizen survey to determine opinions on customer service, accessibility, Town services, etc. ***Communication Component**
- Review citizen surveys and other public comments to continuously evaluate the programs and services that the Town provides to residents and visitors.
- Determine the feasibility of increasing access to resources that promote programs and services, such as the Parks and Recreation Community Activity Guide. ***Communication Component**

Long-Term Tasks:

- Evaluate the programs and services that the Town provides to residents and visitors for consistencies with the adopted 2030 GP.
- Implement adopted branding and marketing strategies to better communicate and promote programs and services that the Town provides to residents and visitors. ***Communication and Marketing Component**

CV Objective 5: Actively pursue partnerships to provide additional services to Florence's youth, seniors, and families.

Short-Term Tasks:

- Expand the Florence Youth Leadership Program to include a Youth Council.
- Recruit volunteers and seek contributions to assist with youth, senior and family programs.

Mid-Term Tasks:

- Evaluate opportunities for new partnerships that could be beneficial in serving the needs of youth, seniors and families.
- Evaluate and seek opportunities to partner with existing medical and mental health providers in the region for the benefit of serving the community.

Long-Term Tasks:

- Actively market the Town's need for an assisted living facility and other related medical services within Florence. ***Marketing Component**
- Evaluate public/private partnerships for Town-owned properties for facilitating services that benefit youth, seniors and families.

CV Objective 6: Seek opportunities to enhance access to fresh, healthy and local food.

Short-Term Tasks:

- Research local resources already available in the region.

Mid-Term Tasks:

- Work with Regional Partners engaged in Food Security and Local Food Access projects, e.g., Arizona Department of Agriculture, Local First Arizona Good Food Finder Network and the Copper Communities Food Hub Study.
- Support a local farmers market and farm to table initiatives.

Long-Term Tasks:

- Develop relationship with Local First Arizona and the Independent Grocers Initiative to support local grocery stores.

CV Objective 7: Identify additional opportunities to celebrate and capitalize on the Town's history and Historic District.

Short-Term Tasks:

- Seek opportunities to strengthen relationships with Arizona State Parks and the State Historic Preservation Office. ***Marketing Component**
- Work with Arizona State Parks on their vision to improve upon McFarland State Park.

Mid-Term Tasks:

- Support the Historic District Advisory Commission in the development of more promotional materials and events that can showcase the Florence Historic District. ***Communication and Marketing Component**
- Evaluate the means to revitalize the downtown, including the preservation of historic resources.

Long-Term Tasks:

- Update the Town's Historic Preservation Design Guidelines and Development Code regulations pertaining to historic preservation upon the adoption of the 2030 GP.
- Research the possibility of nominating additional properties to the National Register.

Priority Area: Economic Prosperity (EP)

EP Objective 1: Develop resources and tools to help the Town define its unique identity and serve as a valuable mechanism to communicate and promote a clear, consistent and positive message about Florence.

Short-Term Tasks:

- Initiate a scope of work and development of a Request for Proposals (RFP) for comprehensive branding and marketing strategy. ***Marketing Component**
- Initiate a scope of work and development of an RFP for the Town's 2030 General Plan (GP), which includes updates to the Town's Regional Transportation Plan and Parks Master Plan.

Mid-Term Tasks:

- Identify funding and potential partnerships to facilitate the advancement of a comprehensive branding and marketing plan. ***Marketing Component**
- Develop a strategy that promotes potential and existing tourism assets and include as part of the comprehensive branding and marketing effort. ***Marketing Component**
- Complete the 2030 GP and advance to the voters of Florence for their support.
- Develop a plan to better utilize Channel 11 for enhanced communication, education and promotion of services, programs and events. ***Communication Component**
- Identify sites, resources and needs for additional gateway signs and/or electronic messaging signs. ***Marketing Component**
- Develop a strategic annexation and growth policy.

Long-Term Tasks:

- Implement the comprehensive branding and marketing plan. ***Marketing Component**
- Develop targeted marketing materials to recruit target industries. ***Marketing Component**
- Pursue the attraction of employers through enhanced marketing and the negotiation of incentives.
- Implement the 2030 GP.

EP Objective 2: Seek opportunities to streamline and improve government functions.

Short-Term Tasks:

- Develop a list of Town services that can be provided online for enhanced convenience, while still maintaining a focus on high-quality face-to-face customer service. ***Communication Component**
- Perform an internal review of all communication documents (forms, notifications, process documents, etc.) between the Town and customers for proper messaging and friendliness.

Mid-Term Tasks:

- Compare and monitor Town policies, fees and procedures to other jurisdictions' best practices.
- Continue to improve communication and educational efforts through the development of content for webpage, social media and other mediums. ***Communication Component**

Long-Term Tasks:

- Implement strategies and goals of the adopted branding and marketing plan and 2030 GP.

EP Objective 3: Develop strategies, mechanisms and partnerships to foster economic development, including business education, business retention and small business incubation.

Short-Term Tasks:

- Review current Geographic Information System (GIS) services available, identify GIS tools that would benefit the development and business community and develop an implementation and budgeting plan for expanding such services over a five-year period.
- Use GIS to easily identify commercial and/or industrial sites to respond to economic development inquiries.
- Work with local business community to identify critical local business needs and develop strategies for expanding business education and training.
- Create and implement a realtor tour with local and regional real estate professionals for educational and promotional purposes.

Mid-Term Tasks:

- Hire/assign an Economic Development Coordinator to execute the Town's goals.
- Create a Florence Economic Development Organization (EDO) or similar entity to further support local economic development activities.
- Conduct a labor study and identify strategies to address findings.
- Conduct a leakage study and develop strategies to address findings.
- Identify sites that could be acquired (purchased/leased/partnerships), improved and certified under the

Arizona Commence Authority certified sites program. Allocate funding for this program.

- Create and hold an annual economic summit to discuss local issues and concerns.
- Evaluate the need for an ambassador program to promote economic development and encourages positive and transparent communication. ***Communication and Marketing Component**
- Identify a comprehensive list of benefits for existing correctional and enforcement in Florence for promotional opportunities. ***Communication and Marketing Component**
- Facilitate a partnership with local medical facilities and the correctional industry to promote the use of medical services for inmates in the Town of Florence.
- Stay engaged with Pinal County and the Arizona Department of Environmental Quality (ADEQ) in regards to the creation and implementation of changing air quality standards that could hinder or enhance local economic development opportunities.
- Seek opportunities to create a shop local program or similar program that encourage residents to support locally-owned business.

Long-Term Tasks:

- Acquire, improve and certify sites under the Arizona Commence Authority certified sites program. Communicate and market this program. ***Communication and Marketing Component**
- Evaluate opportunities for public/private partnerships and the use of incentives to stimulate economic development.
- Evaluate Town procurement policies to support locally owned businesses.

EP Objective 4: Evaluate opportunities to capitalize upon existing regional events to increase the positive economic impact of these events on the Town.

Short-Term Tasks:

- Improve the communication and marketing of regional events. ***Communication and Marketing Component**
- Continue to improve partnerships with Country Thunder and seek ways to grow and better capitalize upon the Road to Country Thunder event. ***Marketing Component**

Mid-Term Tasks:

- Create and implement a familiarization tour with local and valley media representatives. ***Marketing Component**

Long-Term Tasks:

- Implement branding and marketing plan strategies to better communicate, promote and grow the benefits of regional events. ***Communication and Marketing Component**

Priority Area: Leadership and Governance (LG)

LG Objective 1: Ensure public confidence by maintaining a welcoming, inclusive and safe environment in the Town of Florence.

Short-Term Tasks:

- Develop an annual “Council Challenge” between the Town Council and the community that promotes leadership and community engagement. ***Communication Component**
- Create and organize activities for a Florence Cares program.
- Develop a public relations team to include the Mayor, Councilmembers and department directors, to address and inform local clubs, groups and other civic organizations about the Town. ***Communication and Marketing Component**
- Work with Public Information Officer to develop a list of topics and talking points on current topics of interest.

Mid-Term Tasks:

- Develop a training program to ensure a uniform message. ***Communication Component**

Long-Term Tasks:

- Expand upon efforts based on the direction, strategies and policies adopted per the approved branding and marketing plan and the 2030 GP.

LG Objective 2: Seek opportunities for Councilmembers and staff to serve on regional, state and national committees and organizations.

Short-Term Tasks:

- Attend meetings or events annually with key regional partners that are beneficial to the Town. ***Marketing Component**
- Seek opportunities to be engaged with and benefit from national organizations. ***Marketing Component**

Mid-Term Tasks:

- Seek opportunities to bring regional, state and national organization meetings to Florence.

Long-Term Tasks:

- Evaluate activities based upon the goals, objectives and priorities of the adopted 2030 GP.

LG Objective 3: Attract citizens to serve on Town boards and commissions, and other local volunteer and leadership opportunities.

Short-Term Tasks:

- Annually review the policies for Town boards and commissions.
- Develop a curriculum to reintroduce the Florence Leadership Academy.
- Continue to hold an annual boards and commission appreciation dinner.

Mid-Term Tasks:

- Explore opportunities to partner with local and regional educational institutions and education specialists on leadership development.
- Engage Arizona Service Enterprise Initiative for resources and training on building volunteer programs.

Long-Term Tasks:

- Evaluate the need to create additional boards and commissions.

LG Objective 4: Provide opportunities for meaningful public involvement and engagement in decision making to ensure a high level of transparency in municipal governance.

Short-Term Tasks:

- Adopt the Town Council 2017-2022 Strategic Plan.
- Add Strategic Plan references to Request for Council Action forms.
- Solicit feedback for change on the tasks associated with the Town Council 2017-2022 Strategic Plan on an annual basis (review of the Implementation Plan).

Mid-Term Tasks:

- Provide bi-annual updates to Council on the progress of the Town Council 2017-2022 Strategic Plan.
- Research, catalog, and track, key contracts and agreements.
- Complete Florence imagery set/directory for use in publications and marketing materials. ***Marketing Component**
- Review opportunities to enhance the sharing and accessibility of public information. ***Communication Component**

Long-Term Tasks:

- Implement approved branding and marketing strategies to promote public involvement and engagement. ***Marketing Component**

LG Objective 5: Evaluate personnel policies and procedures, and employee compensation and benefits strategies to attract and retain quality employees.

Short-Term Tasks:

- Encourage memberships and involvement in relevant and beneficial professional associations.
- Evaluate the possibility of creating an employee activity committee.
- Create and implement an employee recognition program.

Mid-Term Tasks:

- Develop a mentoring program for employees conducted by department directors.
- Implement policies and best practices regarding teamwork, professional image, perceptions, actions and communications.
- Conduct a comprehensive training needs assessment for employees and managers.
- Create a succession plan for all departments.
- Continue to evaluate personnel policies and employee compensation and benefits.

Long-Term Tasks:

- Evaluate organization structures and efficiencies consistent to meet the goals, objectives and priorities of the adopted 2030 GP.

LG Objective 6: Stay engaged with federal, state, regional, and local government and regulatory agencies regarding existing and ever-evolving regulatory requirements.

Short-Term Tasks:

- Enhance partnerships with federal, state and other related agencies so that Florence is ahead of the curve on trends and changing regulatory requirements. Includes, but not limited to: ADEQ, Arizona Department of Water Resources (ADWR), Arizona Department of Revenue (ADOR), FEMA, Arizona State Parks (ASP) and United States Army Corps of Engineers (COE).
***Marketing Component**
- Enhance partnerships with regional, county and other local other agencies. Includes, but not limited to: Pinal County, Maricopa Association of Governments (MAG), Central Arizona Association of Governments (CAG) and all nearby municipalities. ***Marketing Component**
- Enhance leadership roles with regional, state, and national groups. Includes, but not limited to: Arizona League of Cities and Towns and Pinal Partnership.

Mid-Term Tasks:

- Continuously evaluate the effectiveness of the Towns communications and engagement with federal, state, regional, county and local regulatory agencies. ***Communication Component**

Long-Term Tasks:

- Evaluate the Town's priorities in working with federal, state, regional, county and local regulatory agencies based upon the adoption of the 2030 GP.

Priority Area: Partnerships and Relationships (PR)

PR Objective 1: Identify and improve the Town's relationships with regional and professional organizations to leverage resources.

Short-Term Tasks:

- Enhance staff and leadership relationships with professional organizations. ***Communication Component**
- Facilitate and attend regional public safety meetings with the intent to explore regional training, dispatch, and emergency response.
- Actively participate with Public Safety Pinal Group.
- Actively participate with MAG and CAG.
- Actively engage with Pinal County municipalities.
***Communication Component**

Mid-Term Tasks:

- Improve relationship with Central Arizona College (CAC) and Central Arizona Valley Institute of Technology (CAVIT) to explore training and internship opportunities.
- Actively engage and educate other elected officials on the needs and actions of the Town. ***Communication and Marketing Component**

Long-Term Tasks:

- Evaluate changes necessary to respond to the objectives, strategies and priorities per the approved 2030 GP.

PR Objective 2: Nurture the Town’s partnership with Pinal County and local governments to ensure a positive working relationship and to leverage resources.

Short-Term Tasks:

- Department directors have regular professional interactions with their counterparts at Pinal County and nearby municipalities.
***Communication Component**

Mid-Term Tasks:

- Enhance the sharing of information and services with Pinal County and nearby municipalities to help promote and create economic opportunities within the region. ***Communication Component**
- Seek opportunities to develop mutually beneficial opportunities to work with Pinal County and nearby municipalities on economic development projects.

Long-Term Tasks:

- Complete a notable economic development project with Pinal County or a nearby municipality.
- Strive for concurrence on the updates of Comprehensive and General Plans, particularly as it relates to growth areas and overlapping planning areas. ***Communication Component**

PR Objective 3: Build a stronger relationship with ADOT to enhance the planning, funding and implementation of local and regional transportation projects.

Short-Term Tasks:

- Have regular discussions with Arizona Department of Transportation (ADOT) leaders and staff to stay engaged with trends, priorities and projects, as well as to nurture professional relationships. ***Communication Component**
- Attend annual State Transportation Board meetings, particularly when key projects are discussed and when the Town needs to proactively express preferences on projects impacting Florence.
- Enhance participation in Joint Planning Advisory Council (JPAC) activities.

Mid-Term Tasks:

- Work with ADOT on efforts to expedite the ADOT North-South Corridor project, including working towards the local facilitation of preferred alignments and right-of-way acquisitions.
- Coordinate the development of our Regional Transportation Plan with ADOT.
- Continue to partner with ADOT on mutually beneficial projects.

Long-Term Tasks:

- Seek mutually beneficial opportunities to promote alternative transportation programs and multi-modal transportation modes that can improve the level of service (LOS) and the safety of major corridors.

PR Objective 4: Partner with community stakeholders (i.e., civic, faith, chamber and historical organizations) so that all residents are engaged and contributing to the Town's activities.

Short-Term Tasks:

- Evaluate existing programs and initiatives and determine effectiveness and changes needed.

Mid-Term Tasks:

- Seek opportunities to partner with Arizona State Parks on new initiatives and projects that can further promote tourism and the revitalization of downtown Florence. ***Communication and Marketing Component**
- Evaluate opportunities to help promote local services, activities and destinations. ***Marketing Component**
- Work with the local chamber of commerce to evaluate the current relationship with the Town, discuss enhanced partnership opportunities and to seek solutions to filling voids pertaining to business services, community calendars and marketing. ***Communication Component**

Long-Term Tasks:

- Seek new opportunities to work with existing and future stakeholders on the delivery of essential services and programs.

Priority Area: Transportation and Infrastructure (TI)

TI Objective 1: Enhance the safety, mobility, and connectivity of our regional and intra-regional transportation system.

Short-Term Tasks:

- Continue to attend meetings to support the ADOT North-South Corridor Project and to advocate for Florence's preferred alignment. ***Communication Component**
- Continue to attend meetings to support the ADOT Passenger Rail Corridor Project and to advocate for Florence's preferred alignment. ***Communication Component**
- Work with regional partners to begin implementation of the Regionally Significant Routes for Safety and Mobility plan (RSRSM).
- Track and participate in any regional, state or federal efforts to seek funds for transportation infrastructure. This includes, but is not limited to funding from, ADOT Planning Assistance for Rural Areas (PARA) grants, MAG and the Pinal Regional Transportation Authority.
- Ensure that an annual preventative maintenance program remains a priority to provide quality infrastructure to the traveling public and decrease lifecycle costs. Accordingly, create a multi-year pavement management plan and conduct annual review.
- Coordinate with Pinal County regarding potential maintenance and construction cooperation opportunities.
- Utilize cooperative contracts to realize savings on maintenance activities.

Mid-Term Tasks:

- Seek funding, develop a scope and hire a consultant to prepare the Florence Regional Transportation Plan (updated concurrently or prior to the commencement of work on the 2030 GP).
- Implement arterial system improvements as determined in the Florence Regional Transportation Plan and Council approved Capital Improvement Program (CIP).
- Monitor the Florence Regional Transportation Plan and perform annual data collection to program improvements.
- Initiate an annual traffic count program to track system usage and LOS.
- Continue to deliver projects outlined in the CIP and budget.

Long-Term Tasks:

- Update plans to implement new projects identified in the adopted 2030 GP.

TI Objective 2: Dedicate the necessary resources to address the sustainability and the quality of water and other Town provided utilities while controlling costs.

Short-Term Tasks:

- Consider strategic resource acquisitions to ensure water sustainability.
- Seek funding to complete a comprehensive water sustainably plan.
- Seek to increase the Town's recharge capacity.

Mid-Term Tasks:

- Research code and policy changes that ensure future entitlements and annexations consider water resources as a part of the feasibility analysis.
- Monitor or determine the need for complying with the ADEQ and begin the steps necessary to submit a Storm Water Management Plan to satisfy National Pollutant Discharge Elimination System (NPDES).
- Evaluate, maintain and expand water infrastructure for water storage, recharge and delivery.
- Include water conservation initiatives and priorities as part of the 2030 GP process. This shall include, but not be limited to efforts to promote xeriscape, environmentally sensitive development principles, green building and the expanded use of gray water and effluent.

Long-Term Tasks:

- Produce and modify permitting to produce A+ effluent.

TI Objective 3: Increase opportunities to save funds and time on municipal development projects.

Short-Term Tasks:

- Utilize alternate project delivery methods to realize economies of scale on construction and maintenance activities.
- Use alternate project delivery methods to lower costs and improve efficiency.
- Utilize job order contracting as a method to deliver projects in an efficient manner.
- Continue to maintain an adequate list of qualified professional and consultants to assist with municipal development projects.

Mid-Term Tasks:

- Review the scheduling of municipal development projects, namely infrastructure projects, to coordinate with other private or governmental projects.

Long-Term Tasks:

- Consider hiring/assigning project managers that are focused on managing municipal infrastructure and development projects.

TI Objective 4: Enhance relationships with external utility providers to ensure high quality and consistent service and repairs.

Short-Term Tasks:

- Seek opportunities to have regular meetings and positive communications with external utility providers. ***Communication Component**
- Seek opportunities to work with utility providers on potential procedural changes and partnerships that could reduce the impacts of utility work within the Town's rights-of-way.

Mid-Term Tasks:

- Evaluate potentially mutually beneficial opportunities that could enhance the delivery and reliability of utility services.
- Seek opportunities for the next SRP Aesthetics Grant Program project within the Town of Florence.
- Work with utility companies to develop mutually beneficial economic development strategies.

Long-Term Tasks:

- Evaluate utility services needs and priorities based upon growth projects and trends as stated within the adopted 2030 GP.
- Encourage conservation and smart development principles that can limit the footprint of future utilities.
- Seek opportunities for utility companies to partner with the Town on a significant economic development project.

TI Objective 5: Assess, evaluate and make recommendations regarding the use of Special Districts.

Short-Term Tasks:

- While understanding legal commitments, consider alternate infrastructure funding methodologies for new development.
- Inventory the existing streetlight infrastructure and establish a methodology for funding usage and maintenance through Highway User Revenue Fund, General Fund and Street Light Improvement Districts.
- Address, as applicable, this objective as part of the next Development Impact Fee study update.

Mid-Term Tasks:

- Review language pertaining to Special Districts within all existing development agreements.
- Resolve issues with Town land holdings that have assessments.
- Address this objective within the 2030 GP and Regional Transportation Plan projects.

Long-Term Tasks:

- Implement, where available, new creative programs, strategies and policies pertaining to Special Districts and the development and maintenance of Town infrastructure.

TI Objective 6: Consider multi-modal transportation options in the maintenance of existing infrastructure and the development of new infrastructure.

Short-Term Tasks:

- Facilitate meetings and coordination with ADOT, MAG and Central Arizona Regional Transit (CART) regarding regional transit issues. ***Communication Component**
- Continue to promote the integration of multi-modal concepts for the ADOT North-South Corridor project.

Mid-Term Tasks:

- Continue to ensure that all development, as applicable, complies with ADA and seek to go beyond with efforts on municipal projects to promote and enhance accessibility.
- Develop a plan, funding sources and implementation program to upgrade pedestrian infrastructure.
- Seek opportunities to identify bicycle routes or the creation of bike lanes within specific corridors.
- Integrate multi-modal principles into the 2030 GP, Parks Trails and Open Space Master Plan and Regional Transportation Plan updates.
- Identify additional services, improvements and funding sources that would enable the CART to expand its services within Florence.
- Promote available programs offered through MAG for alternative regional transportation options.

Long-Term Tasks:

- Implement multi-modal goals and projects expressed within the adopted 2030 GP, Parks Plan and Regional Transportation Plan projects.

TI Objective 7: Maintain, enhance, and expand information technology (IT) infrastructure to pursue the goals, objectives and tasks as established by Town Council and the Strategic Plan.

Short-Term Tasks:

- Monitor IT acquisition and use policies for all Town departments.
- Leverage industry best practices to ensure the privacy, integrity, reliability, security and appropriate use of information resources.
- Continue to provide protection and security for Town data.
- Continue to stay current with all software updates and hardware upgrades.
- Continue to perform annual comprehensive assessments of the Town's IT infrastructure to ensure that capacity meets the needs of the community.
- Administer the Town website to ensure it is intuitive, reliable, and serves the information needs of its users. ***Communication and Marketing Component**
- Continue to provide and expand electronic public access to information related to Town operations and interactions.
- Provide timely and reliable electronic access to proceedings and outcomes of public meetings. ***Communication Component**

Mid-Term Tasks:

- Work towards expanding functions, capabilities and user benefits on the Town's website. ***Communication and Marketing Component**

- Develop a disaster recovery report to identify vulnerabilities in IT hardware, software, data assets, communication and ability to provide Town services.
- Leverage transformational technologies for improved operational efficiencies.
- Continue to evaluate and expand the capabilities of the Town's GIS program.
- Implement standardized security systems for all Town buildings to appropriately monitor and control access during and after business hours.
- Provide and/or recommend reliable asset tracking systems for all Town departments.
- Improve upon a common, uniform system for organizing, sharing data and documents.
- Evaluate emerging technologies and their value in serving the information needs of Town communication and decision making.

***Communication Component**

Long-Term Tasks:

- Evaluate changing objectives, needs and priorities per technological evolutions and the approved 2030 GP.





MEMORANDUM

TO: TOWN OF FLORENCE; BRENT BILLINGSLEY, TOWN MANAGER
FROM: KARALEA COX
SUBJECT: REPORT ON STRATEGIC PLANNING ACTIVITIES
DATE: DECEMBER 1, 2016
CC: MARK ECKHOFF

Town of Florence Council members, staff, the Citizens Advisory Group and citizens have been engaged in the outreach portion of the strategic planning process throughout the summer of 2016. As is typical of most strategic planning processes, outreach efforts have indicated that additional activities and sessions have been and are still necessary to complete the Strategic Plan. Strategic planning is generally a fluid process and initial activities tend to produce more questions than answers. My experience has been that the time and effort expended to answer these questions results in a better, executable plan.

Activities over the last six months have included on-going communication between myself, Town staff and the Citizens Advisory Group. We have shared key takeaways from all of the outreach activities and collaborated on priorities, strategies and next steps. The results of our collective communication is included in this memorandum, which provides the following:

1. Key Results from all outreach activities including, the Council and Candidate interviews, Staff interviews, Citizen Survey, Stakeholder interviews, Citizen Advisory Group work sessions, Public Forums, and the Florence High School student survey.
2. Recommended Next Steps in the Planning Process.
3. Proposed Structure of the Strategic Plan

I KEY RESULTS OF OUTREACH ACTIVITIES

Activities and Participation:

Council Member Interviews – 5	Candidates Interviews – 4	Staff Interviews – 4
Public Forums – 76	Citizens Advisory Group – 11	Community Survey – 749
High School Student Survey – 144		

*It should be noted that participation from the 18 – 35 year old demographic was significantly less than other age groups.

Vision Statement: While the Town of Florence has a Vision Statement in the General Plan, this statement does not sufficiently reflect a collective vision that leaders, residents and stakeholders can use in developing clear objectives for this Strategic Plan.

General Impressions of Electronic Survey Participants:

On a scale of one to five with five as the highest respondents to the electronic survey ranked the following:

Highest ranking community factors

Your neighborhood as a place to live – 3.55

Florence as a place to retire – 3.18

Florence as a place to live – 2.80

Overall Quality of Life – 2.71

Quality of the natural environment – 2.61

Lowest ranking community factors

Florence as a place to start a business – 1.02

Employment Opportunities – 1.05

Florence as a place to work – 1.23

Educational Opportunities – 1.43

Shopping Opportunities – 1.46

Highest ranking Municipal factors

Safety of the Community – 3.12

Police Services – 3.07

Fire Services – 3.02

Parks & Rec – 2.59

Library Services – 2.48

Lowest ranking Municipal factors

Town Cemetery - .79

Senior Center – 1.19

Town Court – 1.23

Land Use/Planning& Zoning – 1.60

Code enforcement – 1.81

Outreach Analysis: With the assistance of the Citizens Advisory Group and Town staff we examined the findings by asking the following questions:

What do we value?

What do we have to leverage?

What needs to be addressed?

What's in our future?

There is a detailed table demonstrating the results of this exercise at the end of this memo. We then compared the results to the Guiding Principles identified in the Town of Florence General Plan and the North End Framework Vision Plan to ensure continuity and consistency of current plans.

The Citizens Advisory Group is currently engaged in drafting a set of recommendations to present to Council at the December 29, 2016 work session.

II Recommended Next Steps in the Planning Process

Upon examination of the findings with the Citizens Advisory Group and Town staff a clearer picture has emerged as to the outline of the Strategic Plan. The Citizens Advisory Group and staff have identified seven priority areas to be of primary importance for planning purposes. Those Priority Areas are listed below.

Communication Community Cohesiveness Economic Development Governance
Leadership Mission & Vision Transportation/Circulation

It is the desire of the Citizens Advisory Group and Town staff to schedule a facilitated work session with the Town Council to further develop the objectives, outcomes and benchmarks of the Strategic Plan. Activities for the work session on Dec 29, 2016 are outlined as follows:

Purpose of Strategic Plan
Overview of Planning Process
Review of Key Findings from Outreach
Citizens Advisory Group Report: Recommendations

Following the work session with the Citizens Advisory Group it is proposed that Council meet with staff and myself in a full-day retreat to draft and adopt objectives and goals for the Town of Florence Strategic Plan. That date is yet to be determined, but will take place in January 2017.

III Proposed Structure of the Strategic Plan

As a document, the Strategic Plan will be structured similarly to strategic plans for other municipal governments.

- **FIRST SECTION: Purpose, Background on Planning Process, and Executive Summary-** This section will begin with a message from the Council outlining the reasons why the plan was developed, the plan's value to those served by town government, the plan's role in guiding decision-making and planning, etc. A brief description of the planning process will demonstrate how the plan was created. An executive summary will highlight the plan's key points.
- **SECOND SECTION: Mission Statement, Vision Statement, Values-** This section will consist of the guiding principles, including Mission and Vision statements, as well as Values that will guide the work of the Town Government
- **THIRD SECTION: Strategic Goals, Objectives and Action Steps-** This is the core of the document. This section will list the goals, identify the objectives, and detail the action steps that will guide the implementation of the plan.
- **FOURTH SECTION: Review and Revision Process-** In this section the Council will address the internal process city government will take to implement the plan during the next three years.

This proposed structure is a recommendation. Ultimately, this Strategic Plan is yours. My primary objective as your facilitator and consultant is to develop a plan that aligns with the community values of Florence, addresses the needs as they have been identified through multiple outreach efforts and outlines a clear path to achieving the outcomes you desire. From my professional point of view, the selection of a Citizens Advisory Group (with their collective expertise and experience) and the professional experience of staff has and will continue to contribute significantly to the development of a comprehensive and workable plan.

Thank you for the opportunity to work in your community! I look forward to working with you more in the weeks ahead.

Town of Florence Outreach Analysis

What We Value

Council & Candidates	Stakeholders*	High School Students**	Citizens Advisory Group	Electronic Survey/Public Forums
Public Safety	Small Town Feel	Small Town	Small Town Feel	Small Town Feel
Youth	History	Everyone Knows You	Safe Community	Historic Character
Town employees	Safety	Safe	Rural, ag culture	Safety
History	Friendly people	Transparency	Close family/community ties	Town Friendly
Environment	Main Street		Authentic History	Good Schools
	Strategic Partnerships		Prisons/County Seat	Family
			Good Public Services	Job Opportunities
			Natural Environment	

What We Have to Leverage

Council & Candidates	Stakeholders	High School Students	Citizens Advisory Group	Electronic Survey/Public Forums
Main Street/Downtown	History	Small Town/Community	Public Safety	Strong desire/support for increasing businesses & amenities
History	Prisons	School	Prisons/Nat'l Guard	Territory Square Project
Location	Geographic Location	Parks & Rec	Land	Events
Safety	Friendly People	Town Library	Climate	Small Town/Friendly Community
Gila River	Safe	Community Pride	Diversity of housing stock	History/Downtown
Affordability		Great Neighborhoods	Citizen experience and expertise	
Room for growth			A-rated School District	

What Needs to Be Addressed

Council & Candidates	Stakeholders	High School Students	Citizens Advisory Group	Electronic Survey/Public Forums
Budget Constraints and Deficiencies	Need a movie theatre	Florence as a place to start a business	Clear identity and purpose (Vision) for Branding/marketing	More Council outreach, promotion and communication
Florence Copper Development	Secondary jobs for spouses	Shopping Opportunities	More community involvement	Appearance of blighted areas
Main Street/Downtown	Businesses	Quality of Drinking Water	Next phase of Territorial Square	Focus on in-fill
Prison Procurement Policies	Need more events/activities	Land Use/Planning & Zoning	Increase support of economic development and additional job opportunities	Diversity of employment
Roads & Highways	Lack of amenities	Code Enforcement	Support and encouragement of business development with business assistance, incubation, etc.	Stronger Chamber and relationship with Town
Keep town core clean and attractive		Lack of amenities/Places to go and do/opportunities	Educate general public on importance of North/South Corridor	Hunt Highway Corridor
Improve public relations			Enhancement and promotion of historic district	Stronger emphasis on code compliance including funds and personnel
Community events			More Events	
Improve Council relationships			Town develop better relationship with Pulte	

What's In Our Future

Council & Candidates	Stakeholders	High School Students	Citizens Advisory Group	Electronic Survey/Public Forums
Home Rule	Strong, vibrant business community	More stores and businesses	A well-developed strategic plan with benchmarks and accountability	Events/Tours
Florence Copper issue resolved	Completion of Territory Square	Economic growth/job opportunities	New businesses	Council meetings in Anthem
Balanced budget	Historic Preservation	A clean town	Enhanced transportation corridors	North/South Corridor near Florence
A facade improvement fund		More things to do	More events: triathlon, rodeos, softball tournaments, car shows	No empty/vacant buildings
Policies and codes that encourage development in downtown			Secondary jobs for families employed by prisons	Value-added businesses around the prisons, county seat and Nat'l Guard
			Territorial Square Fully Developed	

*33% of Stakeholders don't live in Florence

**13% of students participating don't live in Florence

It's not really a cleaned up town so if people who aren't from here come, they aren't gonna understand what's so great about it. – HS Student

I work here because I love it here. – Stakeholder

Priority Areas

Communication

Community Cohesiveness

Economic Development

Governance

Leadership

Mission & Vision

Transportation/Circulation

Florence Citizen Advisory Group

July 27, 2016

When you think of Florence...

Old cowboy town	Jr Parada	Central Location	Country Thunder	Agriculture
Prisons	County Seat	5 C's	Stable, local gov't	Families
Quality School System	Opportunities	Historic Buildings	Authentic History	Safe
Higher median income	Underutilized	Hardware Store		

Community Capacity

1. The community has a clear and vivid vision for the future of the Town of Florence.
0% Agree, 100% Disagree
2. Partners, stakeholders and supporters are "on board" and ready to commit time and energy in implementing our vision. **0% Agree, 100% Disagree**
3. The community has access to sufficient financial resources, volunteers and subject matter experts to implement this vision. **58% Agree, 42% Disagree**
4. There is a well-developed plan for the Florence Community that is widely supported by residents, businesses and stakeholders that reflects Florence's authenticity, values and direction for the future. **33% Agree, 67% Disagree**
5. The collective attitude of the community towards this vision is positive and community members are willing to set aside personal agendas to see this project be successful. **8% Agree, 92% Disagree**

Business Capacity

1. The Business Community's plan aligns with the Town's Strategic Plan. **0% Agree, 100% Disagree**
2. The Business Development Organization is focused and stable. **0% Agree, 100% Disagree**
3. Physical assets within the community that will allow business to expand have been inventoried. **20% Agree, 80% Disagree**
4. The Business Development Organization has identified and understands the traded and local clusters in the region and how to leverage them. **10% Agree, 90% Disagree**
5. There is a well-developed community profile and response protocol for business and industry inquiries into the community. **10% Agree, 90% Disagree**

*Things we want to **keep**...*

small town feel	rural, ag culture	authentic history	historic downtown
safe community	community events	Prisons/County seat	close family/community ties
financial resources	community pride		

Things we want to **change**...

Improve transportation corridors
vision of community

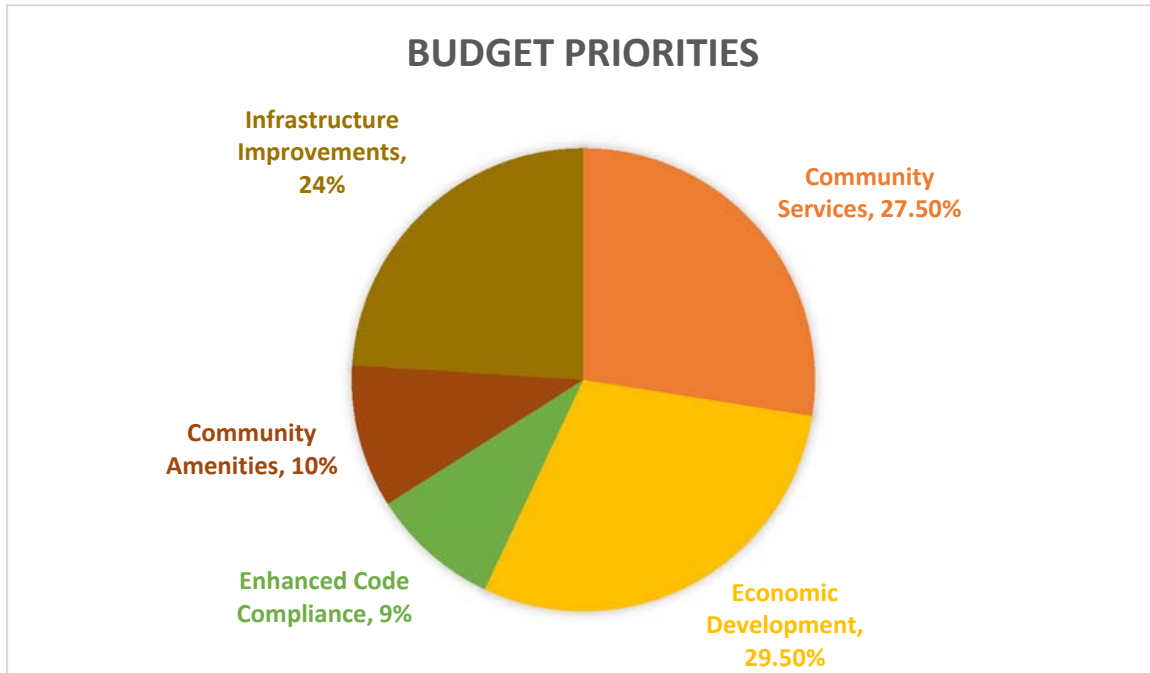
increase amount and quality of leadership
business retention

improve gov't transparency
clean/improve downtown

opportunities for youth
understand development regulations

attract businesses/econ dev
improve brand/image

divided community
greater political interaction



Community Services: Police, Fire

Economic Development: Job Creation

Enhanced Code Compliance: Blight & Vacancy Mitigation

Community Amenities: Parks, Trails, Recreation, Events

Infrastructure Improvements: Roads, water-sewer

Town of Florence

Public Forum Results

Question	8/16/16 Responses (Anthem)	8/17/16 Responses (Downtown Florence)	Collective Responses	Notes/Conclusions
Number of Participants	41	35	76	Several attendees at the second Forum did not participate in the clicker exercise.
What is your age range?	Under 18 (3%) 18-30 (3%) 31-45 (21%) 46-60 (13%) 61 and over (60%)	Under 18 (7%) 18-30 (22%) 31-45 (30%) 46-60 (41%)	Under 18 (5%) 18-30 (12.5%) 31-45 (25.5%) 46-60 (27%) 61 and over (30%)	The 18-30 year-old demographic is under-represented as is the 18 and under.
What is your gender?	Female (44%) Male (56%)	Female (50%) Male (50%)	Female (47%) Male (53%)	
Do you feel connected to your community?	Yes (73%) No (27%)	Yes (57%) No (43%)	Yes (65%) No (35%)	Participants from the Anthem neighborhood feel more connected to their community.
What is the primary resource you use to inform yourself about community issues, happenings, etc?	Newspaper (32%) Radio Social Media (21%) Council Meetings (24%) None (24%)	Newspaper (14%) Radio (3%) Social Media (38%) Council Meetings (10%) None (34%)	Newspaper (23%) Radio (1.5%) Social Media (29.5%) Council Meetings (17%) None (29%)	Council members and staff participated in the survey at Anthem. This may be the reason a significantly higher number reported Council meetings as a primary source of information.
Do you personally have a vision for the future of Florence?	Yes (71%) No (29%)	Yes (93%) No (7%)	Yes (82%) No (18%)	Participants in Anthem focus less on the Town of Florence than participants downtown.
Do you believe the Town Council has a collective vision for the future of Florence?	Yes (44%) No (56%)	Yes (37%) No (63%)	Yes (40.5%) No (59.5%)	Again, council and staff participation in Anthem may account for the increased perception that the Council has a collective vision for Florence.
Do you believe Town staff understand and	Yes (50%) No (50%)	Yes (38%) No (62%)	Yes (44%) No (56%)	Again, council and staff participation in Anthem may account for the increased

carry out the vision that the Council has for Florence?				perception that Town Staff carries out the vision of the Council for Florence.
Do you communicate or engage in dialogue with Town Council Members?	Yes (56%) No (44%)	Yes (90%) No (10%)	Yes (73%) No (27%)	More residents in downtown engage with Council Members
Do you communicate or engage in dialogue with Town staff?	Yes (51%) No (49%)	Yes (86%) No (14%)	Yes (68.5%) No (31.5%)	More residents in downtown engage with Town Staff.
Does the <i>community</i> have a strong desire—even hunger—for business development and economic growth?	Yes (76%) No (24%)	Yes (64%) No (36%)	Yes (70%) No (30%)	Residents in both areas feel the community is hungry for business development and economic growth.
Does the <i>Town Council</i> have a strong desire—even hunger—for business development and economic growth?	Yes (70%) No (30%)	Yes (46%) No (54%)	Yes (58%) No (42%)	Again, council and staff participation in Anthem may account for the increased perception that the Council is hungry for business development and economic growth.
Does the Town Council have a good relationship with the education community in Florence? (k-12 district and community college)	Yes (65%) No (35%)	N/A		This question was not asked at the downtown Public Forum.
How would you rate healthcare services in the community?	Poor (50%) Fair (32%) Good (18%) Excellent	N/A		This question was not asked at the downtown Public Forum.

Why I live in Florence...

Growing Room	Good Schools (6)	Flexible Town Staff	Infrastructure
Growing Market (2)	Sense of Place	Growing Opportunities (2)	Town Friendly (9)
Increasing population	Transportation	Historic character (10)	Small Town Feel (10)
Opportunity (4)	Amenities (4)	Lifestyle (3)	Country/Rural (2)
Diverse population (3)	Retirees (2)	Relaxed, peaceful environment (2)	
Safe (10)	Quiet (4)	Quaint	Wilderness/Desert (3)
Affordable housing (4)	Location (4)	law enforcement presence	Job opportunities (7)
Territorial Town	Majority of residents have disposable income		People (3)
Potential	Tradition	Passionate Residents	low cost-of-living (2)
Low taxes (2)	demographics	Climate/weather (2)	Activities (2)
Homes	Sense of community (2)	Values	Monastery
Business (3)	Volunteer Opportunities		Family (7)
Outdoor Recreation (2)	Church	Affordable/Cost of living (3)	Scenic

“We are away from the rat race.” “You don’t lose your identity.” “Like being on vacation.” “The planning of the town is set for investment.”

Goals: Ready for Shopping

Territory Square Project

State of the Art Medical Facilities


Transportation Corridors (N/S corridor, Hwy 79 Corridor)

1 Year Accomplishments

Increased Community Outreach	Council Meetings in Anthem	Council Corner in News
Informal Meet & Greet (w/food)	Adopt Strategic Plan	New Council Seated
Action Items in Plan implemented	Benchmarks included in Plan (2)	Focus on Ec Dev
Council Outreach/Promote/Communicate	Marketing Plan for Florence	Focus on In-fill
Events/Tours/	Improve Quality of Life	

Five Year Accomplishments

North/South Corridor	Coolidge Airport	Work with Chamber to promote events
Council outreach to business	Hwy 79 Corridor Enhancement	
Leverage existing ec. Clusters (prisons & county seat)	Address In-fill, vacant buildings	
Focus on Youth	Council Provide leadership/encouragement/direction	
Develop a Rural Forum with IDA, Chamber, Tourism, Mainstreet	Develop a “brand”	
Develop a Core Message (ES)	Housing/Quality Downtown	Vibrant Downtown
Market Town Resources	Destination Developments/Venues (Artisan Acres, Country Thunder)	

	TOWN OF FLORENCE COUNCIL ACTION FORM	<u>AGENDA ITEM</u> 8g.
MEETING DATE: May 15, 2017 DEPARTMENT: Public Works STAFF PRESENTER: Christopher A. Salas, Public Works Director/Town Engineer SUBJECT: White Paper: Florence Gardens Phase IV and V Infrastructure		<input type="checkbox"/> Action <input checked="" type="checkbox"/> Information Only <input type="checkbox"/> Public Hearing <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <div style="margin-left: 20px;"> <input type="checkbox"/> Regulatory <input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading </div> <input type="checkbox"/> Other

Introduction

Due to budget constraints and the current state of infrastructure within the Town of Florence, a decision was made to repair the streets within Florence Gardens Phase IV and V in kind, meaning without curb, gutter and sidewalk. The practice of maintaining infrastructure as installed by the developer is common practice within the State of Arizona. Staff and Council have received a complaint from residents that the street improvements within Florence Gardens Phase IV and V should receive curb, gutter and sidewalk or their property values will not increase.

Background

It appears, based on aerial photography, that the majority of Florence Gardens Phase IV was constructed before 1980 and was partially built out with homes. It also appears, based on aerial photography, that Florence Gardens Phase V was also constructed before 1980 and was mostly built out with homes. Florence Gardens Phase IV and V infrastructure was originally built to private street standards that did not include curb, gutter or sidewalk. The roads themselves were constructed using 'chip seal' versus a more traditional asphaltic concrete method. At some point in the history of Florence Gardens the ownership of the roads transitioned from private and maintained by the HOA to public streets and maintained by the Town of Florence. Based solely on the memories of select Public Work employees, Florence Gardens Phase IV had an additional layer of chip seal applied in approximately 1999.

In approximately 1997 the east/west roads within Florence Gardens Phase I, II and III were 'chip sealed'. In approximately 2002 the north/south roads within Florence Gardens Phase I, II and III were 'chip sealed'. Starting in 2008 and completed in 2010 Florence Garden Phase I, II and III were completely reconstructed with asphaltic

pavement, curb, gutter and sidewalk. The improvements constructed within Florence Garden Phase I, II, and III were significant upgrades in comparison to what the original developer installed.

When the Town of Florence decides to accept streets and public infrastructure into its maintenance system, the word maintenance is synonymous with operate, maintain and repair. While the Town of Florence can utilize available funding sources to improve infrastructure, improvements are typically relegated to capacity improvements such as road widening, larger waterlines or transmission lines, capacity improvements to a regional wastewater facility, etc. etc. Florence Gardens Phase IV and V will utilize inverted crown roads to manage the storm water runoff, which mitigates the need for curb and gutter. It is possible through the final design that minimal amounts of curb and gutter will be utilized as necessary. As the development was built without curb, gutter and sidewalk the recommendation of staff would be to maintain the infrastructure as originally designed. By maintaining the infrastructure as originally designed and built by the developer, there would be no negative impact on property values. Local towns and cities cannot purposefully use public funds to increase the property values of businesses or home owners.

Conclusion

As the improvements don't serve a regional benefit in terms of capacity, staff would recommend the formation of an Improvement District (ID) to fund the curb, gutter and sidewalks if the residents would like these types of improvements. An ID is an option for subdivisions or communities outside of an incorporated area desire or require improvements.

Arizona Revised Statutes allow for a formation of a special taxing district, formed with specific boundaries established by 51% of the property owners. Once formed the district operates as a political subdivision of the State of Arizona. Districts have the legal authority to distribute costs of improvements and operations among the properties that benefit. Districts have the authority to impose taxes and assessments on the benefited properties, charge fees for service, acquire funding, adopt ordinances, contract for professional services, construct and operate the improvements. An Improvement District may be used to improve quality of life.

Decisions are made locally and in open meetings to allow public input and notification to property owners in the established district's area. As decisions are made in open meetings the residents have the opportunity to be heard on issues concerning the systems and the district.

An ID is a non-profit and therefore cannot profit, fees charged cover construction, repair and operation of the improvement.

An ID is a method by which a group of property owners can share in the cost of infrastructure improvements, most commonly for transportation and stormwater. This involves improving the streets, building sidewalks, and installing a stormwater management system. An ID can also be used to install sidewalks on existing streets that previously have been accepted for maintenance by the town.

If an ID is formed, the town manages the design and construction of the project, and property owners do not pay until the work is complete. Streets can also be improved under a permit job, in which case the project is privately managed and financed up front by property owners. IDs have also been successfully used to provide sanitary sewer, water main improvements, traffic signal and utility undergrounding improvements in conjunction with street improvements for economies of scale to provide comprehensive and complete infrastructure solutions to neighborhoods.