

**TOWN COUNCIL OF DEWEY-HUMBOLDT  
REGULAR MEETING NOTICE**

**Tuesday, April 16, 2013, 6:30 P.M.**

**COUNCIL REGULAR MEETING  
2735 S. HWY 69**

**COUNCIL CHAMBERS, TOWN HALL  
DEWEY-HUMBOLDT, ARIZONA**

**AGENDA**

The issues that come before the Town Council are often challenging and potentially divisive. In order to make sure we benefit from the diverse views to be presented, the Council believes that the meeting be a safe place for people to speak. With this in mind, the Council asks that everyone refrain from clapping, heckling and any other expressions of approval or disapproval. Council may vote to go into Executive Session for legal advice regarding any matter on the open agenda pursuant to A.R.S. 38-431.03 (A) (3), which will be held immediately after the vote and will not be open to the public. Upon completion of Executive Session, the Council may resume the meeting, open to the public, to address the remaining items on the agenda. Agenda items may be taken out of order. Please turn off all cell phones. The Council meeting may be broadcast via live streaming video on the internet in both audio and visual formats. One or more members of the Council may attend either in person or by telephone, video or internet conferencing. **NOTICE TO PARENTS:** Parents and legal guardians have the right to consent before the Town of Dewey-Humboldt makes a video or voice recording of a minor child. A.R.S. § 1-602.A.9. Dewey-Humboldt Council Meetings are recorded and may be viewed on the Dewey-Humboldt website. If you permit your child to participate in the Council Meeting, a recording will be made. You may exercise your right not to consent by not permitting your child to participate or by submitting your request to the Town Clerk that your child not be recorded.

**1. Call To Order.**

**2. Opening Ceremonies.**

**2.1. Pledge of Allegiance.**

**2.2. Invocation.**

**3. Roll Call.** Town Council Members Arlene Alen, Mark McBrady, Denise Rogers, Nancy Wright; Vice Mayor Dennis Repan; and Mayor Terry Nolan.

**4. Announcements Regarding Current Events, Guests, Appointments, and Proclamations.**

Announcements of items brought to the attention of the Mayor not requiring legal action by the Council. Guest Presentations, Appointments, and Proclamations may require Council discussion and action.

Page

5

**4.1. Planning and Zoning Commission interview and possible appointment.** Applicant Barry Smylie to be interviewed and possibly appointed to the P&Z Commission.

**5. Town Manager's Report.** Update on Current Events.

7

**5.1. Lease Agreement(s) for Current Town Hall Offices Located at Humboldt Station Inc. Property (2735 S. Hwy 69).** Initiate discussion on future actions.

**6. Consent Agenda.**

25

**6.1. Minutes.** Minutes from the April 2, 2013 Regular Council Meeting.

**7. Comments from the Public (on non-agendized items only).** The Council wishes to hear from Citizens at each meeting. Those wishing to address the Council need not request permission or give notice in advance. For the official record, individuals are asked to state their name. Public comments may appear on any video or audio record of this meeting. Please direct your comments to the Council. Individuals may address the Council on any issue within its jurisdiction. At the conclusion of Comments from the Public, Council members may respond to criticism made by those who have addressed the public body, may ask Town staff to review a matter, or may ask that a matter be put on a future agenda; however, Council members are forbidden by law from discussing

or taking legal action on matters raised during the Comments from the Public unless the matters are properly noticed for discussion and legal action. A 3 minute per speaker limit may be imposed. The audience is asked to please be courteous and silent while others are speaking.

Page  
29

8. **Discussion Agenda – Unfinished Business.** Discussion and Possible Action on any issue which was not concluded, was postponed, or was tabled during a prior meeting.

8.1. **“Development Fee” legislation and ordinance discussion and next steps.** Discussion and possible action.

91

9. **Discussion Agenda – New Business.** Discussion and Possible Action on matters not previously presented to the Council.

95

9.1. **Special Event Liquor License – Boys & Girls Club of Central Arizona/Mortimer Family Farms, Beef-n-Barbeque event May 4-5, 2013.** Discussion and possible action to approve.

9.2. **Enterprise Technical Support Services RFP Selection.** Discussion and possible action to select a provider and approve the contract for Enterprise Technical Support Services based upon the proposals submitted in the Town’s Request for Proposals or to reject all proposals and issue a new request for proposals.

161

9.3. **“Open Books Web Posting” IGA with Arizona Department of Administration (ADOA).** Discussion and possible action to approve.

171

9.4. **Discussion and possible action regarding Councilmember Mark McBrady’s failure to sign the Council Code of Ethics as required by the Town Code Section 30.015 and for allegedly violating the Council’s Code of Ethics and/or the Councilmember’s Oath of Office.** The Council may, by majority vote, recess the regular meeting, hold an executive session, and then reconvene the regular meeting for discussion and possible action on this item.

9.4.1. **Recess into and hold executive session** pursuant to A.R.S. § 38-431.03(A)(1) for discussion or consideration of disciplining of Councilmember Mark McBrady for failing to sign the Council Code of Ethics as required by Town Code Section 30.015 and for allegedly violating the Council’s Code of Ethics and/or the Councilmember’s Oath of Office.

9.4.2. **Reconvene Regular Meeting.**

173

9.5. **Discussion and possible action regarding acquisition of property for Town Hall purposes and possibly to approve Resolution No. 13-107,** authorizing and directing the Town Manager and Town Attorney to obtain appraisals and legal descriptions and take other necessary actions preparatory to acquisition of real property located in Dewey-Humboldt at 12899 East Main Street, 12901 East Main Street, 12922 East Main Street and/or 12847 East Main Street on behalf of the Town and directing the Town Manager to present the above information to the Council for possible approval to proceed with the acquisition. The Council may, by majority vote, recess the regular meeting, hold an executive session, and then reconvene the regular meeting for discussion and possible action on this item.

9.5.1 **Recess into and hold an executive session** pursuant to A.R.S. § 38-431.03(A)(7) for discussions or consultations with designated representatives of the Town in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property located in Dewey-Humboldt, Arizona, at 12899 East Main Street, 12901 East Main Street, 12922 East Main Street and/or 12847 East Main Street.

9.5.2. **Reconvene Regular Meeting.**

## **10. Public Hearing Agenda.**

---

### **THIS CONCLUDES THE LEGAL ACTION PORTION OF THE AGENDA.**

---

**11. Comments from the Public.** The Council wishes to hear from Citizens at each meeting. Those wishing to address the Council need not request permission or give notice in advance. For the official record, individuals are asked to state their name. Public comments may appear on any video or audio record of this meeting. Please direct your comments to the Council. Individuals may address the Council on any issue within its jurisdiction. At the conclusion of Comments from the Public, Council members may respond to criticism made by those who have addressed the public body, may ask Town staff to review a matter, or may ask that a matter be put on a future agenda; however, Council members are forbidden by law from discussing or taking legal action on matters raised during the Comments from the Public unless the matters are properly noticed for discussion and legal action. The total time for Public Comment is **3** minutes per person. The audience is asked to please be courteous and silent while others are speaking.

## **12. Adjourn.**

### **For Your Information:**

Next Town Council Meeting: Tuesday, May 7, 2013, at 6:30 p.m.

Next Planning & Zoning Meeting: Thursday, May 9, 2013, at 6:00 p.m.

Next Town Council Work Session: Tuesday, May 14, 2013, at 2:00 p.m.

If you would like to receive Town Council agendas via email, please sign up at [AgendaList@dhaz.gov](mailto:AgendaList@dhaz.gov) and type Subscribe in the subject line, or call 928-632-7362 and speak with Judy Morgan, Town Clerk.

### **Certification of Posting**

The undersigned hereby certifies that a copy of the attached notice was duly posted at the following locations: Dewey-Humboldt Town Hall, 2735 South Highway 69, Humboldt, Arizona, Chevron Station, 2735 South Highway 69, Humboldt, Arizona, Blue Ridge Market, Highway 69 and Kachina Drive, Dewey, Arizona, on the \_\_\_\_ day of \_\_\_\_\_, 2013, at \_\_\_\_ p.m. in accordance with the statement filed by the Town of Dewey-Humboldt with the Town Clerk, Town of Dewey-Humboldt.

By: \_\_\_\_\_, Town Clerk's Office.

Persons with a disability may request reasonable accommodations by contacting the Town Hall at 632-7362 at least 24 hours in advance of the meeting.

[Page intentionally left blank]



# TOWN OF DEWEY-HUMBOLDT

P.O. Box 69

Humboldt, AZ 86329

Phone: 928-632-8562 • FAX: 928-632-7365

## Town Council, Commission and Committee Vacancy Application Form

Please complete this application form and thank you for your interest in serving.

### Personal information:

Name: Barry Smylie email: [REDACTED]

Mailing & Physical Address: [REDACTED] S. River Drive,

Phone Number: [REDACTED] Engineer  
(please indicate home and work numbers) Occupation

How long have you lived in Dewey-Humboldt? 14 years. Are you over the age of 18?  Yes  No

Are any of your relatives, employed by the Town? Who/Where: No

Emergency Contact: G.L. Smylie [REDACTED] Wife  
Name Phone Relationship

Are you presently employed? (Check as many as apply)

Employed full-time  Employed part-time  Unemployed  Retired

Employment experience relevant to the position applied for: Civil Engineering

**Position applied for:** Briefly describe your interest in volunteering for the Town's Council, Commissions and/or Committees. Describe your experience, education and /or other qualities that you feel would be of value to the Town. You may apply for more than one position. If doing so, please list in order of preference. If needed, you may attach a separate sheet of paper.

Resident of Dewey and background in engineering, special interest in land use and water supply. Believe in balanced growth and infrastructure development. Would like to participate in planning and partnering to assist in the betterment of D-H.

April 3<sup>RD</sup> 2013  
DATE

[REDACTED]  
SIGNATURE

If you have any questions about this application, please contact the Town Clerk at (928) 632-8562. Please mail the completed application to the Town of Dewey-Humboldt, Town Clerk, P.O. Box 69, Humboldt, AZ, 86329, fax to 928-632-7365, or email to judymorgan@dhaz.gov.

**Town of Dewey-Humboldt**  
**Council, Commissions and Committees**

*(Please number in order of preference, 1<sup>st</sup> choice, 2<sup>nd</sup> choice, etc., if applying for more than one position)*

**COUNCIL**- serves as the legislative body and primary authority of the Town.

\_\_\_\_\_ ***Town Council***

**COMMISSIONS** - appointed by the Town Council and subject to open meetings law.

  X   ***Planning and Zoning Advisory Commission*** – Seven member commission that hears requests for re-zonings, Planned Area Developments; makes recommendations to the Town Council.

**COMMITTEES** – entirely voluntary and meet at their discretion based on interest and need.

  X   ***Environmental Issues Advisory Committee*** – Provides for the identification, assessment and monitoring of environmental/public health issues of concern to the Town.

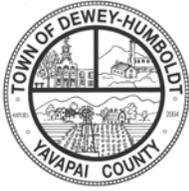
  X   ***Groundwater Resource Advisory Committee*** – Provides for the collection of data, information and studies that will assist the Town in being a positive influence in the preservation of its citizens rights to access groundwater and other appropriate water resources.

\_\_\_\_\_ ***Clean Town Committee*** – Provides volunteer services to the Town and its citizens in developing programs that address issues of accumulated trash, code enforcement and related concerns.

\_\_\_\_\_ ***Open Space & Trails Committee*** – Provides volunteer services to the Town for the collection of data, information and studies that will further the implementation of the goals and objectives of the Open Space & Trails Master Plan.

\_\_\_\_\_ ***Other Committees as needed.***

For additional information regarding any of the above volunteer groups, please contact Judy Morgan, Town Clerk at 928-632-7362.



**TOWN OF DEWEY-HUMBOLDT**  
**P.O. BOX 69**  
**HUMBOLDT, AZ 86329**  
**Phone 928-632-8562 ▪ Fax 928-632-7365**

---

**TOWN COUNCIL MEETING**

**April 16, 2013– 6:30 p.m. Town Council Meeting Chambers**

**Agenda Item # 5.1 Town Manager’s Report - Lease Agreement(s) for Current Town Hall facilities.**

**To: Mayor and Town Council Members**

**From: Yvonne Kimball, Town Manager**

**Purpose of Report: Initiate discussion of current Town Hall lease**

**Date submitted: April 11, 2013**

**Summary:**

The Town’s landlord, Mr. McBrady wanted to inform the Council that Humboldt Station Inc. property filed bankruptcy on April 11, 2013. Mr. McBrady also wanted the Town to know that he is interested in selling the “town hall offices” which is part of the Humboldt Station property to the Town.

This event led a closer look at the town hall lease(s) by Staff since most of us are not aware of events which occurred prior to January 2012. We found that Mr. McBrady and the Town entered into an original lease in 2007 which was effective January 1, 2008 for 4 years (expiring December 31, 2011). In September 2011, the Town signed a 2-year extension pursuant to Paragraph 2 of the original lease and Recital 2 of the Extension.

After reviewing the original 2007 lease and the 2011 lease extension, the Town Attorney confirmed that the Town Hall lease will expire on December 31, 2013 (instead of September 2013). The (original) lease provides for another 2-year extension and requires the Town to advise the landlord “whether Tenant wishes to exercise” its option to extend the lease for another 2 years at least 6 months before the end of the first extension. Therefore, by June 1, the Town would want to notify the landlord Mr. McBrady the intent to continue its lease or other actions. Regardless of the intent, the current lease will remain effective until December 31, 2013.

The current town hall lease (both 2007 and 2011 documents) provides for the Town’s main offices, the magistrate court offices, the council chamber and the Sheriff deputies’ office. The total annual rent is \$48,216.

State law (A.R.S 38-431.03) allows the opportunity for a public body to hold executive sessions on “discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property”. If the Council wishes to discuss this matter further, with the Town Attorney’s consent, I believe the discussion can take place at an executive session at a later meeting.

Attachment: 2007 lease, 2011 lease extension

**EXTENSION OF  
REAL PROPERTY LEASE AGREEMENT**

This Extension of Real Property Lease Agreement (“Lease Extension”) is entered into by and between Humboldt Station, Inc., an Arizona corporation (herein called “Landlord”) and the Town of Dewey-Humboldt, Arizona, (herein called “Tenant”) on this 7<sup>th</sup> day of September, 2011.

**RECITALS:**

1. Landlord and Tenant entered into a Real Property Lease Agreement dated November 6, 2007 for the lease of certain commercial property located at 2735 S. Highway 69, Dewey-Humboldt, Arizona (“Lease Agreement”).
2. Tenant desires to exercise its option to extend the term of the Lease Agreement for two (2) years pursuant to Paragraph 2 of the Lease Agreement and in accordance with this Extended Lease.

NOW, THEREFORE, in consideration of the foregoing premises and mutual promises and agreements of the parties, Landlord and Tenant agree as follows:

The following provisions of the Lease Agreement shall be amended:

1. In Paragraphs 1, 2 and 3A, delete “Suite 7” and insert “Suite 5”.
2. Paragraph 3 shall be amended to read as follows:
  3. Rental Amounts: Rents for the suites leased to Tenant, hereunder, shall be calculated as follows:
    - A. Suite 7: 640 square feet at a rate of \$1.20 per square foot for a total base rent amount of 768.00 per month.
    - B. Suites 10A, 11, 12 and 13: 1880 square feet at a rate of \$1.25 per square foot for a total base rent amount of \$2,350.00 per month.
    - C. Suite 14: 336 square feet at a rate of 1.25 per square foot for a total base rent amount of \$420.00 per month.
    - D. Suite 15: 384 square feet at a rate of \$1.25 per square foot for a total base rent of \$480.00 per month.

In addition to the base rent amount, delineated herein, Tenant agrees to pay any local sales tax for rental of commercial property as may be adopted by the Town.

3. Paragraph 4 shall be deleted:
4. Paragraph 5 shall be amended to read as follows:

Repair of Existing Premises; Improvements. Landlord shall, at Landlord's sole expense, perform the following repairs prior to the effective date of this Lease:

- A. Repair the front walkway per the inspection report dated June 2011.
  - B. Repair the bathroom water heaters in Suite No. 11.
  - C. Place the telephone wires attached to the exterior of the back of the Leased Premises in conduit
  - D. Repair the Leased Premises so that proper weather stripping or other remedy is installed to make the windows and doors weathertight.
  - E. Replace ballasts in courtroom area.
4. Paragraph 8 shall be amended to read as follows:
    8. Tenant's Default. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant.
      - A. The vacating or abandonment of the Leased Premises by Tenant.
      - B. The failure by Tenant to make any payment of rent or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of three (3) days after written notice thereof by Landlord to Tenant.
      - C. The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Tenant, other than described

in Paragraph 8B, where such failure shall continue for a period of ten (10) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than ten (10) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said ten (10) day period and thereafter diligently prosecutes such cure to completion.

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

4. New Paragraph 8.1 shall be added to read as follows:

- 8.1. Landlord's Remedies In Default. In the event of any such material default or breach by Tenant, Landlord may:

- A Give Tenant notice of intention to cancel this Lease at the expiration of five (5) days from the date of service of said notice. At the expiration of said five (5) days, if Tenant has not cured the default or breach, the term of this Lease shall expire. Said notice shall contain a statement of the facts constituting the default or breach by Tenant. Upon the expiration of the five (5) days, Landlord may terminate Tenant's right to possession of the Leased Premises by any lawful means, in which case Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default including, but not limited to, the cost of recovering possession of the Premises; expenses of reletting, not

including any renovation and alteration of the Premises; reasonable attorneys fees; the amount if any, by which the Rent set forth in Paragraph 3 for the period of reletting (up to but not beyond the initial term or any extended term of the Lease) exceeds the sum of the rent to be received from the reletting for such period; and that portion of any leasing commission paid by Landlord and applicable to the unexpired initial term or any extended term of the Lease; or

- B Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Leased Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under the Lease, including the right to recover the rent as it becomes due hereunder.
- C Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decision of the state in which the Leased Premises are located.

6. New Paragraph 8.2 shall be added to read as follows:

8.2 Landlord's Default. The failure by Landlord to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Landlord where such failure shall continue for a period of ten (10) days after written notice thereof by Tenant to Landlord; provided, however, that if the nature of Landlord's default is such that more than ten (10) days are reasonably required for its cure, then Landlord shall not be deemed to be in default if Landlord commences such cure within said ten (10) day period and thereafter diligently prosecutes such cure to completion.

7. New Paragraph 8.3 shall be added to read as follows:

8.3. Tenant's Remedies In Default: Tenant, at any time after Landlord commits a default in his maintenance responsibilities under this Lease Agreement, may cure the default at Landlord's cost. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be due immediately from Landlord to Tenant at the time the sum is paid, and if paid at a later date, shall bear interest at the rate of ten percent (10%) per annum from the date the sum is paid by Tenant until Tenant is reimbursed by Landlord. If

Landlord fails to reimburse Tenant as required by this Paragraph, Tenant shall have the right to withhold from future rent due the sum Tenant has paid until Tenant is reimbursed in full for the sum and interest on it.

8. Paragraph 12 shall be amended to read as follows:

12. Modifications/Alterations To Leased Premises: As municipal offices, the Parties recognize that certain alterations/modifications will be required in order to provide confidentiality, safety and security. Such alterations/modifications shall be made by Tenant and at Tenant's cost and during the term of this Agreement, or any extensions thereof, Tenant shall be responsible for the restoration of the Premises to its condition prior to such alterations/modifications unless Landlord specifically directs that the alterations/modifications remain. Landlord and Tenant recognize that certain improvements authorized by Landlord have been made to the Leased Premises prior to the effective date of this Lease Extension. Exhibits A and B set forth the previously approved improvements that may remain at the termination or expiration of this Lease and those previously approved improvements that must be removed. In no manner and at no time shall Tenant be entitled to make any alteration/modification that compromises the integrity of the overall structure or in any fashion diminishes either the image or marketability of the development of which the Leased Premises is a part.

9. Paragraph 15 shall be amended to read as follows:

15. Maintenance Responsibilities.

A. Tenant shall, during the term and extended term of the Lease and as its sole expense, keep and maintain the interior of the Leased Premises, including, but not limited to faucets, sinks, toilet, doors, windows, hardware, light bulbs, doors, trim, locks, glazing, interior walls and ceilings in good, clean and sanitary order, condition and repair, unless such maintenance and repairs are caused in part or in whole by the act, neglect, fault or omission of Landlord. Tenant shall also maintain air conditioning/heating units and electrical work installed by Tenant unless such maintenance and repairs are caused in part or in whole by the act, neglect, fault or omission of Landlord. Tenant shall not permit an accumulation of boxes, papers, waste or other refuse matter in or around the Leased Premises.

B. Landlord shall, during the term and extended term of the Lease and as its sole expense, keep and maintain in good condition those parts of the Leased Premises not the responsibility of the Tenant pursuant to Paragraph 15A, including but not limited to (i) structural portions of the Leased Premises such as the plumbing system, air conditioning, heating, and electrical systems that were either in place when the original Lease term commenced or replaced by Landlord, and (ii) the air conditioning unit in Suite 7 (Sheriff's office), unless such maintenance and repairs are caused in part or in whole by the act, neglect, fault or omission of Tenant.

All other provisions of the Lease Agreement shall remain unchanged.

Entered into this 7<sup>th</sup> day of September, 2011.

LANDLORD

Humboldt Station Inc.

By Mark McBrady

TENANT

Town of Dewey - Humboldt

By Jerry Nolan, Mayor

ATTEST:

Judy Morgan  
Judy Morgan, Town Clerk

APPROVED AS TO FORM:

Susan D. Goodwin  
Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C.  
Town Attorneys  
By Susan D. Goodwin

F:\1908\009-0000-0000 Real Property\Documents\Town Hall Lease Extension 8-22-11 clean.doc

## Exhibit A

Remove all computer wiring and computer receptacles. Repair and replace any electrical wiring that is disrupted or interrupted by the removal of walls. Repair all drywall holes and drywall voids created by the removal of computer and electrical wiring. Repair all drywall holes and drywall voids created by the removal of walls.

### Walls to be removed:

Suite 5: No need for wall removal.

Suite 10a : No need for wall removal.

Suite 11: Wall #1 - Removal of South wall between Judge's Office and Court Clerk Office.  
Wall #2 - Removal of East wall between Judge's Office and West wall of Suite #12.

Suite 12: Wall #3 - Removal of North wall between Lobby and Copy / Record Storage Room.

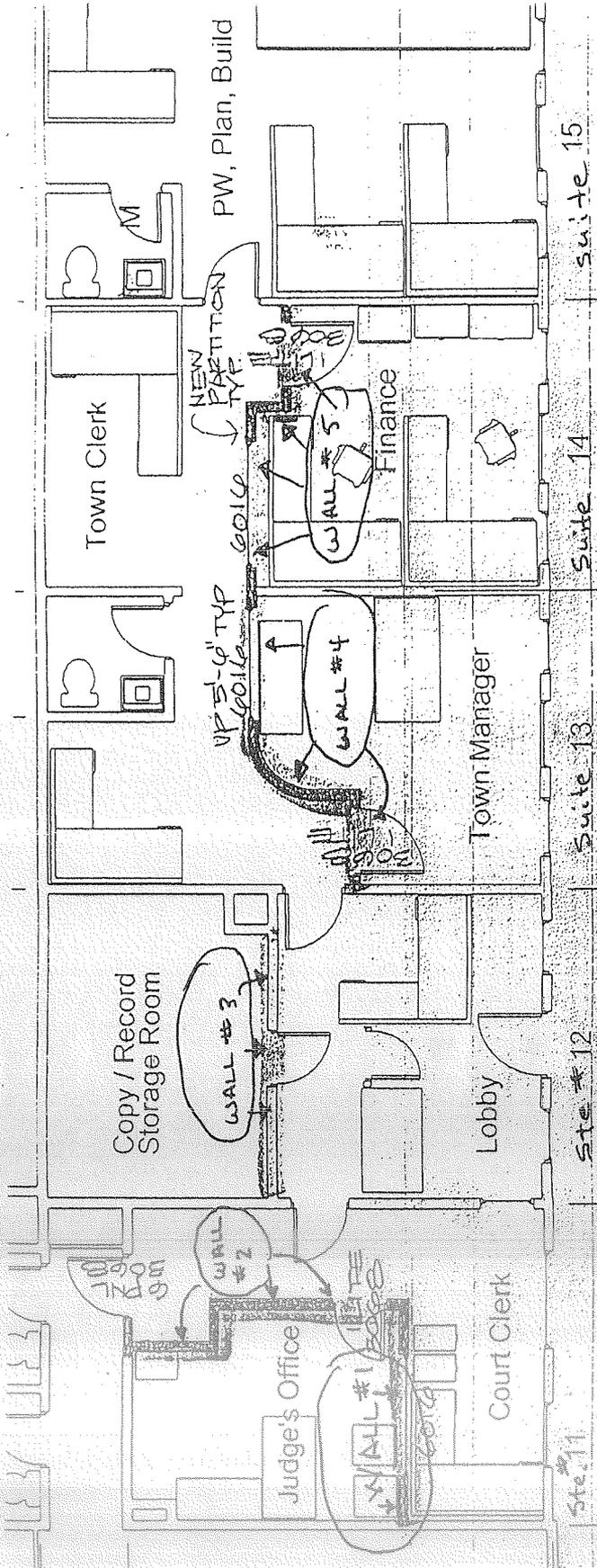
Suite 13: Wall #4 - Removal of North wall between Town Manager's Office and hallway.

Suite 14: Wall #5 - Removal of North wall between Finance Office and hallway.

Suite 15: No need for wall removal.

# Exhibit B

WALLS TO BE REMOVED



## REAL PROPERTY LEASE AGREEMENT

THIS REAL PROPERTY LEASE AGREEMENT entered into this 6<sup>th</sup> day of November, 2007, by and between *Humboldt Station, Inc.*, an Arizona Corporation (hereinafter referred to as "Landlord") and the Town of Dewey-Humboldt, a municipal corporation of the State of Arizona (hereinafter referred to as "Tenant").

1. Location Of Leased Premises: Landlord hereby leases to Tenant that certain commercial property located at and more particularly described as Suites 7, 10A, 11, 12, 13, 14 and 15, located at 2735 S. Highway 69, Dewey-Humboldt, Arizona. (Hereafter "Leased Premises").

2. Term Of Lease:

A. The term of this lease, as regards Suite 7, shall be for one (1) year and begin on January 1, 2008, and shall be terminable upon sixty (60) days notice.

B. The term of this lease, as regards Suites 10A through 15 shall be for four (4) years, shall begin on January 1, 2008. Tenant shall advise Landlord, no less than six (6) months prior to the term of this provision, whether Tenant wishes to exercise the first of two (2) two (2) year extensions of this agreement as to Suites 10A through 15. Likewise, no less than six (6) months prior to the term of the first two (2) year extension, Tenant shall advise Landlord whether Tenant wishes to exercise the second of the two (2) year extensions. In the event Tenant does not exercise either of the extension notices, Landlord shall be entitled to assume Tenant does not wish to exercise the extensions.

C. The rates of the lease may be negotiated at the same time as the extension dates.

3. Rental Amounts: Rents for the suites leased to Tenant, hereunder, shall be calculated as follows:

A. Suite 7: 640 square feet at a rate of \$1.20 per square foot for a total base rent amount of \$768.00 per month.

B. Suites 10A, 11, 12 and 13: 1880 square feet at a rate of \$1.25 per square feet for a total base rent amount of \$2,350.00 per month.

C. Suite 14: 336 square feet at a rate of \$1.25 per square foot for a total base rent amount of \$420.00 per month.

D. Suite 15: 384 square feet at a rate of \$1.25 per square foot for a total base rent of \$480.00 per month.

In addition to the base rent amount, delineated herein, Tenant agrees to pay any local sales tax for rental of commercial property as may be adopted by the Town. The parties agree that during the initial terms of the Lease (Suite 7 - one year; Suites 10A through 15 - four years) the base rent per square foot will not be increased.

4. Tenant's Payment For Improvements: Tenant agrees to pay to Landlord the sum of FOUR THOUSAND DOLLARS (\$4,000.00) upon execution of this Agreement in consideration of the Landlord improvements described herein Item 5. A., B., C. and D. All payments for which Tenant is obligated, hereunder, shall be made payable to Humboldt Station, Inc., and sent to PO Box 815, Humboldt, Arizona 86329, unless otherwise directed.

5. Improvements To Be Made By Landlord: The payment, as anticipated in section 4 of this Agreement, is made in anticipation of Landlord making the following improvements to the properties subject to this Agreement within ninety (90) days of the execution of this Agreement, and as follows:

- A. The area between Suites 9 and 10 to be cleaned and gravel or other ground cover installed.
- B. Installation of portico over the entryway to Suites 13 and 14.
- C. Boardwalk to have predetermined boards replaced or repaired when needed for safety and oil coating to be applied.
- D. Maintenance of building exterior including an initial cleaning of the front exterior leased premises.

6. Breach: Such sums as are stated as rents in paragraph 3, shall be due on the first day of each month and shall be deemed late if not received by the tenth (10<sup>th</sup>) day of any month for which rents are to be paid. In the event the rent is not received by the first day of the month, a five percent (5%) late fee shall accrue. If rents are not received by the tenth (10<sup>th</sup>) day of any month during the term of this lease, an additional five percent (5%) penalty shall be charged. In the event rents are not received timely, Landlord shall notify Tenant, in writing with such notice delivered to the Leased Premises. Should rents, thereafter, not be paid within ten (10) days of the notice, Tenant shall be deemed in Breach of this Agreement, allowing to Landlord any and all relief allowed for at law or in equity.

7. Payment Of Utilities: Landlord shall be responsible for, and shall pay the costs attendant to, the provision of water, sewer and trash service to the Leased Premises. Any and all other utilities shall be the obligation of Tenant, the bills for which shall be paid timely. In no regard shall Tenant allow utility bills to go unpaid such that liens attach, from the utility provider, against the Leased Premises.

8. Additional Incidents Of Default: Besides the non-payment of rents, as provided for above, the following shall also constitute incidents of default:

A. The vacating or abandonment of the Leased Premises by Tenant

B. The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Tenant., where such failure shall continue for a period of ten (10) days after written notice, thereof, by Landlord to Tenant; provided however, that if the nature of Tenant's default is such that more than ten (10) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within ten (10) days and thereafter diligently competes the cure.

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

9. Entitlement Of Landlord In The Event Of A Paragraph 8 Default: In the event of any such default or breach by Tenant as is stated within paragraph 8, above, Landlord may, at any time thereafter, in its sole discretion, upon written notice or demand, and without limiting Landlord in the exercise of a right or remedy which Landlord may have by reason of such default or breach:

A. Terminate Tenant's right to possession of the premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the premises to Landlord. In such event, Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default including, but not limited to, the cost of recovering

possession of the Leased Premises; expenses of reletting, including necessary renovation and alteration of the premises; reasonable attorneys fees; the amount, if any, by which the rent reserved in this Lease for the period of such reletting (up to but not beyond the term of this Lease) exceeds the sum agreed to be paid as rent for the premises for such period; and that portion of any leasing commission paid by Landlord and applicable to the unexpired term of this Lease; or

B. Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Leased Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent and any other charges and adjustments as may become due hereunder; or

C. Any and all other remedy now or hereafter available to Landlord under the laws or judicial decision of the State of Arizona.

10. Landlord's Limited Right Of Entry: It is specifically understood and agreed as between the Parties that this Lease is being executed for use of the Leased Premises by a municipality for the purpose of its offices. As such, and given issues of security and confidentiality inherent in such facilities, and the need for municipal accountability in that regard, the Landlord's right of entry in regard to this premises is limited to inspection of the Leased Premises upon reasonable notice and only while accompanied by an agent of the Tenant.

11. Nature Of The Use Of Leased Premises: Tenant shall, continuously during the term of the lease, conduct and carry on activities within the Leased Premises consistent with its use as municipal offices of the various departments of the Town of Dewey-Humboldt. The activities taking place at the Leased Premises shall be conducted in a manner and at times as is necessary and appropriate to such facilities. In so doing, Tenant shall comply with all statutes, ordinances, rules, regulations and laws of all municipal, county, state and federal authorities now enforced or which may hereafter be enforced pertaining to the condition, use or occupancy of the premises. Tenant shall not use or permit the premises to be used in whole or in part for any purposes or use in violation of any of the laws, ordinances, regulations or rules of any public authority at any time applicable thereto.

12. Modifications/Alterations To Leased Premises: As municipal offices, the Parties recognize that certain alterations/modifications will be required in order to provide confidentiality, safety and security. Such alterations/modifications shall be made by Tenant and at Tenant's cost, and at the term of this Agreement, or any extensions thereof, Tenant shall be responsible for the restoration of the facility to its condition prior to such alterations/modifications unless Landlord specifically directs that the alterations/ modifications remain. In no manner and at no time shall Tenant be entitled to make any alteration/modification that compromises the integrity of the overall structure or in any fashion diminishes either the image or marketability of the development of which the Leased Premises is a part.

13. Exterior Modification: Tenant shall undertake no modification of the exterior of the Leased Premises, shall place no additional signage on or about the property, and shall locate no objects outside of the Leased Premises without the prior written consent of Landlord, such consent not to be unreasonably withheld. It is understood between the Parties that, at a minimum, both indicia of the presence of municipal offices upon the premises and the possible need for a location for the posting of police/public notices may be necessary and would be permitted. Beyond that, anything further will be addressed between the Parties on a case-by-case basis.

14. Common Facilities:

A. Tenant and Tenant's employees shall use parking facilities as directed by the Landlord.

B. Tenant's customers shall be entitled to enjoy the use of the parking area along with all other owners and occupants of the center which is served by the parking lot.

15. Maintenance Responsibilities: Tenant shall, during the term of the Lease and as its sole expense, keep and maintain the Leased Premises and the improvements thereto, including, but not limited to, faucets, sinks, toilet, doors, windows, hardware, lightbulbs, doors, trim, locks, glazing, interior, walls, ceilings, and the interior of the Leased Premises in good, clean and sanitary order, condition and repair. In that regard, Tenant shall not permit an accumulation of boxes, papers, waste or other refuse matter in or around the Leased Premises.

16. Destruction of Premises: In the event of the total destruction of the premises during the lease term as a result of fire not due to the negligent acts of Tenant, this Lease shall immediately terminate.

In the event of the partial destruction of the Leased Premises not due to the negligent acts of Tenant; with such destruction determined to affect

one-third or less of the Leased Premises, the lease shall not automatically terminate and Tenant shall be entitled to a proportionate reduction in the rents while repairs are made with such proportionate reduction based upon the extent to which the Leased Premises remains tenantable.

17. Eminent Domain: If any part of the premises shall be taken for public or quasi-public use by the right of eminent domain, or transferred by agreement in connection with such public or quasi-public use, with or without any condemnation action or proceeding being instituted, and a part of the premises remains which is adequate for the conduct of tenant's business, this Lease, as to the part so taken or transferred, shall terminate as of the date title shall vest in the condemner, Landlord shall restore at its sole expense the part of the premises remaining after such taking or transfer to as near its former condition as circumstances will permit, and the rents shall be proportionately reduced. However, in the event of such taking or transfer, either party shall have the option to terminate this Lease as of the date title shall vest in the condemner. In the event of such condemnation or transfer the proceeds of such condemnation or transfer shall be the property of Landlord and Tenant shall have no claim thereto.

18. Alterations And Improvements: Any alterations of or additions to the Leased Premises, except specified attached items, unattached movable trade fixtures and equipment, shall become a part of the realty and the property of Landlord at the term of this Agreement. Tenant further agrees that the correction and/or restoration of all damage or injury done to the premises by Tenant or its employees or agents who may be on or about the Leased Premises shall be paid for by tenant. The list of specified attached items referred to, herein, is attached, hereto, as Exhibit "A".

19. Liens: Tenant shall keep the Leased Premises and the improvements, thereon, free and clear of all liens arising out of or claimed by reason of any work performed, material furnished or obligations incurred by or at the instance of Tenant, and indemnify and save Landlord and the Leased Premises and the building of which the Leased Premises are part harmless from all such liens or claims of liens and all attorneys fees and other costs and expenses incurred by reason thereof. Should Tenant fail to fully discharge any such lien or claim of lien immediately upon its attachment, Landlord, at its option, and subject to its right of reimbursement, may pay the same or any part thereof and charge back such payment to Tenant for immediate payment.

20. Liability: Tenant, as a municipal corporation, is insured and will remain insured in regard to any claims against them of loss or liability through the term of this Lease.

It shall be the obligation of Landlord to obtain such insurance protection as it deems reasonable and appropriate toward the protection of

Landlord's interests.

21. Insurance And Extended Coverage: Both Landlord and Tenant, at their sole expense, shall obtain and keep in force both fire and extended coverage insurance upon the Leased Premises as Landlord and Tenant may in their individual discretion respectively determine to be appropriate in order to protect them against the loss of their fixtures, goods, wares and merchandise on and about the premises. Tenant hereby waives as against Landlord any and all claims and demands of whatsoever nature for damage, loss or injury to the premises or to Tenant's fixtures, goods, wares and merchandise as shall be caused by or result from fire and/or other perils, events or happenings which are, or should have been pursuant to this Agreement, the subject of such fire and extended coverage insurance.

22. Showing Of Premises At Term Of Lease: Landlord shall be entitled, during the sixty (60) days prior to expiration of this Agreement, and during normal working hours or by appointment scheduled with the Tenant, to exhibit the premises to prospective tenants and to place upon or in the windows of the Leased Premises any signage which is usual and ordinary in the course of such activities.

23. Abandonment: Tenant shall not vacate or abandon the Leased Premises at any time during the term of this Agreement. If Tenant vacates, abandons or surrenders the Leased Premises or be dispossessed by process of law or otherwise, any personal property left on the Leased Premises may be deemed to be abandoned at the option of Landlord.

24. Transfer Of Landlord's Interest: Landlord hereby reserves the right to sell, assign, or transfer this Agreement upon the condition that in such event this Agreement shall remain in full force and effect. Upon such transfer, assignment or sale, other than as security, Landlord shall be released from any further obligations hereunder. Upon such sale, transfer or assignment, Tenant shall execute such subordination agreement or other documents as are reasonably required by the Parties, other than any document altering, amending or changing the provisions of Tenant's tenancy, hereunder.

25. Assignment And Subletting: Tenant shall not assign or sublet its interests, hereunder, without the prior written consent of Landlord, and any such assignment without such consent shall be considered *void ab initio*, at the option of Landlord.

While Landlord has the absolute right to withhold consent to such assignment or subletting, such consent shall not be unreasonably withheld.

26. Attorneys Fees: Should either Party materially breach the provisions

of this Agreement resulting in the incurring of attorneys fees to obtain compliance by the non-breaching Party, that non-breaching Party shall be entitled to the payment of their attorneys fees, reasonably incurred, regardless of whether the breach results in the filing of litigation.

27. Non-Existence Of Partnership: The entering into of this Agreement by the Parties does not create a partnership, joint venture, or any other business form between Landlord and Tenant.

28. Subordination: Landlord expressly reserves the right at any time to place liens and encumbrances on and against the Leased Premises and any part thereof, and on the land and buildings of which the Leased Premises is a part, or to transfer, sell, assign, and/or convey its interest in the Leased Premises. In so doing, another Party will succeed to all the rights of Landlord here, and the leasehold rights of Tenant will be intact and unabridged.

29. Time Is Of The Essence: Time is of the essence in regard to the provisions of this Lease and of every term, covenant and condition hereof.

30. Remedies Cumulative: All remedies herein conferred upon Landlord shall be cumulative and no one remedy shall be deemed exclusive of any other remedy conferred herein or as allowed by law.

31. Waiver: The waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of monies, hereunder, by Landlord shall not be deemed a waiver of any preceding breach by Tenant of any term, covenant or condition of this Agreement, other than the failure of Tenant to pay the particular sums so accepted. None of the terms, covenants or conditions of this Agreement can be waived by either Landlord or Tenant, except by appropriate written instruments.

32. Paragraph Headings: Paragraph headings in this Agreement are for convenience only and are not to be construed as a part of this Agreement or in any way defining, limiting or amplifying the provisions hereof.

33. Definitions: The words "Landlord" and "Tenant" as herein used shall include the plural as well as the singular. The neuter gender includes the masculine and feminine.

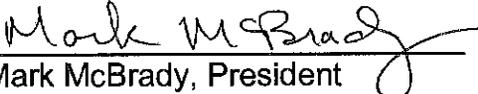
34. Lease Construed As Whole: The language in all part of this Agreement shall in all cases be construed as a whole according to its fair meaning and not strictly interpreted for or against either Landlord or Tenant.

35. Conflict Of Interest: Pursuant to A.R.S. § 38-511, the Town may cancel this agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of the Town is, at any time while the agreement or any extension of the agreement is in effect, an employee or agent of any other party to the agreement in any capacity or a consultant to any other party to the agreement with respect to the subject matter of the agreement. In the foregoing event, the Town hereby elects to recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating this agreement on behalf of the Town from any other party to the agreement arising as a result of this agreement.

ENTERED INTO this 6<sup>th</sup> day of November, 2007

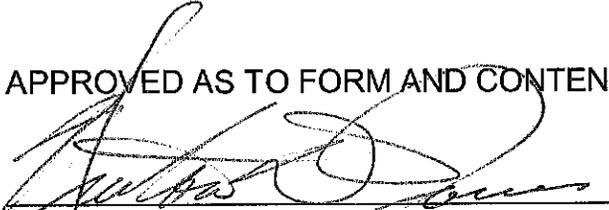
LANDLORD:

TENANT

  
\_\_\_\_\_  
Mark McBrady, President  
Humboldt Station, Inc.

  
\_\_\_\_\_  
Earl Goodwin, Mayor  
Town of Dewey-Humboldt

APPROVED AS TO FORM AND CONTENT:

  
\_\_\_\_\_  
Kenton D. Jones  
Attorney for the Town of Dewey-Humboldt

**TOWN OF DEWEY-HUMBOLDT  
TOWN COUNCIL  
REGULAR MEETING MINUTES  
TUESDAY, APRIL 2, 2013, 6:30PM**

**A REGULAR SESSION OF THE DEWEY-HUMBOLDT TOWN COUNCIL WAS HELD ON TUESDAY, APRIL 2, 2013, AT TOWN HALL AT 2735 S. HIGHWAY 69, DEWEY-HUMBOLDT, ARIZONA. VICE MAYOR DENNIS REPAN PRESIDED.**

1. **Call To Order.** The meeting was called to order at 6:31 p.m.
2. **Opening Ceremonies.**
  - 2.1. **Pledge of Allegiance.** Led by Bob Greene.
  - 2.2. **Invocation.** Given by Councilmember Nancy Wright.
3. **Roll Call.** Town Council Members Arlene Alen, David Hiles, Mark McBrady, Nancy Wright; and Vice Mayor Dennis Repan were present. Council Member Denise Rogers and Mayor Terry Nolan were absent.
4. **Announcements Regarding Current Events, Guests, Appointments, and Proclamations.** Announcements of items brought to the attention of the Mayor not requiring legal action by the Council. Guest Presentations, Appointments, and Proclamations may require Council discussion and action.
  - 4.1. **Planning and Zoning Commission interview and possible appointment.** Tammy DeWitt application to be interviewed and appointed to the P&Z Commission.

Applicant Tammy DeWitt was present and gave an opening statement and shared her background in planning and zoning.

Council Members asked questions of Ms. DeWitt and she answered their questions.

Councilmember Wright made a motion to appoint Tammy DeWitt for the Planning and Zoning Commission, seconded by Councilmember Alen. It was approved unanimously.
  - 4.2. **Central Yavapai Metropolitan Planning Organization presentation.** By Chris Bridges, CYMPO Administrator.

CYMPO Administrator Chris Bridges gave a presentation (included in packet) on what CYMPO does and how roads get developed and paid for. He explained they are getting ready to start the Regional Transportation Plan update (done every 5 years). He reviewed next steps for project delivery and answered Council questions on alternative fuel tax, access control facility, bicycle trails, challenges for Dewey-Humboldt.

Public comment was taken on this item.

Sandy Geiger asked if MPO was involved in trail systems as an alternate mode of transportation (pedestrian and bicycle traffic).

Mr. Bridges responded to this explaining those are transportation enhancements and they are done but a reduction of funding for those options is being seen. He spoke on the Town's PARA study identifying which roads need paving and those that don't and working with ADOT on a possible traffic control change at the intersection of Highway 69 and Main Street.
  - 4.3. **Fair Housing Proclamation.** A mandatory action for all CDBG recipient communities.

Vice Mayor Repan read the proclamation declaring April Fair Housing month.

**5. Town Manager's Report.** Update on Current Events.

Town Manager Kimball spoke on anyone having questions regarding pending projects should contact her for information so it is accurate. She spoke her initial contact with the National Forest and the property owners who were identified as having vacant land for a possible trailhead use.

**6. Consent Agenda.**

**6.1. Minutes.** Minutes from the March 12, 2013 Special Study Session and March 19, 2013 Regular meeting.

Councilmember Alen made a motion to accept the minutes from March 12, 2013 and March 19, 2013 meetings as presented, seconded by Councilmember Wright. It was approved unanimously.

**7. Comments from the Public (on non-agendized items only).**

Bob Greene spoke on a business who writes grants and the Agua Fria Festival Committee looking into the purchase of land for a park. He spoke on the committee's donation to the Butte Street park of a gazebo, AstroTurf and playground equipment (which just arrived).

**8. Discussion Agenda – Unfinished Business.** Discussion and Possible Action on any issue which was not concluded, was postponed, or was tabled during a prior meeting.

None.

**9. Discussion Agenda – New Business.** Discussion and Possible Action on matters not previously presented to the Council.

**9.1. Modification of City Code 30.015 (G).** Change of Assumption of Duties.[CAARF requested by VM Repan]

Vice Mayor Repan gave an overview on this agenda item and why he requested it. He was hoping to find a way to put in black and white the responsibilities of Council Members as elected officials. Since his request was made he has received feedback that an ordinance would be required for such a change and applying additional restrictions to taking office under A.R.S. isn't the right thing to do. He asked the Council for their thoughts on how to ensure those coming into this office follow a code of conduct/ethics.

Councilmember Wright spoke on the policy that was implemented not being a part of the code, but it communicates that this is what we would like you to have to serve on the council.

Vice Mayor Repan asked how to ensure putting the best foot forward to meet citizens' expectations of their elected officials. He suggested the Town's code regarding Assumption of Office may not be accurate according to A.R.S.

Public comment was taken on this item.

Bob Greene suggested setting forth additional parameters/qualifications of Council/Mayor candidates.

Town Manager Kimball recommended they call Town Attorney Smiley to join the meeting by telephone. This was done at 7:19 p.m.

Jack Hamilton spoke on getting legal advice on this; thinking Mr. Greene's suggestion wasn't legal; an elected official can only be removed by recall or judicial removal;

changing this section of code to comply with state statute and referencing statutes in town code.

Town Attorney Smiley spoke on the current state requirements for an elected official candidate. She spoke on the Quartzite case where someone challenged the additional requirements. The Supreme Court found it invalid to require more. She said the Town's code 30.015 (G) can be brought in to compliance when they work on the consolidated election changes.

Councilmember Wright asked about changing the Oath of office to include additional things. Ms. Smiley responded they can't take anything away from it but could possibly include additional wording. She explained that at this time the Code of Ethics is voluntary but if not signed the council could sanction them, but it can't be a requirement of office.

Vice Mayor Repan asked if it is not signed after taking office then it would be a separate code infraction. Ms. Smiley responded it would. VM Repan responded he would give it more thought and would ask this come back at a future work session, and he would like to see the Quartzite case and look at other Cities, Towns and Yavapai County for their provisions.

**9.2. Presentation of Appreciation Plaque for Councilman David Hiles.**

Vice Mayor Repan presented Councilman Hiles with his Appreciation Plaque and spoke a few kind words on Hiles' time on the Council. Mr. Hiles thanked the Council and spoke on his appreciation of the members of Council.

**10. Public Hearing Agenda.**

None.

**11. Comments from the Public.**

None.

**12. Adjourn.**

The meeting was adjourned at 7:33 p.m.

---

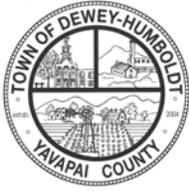
Terry Nolan, Mayor

ATTEST:

---

Judy Morgan, Town Clerk

[Page intentionally left blank]



**TOWN OF DEWEY-HUMBOLDT**  
**P.O. BOX 69**  
**HUMBOLDT, AZ 86329**  
**Phone 928-632-8562 ▪ Fax 928-632-7365**

---

**TOWN COUNCIL MEETING**

**April 16, 2013– 6.30 pm Town Council Meeting Chambers**

**Agenda Item # 8.1 “Development Fees” new legislation requirements and Ordinance Discussion and next steps.** Discussion and direction.

**To: Mayor and Town Council Members**

**From: Yvonne Kimball, Town Manager**

**Recommendation: discontinue “impact fee” collection (Ordinance 09-59) in light of A.R.S. 9-463.05**

**Date submitted: April 11, 2013**

**Summary:**

I became aware of 2011 development fee legislation (currently adopted as A.R.S. 9-463.05) a few months ago and began to understand its complexity.

In 2011, the State Legislature adopted comprehensive legislation that substantially revised the procedures for adoption and imposition of development fees. It was known as SB 1525 and has become A.R.S 9-463.05 under which the town’s current development fee ordinance will expire on July 31, 2014. If the Town wishes to continue to impose development fees after August 1, 2014, we must adopt and implement new development fees through some onerous procedures, including completing a development fee study by a “qualified professional”, preparing and adopting an infrastructure improvement plan, public hearings and complex monitoring after adoption. The town attorney prepared a memorandum in July 2011 which outlines the procedures and important requirements of the new law.

As the Town Attorney pointed out, before deciding how to be in compliance with the new law through an ordinance, the focus for Dewey-Humboldt is whether the Town wants to go through the complex and often costly procedures to adopt the new development fees.

Currently, the town collects impact fees through Ordinance 09-59. The ordinance was enacted in 2009 to amend Ordinance 05-14, but could not be implemented until July 1, 2012 due to another state requirement. Ordinance 09-59 was developed based on the “infrastructure improvement plan and development fee study prepared by TischlerBise in 2009. The study cost \$15,900 which was included in the fee calculations.

Before Ordinance 09-05 could be implemented in July 1 2012, the Town imposed an impact fee only on roads. By income, the Town collected \$22,050 in 2008, \$9,450 in 2009, \$19,914 in 2010 and \$3,150 in 2011 and \$6,300 in 2012. The Town’s General Plan and Zoning Code encourages low density development which pose regulatory impediments on high density development projects. As a result, I do not anticipate significant high density developments to be collected in the coming years even if we were able to collect.

Attachment: D-H Ord. 05-14 (replaced by Ord. 09-59), Ord. 09-59, League model impact fee ordinance, attorney 7-11-2011 memo (separate printout due to “privileged” information)

I attended a development fee training hosted by the League of Cities/Towns. At the meeting, many municipalities and attorneys expressed their frustration and confusion over this new law. The league has provided a model ordinance to help cities and towns who continue their development fee programs to be in compliance. Some small cities and towns representatives questioned whether it would be worthwhile to impose development fees if little is brought in from development fees. I concur with that observation.

I also canvassed the cities and towns in Yavapai County. Large entities are continuing impact fees and they are already in the process of conducting the required studies. For example, in Prescott, the study alone costs \$289,694 which by law can be included in the fee calculations for future imposition. Smaller municipalities seemed to be divided on this issue. Clarkdale and Camp Verde are likely not to continue the impact fees. Cottonwood and Chino Valley are likely to continue their fees. All cities and towns in Yavapai County except Dewey-Humboldt provide utility services to the community. I did not have information on how much impact fees each municipality collects each year. But I can reasonably believe that it would be more than what D-H collects.

If we decide to impose impact fees effective August 1, 2014, the attorney's April 2012's memo has explained the procedures and requirements. We would have to move immediately to select a firm to conduct the studies. I was told by many that those qualified firms have been in great demand and rarely available. I also believe that we would perhaps need additional personnel to implement the new ordinance and coordinate development fee monitoring process required by law.

All said, I believe that it would not be worthwhile for D-H to continue impact fee collection based on A.R.S. 9-463.05.

**ORDINANCE NO. 05-14**

**AN ORDINANCE OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF DEWEY-HUMBOLDT, ARIZONA, ADOPTING A ROAD IMPROVEMENT DEVELOPMENT FEE ON ALL NEW RESIDENTIAL DEVELOPMENT AT THE TIME OF BUILDING PERMIT ISSUANCE TO SERVE PROJECTED DEMAND RESULTING FROM NEW RESIDENTIAL DEVELOPMENT OVER THE PERIOD FROM 2005 TO 2025.**

**BE IT ORDERED** by the Town Council of the Town of Dewey-Humboldt, Yavapai County, Arizona, as follows:

**WHEREAS**, the Town of Dewey-Humboldt recognizes that new residential growth will impact the ability of the existing road system to adequately handle future vehicular traffic; and

**WHEREAS**, the Town of Dewey-Humboldt retained W.C. Scoutten, Inc. as Town Engineer, to analyze and assess growth and development projections from 2005 to 2025 to determine the additional demand for roadways anticipated to be placed on the Town; and

**WHEREAS**, the Town Engineer conducted a roadway inventory to assess the condition of the existing collector roadway system and prepared estimates to improve and expand the existing system in response to projected residential growth; and

**WHEREAS**, the Roadway Improvement Costs and Impact Fee analysis has been presented to, and reviewed by, the Mayor and Council of the Town. The Mayor and Council of the Town, having reviewed the analysis in a public session, held the prescribed public hearing on September 6, 2005, and considered public comments has determined that: (1) the road improvement development fee is necessary to offset costs associated with meeting the future demand on the collector road system pursuant to population projections; (2) the road improvement development fee bears a reasonable relationship to the burden imposed upon the Town to provide new and improved collector roads to new residents; (3) the an “essential nexus” exists between the projected new residential development and the need for new and improved collector roads to be funded via the road improvement development fee; and (4) the amount of the road improvement development fee is “roughly proportional” to the pro rata share of new and improved collector roads needed to provide adequate municipal services to new residential development, while maintaining the existing level of service to Town residences; and

**WHEREAS, the Town has prepared and released to the public with at least sixty (60) days advance notice, a notice of intent to adopt a road improvement development fee in accordance to A.R.S. § 9-463.05(C), and a written report, including all documentation that support the imposition of a road improvement development fee; and**

**WHEREAS, the Town has conducted at least one public hearing held in accordance to A.R.S. § 9-463.05(C) on September 6, 2005 on the proposed road improvement development fee at least sixty (60) days after the expiration of the notice of intention to impose a new or increased development fee and at least fourteen (14) days prior to the scheduled date of adoption of the new or increased development fee by the Mayor and Council of the Town; and**

**WHEREAS, the road improvement development fee adopted pursuant to this Ordinance shall not be effective until at least ninety (90) days after its formal adoption by the Mayor and Council of the Town.**

**NOW, THEREFORE, BE IT ORDAINED by the Mayor and Town Council of the Town of Dewey-Humboldt, Arizona that:**

**Section 1: Adoption of the Town of Dewey-Humboldt Road Improvement Development Fee pursuant to A.R.S. § 9-463.05.**

**The Town of Dewey-Humboldt Road Improvement Development Fee shall be assessed on all new residential development payable at the time of building permit issuance by the Town excepting those residential dwellings that will replace an existing dwelling on the same parcel, pursuant to this Ordinance as follows:**

**Residential                      \$1,575 per dwelling unit**

**Section 2: Annual Development Fee Adjustment for Inflation.**

**(1) On July 1, 2006, and on July 1<sup>st</sup> of each year thereafter in which the Road Improvement Development Fee is in effect, the amount of the development fee, per dwelling unit, shall be automatically adjusted in compliance with applicable State law to account for inflationary increases in the cost of providing town facilities utilizing the most recent applicable data and construction cost index from the Engineering News Record for the Phoenix metropolitan area.**

**(2) Nothing herein shall prevent the governing body of the Town from electing to retain the existing Road Improvement Development Fee or from electing to waive the inflation adjustment for any given fiscal year, or years.**

**Section 3: Separability.**

If any section, subsection, sentence, clause, phrase or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

**Section 4: Effective Date.**

This Ordinance shall be effective at 12:01 a.m. on January 3, 2006, the ninety-first day following its adoption by the governing body of the Town of Dewey-Humboldt.

**PASSED AND ADOPTED** by the Mayor and Town Council of the Town of Dewey-Humboldt, Arizona, this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
**Thomas Hintze, Mayor**

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Debbie Gifford, Town Clerk**

\_\_\_\_\_  
**Kenton Jones, Town Attorney**

## ORDINANCE N<sup>o</sup> 09-59

**AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF DEWEY-HUMBOLDT, COUNTY OF YAVAPAI, ARIZONA, ADOPTING DEVELOPMENT FEES; PROVIDING FOR AUTOMATIC ADJUSTMENT; PROVIDING FOR ADMINISTRATION OF DEVELOPMENT FEES; PROVIDING FOR MANAGEMENT OF DEVELOPMENT FEE CREDITS; PROVIDING FOR APPEALS; PROVIDING THAT THIS ORDINANCE SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW; PROVIDING FOR A SAVINGS CLAUSE; AND PROVIDING FOR REPEAL OF ANY ORDINANCE OR PART OF ORDINANCES OR CODE PROVISIONS IN CONFLICT THEREWITH.**

**Whereas**, the Town may assess development fees to offset costs to the Town associated with providing necessary public services to a development, including the costs of infrastructure, improvements, real property, engineering and architectural services, financing, other capital costs and associated appurtenances, equipment, vehicles, furnishings and other personal property;

**Whereas**, the Town Council adopted a Notice of Intention to assess development fees on August 11, 2009, at which time the Town adopted an infrastructure improvements plan and released to the public a written report, attached hereto as **Attachment A**, that identified the methodology for calculating the amount of the development fee, explained the relationship between the development fee and the infrastructure improvements plan, included documentation that supports the assessment of a new or modified development fee and identified any index or indices to be used for automatic adjustment of the development fee;

**Whereas**, the Town Council conducted a public hearing regarding the proposed development fees on October 13, 2009;

**Whereas**, the Town Council have found and determined that the development fees imposed hereby shall result in a beneficial use to any development charged; the amount of any development fees assessed bear a reasonable relationship to the burden imposed upon the Town to provide additional necessary public services to the development, considering, among other things, the contribution made or to be made in the future in cash or by taxes, fees or assessments by the property owner towards the capital costs of the necessary public services covered by the development fee; and such fees are calculated and will be assessed in a nondiscriminatory manner, all in accordance with the Infrastructure Improvements Plan and Development Fee Study, dated August 3, 2009, attached hereto as **Attachment A**;

**Whereas**, the Town Council have found and determined that for each necessary public service that is the subject of these development fees, the infrastructure improvements plan estimated future necessary public services that will be required as a result of new development and the basis for the estimate; forecast the costs of infrastructure, improvements, real property, financing, other capital costs and associated appurtenances, equipment, vehicles, furnishings and other personal property that will be associated with meeting those future needs for necessary public services and estimate the time required to finance and provide the necessary public services, as described in **Attachment A**;

**Whereas**, the Town Council have found and determined that the development fees adopted hereby are consistent with the requirements of all state and federal laws and constitutions;

**Whereas**, the Town Council have found and determined that, in concurrence with the opinion of the Executive Committee of the League of Arizona Cities and Towns, §§ 5 and 41 of House Bill 2008 of the Forty-ninth Legislature Third Special Session were unconstitutionally adopted and are therefore not applicable to this Ordinance, in that they are not rationally related to the governor’s statement of the subjects to be considered in the special session as required by Arizona Constitution Art. 4, Part 2, § 3, or are not consistent with the limitations on appropriations bills required by Arizona Constitution Art. 4, Part 2, § 20, or both; and

**Whereas**, this Ordinance is adopted for the purpose of promoting the health, safety and general welfare of the residents of the Town by: implementing the Town’s General Plan; requiring new development to pay its proportionate share of the costs to the Town associated with providing necessary public services to the development; and setting forth standards and procedures for assessing development impact fees and administering the development impact fee program.

**Now, Therefore**, Be it ordained by the Mayor and Common Council of the Town of Dewey-Humboldt, Arizona:

1. Development Fee Schedule. The following schedule of development fees is hereby adopted, along with the definitions of terms and principles of interpretation defined in **Attachment A**:

	<i>Community Facilities</i>	<i>Library</i>	<i>Law Enforcement</i>	<i>General Government</i>	<i>Transportation</i>	<i>Total</i>
<b>Residential</b>	<i>Per Unit</i>					
Single Family Detached	\$585	\$700	\$69	\$552	\$1,057	<b>\$2,963</b>
Other residential	\$585	\$700	\$69	\$552	\$1,057	<b>\$2,963</b>
<b>Nonresidential</b>	<i>Per 1,000 square feet/Hotel Room</i>					
Com/Shop Ctr 50,000 SF or less	N/A	N/A	\$1,304	\$140	\$1,611	<b>\$3,055</b>
Com/Shop Ctr 50,000 SF -100,000 SF	N/A	N/A	\$1,131	\$123	\$1,397	<b>\$2,651</b>
Com/Shop Ctr 100,001-200,000 SF	N/A	N/A	\$1,014	\$109	\$1,252	<b>\$2,375</b>
Com/Shop Ctr over 200,000 SF	N/A	N/A	\$895	\$98	\$1,105	<b>\$2,098</b>
Office / Inst 25,000 SF or less	N/A	N/A	\$727	\$204	\$989	<b>\$1,920</b>
Office / Inst 25,001-50,000 SF	N/A	N/A	\$620	\$193	\$843	<b>\$1,656</b>
Office / Inst 50,001-100,000 SF	N/A	N/A	\$529	\$182	\$719	<b>\$1,430</b>
Office / Inst over 100,000 SF	N/A	N/A	\$450	\$172	\$613	<b>\$1,235</b>

	<i>Community Facilities</i>	<i>Library</i>	<i>Law Enforcement</i>	<i>General Government</i>	<i>Transportation</i>	<i>Total</i>
Light Industrial	N/A	N/A	\$276	\$113	\$376	<b>\$765</b>
Warehousing	N/A	N/A	\$141	\$45	\$192	<b>\$378</b>
Manufacturing	N/A	N/A	\$151	\$88	\$206	<b>\$445</b>
Hotel (per room)	N/A	N/A	\$223	\$21	\$303	<b>\$547</b>

2. Automatic Adjustment. The fees contained in this Ordinance will be automatically adjusted on an annual basis using the Engineering News Record Twenty-City Construction Cost Index or equivalent nationally recognized index unless otherwise directed by the Town Council. The adjustment will be made at the end of each calendar year during which the impact fee study, infrastructure improvements plan and impact fee schedule for the type of facility has not been updated, and will be based on the percentage change in the index over the preceding 12-month period. At least thirty days notice in advance of the effective date of the adjustment, the amount of the adjusted fees will be provided to the public. A current list of all adjusted fees will be on file with the Town Clerk.

3. Administration of Development Fees. The development fee program shall be administered by the Town's Community Development and Finance Departments. There shall be a non-refundable development fee program administrative charge equal to one (1) percent of the gross impact fee. The development impact fee and administrative charge shall be paid at the time of the issuance of the construction permits for the development. No construction permit shall be issued until any applicable development fee has been paid. If the construction permit is for an expansion of an existing use or a change to a different use type, the fee shall be assessed only for the additional impacts of the expansion or change. The development fee shall be assessed using the fees in effect at the time the additional impact occurs. Development impact fees collected pursuant to these regulations shall be placed in separate, interest-bearing accounts for each capital facility category. Development fees and any interest thereon collected pursuant to these regulations shall be spent for improvements that provide a beneficial use to the development that paid the fee.

4. Development Fee Credits. Development fee credits are provided in return for infrastructure dedications, improvements, and financial contributions, or any combination, for those capital facilities listed in adopted infrastructure improvements plan. The facilities for which credits are given will reduce the need for capital facilities that were identified or should have been identified in the infrastructure improvements plan. It is the responsibility of the developer to apply for development fee credits. Credits will be provided in accordance with the following procedures:

(a) The amount of the credits provided will be equal to the cost of the type of improvement used for establishing costs in the infrastructure improvements plan, notwithstanding the developer's actual cost.

(b) No credit against development fees will be provided if the developer is being repaid for the contributions, payments, construction or dedications resulting in the credits from any Town funding source.

(c) The value of the credits shall not exceed the amount due for the capital facility category against which it is to be subtracted.

(d) The credits shall not be transferred from one capital facility category to another.

(e) The developer shall execute a credit agreement prior to securing the first construction permit for the development for which the developer contribution was made. Any credits claimed for construction permits issued prior to a credit agreement shall be deemed waived. Credits agreements may be amended up to two years of final acceptance of the facility for which credit was determined. It is the responsibility of the developer to request application of any development fee credits.

(f) Credits shall not be transferred from one development area to another unless contiguous developments using common infrastructure are combined in a manner acceptable to the Community Development Director and the Town Engineer. The transfer of credit shall require a credit agreement, and shall not apply to construction permits in development areas where permits have been previously issued.

(g) Any applicant for annexation, rezoning, subdivision or site plan approval by the Town who may be eligible for credits against the development fee otherwise assessable to the development may receive a fee determination from the Community Development Department. Credits for improvements identified in an infrastructure improvements plan and constructed pursuant to any agreement, stipulation or condition adopted at the time of any annexation, rezoning, subdivision or site plan approval shall be recorded in such a manner as to allow the appropriate allocation of the credit to future applicants for building permits within the property.

(h) Credit will be provided for capital facilities in the infrastructure improvements plan when the facilities are accepted by the Town, and the Town Engineer has verified that the facilities have met all of its requirements, or when adequate security for the completion of the construction has been provided in the manner required by the Town.

(i) Credit will only be granted to an entity that controls developable land within an infrastructure financing plan area and constructs or provides infrastructure or land that benefits that developable land. Only that entity is permitted to request the distribution of credit provided by the installation or provision of infrastructure or land. However, once credit has been distributed to a particular parcel of land to reduce future development fees associated with building permits on that land, the credit cannot be transferred off of the parcel and will be assumed to transfer to any subsequent owner or lessee, unless otherwise specified by a development agreement with the Town.

(j) If the entity that constructs or provides infrastructure or land sells or relinquishes its property prior to credit being allocated to one or more parcels, as may be permitted in this section, credit can only be allocated if both that entity and the subsequent owner of the property request the distribution of the credit.

(k) If multiple entities jointly provide infrastructure or land, any request for the distribution of credit to one or more parcels must be made to the Town jointly by the entities that provided the infrastructure or land.

(l) Credits will be calculated using costs in the infrastructure improvements plan for the type and size of facility being provided except for the credit for partially completed facilities. Credit for partially completed facilities will be calculated using facility component costs provided by the Engineering Department.

(m) Credits will be distributed uniformly within the development area unless specified otherwise in a development agreement.

(n) Where Town-mandated over-sizing of facilities is required and facility specifications do not match those provided in the infrastructure improvements plan, the Town Engineer may calculate the credit value of the dedicated facility using other methods. These methods will be:

- i. Utilizing actual cost as indicated by the lowest bid from a public bid process;
- ii. Utilizing the lowest bid from a minimum of three sealed bids provided by contractors acceptable to the Town;
- iii. Interpolation of values in the infrastructure improvements plan;
- iv. Utilizing component costs used in the infrastructure improvements plan ; or
- v. Subtracting remaining completion costs from the amount specified in the infrastructure improvements plan.

In all cases the amount of credit provided for design, construction management, and similar costs shall be no more than the percentage included for those categories in the infrastructure improvements plan.

(o) In situations where the Town desires the dedication of a facility, the Town Engineer may provide credit at values higher than that provided in the infrastructure improvements plan. The level of credit shall not exceed actual cost as indicated by:

- i. The actual cost as indicated by the lowest bid from a public bid process,
- ii. The lowest bid from a minimum of three sealed bids provided by contractors acceptable to the Town, or in the case of land acquisition, the amount indicated by an independent appraisal obtained by the Town.

In all cases the amount of credit provided for design, construction management and similar costs should be no more than the percentage included for those categories in the infrastructure improvements plan.

(p) In situations where the capital facility was not included in the infrastructure improvements plan but is of a class and type that is normally included in such plans, credit may be provided by the Finance Department if it can be shown that the facility should have been included in the plan. Capital facilities not included in the infrastructure improvements plan or specified infrastructure financing plan but which would normally be included in such plans and which are calculated for credit shall be included as a necessary facility in the next amendment to the infrastructure improvements plan.

5. Appeals. A final fee determination may be appealed in accordance with the following procedures:

(a) Appeals shall be limited to disputes regarding the calculation of the fees for the particular development.

(b) Appeals shall be initiated on such written form as the Community Development Department may prescribe, within seven calendar days of a final fee determination.

(c) The Community Development Director or his or her designee shall consider the appeal within seven calendar days of the filing of an appeal form.

(d) Appeals of the decision of the Community Development Director or his or her designee shall be made within seven days of the decision of the Community Development Director, upon which time the decision may be appealed to the Town Manager.

(e) Appeal of the decision of the Town Manager shall be made to the Town Council within 7 days of the decision of the Town Manager, and will be heard by the Town Council within 30 days of such appeal.

(f) Building permits may be issued during the pendency of an appeal if the applicant pays the fee at the time the appeal is filed. Upon final disposition of an appeal, the fee shall be adjusted in accordance with the decision rendered and a refund paid if warranted.

6. Effective Date. That this Ordinance shall be effective at the soonest date after its passage and approval, according to law, and that the development fees imposed hereby shall not be effective until February 1, 2010.

7. Savings Clause. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance as amended is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remainder of this Ordinance.

8. Repeal. All other code provisions, ordinances, or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed as of the effective date hereof.

**PASSED AND ADOPTED** by the Mayor and Common Council of the Town of Dewey-Humboldt, Arizona, this 17<sup>th</sup> day of November 2009.

/s/ \_\_\_\_\_  
Len Marinaccio, Mayor

ATTEST:

APPROVED AS TO FORM:

/s/ \_\_\_\_\_  
Judy Morgan, Town Clerk

/s/ \_\_\_\_\_  
Ethan Wolfinger, Town Attorney

S:\2009 Town Meetings\2009 Council Regular Meetings\Nov 17 2009\6-1 Ordinance Impact Fees.doc

***Attachment A***  
[On following pages]



Fifty-first Legislature - First Regular Session

[Email a Member](#) | [Email Webmaster](#)
[change session](#) | [printer friendly version](#)
[Senate](#)[House](#)[Legislative Council](#)[JLBC](#)[More Agencies](#)[Bills](#)[Committees](#)[Calendars/News](#)
[ARS TITLE PAGE](#) [NEXT DOCUMENT](#) [PREVIOUS DOCUMENT](#)

[9-463.05. Development fees; imposition by cities and towns; infrastructure improvements plan; annual report; advisory committee; limitation on actions; definitions](#)

A. A municipality may assess development fees to offset costs to the municipality associated with providing necessary public services to a development, including the costs of infrastructure, improvements, real property, engineering and architectural services, financing and professional services required for the preparation or revision of a development fee pursuant to this section, including the relevant portion of the infrastructure improvements plan.

B. Development fees assessed by a municipality under this section are subject to the following requirements:

1. Development fees shall result in a beneficial use to the development.
2. The municipality shall calculate the development fee based on the infrastructure improvements plan adopted pursuant to this section.
3. The development fee shall not exceed a proportionate share of the cost of necessary public services, based on service units, needed to provide necessary public services to the development.
4. Costs for necessary public services made necessary by new development shall be based on the same level of service provided to existing development in the service area.
5. Development fees may not be used for any of the following:
  - (a) Construction, acquisition or expansion of public facilities or assets other than necessary public services or facility expansions identified in the infrastructure improvements plan.
  - (b) Repair, operation or maintenance of existing or new necessary public services or facility expansions.
  - (c) Upgrading, updating, expanding, correcting or replacing existing necessary public services to serve existing development in order to meet stricter safety, efficiency, environmental or regulatory standards.
  - (d) Upgrading, updating, expanding, correcting or replacing existing necessary public services to provide a higher level of service to existing development.
  - (e) Administrative, maintenance or operating costs of the municipality.
6. Any development for which a development fee has been paid is entitled to the use and benefit of the services for which the fee was imposed and is entitled to receive immediate service from any existing facility with available capacity to serve the new service units if the available capacity has not been reserved or pledged in connection with the construction or financing of the facility.
7. Development fees may be collected if any of the following occurs:
  - (a) The collection is made to pay for a necessary public service or facility expansion that is identified in the infrastructure improvements plan and the municipality plans to complete construction and to have the service available within the time period established in the infrastructure improvement plan, but in no event longer than the time period provided in subsection H, paragraph 3 of this section.
  - (b) The municipality reserves in the infrastructure improvements plan adopted pursuant to this section or otherwise agrees to reserve capacity to serve future development.
  - (c) The municipality requires or agrees to allow the owner of a development to construct or finance the necessary public service or facility expansion and any of the following apply:
    - (i) The costs incurred or money advanced are credited against or reimbursed from the development fees otherwise due from a development.
    - (ii) The municipality reimburses the owner for those costs from the development fees paid from all developments that will use those necessary public services or facility expansions.

(iii) For those costs incurred the municipality allows the owner to assign the credits or reimbursement rights from the development fees otherwise due from a development to other developments for the same category of necessary public services in the same service area.

8. Projected interest charges and other finance costs may be included in determining the amount of development fees only if the monies are used for the payment of principal and interest on the portion of the bonds, notes or other obligations issued to finance construction of necessary public services or facility expansions identified in the infrastructure improvements plan.

9. Monies received from development fees assessed pursuant to this section shall be placed in a separate fund and accounted for separately and may only be used for the purposes authorized by this section. Monies received from a development fee identified in an infrastructure improvements plan adopted or updated pursuant to subsection D of this section shall be used to provide the same category of necessary public services or facility expansions for which the development fee was assessed and for the benefit of the same service area, as defined in the infrastructure improvements plan, in which the development fee was assessed. Interest earned on monies in the separate fund shall be credited to the fund.

10. The schedule for payment of fees shall be provided by the municipality. Based on the cost identified in the infrastructure improvements plan, the municipality shall provide a credit toward the payment of a development fee for the required or agreed to dedication of public sites, improvements and other necessary public services or facility expansions included in the infrastructure improvements plan and for which a development fee is assessed, to the extent the public sites, improvements and necessary public services or facility expansions are provided by the developer. The developer of residential dwelling units shall be required to pay development fees when construction permits for the dwelling units are issued, or at a later time if specified in a development agreement pursuant to section 9-500.05. If a development agreement provides for fees to be paid at a time later than the issuance of construction permits, the deferred fees shall be paid no later than fifteen days after the issuance of a certificate of occupancy. The development agreement shall provide for the value of any deferred fees to be supported by appropriate security, including a surety bond, letter of credit or cash bond.

11. If a municipality requires as a condition of development approval the construction or improvement of, contributions to or dedication of any facilities that were not included in a previously adopted infrastructure improvements plan, the municipality shall cause the infrastructure improvements plan to be amended to include the facilities and shall provide a credit toward the payment of a development fee for the construction, improvement, contribution or dedication of the facilities to the extent that the facilities will substitute for or otherwise reduce the need for other similar facilities in the infrastructure improvements plan for which development fees were assessed.

12. The municipality shall forecast the contribution to be made in the future in cash or by taxes, fees, assessments or other sources of revenue derived from the property owner towards the capital costs of the necessary public service covered by the development fee and shall include these contributions in determining the extent of the burden imposed by the development. Beginning August 1, 2014, for purposes of calculating the required offset to development fees pursuant to this subsection, if a municipality imposes a construction contracting or similar excise tax rate in excess of the percentage amount of the transaction privilege tax rate imposed on the majority of other transaction privilege tax classifications, the entire excess portion of the construction contracting or similar excise tax shall be treated as a contribution to the capital costs of necessary public services provided to development for which development fees are assessed, unless the excess portion was already taken into account for such purpose pursuant to this subsection.

13. If development fees are assessed by a municipality, the fees shall be assessed against commercial, residential and industrial development, except that the municipality may distinguish between different categories of residential, commercial and industrial development in assessing the costs to the municipality of providing necessary public services to new development and in determining the amount of the development fee applicable to the category of development. If a municipality agrees to waive any of the development fees assessed on a development, the municipality shall reimburse the appropriate development fee accounts for the amount that was waived. The municipality shall provide notice of any such waiver to the advisory committee established pursuant to subsection G of this section within thirty days.

14. In determining and assessing a development fee applying to land in a community facilities district established under title 48, chapter 4, article 6, the municipality shall take into account all public infrastructure provided by the district and capital costs paid by the district for necessary public services and shall not assess a portion of the development fee based on the infrastructure or costs.

C. A municipality shall give at least thirty days' advance notice of intention to assess a development fee and shall release to the public and post on its website or the website of an association of cities and towns if a municipality does not have a website a written report of the land use assumptions and infrastructure improvements plan adopted pursuant to subsection D of this section. The municipality shall conduct a

public hearing on the proposed development fee at any time after the expiration of the thirty day notice of intention to assess a development fee and at least thirty days before the scheduled date of adoption of the fee by the governing body. Within sixty days after the date of the public hearing on the proposed development fee, a municipality shall approve or disapprove the imposition of the development fee. A municipality shall not adopt an ordinance, order or resolution approving a development fee as an emergency measure. A development fee assessed pursuant to this section shall not be effective until seventy-five days after its formal adoption by the governing body of the municipality. Nothing in this subsection shall affect any development fee adopted before July 24, 1982.

D. Before the adoption or amendment of a development fee, the governing body of the municipality shall adopt or update the land use assumptions and infrastructure improvements plan for the designated service area. The municipality shall conduct a public hearing on the land use assumptions and infrastructure improvements plan at least thirty days before the adoption or update of the plan. The municipality shall release the plan to the public, post the plan on its website or the website of an association of cities and towns if the municipality does not have a website, including in the posting its land use assumptions, the time period of the projections, a description of the necessary public services included in the infrastructure improvements plan and a map of the service area to which the land use assumptions apply, make available to the public the documents used to prepare the assumptions and plan and provide public notice at least sixty days before the public hearing, subject to the following:

1. The land use assumptions and infrastructure improvements plan shall be approved or disapproved within sixty days after the public hearing on the land use assumptions and infrastructure improvements plan and at least thirty days before the public hearing on the report required by subsection C of this section. A municipality shall not adopt an ordinance, order or resolution approving the land use assumptions or infrastructure improvements plan as an emergency measure.
2. An infrastructure improvements plan shall be developed by qualified professionals using generally accepted engineering and planning practices pursuant to subsection E of this section.
3. A municipality shall update the land use assumptions and infrastructure improvements plan at least every five years. The initial five year period begins on the day the infrastructure improvements plan is adopted. The municipality shall review and evaluate its current land use assumptions and shall cause an update of the infrastructure improvements plan to be prepared pursuant to this section.
4. Within sixty days after completion of the updated land use assumptions and infrastructure improvements plan, the municipality shall schedule and provide notice of a public hearing to discuss and review the update and shall determine whether to amend the assumptions and plan.
5. A municipality shall hold a public hearing to discuss the proposed amendments to the land use assumptions, the infrastructure improvements plan or the development fee. The land use assumptions and the infrastructure improvements plan, including the amount of any proposed changes to the development fee per service unit, shall be made available to the public on or before the date of the first publication of the notice of the hearing on the amendments.
6. The notice and hearing procedures prescribed in paragraph 1 of this subsection apply to a hearing on the amendment of land use assumptions, an infrastructure improvements plan or a development fee. Within sixty days after the date of the public hearing on the amendments, a municipality shall approve or disapprove the amendments to the land use assumptions, infrastructure improvements plan or development fee. A municipality shall not adopt an ordinance, order or resolution approving the amended land use assumptions, infrastructure improvements plan or development fee as an emergency measure.
7. The advisory committee established under subsection G of this section shall file its written comments on any proposed or updated land use assumptions, infrastructure improvements plan and development fees before the fifth business day before the date of the public hearing on the proposed or updated assumptions, plan and fees.
8. If, at the time an update as prescribed in paragraph 3 of this subsection is required, the municipality determines that no changes to the land use assumptions, infrastructure improvements plan or development fees are needed, the municipality may as an alternative to the updating requirements of this subsection publish notice of its determination on its website and include the following:
  - (a) A statement that the municipality has determined that no change to the land use assumptions, infrastructure improvements plan or development fee is necessary.
  - (b) A description and map of the service area in which an update has been determined to be unnecessary.
  - (c) A statement that by a specified date, which shall be at least sixty days after the date of publication of the first notice, a person may make a written request to the municipality requesting that the land use assumptions, infrastructure improvements plan or development fee be updated.
  - (d) A statement identifying the person or entity to whom the written request for an update should be sent.
9. If, by the date specified pursuant to paragraph 8 of this subsection, a person

requests in writing that the land use assumptions, infrastructure improvements plan or development fee be updated, the municipality shall cause, accept or reject an update of the assumptions and plan to be prepared pursuant to this subsection.

10. Notwithstanding the notice and hearing requirements for adoption of an infrastructure improvements plan, a municipality may amend an infrastructure improvements plan adopted pursuant to this section without a public hearing if the amendment addresses only elements of necessary public services in the existing infrastructure improvements plan and the changes to the plan will not, individually or cumulatively with other amendments adopted pursuant to this subsection, increase the level of service in the service area or cause a development fee increase of greater than five per cent when a new or modified development fee is assessed pursuant to this section. The municipality shall provide notice of any such amendment at least thirty days before adoption, shall post the amendment on its website or on the website of an association of cities and towns if the municipality does not have a website and shall provide notice to the advisory committee established pursuant to subsection G of this section that the amendment complies with this subsection.

E. For each necessary public service that is the subject of a development fee, the infrastructure improvements plan shall include:

1. A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.
2. An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.
3. A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.
4. A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.
5. The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.
6. The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.
7. A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development as required in subsection B, paragraph 12 of this section.

F. A municipality's development fee ordinance shall provide that a new development fee or an increased portion of a modified development fee shall not be assessed against a development for twenty-four months after the date that the municipality issues the final approval for a commercial, industrial or multifamily development or the date that the first building permit is issued for a residential development pursuant to an approved site plan or subdivision plat, provided that no subsequent changes are made to the approved site plan or subdivision plat that would increase the number of service units. If the number of service units increases, the new or increased portion of a modified development fee shall be limited to the amount attributable to the additional service units. The twenty-four month period shall not be extended by a renewal or amendment of the site plan or the final subdivision plat that was the subject of the final approval. The municipality shall issue, on request, a written statement of the development fee schedule applicable to the development. If, after the date of the municipality's final approval of a development, the municipality reduces the development fee assessed on development, the reduced fee shall apply to the development.

G. A municipality shall do one of the following:

1. Before the adoption of proposed or updated land use assumptions, infrastructure improvements plan and development fees as prescribed in subsection D of this section, the municipality shall appoint an infrastructure improvements advisory committee, subject to the following requirements:
  - (a) The advisory committee shall be composed of at least five members who are appointed by the governing body of the municipality. At least fifty per cent of the members of the advisory committee must be representatives of the real estate, development or building industries, of which at least one member of the committee must be from the home building industry. Members shall not be employees or officials of the municipality.

- (b) The advisory committee shall serve in an advisory capacity and shall:
- (i) Advise the municipality in adopting land use assumptions and in determining whether the assumptions are in conformance with the general plan of the municipality.
  - (ii) Review the infrastructure improvements plan and file written comments.
  - (iii) Monitor and evaluate implementation of the infrastructure improvements plan.
  - (iv) Every year file reports with respect to the progress of the infrastructure improvements plan and the collection and expenditures of development fees and report to the municipality any perceived inequities in implementing the plan or imposing the development fee.
  - (v) Advise the municipality of the need to update or revise the land use assumptions, infrastructure improvements plan and development fee.
- (c) The municipality shall make available to the advisory committee any professional reports with respect to developing and implementing the infrastructure improvements plan.
- (d) The municipality shall adopt procedural rules for the advisory committee to follow in carrying out the committee's duties.
2. In lieu of creating an advisory committee pursuant to paragraph 1 of this subsection, provide for a biennial certified audit of the municipality's land use assumptions, infrastructure improvements plan and development fees. An audit pursuant to this paragraph shall be conducted by one or more qualified professionals who are not employees or officials of the municipality and who did not prepare the infrastructure improvements plan. The audit shall review the progress of the infrastructure improvements plan, including the collection and expenditures of development fees for each project in the plan, and evaluate any inequities in implementing the plan or imposing the development fee. The municipality shall post the findings of the audit on the municipality's website or the website of an association of cities and towns if the municipality does not have a website and shall conduct a public hearing on the audit within sixty days of the release of the audit to the public.
- H. On written request, an owner of real property for which a development fee has been paid after July 31, 2014 is entitled to a refund of a development fee or any part of a development fee if:
- 1. Pursuant to subsection B, paragraph 6 of this section, existing facilities are available and service is not provided.
  - 2. The municipality has, after collecting the fee to construct a facility when service is not available, failed to complete construction within the time period identified in the infrastructure improvements plan, but in no event later than the time period specified in paragraph 3 of this subsection.
  - 3. For a development fee other than a development fee for water or wastewater facilities, any part of the development fee is not spent as authorized by this section within ten years after the fee has been paid or, for a development fee for water or wastewater facilities, any part of the development fee is not spent as authorized by this section within fifteen years after the fee has been paid.
- I. If the development fee was collected for the construction of all or a portion of a specific item of infrastructure, and on completion of the infrastructure the municipality determines that the actual cost of construction was less than the forecasted cost of construction on which the development fee was based and the difference between the actual and estimated cost is greater than ten per cent, the current owner may receive a refund of the portion of the development fee equal to the difference between the development fee paid and the development fee that would have been due if the development fee had been calculated at the actual construction cost.
- J. A refund shall include any interest earned by the municipality from the date of collection to the date of refund on the amount of the refunded fee. All refunds shall be made to the record owner of the property at the time the refund is paid. If the development fee is paid by a governmental entity, the refund shall be paid to the governmental entity.
- K. A development fee that was adopted before January 1, 2012 may continue to be assessed only to the extent that it will be used to provide a necessary public service for which development fees can be assessed pursuant to this section and shall be replaced by a development fee imposed under this section on or before August 1, 2014. Any municipality having a development fee that has not been replaced under this section on or before August 1, 2014 shall not collect development fees until the development fee has been replaced with a fee that complies with this section. Any development fee monies collected before January 1, 2012 remaining in a development fee account:
- 1. Shall be used towards the same category of necessary public services as authorized by this section.
  - 2. If development fees were collected for a purpose not authorized by this section, shall be used for the purpose for which they were collected on or before January 1, 2020, and after which, if not spent, shall be distributed equally among the categories of necessary public services authorized by this section.
- L. A moratorium shall not be placed on development for the sole purpose of awaiting completion of all or any part of the process necessary to develop, adopt or update development fees.
- M. In any judicial action interpreting this section, all powers conferred on municipal

governments in this section shall be narrowly construed to ensure that development fees are not used to impose on new residents a burden all taxpayers of a municipality should bear equally.

N. Each municipality that assesses development fees shall submit an annual report accounting for the collection and use of the fees for each service area. The annual report shall include the following:

1. The amount assessed by the municipality for each type of development fee.
2. The balance of each fund maintained for each type of development fee assessed as of the beginning and end of the fiscal year.
3. The amount of interest or other earnings on the monies in each fund as of the end of the fiscal year.
4. The amount of development fee monies used to repay:
  - (a) Bonds issued by the municipality to pay the cost of a capital improvement project that is the subject of a development fee assessment, including the amount needed to repay the debt service obligations on each facility for which development fees have been identified as the source of funding and the time frames in which the debt service will be repaid.
  - (b) Monies advanced by the municipality from funds other than the funds established for development fees in order to pay the cost of a capital improvement project that is the subject of a development fee assessment, the total amount advanced by the municipality for each facility, the source of the monies advanced and the terms under which the monies will be repaid to the municipality.
5. The amount of development fee monies spent on each capital improvement project that is the subject of a development fee assessment and the physical location of each capital improvement project.
6. The amount of development fee monies spent for each purpose other than a capital improvement project that is the subject of a development fee assessment.

O. Within ninety days following the end of each fiscal year, each municipality shall submit a copy of the annual report to the city clerk and post the report on the municipality's website or the website of an association of cities and towns if the municipality does not have a website. Copies shall be made available to the public on request. The annual report may contain financial information that has not been audited.

P. A municipality that fails to file the report and post the report on the municipality's website or the website of an association of cities and towns if the municipality does not have a website as required by this section shall not collect development fees until the report is filed and posted.

Q. Any action to collect a development fee shall be commenced within two years after the obligation to pay the fee accrues.

R. A municipality may continue to assess a development fee adopted before January 1, 2012 for any facility that was financed before June 1, 2011 if:

1. Development fees were pledged to repay debt service obligations related to the construction of the facility.
2. After August 1, 2014, any development fees collected under this subsection are used solely for the payment of principal and interest on the portion of the bonds, notes or other debt service obligations issued before June 1, 2011 to finance construction of the facility.

S. Through August 1, 2014, a development fee adopted before January 1, 2012 may be used to finance construction of a facility and may be pledged to repay debt service obligations if:

1. The facility that is being financed is a facility that is described under subsection T, paragraph 7, subdivisions (a) through (g) of this section.
2. The facility was included in an infrastructure improvements plan adopted before June 1, 2011.
3. The development fees are used for the payment of principal and interest on the portion of the bonds, notes or other debt service obligations issued to finance construction of the necessary public services or facility expansions identified in the infrastructure improvement plan.

T. For the purposes of this section:

1. "Dedication" means the actual conveyance date or the date an improvement, facility or real or personal property is placed into service, whichever occurs first.
2. "Development" means:
  - (a) The subdivision of land.
  - (b) The construction, reconstruction, conversion, structural alteration, relocation or enlargement of any structure that adds or increases the number of service units.
  - (c) Any use or extension of the use of land that increases the number of service units.
3. "Facility expansion" means the expansion of the capacity of an existing facility that serves the same function as an otherwise new necessary public service in order that the existing facility may serve new development. Facility expansion does not include the repair, maintenance, modernization or expansion of an existing facility to better serve existing development.
4. "Final approval" means:
  - (a) For a nonresidential or multifamily development, the approval of a site plan or, if no site plan is submitted for the development, the approval of a final subdivision plat.
  - (b) For a single family residential development, the approval of a final subdivision

plat.

5. "Infrastructure improvements plan" means a written plan that identifies each necessary public service or facility expansion that is proposed to be the subject of a development fee and otherwise complies with the requirements of this section, and may be the municipality's capital improvements plan.

6. "Land use assumptions" means projections of changes in land uses, densities, intensities and population for a specified service area over a period of at least ten years and pursuant to the general plan of the municipality.

7. "Necessary public service" means any of the following facilities that have a life expectancy of three or more years and that are owned and operated by or on behalf of the municipality:

(a) Water facilities, including the supply, transportation, treatment, purification and distribution of water, and any appurtenances for those facilities.

(b) Wastewater facilities, including collection, interception, transportation, treatment and disposal of wastewater, and any appurtenances for those facilities.

(c) Storm water, drainage and flood control facilities, including any appurtenances for those facilities.

(d) Library facilities of up to ten thousand square feet that provide a direct benefit to development, not including equipment, vehicles or appurtenances.

(e) Street facilities located in the service area, including arterial or collector streets or roads that have been designated on an officially adopted plan of the municipality, traffic signals and rights-of-way and improvements thereon.

(f) Fire and police facilities, including all appurtenances, equipment and vehicles. Fire and police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training firefighters or officers from more than one station or substation.

(g) Neighborhood parks and recreational facilities on real property up to thirty acres in area, or parks and recreational facilities larger than thirty acres if the facilities provide a direct benefit to the development. Park and recreational facilities do not include vehicles, equipment or that portion of any facility that is used for amusement parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, zoo facilities or similar recreational facilities, but may include swimming pools.

(h) Any facility that was financed and that meets all of the requirements prescribed in subsection R of this section.

8. "Qualified professional" means a professional engineer, surveyor, financial analyst or planner providing services within the scope of the person's license, education or experience.

9. "Service area" means any specified area within the boundaries of a municipality in which development will be served by necessary public services or facility expansions and within which a substantial nexus exists between the necessary public services or facility expansions and the development being served as prescribed in the infrastructure improvements plan.

10. "Service unit" means a standardized measure of consumption, use, generation or discharge attributable to an individual unit of development calculated pursuant to generally accepted engineering or planning standards for a particular category of necessary public services or facility expansions.

**League of Arizona Cities and Towns**  
**Model Development Impact Fee Ordinance**

**October 25, 2011**

**[Revised by AJM 12.30.11]**

**2011 Development Impact Fee Ordinance of the**  
**[City/Town] of \_\_\_\_\_**

## **Chapter X - DEVELOPMENT IMPACT FEE ORDINANCE**

- Sec. X-1. Title
- Sec. X-2. Legislative intent and purpose
- Sec. X-3. Definitions
- Sec. X-4. Applicability; Repeal of Previous Ordinances
- Sec. X-5. Authority for Development Impact Fees
- Sec. X-6. Administration of Development Impact Fees
- Sec. X-7. Land Use Assumptions
- Sec. X-8. Infrastructure Improvement Plan
- Sec. X-9. Adoption and Modification Procedures
- Sec. X-10. Five-year validity of the Infrastructure Improvements Plan and the Land Use Assumptions
- Sec. X-11. Collection of Development Impact Fees
- Sec. X-12. Development Impact Fee Credits and Credit Agreements
- Sec. X-13. Development Agreements
- Sec. X-14. Appeals
- Sec. X-15. Refunds of Development Impact Fees
- Sec. X-16. Oversight of Development Impact Fee Program

### Appendix – Fee Schedule Forms

#### **Sec. X-1. - Title.**

This chapter shall be known as the “2011 Development Impact Fee Ordinance of the [City/Town] of \_\_\_\_\_,” and may be cited as such.<sup>1</sup>

#### **Sec. X-2. - Legislative intent and purpose.**

This Chapter is adopted for the purpose of promoting the health, safety and general welfare of the residents of the [City/Town] by:

<sup>1</sup> Each City or Town should select either Option 1 (w/o advisory committee) or Option 2 (w/advisory committee).

- A. Requiring new development to pay its proportionate share of the costs incurred by the [City/Town] that are associated with providing Necessary Public Services to new development.
- B. Setting forth standards and procedures for creating and assessing development impact fees consistent with the requirements of Arizona Revised Statutes (“A.R.S.”) § 9-463.05, including requirements pursuant to A.R.S. § 9 -463.05, Subsection K that, on or before August 1, 2014, the [City/Town] replace its development impact fees that were adopted prior to January 1, 2012 with development impact fees adopted pursuant to the requirements of A.R.S. § 9 -463.05 as amended by the state legislature in SB 1525, Fiftieth Legislature, First Regular Session.
- C. Providing for the temporary continuation of certain development impact fees adopted prior to January 1, 2012 until otherwise replaced pursuant to this Chapter, or longer where such development impact fees were pledged to support Financing or Debt for a Grandfathered Facility as permitted by A.R.S. § 9 -463.05, Subsections K, R, and S.
- D. Setting forth procedures for administering the development impact fee program, including mandatory offsets, Credits, and refunds of development impact fees. All development impact fee assessments, offsets, Credits, or refunds must be administered in accordance with the provisions of this Chapter.

This Chapter shall not affect the [City/Town]’s zoning authority or its authority to adopt or amend its General Plan, provided that planning and zoning activities by the [City/Town] may require amendments to development impact fees as provided in Section X-7 of this Chapter.

**Sec. X-3. - Definitions.**

When used in this chapter, the terms listed below shall have the following meanings unless the context requires otherwise. Singular terms shall include their plural.

*Applicant:* A person who applies to the [City/Town] for a Building Permit.

*Appurtenance:* Any fixed machinery or equipment, structure or other fixture, including integrated hardware, software or other components, associated with a Capital Facility that are necessary or convenient to the operation, use, or maintenance of a Capital Facility, but excluding replacement of the same after initial installation.

*Aquatic Center:* A facility primarily designed to host non-recreational competitive functions generally occurring within water, including, but not limited to, water polo games, swimming meets, and diving events. Such facility may be indoors, outdoors, or any combination thereof, and includes all necessary supporting amenities, including but not limited to, locker rooms, offices, snack bars, bleacher seating, and shade structures.

*Building Permit:* Any permit issued by the [City/Town] that authorizes vertical construction, increases square footage, authorizes changes to land use, or provides for the addition of a residential or non-residential point of demand to a water or wastewater system.

*Capital Facility:* An asset having a Useful Life of three or more years that is a component of one or more Categories of Necessary Public Service provided by the [City/Town]. A Capital Facility may include any associated purchase of real property, architectural and engineering services leading to the design and construction of buildings and facilities, improvements to existing facilities, improvements to or expansions of existing facilities, and associated financing and professional services. Wherever used herein, “infrastructure” shall have the same meaning as “Capital Facilities.”

*Category of Necessary Public Service:* A category of Necessary Public Services for which the [City/Town] is authorized to assess development impact fees, as further defined in Section X-8(A)(1) of this Chapter.

*Category of Development:* A specific category of residential, commercial, or industrial development against which a development impact fee is calculated and assessed. The [City/Town] assesses development impact fees against the following categories of development: [at a minimum include commercial, residential, and industrial categories].

[City: The City of \_\_\_\_\_, Arizona.]

*Commercial Land Use:* [definition to be inserted by City/Town based on definition used in planning and/or zoning classifications].

*Credit:* A reduction in an assessed development impact fee resulting from developer contributions to, payments for, construction of, or dedications for capital facilities included in an Infrastructure Improvements Plan pursuant to Section X-12 of this Chapter (or as otherwise permitted by this Chapter).

*Credit Agreement:* A written agreement between the [City/Town] and the developer(s) of Subject Development that allocates Credits to the Subject Development pursuant to Section X-12 of this Chapter. A Credit Agreement may be included as part of a Development Agreement pursuant to Section X-13 of this Chapter.

*Credit Allocation:* A term used to describe when Credits are distributed to a particular development or parcel of land after execution of a Credit Agreement, but are not yet issued.

*Credit Issuance:* A term used to describe when the amount of an assessed development impact fee attributable to a particular development or parcel of land is reduced by applying a Credit allocation.

*Developer:* An individual, group of individuals, partnership, corporation, limited liability company, association, municipal corporation, state agency, or other person or entity undertaking land development activity, and their respective successors and assigns.

*Development Agreement:* An agreement prepared in accordance with the requirements of Section X-13 of this Chapter, A.R.S. § 9-500.05, and any applicable requirements of the [City/Town] Code.

*Direct Benefit:* A benefit to an EDU resulting from a Capital Facility that: (a) addresses the need for a Necessary Public Service created in whole or in part by the EDU; and that (b) meets either of the following criteria: (i) the Capital Facility is located in the immediate area of the EDU and is needed in the immediate area of the EDU to maintain the Level of Service; or (ii) the Capital Facility substitutes for, or eliminates the need for a Capital Facility that would have otherwise have been needed in the immediate area of the EDU to maintain the [City/Town]'s Level of Service.

*Dwelling Unit:* A house, apartment, mobile home or trailer, group of rooms, or single room occupied as separate living quarters or, if vacant, intended for occupancy as separate living quarters.

*Equipment:* Machinery, tools, materials, and other supplies, not including vehicles, that are needed by a Capital Facility to provide the Level of Service specified by the Infrastructure Improvement Plan, but excluding replacement of the same after initial development of the Capital Facility.

*Equivalent Demand Unit (EDU):* A unit of development within a particular Category of Development, defined in terms of a standardized measure of the demand that a unit of development in that Category of Development generates for Necessary Public Services in relation to the demand generated by a detached single-family Dwelling Unit. For all Categories of Necessary Public Services, the EDU factor for a detached single-family Dwelling Unit is one (1), while the EDU factor for a unit of development within another Category of Development is represented as a ratio of the demand for each Category of Necessary Public Services typically generated by that unit as compared to the demand for such services typically generated by a detached single-family Dwelling Unit. An EDU shall be a "service unit" for purposes of paragraph (T), subparagraph (10) of A.R.S. § 9-463.05.

*Excluded Library Facility:* Library facilities for which development impact fees may not be charged pursuant to A.R.S. § 9-463.05, including that portion of any Library facility that exceeds 10,000 square feet, and Equipment, Vehicles or Appurtenances associated with Library operations.

*Excluded Park Facility:* Park and recreational facilities for which development impact fees may not be charged pursuant to A.R.S. § 9-463.05, including amusement parks, aquariums, Aquatic Centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, or zoo facilities.

*Fee Report:* A written report developed pursuant to Section X-9 of this Chapter that identifies the methodology for calculating the amount of each development impact fee, explains

the relationship between the development impact fee to be assessed and the Plan-Based Cost per EDU calculated in the Infrastructure Improvements Plan, and which meets other requirements set forth in A.R.S. § 9-463.05.

*Financing or Debt:* Any debt, bond, note, loan, interfund loan, fund transfer, or other debt service obligation used to finance the development or expansion of a Capital Facility.

*Fire Protection:* A Category of Necessary Public Services that includes fire stations, fire Equipment, fire Vehicles and all Appurtenances for fire stations. Fire Protection does not include Vehicles or Equipment used to provide administrative services, or helicopters or airplanes. Fire Protection does not include any facility that is used for training firefighters from more than one station or substation.

*Grandfathered Facilities:* Capital Facilities provided through Financing or Debt incurred before June 1, 2011 for which a development impact fee has been Pledged towards repayment as described in Section X-5(C) of this Chapter.

*General Plan:* Refers to the overall land-use plan for the [City/Town] establishing areas of the [City/Town] for different purposes, zones and activities adopted pursuant to [City/Town] Resolution XXXX, as amended, and including [specific area plans] adopted pursuant to [City/Town] Resolution XXXX.

*Gross Impact Fee:* The total development impact fee to be assessed against a Subject Development on a per unit basis, prior to subtraction of any Credits.

*Industrial Land Use:* [definition to be inserted by City/Town consistent with that used in planning and/or zoning classifications].

*Infrastructure Improvements Plan:* A document or series of documents that meet the requirements set forth in A.R.S. § 9-463.05, including those adopted pursuant to Section X-9 of this Chapter to cover any Category or combination of Categories of Necessary Public Services.

*Institutional Land Use:* [Blank: to be inserted by City/Town].

*Interim Fee Schedule:* Any development impact fee schedule established prior to January 1, 2012 in accordance with then-applicable law, and which shall expire not later than August 1, 2014 pursuant to Section X-11 of this Chapter.

*Land Use Assumptions:* Projections of changes in land uses, densities, intensities and population for a Service Area over a period of at least ten years as specified in Section X-7 of this Chapter.

*Level of Service:* A quantitative and/or qualitative measure of a Necessary Public Service that is to be provided by the [City/Town] to development in a particular Service Area, defined in terms of the relationship between service capacity and service demand, accessibility, response times, comfort or convenience of use, or other similar measures or combinations of measures. Level of Service may be measured differently for different Categories of Necessary Public Services, as identified in the applicable Infrastructure Improvements Plan.

*Library Facilities:* A Category of Necessary Public Services in which literary, musical, artistic, or reference materials are kept (materials may be kept in any form of media such as electronic, magnetic, or paper) for non-commercial use by the public in a facility providing a Direct Benefit to development. Libraries do not include Excluded Library Facilities, although a Library may contain, provide access to, or otherwise support an Excluded Library Facility.

*Necessary Public Services:* “Necessary Public Services” shall have the meaning prescribed in A.R.S. § 9-463.05, Subsection T, paragraph 5.

*Offset:* An amount which is subtracted from the overall costs of providing Necessary Public Services to account for those capital components of infrastructure or associated debt that have been or will be paid for by a development through taxes, fees (except for development impact fees), and other revenue sources, as determined by the [City/Town] pursuant to Section X-8 of this Chapter.

*Parks and Recreational Facilities:* A Category of Necessary Public Services including but not limited to parks, swimming pools and related facilities and equipment located on real property not larger than 30 acres in area, as well as park facilities larger than 30 acres where such facilities provide a Direct Benefit. Parks and Recreational Facilities do not include Excluded Park Facilities, although Parks and Recreational Facilities may contain, provide access to, or otherwise support an Excluded Park Facility.

*Plan-Based Cost Per EDU:* The total future capital costs listed in the Infrastructure Improvements Plan for a Category of Necessary Public Services divided by the total new equivalent demand units projected in a particular Service Area for that Category of Necessary Public Services over the same time period.

*Pledged:* Where used with reference to a development impact fee, a development impact fee shall be considered “pledged” where it was identified by the [City/Town] as a source of payment or repayment for Financing or Debt that was identified as the source of financing for a Necessary Public Service for which a development impact fee was assessed pursuant to the then-applicable provisions of A.R.S. § 9-463.05.

*Police Facilities:* A Category of Necessary Public Services, including Vehicles and Equipment, that are used by law enforcement agencies to preserve the public peace, prevent crime, detect and arrest criminal offenders, protect the rights of persons and property, regulate and control motorized and pedestrian traffic, train sworn personnel, and/or provide and maintain police records, vehicles, equipment, and communications systems. Police Facilities do not include Vehicles and Equipment used to provide administrative services, or helicopters or airplanes. Police Facilities do not include any facility that is used for training officers from more than one station or substation.

*[Optional] Private School:* [Insert definition if the City/Town will not charge development impact fees against Private Schools] An institution of learning offering education for children which charges students tuition, including some or all of the grades from kindergarten through 12th grade. The site may contain athletic, dining, assembly and recreation facilities.

*[Optional] Public School:* [Insert definition if the City/Town will not charge development impact fees against Public Schools] An institution of learning offering free education for all children, including some or all of the grades from kindergarten through 12th grade. The site may contain athletic, dining, assembly and recreation facilities.

*Qualified Professional:* Any one of the following: (a) a professional engineer, surveyor, financial analyst or planner, or other licensed professional providing services within the scope of that person's education or experience related to [City/Town] planning, zoning, or impact development fees and holding a license issued by an agency or political subdivision of the State of Arizona; (b) a financial analyst, planner, or other non-licensed professional that is providing services within the scope of the person's education or experience related to [City/Town] planning, zoning, or impact development fees; or (c) any other person operating under the supervision of one or more of the above.

*Residential Land Use:* [definition to be inserted by City/Town consistent with definitions in other planning and/or zoning classifications].

*Service Area:* Any specified area within the boundaries of the [City/Town] within which: (a) the [City/Town] will provide a Category of Necessary Public Services to development at a planned Level of Service; and (b) within which (i) a Substantial Nexus exists between the Capital Facilities to be provided and the development to be served, or (ii) in the case of Library Facilities or a Park Facility larger than 30 acres, a Direct Benefit exists between the Library Facilities or Park Facilities and the development to be served, each as prescribed in the Infrastructure Improvements Plan. Some or all of the Capital Facilities providing service to a Service Area may be physically located outside of that Service Area provided that the required Substantial Nexus or Direct Benefit is demonstrated to exist.

*Street Facilities:* A Category of Necessary Public Services including arterial or collector streets or roads, traffic signals, rights-of-way, and improvements thereon, bridges, culverts, irrigation tiling, storm drains, and regional transportation facilities.<sup>2</sup>

*Storm Drainage:* A Category of Necessary Public Services including but not limited to storm sewers constructed in sizes needed to provide for stormwater management for areas beyond major street projects and stormwater detention/retention basins, tanks, pump stations and channels necessary to provide for proper stormwater management, including any appurtenances for those facilities.

*Subject Development:* A land area linked by a unified plan of development, which must be contiguous unless the land area is part of a development agreement executed in accordance with Section X-13 of this Chapter.

*Substantial Nexus:* A substantial nexus exists where the demand for Necessary Public Services that will be generated by an EDU can be reasonably quantified in terms of the burden it will impose on the available capacity of existing Capital Facilities, the need it will create for new

<sup>2</sup> This definition may be narrowed, in all instances a municipality may collect fees for *fewer* capital facilities than are strictly allowed.

or expanded Capital Facilities, and/or the benefit to the development from those Capital Facilities.

*Swimming Pool:* A public facility primarily designed and/or utilized for recreational non-competitive functions generally occurring within water, including, but not limited to, swimming classes, open public swimming sessions, and recreational league swimming/diving events. The facility may be indoors, outdoors, or any combination thereof, and includes all necessary supporting amenities.

[Town: The Town of \_\_\_\_\_, Arizona.]

*Useful Life:* The period of time in which an asset can reasonably be expected to be used under normal conditions, whether or not the asset will continue to be owned and operated by the [City/Town] over the entirety of such period.

*Vehicle:* Any device, structure, or conveyance utilized for transportation in the course of providing a particular Category of Necessary Public Services at a specified Level of Service, excluding helicopters and other aircraft.

*Wastewater:* A Category of Necessary Public Services including but not limited to sewers, lift stations, reclamation plants, wastewater treatment plants, and all other facilities for the collection, interception, transportation, treatment and disposal of wastewater, and any appurtenances for those facilities.

*Water:* A Category of Necessary Public Services including but not limited to those facilities necessary to provide for water services to development, including the acquisition, supply, transportation, treatment, purification and distribution of water, and any appurtenances to those facilities.

[Other Potential Land Use Definitions: Multifamily, Religious, Retail, Office, Warehouse, Manufacturing]<sup>3</sup>

#### **Sec. X-4. – Applicability**

- A. Except as otherwise provided herein, from and after \_\_\_\_\_, this Chapter shall apply to all new development within any Service Area, except for the development of any [public school, private school or]<sup>4</sup> [City/Town] facility.
- B. The provisions of this Chapter shall apply to all of the territory within the corporate limits of the [City/Town] and/or within the [City/Town]'s water and wastewater service areas.

<sup>3</sup> Each City/Town should add definitions for other categories of land use as needed; definitions should be consistent with other land use or zoning guidance.

<sup>4</sup> Optional provision, if not selected delete the definitions of public and private schools.

- C. The [City/Town] manager or his/her designee is authorized to make determinations regarding the application, administration and enforcement of the provisions of this Chapter.

**Sec. X-5. – Authority for Development Impact Fees**

- A. *Fee Report and Implementation.* The [City/Town] may assess and collect a development impact fee for costs of Necessary Public Services, including all professional services required for the preparation or revision of an Infrastructure Improvements Plan, Fee Report, development impact fee, and required reports or audits conducted pursuant to this Chapter. Development impact fees shall be subject to the following requirements:
  - 1. The [City/Town] shall develop and adopt a Fee Report that analyzes and defines the development impact fees to be charged in each Service Area for each Capital Facility Category, based on the Infrastructure Improvements Plan and the Plan-Based Cost per EDU calculated pursuant to Section X-8(A)(12) of this Chapter.
  - 2. Development impact fees shall be assessed against all new commercial, residential, and industrial developments, provided that the [City/Town] may assess different amounts of development impact fees against specific Categories of Development based on the actual burdens and costs that are associated with providing Necessary Public Services to that Category of Development. No development impact fee shall exceed the Plan-Based Cost per EDU for any Category of Development.
  - 3. No development impact fees shall be charged, or Credits issued, for any Capital Facility that does not fall within one of the Categories of Necessary Public Services for which development impact fees may be assessed as identified in Section X-8(A)(1) of this Chapter.
  - 4. Costs for Necessary Public Services made necessary by new development shall be based on the same Level of Service provided to existing development in the same Service Area. Development impact fees may not be used to provide a higher Level of Service to existing development or to meet stricter safety, efficiency, environmental, or other regulatory standards to the extent that these are applied to existing Capital Facilities that are serving existing development.
  - 5. Development impact fees may not be used to pay the [City/Town]'s administrative, maintenance, or other operating costs.
  - 6. Projected interest charges and financing costs can only be included in development impact fees to the extent they represent principal and/or interest on the portion of any Financing or Debt used to finance the construction or expansion of a Capital Facility identified in the Infrastructure Improvements Plan.

7. Except for any fees included on Interim Fee Schedules, all development impact fees charged by the [City/Town] must be included in a “Fee Schedule” prepared pursuant to this Chapter and included in the Fee Report; example versions of all Fee Schedules are provided in Appendix A.
  8. All development impact fees shall meet the requirements of A.R.S. § 9-463.05.
- B. *Costs per EDU.* The Fee Report shall summarize the costs of Capital Facilities necessary to serve new development on a per EDU basis as defined and calculated in the Infrastructure Improvements Plan, including all required Offsets, and shall recommend a development impact fee structure for adoption by the [City/Town]. The actual impact fees to be assessed shall be disclosed and adopted in the form of impact fee schedules described in Appendix A to this Chapter.
- C. *Carry-over of Previously-Established Development Impact Fees and Grandfathered Facilities.* Notwithstanding the requirements of this Chapter, certain development impact fees adopted by the [City/Town] prior to the effective date of this Chapter shall continue in effect as follows:
1. Until August 1, 2014 or the date a new development impact fee is effective for the applicable Category of Necessary Public Services in a Service Area pursuant to this Chapter, whichever occurs first, development impact fees established prior to January 1, 2012 shall continue in full force and effect to the extent that the development impact fee is used to provide a Category of Necessary Public Services that is authorized by Section X-8 of this Chapter. Development impact fees collected prior to January 1, 2012, shall be expended on Capital Facilities within the same Category of Necessary Public Services for which they were collected.
  2. The [City/Town] may continue to collect and use any development impact fee established before January 1, 2012, even if the development impact fee would not otherwise be permitted to be collected and spent pursuant to A.R.S. § 9-463.05, as amended by the state legislature in SB 1525, Fiftieth Legislature, First Regular Session, if either of the following apply:
    - a. Both of the following conditions are met:
      - i. Prior to June 1, 2011, the development impact fee was Pledged towards the repayment of Financing or Debt incurred by the [City/Town] to provide a Capital Facility.
      - ii. The applicable Capital Facility was included in the [City/Town]’s Infrastructure Improvements Plan, or other [City/Town] planning document prepared pursuant to applicable law, prior to June 1, 2011.

- b. Before August 1, 2014, the [City/Town] uses the development impact fee to finance a Capital Facility in accordance with A.R.S. § 9-463.05, Subsection (S).
3. Defined terms in any previously established fee schedule shall be interpreted according to the ordinance in effect at the time of their adoption.

#### **Sec. X-6. – Administration of Development Impact Fees**

- A. *Separate Accounts.* Development impact fees collected pursuant to this Chapter shall be placed in separate, interest-bearing accounts for each Capital Facility category within each Service Area.
- B. *Limitations on Use of Fees.* Development impact fees and any interest thereon collected pursuant to this Chapter shall be spent to provide Capital Facilities associated with the same Category of Necessary Public Services in the same Service Area for which they were collected, including costs of Financing or Debt used by the [City/Town] to finance such Capital Facilities and other costs authorized by this Chapter that are included in the Infrastructure Improvements Plan.
- C. *Time Limit.* Development impact fees collected after July 31, 2014 shall be used within ten years of the date upon which they were collected for all Categories of Necessary Public Services except for Water and Wastewater Facilities. For Water Facilities or Wastewater Facilities collected after July 31, 2014, development impact fees must be used within 15 years of the date upon which they were collected.

#### **Sec. X-7. – Land Use Assumptions**

The Infrastructure Improvements Plan shall be consistent with the [City/Town]'s current Land Use Assumptions for each Service Area and each Category of Necessary Public Services as adopted by the [City/Town] pursuant to A.R.S. § 9-463.05.

- A. *Reviewing the Land Use Assumptions.* Prior to the adoption or amendment of an Infrastructure Improvements Plan, the [City/Town] shall review and evaluate the Land Use Assumptions on which the Infrastructure Improvements Plan is to be based to ensure that the Land Use Assumptions within each Service Area conform with the General Plan.
- B. *Evaluating Necessary Changes.* If the Land Use Assumptions upon which an Infrastructure Improvements Plan is based have not been updated within the last five years, the [City/Town] shall evaluate the Land Use Assumptions to determine whether changes are necessary. If, after general evaluation, the [City/Town] determines that the Land Use Assumptions are still valid, the [City/Town] shall issue the report required in Section X-10 of this Chapter.

- C. *Required Modifications to Land Use Assumptions.* If the [City/Town] determines that changes to the Land Use Assumptions are necessary in order to adopt or amend an Infrastructure Improvements Plan, it shall make such changes as necessary to the Land Use Assumptions prior to or in conjunction with the review and approval of the Infrastructure Improvements Plan pursuant to Section X-10 of this Chapter.

#### **Sec. X-8. – Infrastructure Improvements Plan**

- A. *Infrastructure Improvements Plan Contents.* The Infrastructure Improvements Plan shall be developed by Qualified Professionals and may be based upon or incorporated within the [City/Town]’s Capital Improvements Plan. The Infrastructure Improvements Plan shall:
1. Specify the Categories of Necessary Public Services for which the [City/Town] will impose a development impact fee, which may include any or all of the following:
    - a. Water
    - b. Wastewater
    - c. Stormwater, Drainage, and Flood Control
    - d. Libraries
    - e. Street Facilities
    - f. Fire Protection
    - g. Police
    - h. Parks
  2. Define and provide a map of one or more Service Areas within which the [City/Town] will provide each Category of Necessary Public Services for which development impact fees will be charged. Each Service Area must be defined in a manner that demonstrates a Substantial Nexus between the Capital Facilities to be provided in the Service Area and the EDUs to be served by those Capital Facilities. For Libraries and for Parks larger than 30 acres, each Service Area must be defined in a manner that demonstrates a Direct Benefit between the Capital Facilities and the EDUs to be served by those Capital Facilities. The [City/Town] may cover more than one category of Capital Facilities in the same Service Area provided that there is an independent Substantial Nexus or Direct Benefit, as applicable, between each Category of Necessary Public Services and the EDUs to be served.
  3. Identify and describe the Land Use Assumptions upon which the Infrastructure Improvements Plan is based in each Service Area.
  4. Analyze and identify the existing Level of Service provided by the [City/Town] to existing EDUs for each Category of Necessary Public Services in each Service Area.

5. Identify the Level of Service to be provided by the [City/Town] for each Category of Necessary Public Services in each Service Area based on the relevant Land Use Assumptions and any established [City/Town] standards or policies related to required Levels of Service. If the [City/Town] provides the same Category of Necessary Public Services in more than one Service Area, the Infrastructure Improvements Plan shall include a comparison of the Levels of Service to be provided in each Service Area.
6. For each Category of Necessary Public Services, analyze and identify the existing capacity of the Capital Facilities in each Service Area, the utilization of those Capital Facilities by existing EDUs, and the available excess capacity of those Capital Facilities to serve new EDUs including any existing or planned commitments or agreements for the usage of such capacity. The Infrastructure Improvements Plan shall additionally identify[: (a)] any changes or upgrades to existing Capital Facilities that will be needed to achieve or maintain the planned Level of Service to existing EDUs, or to meet new safety, efficiency, environmental, or other regulatory requirements for services provided to existing EDUs[; and (b) those portions of Capital Facilities that will be necessary to serve any new public school, private school, or [City/Town] facility for which development impact fees will not be assessed].<sup>5</sup>
7. Identify any Grandfathered Facilities and the impact thereof on the need for Necessary Public Services in each affected Service Area.
8. Estimate the total number of existing and future EDUs within each Service Area based on the [City/Town]'s Land Use Assumptions and projected new EDUs in each Service Area.
9. Based on the analysis in paragraphs (3)-(6) above, provide a summary table or tables describing the Level of Service for each Category of Necessary Public Services by relating the required Capital Facilities to EDUs in each Service Area, and identifying the applicable EDU factor associated with each Category of Development.
10. For each Category of Necessary Public Services, analyze and identify the projected utilization of any available excess capacity in existing Capital Facilities, and all new or expanded Capital Facilities that will be required to provide and maintain the planned Level of Service in each Service Area as a result of the new projected EDUs in that Service Area, for a period not to exceed ten years. Nothing in this Subsection shall prohibit the [City/Town] from additionally including in its Infrastructure Improvements Plan projected utilization of, or needs for, Capital Facilities

<sup>5</sup> This provision only necessary if schools and or other [City/Town] facilities will be exempt from development impact fees in Section X-4.

for a period longer than ten years, provided that the costs of such Capital Facilities are excluded from the calculation of the Plan-Based Cost per EDU.

11. For each Category of Necessary Public Services, estimate the total cost of any available excess capacity and/or new or expanded Capital Facilities that will be required to serve new EDUs, including costs of land acquisition, improvements, engineering and architectural services, studies leading to design, design, construction, financing, and administrative costs, as well as projected costs of inflation. Such total costs shall not include costs for ongoing operation and maintenance of Capital Facilities, nor for replacement of Capital Facilities to the extent that such replacement is necessary to serve existing EDUs. If the Infrastructure Improvements Plan includes changes or upgrades to existing Capital Facilities that will be needed to achieve or maintain the planned Level of Service to existing EDUs, or to meet new regulatory requirements for services provided to existing EDUs, such costs shall be identified and distinguished in the Infrastructure Improvements Plan.
12. Forecast the revenues from taxes, fees, assessments or other sources that will be available to fund the new or expanded Capital Facilities identified in the Infrastructure Improvements Plan, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions. The Infrastructure Improvements Plan shall additionally estimate the time required to finance, construct and implement the new or expanded Capital Facilities.
13. Calculate required Offsets as follows:
  - a. From the forecasted revenues in Subsection (12) of this Section, identify those sources of revenue that: (i) are attributable to new development, and (ii) will contribute to paying for the capital costs of Necessary Public Services.
  - b. For each source and amount of revenue identified pursuant to paragraph (a) of this Subsection, calculate the relative contribution of each Category of Development to paying for the capital costs of Necessary Public Services in each Service Area.
  - c. Based on the relative contributions identified pursuant to paragraph (b) of this Subsection, for each Category of Necessary Public Services, calculate the total Offset to be provided to each Category of Development in each Service Area.

- d. For each Category of Necessary Public Services, convert the total Offset to be provided to each Category of Development in each Service Area into an offset amount per EDU by dividing the total Offset for each Category of Development by the number of EDUs associated with that Category of Development.
  - e. Beginning August 1, 2014, for purposes of calculating the required Offset, if the [City/Town] imposes a construction, contracting, or similar excise tax rate in excess of the percentage amount of the transaction privilege tax rate that is imposed on the majority of other transaction privilege tax classifications in the [City/Town], the entire excess portion of the construction, contracting, or similar excise tax shall be treated as a contribution to the capital costs of Necessary Public Services provided to new development unless the excess portion is already utilized for such purpose pursuant to this Section.
  - f. In determining the amount of required Offset for land included in a community facilities district established under A.R.S. Title 48, Chapter 4, Article 6, the [City/Town] shall take into account any Capital Facilities provided by the district that are included in the Infrastructure Improvements Plan and the capital costs paid by the district for such Capital Facilities, and shall offset impact fees assessed within the community facilities district proportionally.
14. Calculate the Plan-Based Cost per EDU by:
- a. Dividing the total projected costs to provide Capital Facilities to new EDUs for each Category of Necessary Public Services in each Service Area as determined pursuant to Subsection (9) of this Section into the number of new EDUs projected for that Service Area over a period not to exceed ten years, considering the specific EDU factor(s) associated with such EDUs for each Category of Necessary Public Services.
  - b. Subtracting the required Offset per EDU calculated pursuant to Subsection (11) of this Section.
- B. *Multiple Plans.* An Infrastructure Improvements Plan adopted pursuant to this Subsection may address one or more of the [City/Town]'s Categories of Necessary Public Services in any or all of the [City/Town]'s Service Areas. Each Capital Facility shall be subject to no more than one Infrastructure Improvements Plan at any given time.
- C. *Reserved Capacity.* The [City/Town] may reserve capacity in an Infrastructure Improvements Plan to serve one or more planned future developments, including capacity reserved through a Development Agreement pursuant to Section X-13 of

this Chapter. All reservations of existing capacity must be disclosed in the Infrastructure Improvements Plan at the time it is adopted.

#### **X-9. – Adoption and Modification Procedures**

A. *Adopting or Amending the Infrastructure Improvements Plan.* The Infrastructure Improvements Plan shall be adopted or amended subject to the following procedures:

1. *Major Amendments to the Infrastructure Improvements Plan.* Except as provided in paragraph 2 of this Subsection, the adoption or amendment of an Infrastructure Improvement Plan shall occur at one or more public hearings according to the following schedule, and may occur concurrently with the adoption of an update of the [City/Town]'s Land Use Assumptions as provided in Section X-7 of this Chapter:
  - a. Sixty days before the first public hearing regarding a new or updated Infrastructure Improvements Plan, the [City/Town] shall provide public notice of the hearing and post the Infrastructure Improvements Plan and the underlying Land Use Assumptions on its website; the [City/Town] shall additionally make available to the public the documents used to prepare the Infrastructure Improvements Plan and underlying Land Use Assumptions and the amount of any proposed changes to the Plan-Based Cost per EDU.
  - b. The [City/Town] shall conduct a public hearing on the Infrastructure Improvements Plan and underlying Land Use Assumptions at least 30 days, but no more than 60 days, before approving or disapproving the Infrastructure Improvements Plan.
2. *Minor Amendments to the Infrastructure Improvements Plan.* Notwithstanding the other requirements of this Section, the [City/Town] may update the Infrastructure Improvements Plan and/or its underlying Land Use Assumptions without a public hearing if all of the following apply:
  - a. The changes in the Infrastructure Improvements Plan and/or the underlying Land Use Assumptions will not add any new Category of Necessary Public Services to any Service Area.
  - b. The changes in the Infrastructure Improvements Plan and/or the underlying Land Use Assumptions will not increase the Level of Service to be provided in any Service Area.
  - c. Based on an analysis of the Fee Report and the [City/Town]'s adopted development impact fee schedules, the changes in the Infrastructure Improvements Plan and/or the underlying Land Use

Assumptions would not, individually or cumulatively with other amendments undertaken pursuant to this Subsection, have caused a development impact fee in any Service Area to have been increased by more than five per cent above the development impact fee that is provided in the current development impact fee schedule.

- d. At least 30 days prior to the date that the any amendment pursuant to this Section is adopted, the [City/Town] shall post the proposed amendments on the [City/Town] website [and shall provide the Advisory Committee with written notice of the proposed amendments and the basis for compliance with this Section].<sup>6</sup>

B. *Amendments to the Fee Report.* Any adoption or amendment of a Fee Report and fee schedule shall occur at one or more public hearings according to the following schedule:

1. The first public hearing on the Fee Report must be held at least 30 days after the adoption or approval of and Infrastructure Improvements Plan as provided in Subsection A of this Section. The [City/Town] must give at least 30 days notice prior to the hearing, provided that this notice may be given on the same day as the approval or disapproval of the Infrastructure Improvements Plan.
2. The [City/Town] shall make the Infrastructure Improvements Plan and underlying Land Use Assumptions available to the public on the [City/Town]'s website 30 days prior to the public hearing described in Paragraph (1) of this Subsection.
3. The Fee Report may be adopted by the [City/Town] no sooner than 30 days, and no later than 60 days, after the hearing described in Paragraph (1) of this Subsection.
4. The development fee schedules in the Fee Report adopted pursuant to this Subsection shall become effective 75 days after adoption of the Fee Report by the [City/Town].

**Sec. X-10. – Timing for the Renewal and Updating of the Infrastructure Improvements Plan and the Land Use Assumptions**

A. *Renewing the Infrastructure Improvements Plan.* Except as provided in Subsection B of this Section, not later than every five years the [City/Town] shall update the applicable Infrastructure Improvements Plan and Fee Report related to each Category of Necessary Public Services pursuant to Section X-9 of this Chapter. Such five-year period shall be calculated from the date of the adoption

<sup>6</sup> If no Advisory Committee, delete this provision.

of the Infrastructure Improvements Plan or the date of the adoption of the Fee Report, whichever occurs later.

- B. *Determination of No Changes.* Notwithstanding Subsection (A) of this Section, if the [City/Town] determines that no changes to an Infrastructure Improvements Plan, underlying Land Use Assumptions, or Fee Report are needed, the [City/Town] may elect to continue the existing Infrastructure Improvements Plan and Fee Report without amendment by providing notice as follows:
1. Notice of the determination shall be published at least 180 days prior to the end of the five-year period described in Subsection A of this Section.
  2. The notice shall identify the Infrastructure Improvements Plan and Fee Report that shall continue in force without amendment.
  3. The notice shall provide a map and description of the Service Area(s) covered by such Infrastructure Improvements Plan and Fee Report.
  4. The notice shall identify an address to which any resident of the [City/Town] may submit, within 60 days, a written request that the [City/Town] update the Infrastructure Improvements Plan, underlying Land Use Assumptions, and/or Fee Report and the reasons and basis for the request.
- C. *Response to Comments.* The [City/Town] shall consider and respond within 30 days to any timely requests submitted pursuant to Paragraph 4 of Subsection (B) of this Section.

#### **Sec. X-11. - Collection of Development Impact Fees**

- A. *Collection.* Development impact fees, together with administrative charges assessed pursuant to Paragraph (A)(6) of this Section, shall be calculated and collected prior to issuance of permission to commence development; specifically:
1. Unless otherwise specified pursuant to a Development Agreement adopted pursuant to Section X-13 of this Chapter, development impact fees shall be paid prior to issuance of a building permit according to the current development impact fee schedule for the applicable Service Area(s) as adopted pursuant to this Chapter, or according to any other development impact fee schedule as authorized in this Chapter.
  2. If a building permit is not required for the development, but water or wastewater connections are required, any and all development impact fees due shall be paid at the time the water service connection is purchased. If only a wastewater connection is required, the development impact fees shall be paid prior to approval of a connection to the sewer system. Wastewater development impact fees shall be assessed if a development

connects to the public sewer, or as determined by the [\_\_\_\_\_], is capable of discharging sewage to a [City/Town] public sewer.

3. If the development is located in a Service Area with a Stormwater, Drainage, and Flood Control development impact fee, and neither a building permit, water, or sewer service connection is required, the Storm Drainage development impact fee due shall be paid at the time a civil or site permit is issued for the development.
  4. No building permit, water or sewer connection, or certificate of occupancy shall be issued if a development impact fee is not paid as directed in the previous paragraphs.
  5. If the building permit is for a change in the type of building use, an increase in square footage, a change to land use, or an addition to a residential or non-residential point of demand to the water or wastewater system, the development impact fee shall be assessed on the additional service units resulting from the expansion or change, and following the development impact fee schedule applicable to any new use type.
  6. For issued permits that expire or are voided, development impact fees and administrative charges shall be as follows:
    - a. If the original permittee is seeking to renew an expired or voided permit, and the development impact fees paid for such development have not been refunded, then the permittee shall pay the difference between any development impact fees paid at the time the permit was issued and those in the fee schedule at the time the permit is reissued or renewed.
    - b. If a new or renewed permit for the same development is being sought by someone other than the original permittee, the new permit Applicant shall pay the full development impact fees specified in the fee schedule in effect at the time that the permits are reissued or renewed. If the original permittee has assigned its rights under the permits to the new permit Applicant, the new permit Applicant shall pay development impact fees as if it were the original permittee.
- B. *Exceptions.* Development impact fees shall not be owed under either of the following conditions:
1. Development impact fees have been paid for the development and the permit(s) which triggered the collection of the development impact fees have not expired or been voided.
  2. The approval(s) that trigger the collection of development impact fees involve modifications to existing residential or non-residential

development that do not: (a) add new EDUs, (b) increase the impact of existing EDUs on existing or future Capital Facilities, or (c) change the land-use type of the existing development to a different category of development for which a higher development impact fee would have been due. To the extent that any modification does not meet the requirements of this paragraph, the development impact fee due shall be the difference between the development impact fee that was or would have been due on the existing development and the development impact fee that is due on the development as modified.

C. *Temporary Exemptions from Development Impact Fee Schedules.* New developments in the [City/Town] shall be temporarily exempt from increases in development impact fees that result from the adoption of new or modified development impact fee schedules as follows:

1. Residential Uses. On or after the day that the first building permit is issued for a single-family residential development, the [City/Town] shall, at the permittee's request, provide the permittee with an applicable development impact fee schedule that shall be in force for a period of 24 months beginning on the day that the first building permit is issued, and which shall expire at the end of the first business day of the 25th month thereafter. During the effective period of the applicable development impact fee schedule, any building permit issued for the same single-family residential development shall not be subject to any new or modified development impact fee schedule.
2. Commercial, Industrial and Multifamily Uses. On or after the day that the final approval, as defined in A.R.S. § 9-463.05(T)(4), is issued for a commercial, industrial or multifamily development, the [City/Town] shall provide an applicable development impact fee schedule that shall be in force for a period of 24 months beginning on the day that final development approval of a site plan or final subdivision plat is given, and which shall expire at the end of the first business day of the 25th month thereafter. During the effective period of the applicable development impact fee schedule, any building permit issued for the same development shall not be subject to any new or modified development impact fee schedule.
3. Other Development. Any Category of Development not covered under paragraphs 1 and 2 of this Subsection shall pay development impact fees according to the fee schedule that is current at the time of collection as specified in Subsection (A) of this Section.
4. Changes to Site Plans and Subdivision Plats. Notwithstanding the other requirements of this Subsection, if changes are made to a development's final site plan or subdivision plat that will increase the number of service units after the issuance of a grandfathered development impact fee

schedule, the [City/Town] may assess any new or modified development impact fees against the additional service units. If the [City/Town] reduces the amount of an applicable development impact fee during the period that a grandfathered development impact fee schedule is in force, the [City/Town] shall assess the lower development impact fee.

- D. *Option to Pursue Special Fee Determination.* Where a development is of a type that does not closely fit within a particular Category of Development appearing on an adopted development impact fee schedule, or where a development has unique characteristics such that the actual burdens and costs associated with providing Necessary Public Services to that development will differ substantially from that associated with other developments in a specified Category of Development, the [City/Town] may require the Applicant to provide the [City/Town] [Planning and Development] Director or authorized designee with an alternative development impact fee analysis. Based on a projection of the actual burdens and costs that will be associated with the development, the alternative development impact fee analysis may propose a unique fee for the development based on the application of an appropriate EDU factor to the applicable Plan-Based Cost per EDU, or may propose that the development be covered under the development impact fee schedule governing a different and more analogous Category of Development. The [City/Town] [Planning and Development] Director or authorized designee shall review the alternative impact fee analysis and shall make a determination as to the development impact fee to be charged. Such decision shall be appealable pursuant to Section X-14 of this Chapter. The [City/Town] [Planning and Development] Director or authorized designee may require the Applicant to pay an administrative fee to cover the actual costs of reviewing the special fee determination application.

## **Sec. X-12. - Development Impact Fee Credits and Credit Agreements**

- A. *Eligibility of Capital Facility.* All development impact fee Credits must meet the following requirements:
1. One of the following is true:
    - a. The Capital Facility, or the financial contribution toward a Capital Facility that will be provided by the developer and for which a Credit will be issued, must be identified in an adopted Infrastructure Improvements Plan and Fee Report as a Capital Facility for which a development impact fee was assessed; or
    - b. The Applicant must demonstrate to the satisfaction of the [City/Town] that, given the class and type of improvement, the subject Capital Facility should have been included in the Infrastructure Improvements Plan in lieu of a different Capital Facility that was included in the Infrastructure Improvements Plan and for which a development impact fee was assessed. If the

subject Capital Facility is determined to be eligible for a Credit in this manner, the [City/Town] shall amend the Infrastructure Improvements Plan to (i) include the subject replacement facility and (ii) delete the Capital Facility that will be replaced.

2. Credits shall not be available for any infrastructure provided by a developer if the cost of such infrastructure will be repaid to the developer by the [City/Town] through another agreement or mechanism. To the extent that the developer will be paid or reimbursed by the [City/Town] for any contribution, payment, construction, or dedication from any [City/Town] funding source including an agreement to reimburse the developer with future collected development impact fees pursuant to Section X-13 of this Chapter, any Credits claimed by the developer shall be: (a) deducted from any amounts to be paid or reimbursed by the [City/Town]; or (b) reduced by the amount of such payment or reimbursement.

B. *Eligibility of Subject Development.* To be eligible for a C credit, the Subject Development must be located within the Service Area of the eligible Capital Facility.

C. *Calculation of Credits.* Credits will be based on that portion of the costs for an eligible Capital Facility identified in the adopted Infrastructure Improvements Plan for which a development fee was assessed pursuant to the Fee Report. If the Gross Impact Fee for a particular category of Necessary Public Service is adopted at an amount lower than the Plan-Based Cost per EDU, the amount of any Credit shall be reduced in proportion to the difference between the Plan-Based Cost per EDU and the Gross Impact Fee adopted. A Credit shall not exceed the actual costs the Applicant incurred in providing the eligible Capital Facility.

D. *Allocation of Credits.* Before any Credit can be issued to a Subject Development (or portion thereof), the Credit must be allocated to that development as follows:

1. The Developer and the [City/Town] must execute a C credit Agreement including all of the following:
  - a. The total amount of the Credits resulting from provision of an eligible Capital Facility.
  - b. The estimated number of EDUs to be served within the Subject Development.
  - c. The method by which the Credit values will be distributed within the Subject Development.
2. It is the responsibility of the developer to request allocation of development impact fee Credits through an application for a C credit

Agreement (which may be part of a Development Agreement entered into pursuant to Section X-13 of this Chapter).

3. If a building permit is issued or a water/sewer connection is purchased, and a development impact fee is paid prior to execution of a Credit Agreement for the Subject Development, no Credits may be allocated retroactively to that permit or connection. Credits may be allocated to any remaining permits for the Subject Development in accordance with this Chapter.
4. If the entity that provides an eligible Capital Facility sells or relinquishes a development (or portion thereof) that it owns or controls prior to execution of a Credit Agreement or Development Agreement, Credits resulting from the eligible Capital Facility will only be allocated to the development if the entity legally assigns such rights and responsibilities to its successor(s) in interest for the Subject Development.
5. If multiple entities jointly provide an eligible Capital Facility, both entities must enter into a single Credit Agreement with the [City/Town], and any request for the allocation of Credit within the Subject Development(s) must be made jointly by the entities that provided the eligible Capital Facility.
6. Credits may only be reallocated from or within a Subject Development with the [City/Town]'s approval of an amendment to an executed Credit Agreement, subject to the following conditions:
  - a. The entity that executed the original agreement with the [City/Town], or its legal successor in interest and the entity that currently controls the Subject Development are parties to the request for reallocation.
  - b. The reallocation proposal does not change the value of any Credits already issued for the Subject Development.
7. A Credit Agreement may authorize the allocation of Credits to a non-contiguous parcel only if all of the following conditions are met:
  - a. The entity that executed the original agreement with the [City/Town] or its legal successor in interest, the entity that currently controls the Subject Development, and the entity that controls the non-contiguous parcel are parties to the request for reallocation.
  - b. The reallocation proposal does not change the value of any Credits already issued for the Subject Development.

- c. The non-contiguous parcel is in the same Service Area as that served by the eligible Capital Facility.
- d. The non-contiguous parcel receives a Necessary Public Service from the eligible Capital Facility.
- e. The Credit Agreement specifically states the value of the Credits to be allocated to each parcel and/or EDU, or establishes a mechanism for future determination of the Credit values.
- f. The Credit Agreement does not involve the transfer of Credits to or from any property subject to a Development Agreement.

E. *Credit Agreement.* Credits shall only be issued pursuant to a Credit Agreement executed in accordance with Subsection D of this Section. The [City/Town Manager or Authorized Designee] is authorized by this Chapter to enter into a Credit Agreement with the controlling entity of a Subject Development, subject to the following:

- 1. The Developer requesting the Credit Agreement shall provide all information requested by the [City/Town] to allow it to determine the value of the Credit to be applied.
- 2. An application for a Credit Agreement shall be submitted to the [City/Town] by the Developer within one year of the date on which ownership or control of the Capital Facility passes to the [City/Town].
- 3. The Developer shall submit a draft Credit Agreement to the [City/Town] Manager or authorized designee(s) for review in the form provided to the Applicant by the [City/Town]. The draft Credit Agreement shall include, at a minimum, all of the following information and supporting documentation:
  - a. A legal description and map depicting the location of the Subject Development for which Credit is being applied. The map shall depict the location of the Capital Facilities that have been or will be provided.
  - b. An estimate of the total EDUs that will be developed within the Subject Development depicted on the map and described in the legal description.
  - c. A list of the Capital Facilities, associated physical attributes, and the related costs as stated in the Infrastructure Improvements Plan.
  - d. Documentation showing the date(s) of acceptance by the [City/Town], if the Capital Facilities have already been provided.

- e. The total amount of Credit to be applied within the Subject Development and the calculations leading to the total amount of Credit.
  - f. The Credit amount to be applied to each EDU within the Subject Development for each Category of Necessary Public Services.
4. [Optional: the Credit Agreement shall be approved by the [City/Town] Council prior to its execution.] The [City/Town]'s determination of the Credit to be allocated is final.
  5. Upon execution of the Credit Agreement by the [City/Town] and the Applicant, Credits shall be deemed allocated to the Subject Development.
  6. Any amendment to a previously approved Credit Agreement must be initiated within two years of the [City/Town]'s final acceptance of the eligible Capital Facility for which the amendment is requested.
  7. Any Credit Agreement approved as part of a Development Agreement shall be amended in accordance with the terms of the Development Agreement and Section X-13 of this Chapter.
- F. *Issuance of Credits.* Credits allocated pursuant to Subsection (D) of this Section may be issued and applied toward the Gross Impact Fees due from a development, subject to the following conditions:
1. Credits issued for an eligible Capital Facility may only be applied to the development impact fee due for the applicable Category of Necessary Public Services, and may not be applied to any fee due for another Category of Necessary Public Services.
  2. Credits shall only be issued when the eligible Capital Facility from which the Credits were derived has been accepted by the [City/Town] or when adequate security for the completion of the eligible Capital Facility has been provided in accordance with all terms of an executed Development Agreement.
  3. Where Credits have been issued pursuant to paragraph (2) of this Subsection, an impact fee due at the time a building permit is issued shall be reduced by the Credit amount stated in or calculated from the executed Credit Agreement. Where Credits have not yet been issued, the Gross Impact Fee shall be paid in full, and a refund of the Credit amount shall be due when the Developer demonstrates compliance with Paragraph (2) of this Subsection in a written request to the [City/Town].
  4. Credits, once issued, may not be rescinded or reallocated to another permit or parcel, except that Credits may be released for reuse on the same Subject Development if a building permit for which the Credits were

issued has expired or been voided and is otherwise eligible for a refund under Section X-15(A)(2)(a) of this Chapter.

5. Notwithstanding the other provisions of this Section X-12, Credits issued prior to January 1, 2012 may only be used for the Subject Development for which they were issued. Such Credits may be transferred to a new owner of all or part of the Subject Development in proportion to the percentage of ownership in the Subject Development to be held by the new owner.

### **Sec. X-13. - Development Agreements**

Development Agreements containing provisions regarding development impact fees, development impact fee Credits, and/or disbursement of revenues from development impact fee accounts shall comply with the following:

- A. *Development Agreement Required.* A Development Agreement is required to authorize any of the following:
  1. To issue Credits prior to the [City/Town]'s acceptance of an eligible Capital Facility.
  2. To allocate Credits to a parcel that is not contiguous with the Subject Development and that does not meet the requirements of Subparagraph (D)(7) of Section X-12 of this Chapter.
  3. To reimburse the developer of an eligible Capital Facility using funds from development impact fee accounts.
  4. To allocate different Credit amounts per EDU to different parcels within a Subject Development.
  5. For a single family residential Dwelling Unit, to allow development impact fees to be paid at a later time than the issuance of a building permit as provided in this Section.
- B. *General Requirements.* All Development Agreements shall be prepared and executed in accordance with A.R.S. § 9-500.05 and any applicable requirements of the [City/Town] Code. Except where specifically modified by this Section, all provisions of Section X-12 of this Chapter shall apply to any Credit Agreement that is authorized as part of a Development Agreement.
- C. *Early Credit Issuance.* A Development Agreement may authorize the issuance of Credits prior to acceptance of an eligible Capital Facility by the [City/Town] when the Development Agreement specifically states the form and value of the security (i.e. bond, letter of Credit, etc.) to be provided to the [City/Town] prior to issuance of any Credits. The [City/Town] shall determine the acceptable form and value of the security to be provided.

- D. *Non-Contiguous Credit Allocation.* A Development Agreement may authorize the allocation of Credits to a non-contiguous parcel only if all of the following conditions are met:
1. The non-contiguous parcel is in the same Service Area as that served by the eligible Capital Facility.
  2. The non-contiguous parcel receives a Necessary Public Service from the eligible Capital Facility.
  3. The Development Agreement specifically states the value of the Credits to be allocated to each parcel and/or EDU, or establishes a mechanism for future determination of the Credit values.
- E. *Uneven Credit Allocation.* The Development Agreement must specify how Credits will be allocated amongst different parcels on a per-EDU basis, if the Credits are not to be allocated evenly. If the Development Agreement is silent on this topic, all Credits will be allocated evenly amongst all parcels on a per-EDU basis.
- F. *Use of Reimbursements.* Funds reimbursed to developers from impact fee accounts for construction of an eligible Capital Facility must be utilized in accordance with applicable law for the use of [City/Town] funds in construction or acquisition of Capital Facilities, including A.R.S. § 34-201, *et seq.*
- G. *Deferral of Fees.* A Development Agreement may provide for the deferral of payment of development impact fees for a residential development beyond the issuance of a building permit; provided that a development impact fee may not be paid later than the 15 days after the issuance of the certificate of occupancy for that Dwelling Unit. The Development Agreement shall provide for the value of any deferred development impact fees to be supported by appropriate security, including a surety bond, letter of credit, or cash bond.
- H. *Waiver of Fees.* If the [City/Town] agrees to waive any development impact fees assessed on development in a Development Agreement, the [City/Town] shall reimburse the appropriate development impact fee account for the amount that was waived [, and shall provide notice of the waiver to the Advisory Committee within 30 days]<sup>7</sup>.
- I. *No Obligation.* Nothing in this Section obligates the [City/Town] to enter into any Development Agreement or to authorize any type of Credit Agreement permitted by this Section.

## **Sec. X-14. - Appeals**

<sup>7</sup> If there is an Advisory Committee select this language.

A development impact fee determination by [City/Town] staff may be appealed in accordance with the following procedures:

- A. *Limited Scope.* An appeal shall be limited to disputes regarding the calculation of the development impact fees for a specific development and/or permit and calculation of EDU's for the development.
- B. *Form of Appeal.* An appeal shall be initiated on such written form as the [City/Town] may prescribe, and submitted to the Director of the [Planning and Development Department].
- C. *Department Action.* The [Planning and Development Department] Director shall act upon the appeal within 30 calendar days of the filing of the appeal with the [Planning and Development Department], and the Applicant shall be notified of the Director's decision in writing.
- D. *Appeal to Manager [[City/Town] Council].*<sup>8</sup> The Applicant may further appeal the decision of the [Planning and Development Department] Director to the [City/Town] Manager or authorized designee, who shall be in a more senior position than the [Planning and Development Department] Director, within 14 calendar days of the decision.
- E. *Action by Manager.* The [City/Town] Manager or authorized designee shall act upon the appeal within 14 calendar days of receipt of the appeal, and the Applicant shall be notified of the [City/Town] Manager or authorized designee's decision in writing.
- F. *Final Decision.* The [City/Town] Manager or authorized designee's decision regarding the appeal is final.
- G. *Fees During Pendency.* Building permits may be issued during the pendency of an appeal if the Applicant (1) pays the full impact fee calculated by the [City/Town] at the time the appeal is filed or (2) provides the [City/Town] with financial assurances in the form acceptable to the [City/Town] Manager or authorized designee equal to the full amount of the impact fee. Upon final disposition of an appeal, the fee shall be adjusted in accordance with the decision rendered, and a refund paid if warranted. If the appeal is denied by the [City/Town] Manager or authorized designee, and the Applicant has provided the [City/Town] with financial assurances as set forth in clause (2) above, the Applicant shall deliver the full amount of the impact fee to the [City/Town] within ten days of the [City/Town] Manager or designee's final decision on the appeal. If the Applicant fails to deliver the full amount of the impact fees when required by this Subsection, the [City/Town] may draw upon such financial assurance instrument(s) as necessary to recover the full amount of the impact fees due from the Applicant.

<sup>8</sup> Optional Language: The Applicant may further appeal the decision of the [Planning and Development Department] Director to the [City/Town] Council within 14 calendar days of the decision.

## Sec. X-15. – Refunds of Development Impact Fees

- A. *Refunds.* A refund (or partial refund) will be paid to any current owner of property within the [City/Town] who submits a written request to the [City/Town] and demonstrates that:
1. The permit(s) that triggered the collection of the development impact fee have expired or been voided prior to the commencement of the development for which the permits were issued and the development impact fees collected have not been expended, encumbered, or Pledged for the repayment of Financing or Debt; or
  2. The owner of the subject real property or its predecessor in interest paid a development impact fee for the applicable Capital Facility on or after August 1, 2014, and one of the following conditions exists:
    - a. The Capital Facility designed to serve the subject real property has been constructed, has the capacity to serve the subject real property and any development for which there is reserved capacity, and the service which was to be provided by that Capital Facility has not been provided to the subject real property from that Capital Facility or from any other infrastructure.
    - b. After collecting the fee to construct a Capital Facility the [City/Town] fails to complete construction of the Capital Facility within the time period identified in the Infrastructure Improvements Plan, as it may be amended, and the corresponding service is otherwise unavailable to the subject real property from that Capital Facility or any other infrastructure.
    - c. For a Category of Necessary Public Services other than Water or Wastewater Facilities, any part of a development impact fee is not spent within ten years of the [City/Town]’s receipt of the development impact fee.
    - d. Any part of a development impact fee for Water or Wastewater Facilities is not spent within 15 years of the [City/Town]’s receipt of the development impact fee.
    - e. The development impact fee was calculated and collected for the construction cost to provide all or a portion of a specific Capital Facility serving the subject real property and the actual construction costs for the Capital Facility are less than the construction costs projected in the Infrastructure Improvements Plan by a factor of 10% or more. In such event, the current owner of the subject real property shall, upon request as set forth in this Section A, be entitled to a refund for the difference between the

amounts of the development impact fee charged for and attributable to such construction cost and the amount the development impact fee would have been calculated to be if the actual construction cost had been included in the Fee Report. The refund contemplated by this Subsection shall relate only to the costs specific to the construction of the applicable Capital Facility and shall not include any related design, administrative, or other costs not directly incurred for construction of the Capital Facility that are included in the development impact fee as permitted by A.R.S. § 9-463.05.

- B. *Earned Interest.* A refund of a development impact fee shall include any interest actually earned on the refunded portion of the development impact fee by the [City/Town] from the date of collection to the date of refund. All refunds shall be made to the record owner of the property at the time the refund is paid.
- C. *Refund to Government.* If a development impact fee was paid by a governmental entity, any refund shall be paid to that governmental entity.

#### **Sec. X-16. – Oversight of Development Impact Fee Program**

- A. *Annual Report.* Within 90 days of the end of each fiscal year, the [City/Town] shall file with the [City/Town] Clerk an unaudited annual report accounting for the collection and use of the fees for each service area and shall post the report on its website in accordance with A.R.S. § 9 -463.05, Subsections N and O, as amended.

#### **[Biennial Audit (Option #1)]**

- B. *Biennial Audit.* In addition to the Annual Report described in Subsection A of this Section, the [City/Town] shall provide for a biennial, certified audit of the [City/Town]’s Land Use Assumptions, Infrastructure Improvements Plan and development impact fees.
  - 1. An audit pursuant to this Subsection shall be conducted by one or more Qualified Professionals who are not employees or officials of the [City/Town] and who did not prepare the Infrastructure Improvements Plan.
  - 2. The audit shall review the collection and expenditures of development fees for each project in the plan and provide written comments describing the amount of development impact fees assessed, collected, and spent on capital facilities.

3. The audit shall describe the Level of Service in each Service Area, and evaluate any inequities in implementing the Infrastructure Improvements Plan or imposing the development impact fee.
4. The [City/Town] shall post the findings of the audit on the [City/Town]'s website<sup>9</sup> and shall conduct a public hearing on the audit within 60 days of the release of the audit to the public.
5. For purposes of this Section a certified audit shall mean any audit authenticated by one or more of the Qualified Professionals conducting the audit pursuant to paragraph (1) of this Subsection.

**[Advisory Committee (Option #2)]**

B. *Advisory Committee.* The [City/Town] shall establish an Advisory Committee to provide oversight of the development impact fee program, including review of the Land Use Assumptions, Infrastructure Improvements Plan and Fee Report.

1. *Advisory Committee Composition.* The [City/Town] of \_\_\_\_ hereby establishes an Infrastructure Improvements Advisory Committee (hereinafter “Advisory Committee”), composed of six members approved by the [City/Town] Council who are qualified to serve as follows:
  - a. Three members who are representatives of the real estate, development or building industries. Of those three members, at least one must be a representative of the home building industry.
  - b. All members of the Advisory Committee must be residents of the County who are at least 18 years of age.
  - c. No member of the Advisory Committee may be a paid employee or elected official of the [City/Town]. Persons serving on [City/Town] boards, commissions, or other official or unofficial bodies who receive no compensation for the same (but not including reimbursement of the costs of service) may serve on the Advisory Committee.
  - d. The members of the Advisory Committee shall be approved by the [City/Town] Council (by majority vote) for three-year terms. No member may serve more than two consecutive terms. Any appointment is subject to the [City/Town]’s appointment procedures set forth in \_\_\_\_\_.
  - e. For purposes of this Section, a representative of the real estate, development or building industry shall include general contractors

<sup>9</sup> Alternate language: The [City/Town] shall post the findings of the audit on the website of the League of Arizona Cities and Towns.

or sub-contractors, tradespersons, real estate or title agents, architects, urban planners, businessmen or women associated with the development or construction industries in other capacities such as finance or law, or anyone who is a member of a trade or professional association the membership of which has special knowledge of or interest in the construction, planning or development of municipal infrastructure or commercial or residential buildings. A representative of the homebuilding industry shall mean any of the above specifically associated with the planning, development, construction, sale, or financing of new residential development.

2. The Advisory Committee shall:
  - a. Meet at least annually, with ten days' prior notice to the members of the Committee of all meetings to be provided by the Advisory Committee Chairman. A special meeting of the advisory committee may be called at any time by the Advisory Committee Chairman, or upon the request of the [City/Town] Council, and shall meet as necessary to fulfill its obligations as provided in this Subsection.
  - b. Review the [City/Town]'s development impact fees, including the underlying Land Use Assumptions, Infrastructure Improvements Plan, Fee Report, and development fee schedules, monitor the [City/Town]'s implementation of the Infrastructure Improvements Plan, and audit development impact fee expenditures. The [City/Town] shall make available to the advisory committee all supporting documentation and professional reports relied upon by the [City/Town] to develop and implement the Infrastructure Improvements Plan and development impact fee report.
  - c. Provide written comments as to whether the Land Use Assumptions upon which the Infrastructure Improvements Plan is based are current.
  - d. Review the Infrastructure Improvements Plan developed under Section X-8 of this Chapter, and file written comments on the same. The Committee's written comments must be submitted to the [City/Town] no later than ten business days before the public hearing on the Infrastructure Improvements Plan held pursuant to Section X-9 of this Chapter.
  - e. File a written report by June 30 of each year that:

- i. Summarizes the Advisory Committees recommendations over the last 12 months regarding the [City/Town]'s Infrastructure Improvements Plan.
  - ii. Reports any instances in which the Advisory Committee believes that the [City/Town]'s development impact fees are not proportionate to the cost of providing Necessary Public Services to new development, or where the [City/Town]'s development impact fee program does not fairly distribute such costs between different Categories of Development. This report shall also advise the [City/Town] if there is a need to update or revise the Land Use Assumptions, Infrastructure Improvements Plan and development fee.
- 3. The Advisory Committee shall serve in an advisory capacity only. Actions taken or recommendations made by the Advisory Committee are not binding upon the [City/Town] and the [City/Town] may decide the matter contrary to the recommendations or actions of the Advisory Committee. The failure of the Advisory Committee to file comments or reports as required by this Section shall not prevent the [City/Town] from adopting Land Use Assumptions, Infrastructure Improvement Plans, or development impact fees as otherwise prescribed in this Section.
- 4. *Procedural Rules.* The Advisory Committee shall follow the following procedural rules:
  - a. A Committee Chair shall be designated by the [City/Town] Council.
  - b. The Committee Chair shall be in charge of scheduling all regular meetings and shall conduct all meetings whether regular or special.
  - c. Five members of the Advisory Committee shall constitute a quorum.
  - d. All meetings shall be open for public attendance and shall be conducted in accordance with the Arizona Open Meeting Law, but the public is not entitled to participate in the meetings of the Advisory Committee.
  - e. All records of the Advisory Committee shall be public records open to inspection under Arizona law.
  - f. Unless otherwise prescribed by the [City/Town], the Advisory Committee shall follow the rules for procedure established by the [City/Town] for other boards, commissions, or committees.

**[Examples, each City or Town needs to develop its own Fee Schedule Forms]**

Section X - **Appendix**

**Fee Schedule Forms**

**Table A-1: Roadway Facilities Development Impact Fee Schedule**

Category of Development	Unit	Gross Fee per Unit				EDU Factor (EDUs per Unit)
		Service Area "A"	Service Area "B"	Service Area "C"	Service Area "D"	
Single-Family Residential	Dwelling					1.0
Multi-Family Residential	Dwelling					
Mobile Home/ RV Park	Space					
Retail	1,000 sq. ft.					
Lodging, Hotel/Motel, Resort	Room					
Office	1,000 sq. ft.					
Institutional	1000 sq. ft.					
Other Commercial	1,000 sq. ft.					
Warehouse	1,000 sq. ft.					
Other Industrial	1,000 sq. ft.					

**Table A-2: Parks Development Impact Fee Schedule**

Category of Development	Unit	Gross Fee per Unit		EDU Factor (EDUs per Unit)
		Service Area "A"	Service Area "B"	
Single-Family Residential	Dwelling			1.0
Multi-Family Residential	Dwelling			
Mobile Home/ RV Park	Space			
Retail	1,000 sq. ft.			
Lodging, Hotel/Motel, Resort	Room			
Office	1,000 sq. ft.			
Institutional	1000 sq. ft.			
Other Commercial	1,000 sq. ft.			
Warehouse	1,000 sq. ft.			
Other Industrial	1,000 sq. ft.			



**Table A-4: Fire Development Impact Fee Schedule**

Category of Development	Unit	Gross Fee per Unit			EDU Factor (EDUs per Unit)
		Service Area "A"	Service Area "B"	Service Area "C"	
Single-Family Residential	Dwelling				1.0
Multi-Family Residential	Dwelling				
Mobile Home/ RV Park	Space				
Retail	1,000 sq. ft.				
Lodging, Hotel/Motel, Resort	Room				
Office	1,000 sq. ft.				
Institutional	1000 sq. ft.				
Other Commercial	1,000 sq. ft.				
Warehouse	1,000 sq. ft.				
Other Industrial	1,000 sq. ft.				

**Table A-5: Police Development Impact Fee Schedule**

Category of Development	Unit	Gross Fee per Unit			EDU Factor (EDUs per Unit)
		Service Area "A"	Service Area "B"	Service Area "C"	
Single-Family Residential	Dwelling				1.0
Multi-Family Residential	Dwelling				
Mobile Home/ RV Park	Space				
Retail	1,000 sq. ft.				
Lodging, Hotel/Motel, Resort	Room				
Office	1,000 sq. ft.				
Institutional	1000 sq. ft.				
Other Commercial	1,000 sq. ft.				
Warehouse	1,000 sq. ft.				
Other Industrial	1,000 sq. ft.				

**Table A-6: Library Development Impact Fee Schedule**

Category of Development	Unit	Gross Fee per Unit		EDU Factor (EDUs per Unit)
		Service Area "A"	Service Area "B"	
Single-Family Residential	Dwelling			1.0
Multi-Family Residential	Dwelling			
Mobile Home/ RV Park	Space			
Retail	1,000 sq. ft.			
Lodging, Hotel/Motel, Resort	Room			
Office	1,000 sq. ft.			
Institutional	1000 sq. ft.			
Other Commercial	1,000 sq. ft.			
Warehouse	1,000 sq. ft.			
Other Industrial	1,000 sq. ft.			

**Table A-7: Storm Drainage Development Impact Fee Schedule**

Land Use	Unit	Gross Fee per Unit		EDU Factor (EDUs per Unit)
		Service Area "A"	Service Area "B"	
Single-Family Detached	Dwelling			1.00
All other uses	[ ] acre of gross site area			1.00
Outside Funding Credit				\$ ___ per EDU

**Table A-8: Equivalent Dwelling Unit Table for Development  
Impact Fee Calculation**

Use Type	Conversion Unit	EDU Factor for Category of Necessary Public Service			
		Parks	Libraries	Fire Protection	Police
Single-Family Residential	EDU				
Multi-Family Residential	EDU				
Mobile Home/ RV Park	EDU				
Retail	EDU				
Lodging, Hotel/Motel, Resort	EDU				
Office	1,000 sq. ft.				
Institutional	1,000 sq. ft.				
Other Commercial	1,000 sq. ft.				
Warehouse	1,000 sq. ft.				
Other Industrial	1,000 sq. ft.				
Nursery	Acre	Requires an independent impact analysis			
Golf course	Acre	Requires an independent impact analysis			
University	Student	Requires an independent impact analysis			
Agriculture	Acre	Requires an independent impact analysis			
Bus depot	1,000 sq. ft.	Requires an independent impact analysis			
Indoor arena	Acre	Requires an independent impact analysis			
Outdoor arena	Acre	Requires an independent impact analysis			

[Page intentionally left blank]



10. Has the applicant been convicted of a felony in the past five years, or had a liquor license revoked?  
 YES  NO (attach explanation if yes)

11. This organization has been issued a special event license for 3 days this year, including this event  
(not to exceed 10 days per year).

12. Is the organization using the services of a promoter or other person to manage the event?  YES  NO  
If yes, attach a copy of the agreement.

13. List all people and organizations who will receive the proceeds. Account for 100% of the proceeds.  
**THE ORGANIZATION APPLYING MUST RECEIVE 25% OF THE GROSS REVENUES OF THE SPECIAL EVENT LIQUOR SALES.**

Name \_\_\_\_\_ Percentage \_\_\_\_\_

Address \_\_\_\_\_

Name \_\_\_\_\_ Percentage \_\_\_\_\_

Address \_\_\_\_\_  
(Attach additional sheet if necessary)

14. Knowledge of Arizona State Liquor Laws Title 4 is important to prevent liquor law violations. If you have any questions regarding the law or this application, please contact the Arizona State Department of Liquor Licenses and Control for assistance.

NOTE: ALL ALCOHOLIC BEVERAGE SALES MUST BE FOR CONSUMPTION AT THE EVENT SITE ONLY.  
"NO ALCOHOLIC BEVERAGES SHALL LEAVE SPECIAL EVENT PREMISES."

15. What security and control measures will you take to prevent violations of state liquor laws at this event?  
(List type and number of security/police personnel and type of fencing or control barriers if applicable)

\_\_\_\_\_ # Police  Fencing  
 # Security personnel  Barriers

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

16. Is there an existing liquor license at the location where the special event is being held?  YES  NO  
If yes, does the existing business agree to suspend their liquor license during the time period, and in the area in which the special event license will be in use?  YES  NO

**(ATTACH COPY OF AGREEMENT)**

\_\_\_\_\_ ( ) \_\_\_\_\_  
Name of Business Phone Number

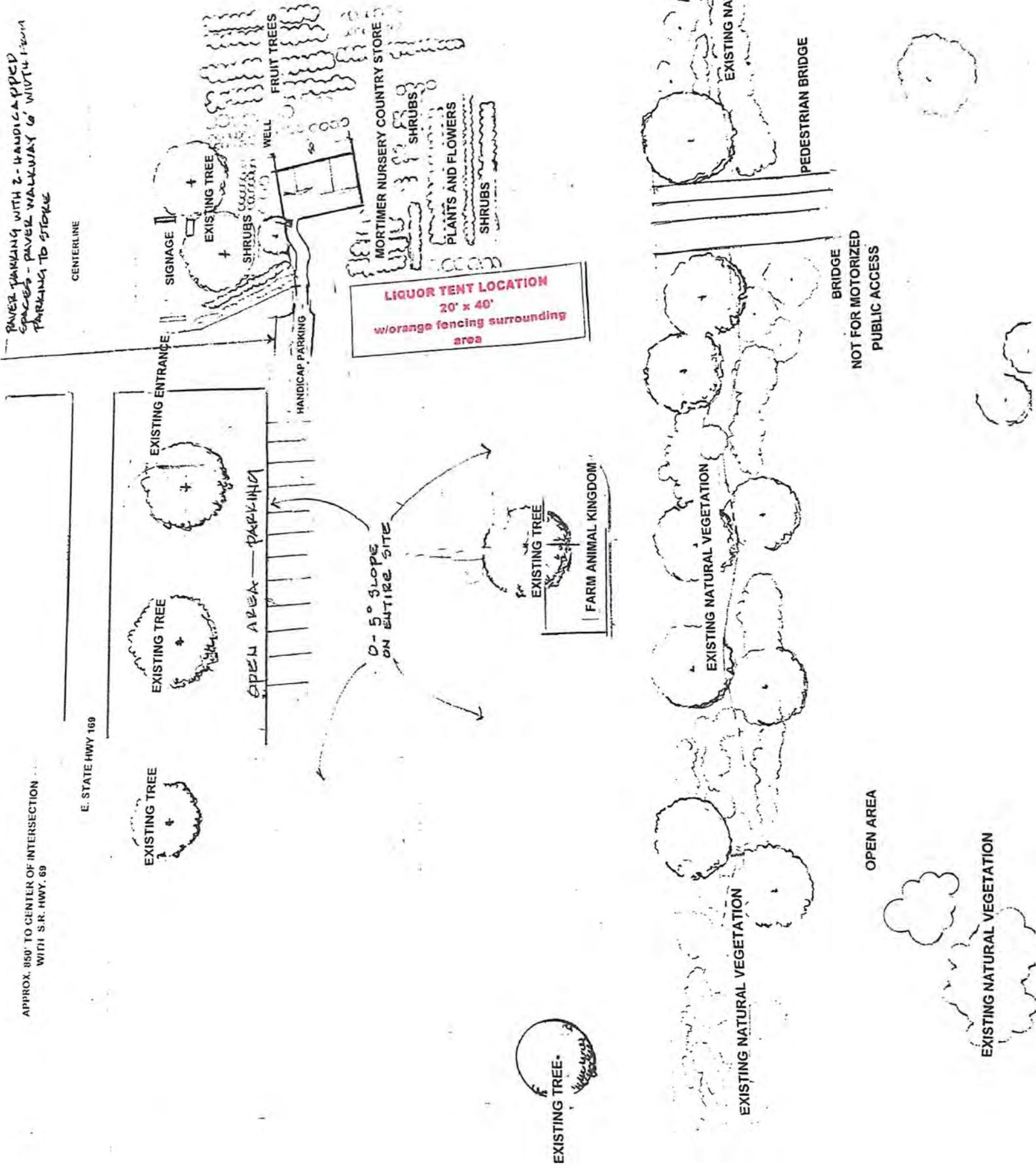
17. Your licensed premises is that area in which you are authorized to sell, dispense, or serve spirituous liquors under the provisions of your license. The following page is to be used to prepare a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades or other control measures and security positions.

PAVER PARKING WITH 2-HANDICAPPED SPACES - PAVED WALKWAY 6' WIDTH 1'-20" W PARKING TO STORE

APPROX. 850' TO CENTER OF INTERSECTION WITH S.R. HWY. 69

CENTERLINE

E. STATE HWY 169



4

**THIS SECTION TO BE COMPLETED ONLY BY AN OFFICER, DIRECTOR OR CHAIRPERSON OF THE ORGANIZATION NAMED IN QUESTION #1**

18. I \_\_\_\_\_ declare that I am an **Officer/Director/Chairperson** appointing the  
 (Print full name)  
 applicant listed in Question 6, to apply on behalf of the foregoing organization for a Special Event Liquor License.

X \_\_\_\_\_ (Signature) \_\_\_\_\_ (Title/Position) \_\_\_\_\_ (Date) \_\_\_\_\_ (Phone #)

State of \_\_\_\_\_ County of \_\_\_\_\_  
 The foregoing instrument was acknowledged before me this

\_\_\_\_\_ Day \_\_\_\_\_ Month \_\_\_\_\_ Year

My Commission expires on: \_\_\_\_\_ (Date) \_\_\_\_\_ (Signature of NOTARY PUBLIC)

**THIS SECTION TO BE COMPLETED ONLY BY THE APPLICANT NAMED IN QUESTION #6**

19. I \_\_\_\_\_ declare that I am the APPLICANT filing this application as  
 (Print full name)  
 listed in Question 6. I have read the application and the contents and all statements are true, correct and complete.

X \_\_\_\_\_ (Signature) State of \_\_\_\_\_ County of \_\_\_\_\_  
 The foregoing instrument was acknowledged before me this

\_\_\_\_\_ Day \_\_\_\_\_ Month \_\_\_\_\_ Year

My commission expires on: \_\_\_\_\_ (Date) \_\_\_\_\_ (Signature of NOTARY PUBLIC)

**You must obtain local government approval. City or County MUST recommend event and complete item #20. The local governing body may require additional applications to be completed and submitted 60 days in advance of the event. Additional licensing fees may also be required before approval may be granted.**

**LOCAL GOVERNING BODY APPROVAL SECTION**

20. I, \_\_\_\_\_ (Government Official) \_\_\_\_\_ (Title) hereby recommend this special event application

on behalf of \_\_\_\_\_ (City, Town or County) \_\_\_\_\_ (Signature of OFFICIAL) \_\_\_\_\_ (Date)

**FOR DLLC DEPARTMENT USE ONLY**

Department Comment Section:

\_\_\_\_\_  
 \_\_\_\_\_ (Employee) \_\_\_\_\_ (Date)

APPROVED  DISAPPROVED BY: \_\_\_\_\_  
 \_\_\_\_\_ (Title) \_\_\_\_\_ (Date)



**TOWN OF DEWEY-HUMBOLDT**  
**P.O. BOX 69**  
**HUMBOLDT, AZ 86329**  
**Phone 928-632-8562 ▪ Fax 928-632-7365**

---

**TOWN COUNCIL MEETING**

**April 16, 2013– 6:30 p.m. Town Council Meeting Chambers**

**Agenda Item # 9.2 Enterprise Technical Support Services RFP Selection**

**To: Mayor and Town Council Members**

**From: Deni Thompson, Town Accountant**

**Recommendation: Select Four-D, LLC as the provider and award the Enterprise Technical Support contract to Four D. Authorize the Mayor to execute the contract**

**Date submitted: April 12, 2013**

**Summary:**

Under Staff's recommendation, the Town Council directed Staff to solicit proposals for the Town's Enterprise Technical Support (ETS) services in February. We prepared the documents and advertised the "Request for Proposal for Enterprise Technical Support" in the Prescott Newspapers, Inc. on March 14 and 21, 2013, in addition to posting on Craigslist under Government Jobs – Prescott, posting on the Town's website and crier boards.

The final day to submit completed documents was April 11, 2013. Accountant, Deni Thompson, and Town Clerk, Judy Morgan, opened all sealed proposal received by the deadline.

We received one (1) completed sealed packet by Four-D, LLC, 599 Mingus Shadows Drive, Clarkdale, AZ 86324. FourD, LLC is our current vendor for Technical Support at a rate of \$50 per hour until June 30, 2013 when their current contract expires. For Fiscal Year July 1, 2013 to June 30, 2014 their proposed rate will be \$75.00 per hour based on a minimum monthly retainer of 10 hours. For Fiscal Years July 1, 2014 to June 30, 2016 the rate shall be \$85.00 per hour based on a minimum monthly retainer of 10 hours making this three (3) year guaranteed rates. For services performed after July 1, 2016 the rate shall be agreed upon by February 1, 2016 if their services are retained without a new RFP for services.

In addition there were two (2) responses from the Craigslist advertisement. Neither of them complied with the requirements in the "RFP" nor submitted the required documentation. They are not being considered as qualified for this position.

Based on the information received on April 11, 2013, I recommend that the Town of Dewey-Humboldt enter into an agreement with Four-D, LLC to fulfill its need for Enterprise Technical Support effective July 1, 2013.

# MASTER

## Cover Letter

Thank you for the opportunity to respond to your request for proposal (RFP) for Enterprise Technical Support. The Four-D, LLC staff is familiar with your offices and has read the description of your needs and expectations. Based on the details in the RFP, our understanding of the work to be done is as follows. Items are not listed in any particular order:

- Provide PC, communications, and general technical support for seven full time Town Staff, seven Town Council members, a contract attorney and a magistrate.
- The Town currently has one production server that provides critical services such as email, database applications and file sharing; and a backup server. Since the Town's operations are dependent on this server, high system availability and reliability of the server is required.
- Provide any required support for the Granicus streaming solution utilized in Council meetings.
- Develop protocols and educate staff on best practices related to file management, database utilization, email, and communications.
- Assist staff in IT related product evaluation and selection. Provide guidance for future IT projects and initiatives.
- Develop, implement, maintain and support all existing systems and future projects and initiatives.
- Ensure sensitive information is secure from unauthorized access.
- Make recommendations to staff of applicable new technology and industry trends.
- Work with staff and council to develop long and short term technology plans that will support the present and future needs of Dewey-Humboldt.
- Provide 24 x 7 emergency support for all systems with a two hour response time.
- Manage all work, projects and initiatives to plan and to budget.
- The duration of the contract shall be one year with three optional one year extensions.

**Basically, Dewey-Humboldt is looking for knowledgeable, reliable, prompt and professional IT and Technology support for all the Town's systems and staff, both present and future.**

This proposal is a firm and irrevocable offer for **90** days from proposal due date.

Thank you for your consideration,



Ida-Meri Blanc

Partner, Four-D, LLC

April 10, 2013

# MASTER

## Title Page

Proposal for Enterprise Technical Support for the Town of Dewey-Humboldt

Offered by Four-D, LLC

Primary contact: Ida-Meri Blanc

Address: 599 Mingus Shadows Drive, Clarkdale, AZ 86324

Phones: main - (928) 634-0932; voip – (928) 493-3417; mobile - (302) 562-3684

Email: [staff@FOURDLLC.com](mailto:staff@FOURDLLC.com)

Date of proposal: April 10, 2013

Proposal due date: April 11, 2013

# MASTER

## Table of Contents

Cover Letter	i
Title Page	ii
Table of Contents	iii
Mandatory Criteria Response	
Content	1
Sub-contractors	2
Project Team	2
Relevant Experience	3
Approach	4
Exhibit A: Scope of Work	5
Exhibit B: Contractor's Key Personnel and Subcontractors	10
Exhibit C: Schedule of Services	10
Exhibit D: Schedule of Fees and Payment Schedule	11
Exhibit E: Change Order	12
Exhibit F: Additional Clauses/Requirements	12
Exhibit G – Staff Resumes and Skills	13
Exhibit H – Proposer's Proposal (Signed and Notarized)	21
Exhibit I – Authorized Signature Form (Signed and Notarized)	22
Exhibit J – Copy of Original RFP	n/a

# MASTER

## 1.15.5 Content

- A: Four-D, LLC is located at 599 Mingus Shadows Drive, Clarkdale, AZ 86324
- B: Four-D, LLC has been in business in the State of Arizona since February, 2008.
- C: Four-D, LLC is a Partnership LLC and has no employees
- D: Principals: Ida-Meri deBlanc and Peter deBlanc; both are Managing Partners. Their specific experience and skills are listed in Exhibit G – Staff Resumes and Skills
- E: Four-D, LLC provides Information Technology and Support Services; including planning, implementation, maintenance, training, budgeting, and procurement.
- F: Experience: In addition to providing Enterprise Technical Support for the Town of Dewey-Humboldt since 2009; Four-D, LLC currently provides similar services to the Town of Clarkdale, Town of Jerome, Havasupai Tribe, and many other clients. We have been providing Information Technology and Support Services to Arizona municipalities since 2008.

### G: Three References

Town of Clarkdale  
Gayle Mabery, Town Manager  
(928) 634-2400  
P.O. Box 308  
Clarkdale, AZ 86324

Town of Jerome  
Candace Gallagher, Town Manager  
(928) 634-7943  
600 Clark Street, Jerome, AZ 86331

Verde Valley Ambulance Company  
Kim Moore, EMS Chief and General Manager  
(928) 634-7750  
839 W. Mingus Avenue,  
Cottonwood, AZ 86326

# MASTER

## 1.15.5 Subcontractors

AZSOHO Solutions, Prescott, AZ – John Staltari, Principal

Peaks Technology, Sedona AZ – Robert Heiney, Principal

Subcontractors work in partnership with Four-D, LLC, under direction and oversight from the Principals of Four-D, LLC on all projects and contracts.

## 1.15.5 Project Team

### **Ida-Meri deBlanc**

- A. Assignment: Primary non-technical contact for Four-D, LLC.  
Project management, training, scheduling, dispatching, customer contact.
- B. General Qualifications: See Exhibit G – Staff Resumes and Skills.
- C. Related Experience: Serving in this capacity under the current contract.
- D. Current work load: 15 hours/month

### **Peter deBlanc**

- A. Assignment: Primary technical contact for Four-D, LLC.  
Technical Architect, planning, budgeting, implementation, quality assurance.
- B. General Qualifications: See Exhibit G – Staff Resumes and Skills.
- C. Related Experience: Serving in this capacity under the current contract.
- D. Current work load: 96 hours/month

### **John Staltari**

- A. Assignment: Primary field technician; on-site maintenance and support.
- B. General Qualifications: See Exhibit G – Staff Resumes and Skills.
- C. Related Experience: Serving in this capacity under the current contract.
- D. Current work load: 65 hours/month

### **Robert Heiney**

- A. Assignment: Back-up field technician; on-site maintenance and support.  
General Qualifications: See Exhibit G – Staff Resumes and Skills.
- B. Related Experience: Serving in this capacity under the current contract.
- C. Current work load: 12 hours/month

**Four-D, LLC certifies that no team members will be substituted without prior approval from Dewey-Humboldt.**

# MASTER

## 1.15.5 Relevant Experience

Four-D, LLC is the current holder of the Dewey-Humboldt Enterprise Technical Support services contract and has served in that capacity since 2009. We have been intimately involved with designing, implementing, and maintaining the Town's current IT infrastructure and with the unique needs of the Town's Staff and Council. Additionally, Four-D, LLC ongoingly provides similar services for several other governmental and non-governmental organizations in Northern Arizona.

For the Town of Clarkdale, Arizona, we have been and remain the exclusive provider of Enterprise Technical Support services in all areas since 2008. Clarkdale has budgeted \$54,000 for ETS services this fiscal year. Their contact person is Janet Perry at (928) 649-2412.

For the Verde Valley Ambulance Company in Cottonwood, AZ, we have been and remain retained in the role of Enterprise Technical Support since June of 2012. For VVA we manage and maintain their server, desktop, and laptop computers and related software and hardware infrastructure. VVA has budgeted approximately \$9600 for ETS services this fiscal year. Their contact person is Kim Moore at (928) 634-7750.

For the Town of Jerome, Arizona, we were retained from December 2011 through April 2012 to design and implement a new server infrastructure to house their email, accounting, and related network systems. Jerome budgeted approximately \$8000 for the contract services portion of this project. Four-D, LLC is currently utilized for ongoing support by the Town on an as needed basis at the rate of \$90/hour. Their contact person is Candace Gallagher at (928) 634-7943.

# MASTER

## 1.15.5 Approach

Four-D, LLC is well positioned to fulfill the Enterprise Support needs of the Town of Dewey-Humboldt. Physically located in Clarkdale with additional staff in Prescott and Sedona, we can provide the prompt and responsive support you require. We specialize in support for public sector entities. For the past six years we have worked with the Town of Clarkdale to implement and maintain a Cisco based converged voice/data network and phone system, a virtualized Windows Server 2008/2012 environment and a managed desktop. For three years, we worked with the Town of Camp Verde to implement a complete systems upgrade; PCs, servers and infrastructure. The Town of Chino Valley brought Four-D in to consult and support a new phone system project. Our business model is based on providing exemplary IT services to a dedicated customer base. Concentrating on local contracts within the county allows us to maintain a part-time on-site presence at your location. We get to know your systems and your people.

Our philosophy is to develop and implement highly reliable systems that require minimal maintenance. We stick to industry standard hardware that can be easily supported. We attempt to minimize unnecessary customizations as they make support and maintenance more difficult. We believe in thorough documentation. Changes should be implemented in a planned and tested fashion. We understand that your people are the heart of your organization; that technology systems have become necessary tools for managing your operation; and that good tools must be highly available and dependable. We will do our best to ensure that your systems function flawlessly.

1.15.5 Pricing: Schedule of Fees – See Exhibit D Schedule of Fees and Payment Schedule

1.15.5 Additional Services/Pricing – To best serve our customers and to maintain independence, Four-D, LLC provides ETS Consulting Services only. We do not sell any hardware, software, or non-ETS services. This allows us to objectively make recommendations that best serve our clients as there are no counter incentives to recommend unneeded products or services.

# MASTER

## Exhibit A: Scope of Work

Four-D, LLC will provide Enterprise Technical Support services for the following areas:

*Establish guidelines and programs for effective information technology management.*

Effective Information Technology Management requires an approach that encompasses People, Process, and Technology. This can be further delineated into user-based guidelines and programs for technology system users, and operational guidelines and programs for the technology systems operators and administrators.

Four-D, LLC has staff that specializes in establishing organization-wide processes and protocols related to user-based functions such as file management, file naming, file storage, shared calendar, security and workplace habits, and effective communication. We can analyze your current business practices and, if needed, develop standards and guidelines coupled with user education programs designed to effectively implement any changes required to achieve the desired outcome. Our education programs range from basic written documentation to live one-on-one or trainer-to-group web-based sessions, to in-person on-site training.

For systems operators and administrators, Four-D, LLC adheres to industry standard methodologies, such as the Microsoft Operations Framework 4.0 (MOF4) (<http://technet.microsoft.com/en-us/library/cc506049.aspx>). MOF4 parameters will need to be adjusted based on the size of the organization and criticality of the systems being managed. At minimum, all current system configurations and network architecture should be documented, a basic operations manual created, and a change management process instituted to ensure high system availability and data security. These basics, coupled with a field-tested disaster recovery plan will handle the majority of reliability issues

# MASTER

*Provide data processing services required by the Town*

Page 2 of the RFP outlines the essential goal of the RFP process as the following:

- Enterprise server support
- Remote connection
- Desktop management
- Software management
- Training
- Data security and backup
- Robust telecommunications

Additionally, page 1 of the RFP "Work Summary" paragraph mentions all seven items above plus the additional category of *IT Security*.

As we are the current contracted provider for the Town of Enterprise Technical Support, we can accurately summarize the existing technical infrastructure as primarily a Microsoft based organization utilizing Microsoft Windows Server, Microsoft Windows based desktops, Microsoft Office Suite software and several other specialized applications common to many municipalities. Four-D, LLC has a Microsoft Certified Systems Engineer on staff and we are qualified to handle all your IT infrastructure needs. Peter deBlanc has over 20 years working with Microsoft based systems and currently supports and maintains a fairly complex Windows 2012 Server based infrastructure for the Town of Clarkdale.

Dewey-Humboldt has an Avaya based office telephone system and Four-D, LLC has had only basic experience maintaining this particular phone system. We have more experience with Cisco based Voice and Data network and phone systems as well as Microsoft Lync based telecommunications systems. Beyond basic telephone system maintenance, the Town may need to utilize an Avaya phone system specialist in the event there is an issue with the phone system that is beyond the scope of Four-D, LLC to troubleshoot and repair.

Four-D, LLC specializes in architecting, implementing, and maintaining robust and available IT systems. We also have expertise in IT and business processes, office productivity, and user best practices education and training. We are not application experts. We can't tell you how to create a map in GIS or the best way to implement a complex macro in Excel. We can assist in the basic operation of most Office applications and we can troubleshoot and resolve most application compatibility issues.

From maintaining your existing systems, to designing and implementing future enhancements and technologies, to educating your staff on productive work practices as they relate to your technology platform, Four-D, LLC promises to exceed your expectations.

## MASTER

*Recommend long-range and short-range management information systems, plans and ETS budgets to Town management*

Four-D, LLC has experience with the budget process for local government, developing a staff and technology plan, and managing the plan to budget. We also have worked with the Towns of Clarkdale, Chino Valley, and the Havasupai Tribe on alternative funding sources such as state and federal grants as well as special low interest lease opportunities made available to state and local government entities.

Based on our current technical documentation, Dewey-Humboldt has seven full-time and three part-time staff, one new production server running virtualized instances of several critical applications such as email, file services, GIS and LaserFiche. One "backup" server able to take over production responsibilities if the main production server should fail, a dedicated Granicus server, as well as several desktops, laptops, and printer. Having taken advantage of the latest virtualization technologies, the town is currently well positioned in terms of standardization and reliability.

Cloud computing goes one step further than virtualization by moving applications to internet based datacenters. This can represent a savings to smaller organizations because you no longer need to purchase and maintain server hardware or licenses, and you also enjoy a reduced environmental load on your facilities. Cloud computing does require high-bandwidth and ultra-reliable internet connectivity, so is not always appropriate in the more rural environments of Arizona.

Four-D will partner with your staff to perform a detailed analysis of your current organization and identify any current critical issues that should be addressed. We can also review the Town's vision for the future and make appropriate recommendations to supplement those goals. Together we can develop an effective plan to get to where you want to be in a cost effective manner.

*Make recommendations on major systems development and research projects;*

Part of recommending and implementing new systems and projects is to determine any risks and impacts on existing systems. Four-D, LLC prefers to follow a Systems Development Methodology (SDM) on all major projects. The SDM needs to be flexible to accommodate the relative risk vs. cost of research and testing. Four-D, LLC has found that for many organizations of this size an iterative or prototyping SDM approach provides a good return on investment.

## MASTER

*Establish Town-wide strategic policy for planning, development, and design of information needs*

All systems have to provide for today's needs, the expected needs of tomorrow, and the unanticipated needs that will appear in the near future. Systems must be scalable to accommodate the growth of the community. We would welcome the opportunity to be an integral part of providing for the future growth of your Town.

*Research management information systems hardware and software including applicable vendor applications, data base management, and operational control packages*

Four-D, LLC recommends implementing a policy that any software or systems that require an expenditure of public funds above a pre-defined amount, say \$1000, undergoes a technical evaluation for security, supportability, and integration and compatibility with existing systems.

*Set policies to ensure privacy data and security of data processing facilities*

Security starts with physical, site security. Is your server located in a locked room? Are your backup tapes stored in a secure location? Security then extends to user practices and policies, data access permissions, login and file copy restrictions. There is also network security which can be achieved through firewalls, wireless encryption technologies, Network Access Policies (NAP) and various forms of messaging and content filtering. Four-D, LLC has expertise with choosing and implementing appropriate technologies for environments of this size.

## MASTER

### *Establish guidelines and programs for effective database management utilization*

User created databases can be difficult to maintain. If the person who created the database should leave the office, a knowledge drain can occur, causing a temporary or permanent breakdown in operations. Also, data can become duplicated in redundant systems as each person implements their own preferred method of managing information. Four-D, LLC recommends a policy of no user created databases without a review with other departments to see if a suitable system already exists that can be adapted to the new requirement. If it is decided to move forward with the new database system, it should be implemented such that the system is documented and fully backed up.

### *Keep the servers, desktops, website, and phones of the Town working well, with a target problem resolution time of less than 48 hours 90% of the time and an emergency response of less than 2 hours 80% of the time*

Four-D, LLC operates out of Clarkdale and Prescott; approximately one hour away by car. In the event of a system emergency that requires a site visit, we can achieve the requirement of a 2 hour response time. We can also utilize proven remote access troubleshooting and problem resolution techniques to resolve most critical problems without a site visit. If town budget allows, our goal would be to design and implement redundancies in critical systems to avoid single points of failure and to maximize system availability.

### *Consult with and advise Town program heads on information technology management needs and problems*

We can achieve this requirement utilizing automated system availability reports coupled with a regular meeting and weekly site visits to review any issues, outages, upcoming needs or projects, and emerging trends in systems and technology.

### *Demonstrate continuous effort to improve operations, decrease turnaround times, streamline work processes, and work cooperatively and jointly to provide quality seamless citizen service.*

Four D, LLC understands that information technology is a means to an end and that the end is serving the Citizens of the community. We do not recommend new technologies because they are new or suggest change for change's sake. At the same time, we utilize Dr. Eliyahu M. Goldratt's Theory of Constraints philosophy of process refinement and continual improvement to improve the quality of our service. We endeavor to stay focused on the goal of serving the Citizens and use that to guide us in the process of selecting the best processes and technology.

# MASTER

## Exhibit B: Contractor's Key Personnel and Subcontractors

### Key Personnel:

Peter deBlanc – Technical Architect; Four-D, LLC: Primary Technical Contact

Resume and History Attached in Appendix A

Ida-Meri de Blanc – User Education, Protocols, Productivity; Four-D, LLC: Primary Liaison

Resume and History Attached in Appendix A

### Subcontractors

John Staltari – Service and Support Specialist

Robert Heiney – Service and Support Specialist

## Exhibit C: Schedule of Services

*N/A: All services are defined in Exhibit A: the Scope of Work statement.*

# MASTER

## Exhibit D: Schedule of Fees and Payment Schedule

### A. Schedule of Fees

All work will be performed on a fee for services basis. This ensures the Town is only paying for services they actually utilize. Four-D LLC has one standard hourly local government rate for all services as listed below:

For Fiscal Years July 1, 2011 through June 30, 2014; the rate shall be \$75.00/hour.

For Fiscal Years July 1, 2014 through June 30, 2016; the rate shall be \$85.00/hour.

For services performed after July 1, 2016 the rate shall be determined and agreed upon by February 1, 2016.

The above quoted rates are based on a minimum monthly retainer of 10 hours/month.

To properly maintain the Town's Enterprise Environment, we recommend the Town budget two full eight hour days of support per month or 192 support hours per year. We also recommend the Town budget 96 additional support hours per year for *Projects* that are beyond the standard maintenance and support duties. Examples of *Projects* would include but not be limited to: New software or hardware implementations, major systems upgrades, facility expansion or moves, etc.

Of course, the town will reserve the right to adjust the schedule if needs should change. For example, if projects or initiatives require more time, we can increase the on-site time, and conversely, if less support is needed, we can decrease the on-site time as required.

#### Emergency service charges and unscheduled site visit travel charges:

Emergencies that require an unscheduled on-site visit or requests to come on-site during times other than regularly scheduled times will incur a travel charge to and from the site at the prevailing standard rate. Note that much emergency work can be performed remotely and thus would not incur a travel charge. Four-D will not charge for travel for scheduled full eight hour on-site days.

#### Work performed remotely, work performed off-site, telephone consultation and assistance:

Any work, assistance, and/or support performed off-site, remotely, or via telephone shall be billed at the standard rate in 15 minute increments.

# MASTER

## Exhibit D: Schedule of Fees and Payment Schedule (continued)

### B. Compensation

1. The consideration of payment to Contractor, as provided herein shall be in full compensation for all of Contractor's work incurred in the performance hereof, including offices, travel, per diem or any other direct or indirect expenses incident to providing the services.
2. Attached hereto as Exhibit D-1 is Contractor's hours and fee estimate for the Project. Contractor's fee shall not exceed the amounts:

Description	Amount
For Fiscal Years July 1, 2011 through June 30, 2014; the rate shall be \$75.00/hour.	
For Fiscal Years July 1, 2014 through June 30, 2016; the rate shall be \$85.00/hour.	

### C. Method of Payment

Invoices shall be on a form and in the format provided by Town and are to be submitted in triplicate to Town via Town's authorized representative.

**Exhibit E: Change Order** – See original RFP for Change Order form

### Exhibit F: Additional Clauses/Requirements

#### Workspace requirements:

The Town shall provide an on-site workplace with a desk or similar work-surface, a desktop or laptop PC of similar performance to most other systems currently in use by the Town, and space to store files, technical resources such as books and CDs, hand tools, and any parts.

#### Regulatory Compliance

In the areas of audits, backup, disaster recovery, document retention, logging, security, or any other regulatory or legal compliance requirement(s), Four-D, LLC requires direction in writing from the Town Manager or their designated contact as to the specific details and timelines of implementation.

#### Best Effort

Information Technology systems can become very complicated, interrelated, and codependent. No one person or group can be an expert on every possible system. Four-D, LLC promises a "Best Effort" attempt to resolve any particular issue or problem. In the event Four-D is unable to successfully resolve any issue, additional outside expertise may need to be contracted at their prevailing rates to resolve the issue.

# MASTER

## Exhibit G – Staff Resumes and Skills

### Peter de Blanc – Primary Technical Contact

#### Accomplishments

##### **IT Manager for Town of Clarkdale, AZ**

Designed and implemented a new 10GbE converged voice/data network. This was a ground-up project involving fiber optic and Cat-6 cabling; Cisco switches, routers, and phones; HP servers; and Microsoft Windows 2008/2012 Server backend (AD, Exchange, CA PKI, Hyper-V, Systems Center, SharePoint, etc) with Vista based desktops and laptops.

##### **Systems Management Architect**

Architected, developed, and implemented a global workstation systems management solution. Utilizing Microsoft Systems Management Server, the solution managed 30,000 PC workstations at 42 Sites in the United States and Europe. After proposing the system and securing executive backing and funding, I developed the global architecture and hired and trained the team, who then implemented and maintained the system. With the solution in place were able to roll out critical security patches and application updates to all 30,000 systems overnight. The system also maintained a complete and current hardware and software inventory of all systems which was utilized for software licensing compliance reports and hardware inventory budgeting and control.

##### **Enterprise Antivirus Solution**

Utilizing the SMS infrastructure described above, the Systems Management team layered Symantec's Corporate Antivirus Solution onto the existing server hardware allowing global response to new virus threats to be completed within 90 minutes to all managed systems.

##### **Desktop Release Manager**

Accountable for the successful implementation of business critical, high dollar volume credit card processing system application updates. This included management of the testing and deployment activities for 37 applications updated nine times per year, often with overlapping timetables and testing requirements; coordinating application testing, feedback to developers, daily deployment of application updates into the development and test environments, final production deployment, and post deployment verification. This position required frequent reporting to executive management.

##### **Member of the Intel Architecture Review Team**

Primary responsibilities were the review and approval of all major projects with potential impact to the Enterprise architecture. Projects were reviewed for feasibility, applicability and suitability; compliance with corporate policies, full life cycle supportability, and scoping and funding impacts. This position also required frequent reporting to executive management.

##### **Other Accomplishments**

- Unattended on-demand application deployment system
- Disaster and recovery planning
- Global file/folder replication system – This in-house scripted system kept over 20,000 files and 10 GB of data in sync at all 42 major sites on a nightly and/or as-needed basis.
- Change Management Coordinator for the department
- Considered a “Key Personnel” for business critical operations

# MASTER

## Resume

Peter de Blanc  
599 Mingus Shadows Drive  
Clarkdale, AZ 86324

office: (928) 634-0932  
cell: (302) 562-3684  
email: peter@FOURDLLC.com

## Certifications

Microsoft Certified Systems Engineer (MCSE), Windows NT Server, NT Workstation, SMS, SQL, Windows 95, Network Essentials, TCP\IP, All Apple Hardware, 3 Com Wizard, A+

## Work History

### Current Contract Positions

#### IT Technical Consultant

#### Bush Refrigeration Camden. New Jersey

Project goals: Migrate physical production server environment to virtual server environment using Windows 2008 Server with Hyper-V, implement a standardized managed desktop, update in-house Access Database Project from SQL 2000/Access 2000 to SQL 2005/Access 2007, and update company internet web site.

#### IT Manager Local Government

#### Town of Clarkdale Clarkdale. Arizona

On acceptance of this contract, the town had several desktop PCs, one small server, and a rudimentary network. Town email was handled through dial-up email accounts. I designed and implemented a Cisco based converged voice/data network and installed new Windows 2008 servers on the back end with a standard Vista based desktop on the front end. Since this was a completely new network, I took the opportunity to implement some of the latest technology such as 10Gb Ethernet, and a completely virtualized server farm. Virtualizing all production server instances provided a great way to manage disaster recovery. Instead of backing up the contents of a server, the entire server instance was copied periodically to an off-site location. In the event of a disaster, these server copies could be started in just a few minutes restoring full production capabilities.

05/05-12/06 MBNA was purchased by Bank of America. Prior to the transition, people were given the opportunity of Voluntary Severance. I had planned on moving to Arizona after completing my career at MBNA, so I accepted the offer. I used this time to renovate some real estate investments, prepare for the move, purchase a home in Arizona and sell my East Coast home. After settling in the new home, I began contracting work.

# MASTER

04/98-04/05 **Assistant Vice President  
Desktop Computing**

**MBNA America  
Wilmington, Delaware**

My last position at MBNA was as a Manager/Senior Systems Architect responsible for the Systems Management of all of MBNA's desktop systems. I developed a global Microsoft SMS 2.0 architecture consisting of 12 SQL servers, 42 sites, and 30,000+ desktop clients. I assembled and trained a team of nine people to manage the system. From a single, centrally managed console, we provided application installation and updating, security updates, OS patches and Anti-Virus updates, etc to all 30,000 workstations. In addition, we managed and coordinated the front-end application Release Management testing and deployment activities for 37 in-house developed multi-tier financial and customer contact applications, approximately nine major releases per year.

My prior positions at MBNA included evaluation and implementation of Enterprise Management toolsets like Microsoft MOM, BMC Patrol, SMS, HP OpenView, etc.; developing unattended application deployment, mostly utilizing tools in the NT resource kits, SMS, VB script and KIX32; planning, testing, and implementing the NT 4.0 to Windows 2000 desktop migration.

03/97-04/98 **Systems Engineer/  
Project Manager**

**Pep Boys  
Philadelphia, Pennsylvania**

Pep Boys was transitioning from Novell NetWare 3.x and 4.x environment to a Microsoft Windows NT environment. I was brought in to plan, design, and implement Windows NT and Microsoft Back Office products throughout the Enterprise, including Windows NT Server, Domain Controllers, WINS Servers, SQL Server, Systems Management Server (SMS), SNA Server, Internet Information Server (IIS), and related products such as IBM Netfinity, Tivoli, Lotus Notes, Lotus Domino, ADSM, Seagate Backup Exec, Argent Software's Quota Server, etc.

09/95-03/97 **LAN Administrator/  
LAN Support**

**Inacom on contract to PECO Energy  
Philadelphia, Pennsylvania**

- LAN Administration for 2500 user client/server based mission critical call center
- Manage user accounts, network resource assignments, LAN support and troubleshooting
- Novel 4.x NDS, Windows NT, OS2-Warp Lan Server Environments
- Windows NT, Windows 95, and OS2 Clients
- DB2/2, CICS servers, MS Mail administration, system configuration and tuning
- DB2 and REXX programming

08/92-09/95 **Network and Systems Administrator/  
Service Manager**

**Amiable Technologies, Inc.  
Philadelphia, Pennsylvania**

- Maintain, support and expand a growing Mac and PC Ethernet WAN of 80 users/120 nodes
- Systems include 68K Macintosh, Power Macintosh, Mac OS 6, 7, 7.5; 486 and Pentium PCs, DOS, Windows, Windows for Workgroups, Windows NT, NT Server, Concentrators, Hubs, Bridges, Routers, Dot Matrix, Inkjet, and Laser Printers, plus a plethora of software packages
- Factory certified to service Apple, Dell, IBM, and HP hardware; A+ Certified
- Create and implement company-wide procedures, structures, and systems
- Provide End-user training and support
- My last project was the design and implementation of a cross-platform Oracle RDBMS
- Accountable for support and continued satisfaction of 5000+ end-users in a vertical market

## MASTER

- Manage and train a team of five Support Specialists in a help-desk type environment
- Design and implement a database to manage problem tracking and to gather call statistics

Amiable Technologies was a vertical market software developer in the Sign Making/Graphics Industry. I started the Product Support Group to provide timely support for a fast growing user base and to maintain our internal systems. After successfully creating a self-sufficient support department, I began to work on refining and reengineering our internal systems and structures.

1987-08/92 **Macintosh Computer Consultant**

**the Macintosh Specialist  
Philadelphia, Pennsylvania**

In 1987 I went in business for myself as a Macintosh computer consultant providing custom database design and programming, network design and installation, end-user training and support, and software and hardware recommendations. I also sold and supported Medical and Dental Practice Management Systems.

01/89-06/90 **Sys-Op for IBM 3090 Mainframe**

**Towers-Perrin (TPF&C)  
Philadelphia, Pennsylvania**

-OS's used: VMXA, VM/HPO and MVSXA  
-Additional: CMS, DB2, ORACLE, XEDIT, REXX, JCL, ISPF, SDSF, ZEKE, VTAM, NETMASTER, RSCS, PVM, etc.

In January of 1989, I decided I wanted to learn about mainframe computers so I went to the Data Processing department at TPF&C with the intention of exchanging my time on a volunteer basis for mainframe computer training. I was asked to take the Wolfe Computer Programmers Aptitude test on which I received a perfect score. TPF&C offered me a full-time position as an SYS-OP, which I accepted.

11/83-10/87 **Manufacturing Plant Manager**

**Bush Refrigeration  
Camden, New Jersey**

- CAD engineering/drafting of all custom refrigerators produced
- Created and maintained accurate costing models of all products
- Responsible for managing and training the 8-10 factory workers
- Streamlined production for more profit and higher product quality
- After sales service and support.
- Company inclusive cost analysis projects
- Software development for monthly department reports
- Trips to problem installations to create equitable solutions and satisfy customers

Bush is a national commercial refrigeration equipment retailer. While in the Operations department, I created a computer program to automate much of the paper work in the company. I also worked on job costing spreadsheets and other data analysis projects. In November 1986 I was promoted to Factory Manager in Bush's custom cooler shop, where I increased efficiency and profit margins.

# MASTER

**Education:** University of Delaware and Drexel University, Computer Science Major  
Central High School, Philadelphia (the second oldest public high school in the US)  
Landmark Education: Developers of Effectiveness, Communications, and Management programs

---

## Hardware Skills List

**Computers:** IBM, Dell, Compaq, Gateway, DEC, HP and other PC compatibles and clones, Servers, WinTel, Intel, Apple Macintosh and others.

**Printers:** Hewlett Packard (HP), NEC, Lexmark, IBM, Apple and others.

**Scanners:** Hewlett Packard, UMAX, Microtek, Epson, Panasonic, LaCie, Apple, Logitech and others.

**Backup:** Tape Backup Systems, Digital Linear Tape (DLT), Digital Audio Tape (DAT), SyQuest, ZIP Drives, RAM Drives, DCC., 9 Track Reels, Storagetek, Various Cartridge Systems, and others.

**Networks:** Cisco CCME, converged voice/data, Ethernet-Thick, Thin, 10BaseT, 100BaseT, 10GbE, Cat 3, Cat 5, Cisco, 3COM, DLink Linksys, Intel, Infrared, Wireless, FDDI, Fiber, Hubs, Routers, Bridges, Switches, Repeaters, Gateways, etc. Novell NetWare, Windows NT, AppleTalk, EtherTalk, TCP/IP, PPP, SLIP, LAN, WAN, ISDN, T1, 56K Leased Lines, Modems

**Plotters:** Roland, Graphtec, Summagraphics, Hewlett Packard (HP), Mimaki, Gerber, Mutoh, ENCAD, and others.

**Misc.:** Tablets, Color Matching Systems, Multimedia, Projectors, Joysticks, MIDI, Video, etc.

## Software Skills List

**Operating Systems:** Windows Vista & XP, Windows 2008 and 2003 Server, All prior versions of Windows, Apple Macintosh, Mac OS, DOS, Novell, OS2 Warp

**Business Applications:** Microsoft Office, Word, Excel, Power Point, Outlook, Access, Entourage, Works, FileMaker Pro, Illustrator, Acrobat, Quark, WordPerfect, various PIMS, and literally hundreds of other software titles.

**Backend:** HyperV, Exchange, SMS, SQL Server, HP Openview, Tivoli, BackupExec, Argent Quota Manager, NAV, NAVCE, DB2, ADSM, WINS, DFS, MOM, Systems Center, BMC Patrol, etc.

**Summary:** Exposure to a wide variety of platforms and software has enabled me to quickly learn the basic principles of operation of new systems and software. In turn, this skill allows me to quickly gain proficiency with unfamiliar hardware and software.

---

# **MASTER**

Ida-Meri de Blanc – Managing Partner, User Education, Protocols, Productivity

## **Educational Background:**

University of the Arts, Philadelphia, PA: Bachelor of Arts

Distinctions, Inc: Trained and certified program leader for “Learning to Work in the 21<sup>st</sup> Century”™

Landmark Education: 35 CEUs for the curriculum including communication, leadership and management skills

Mission Control Productivity: Productivity, Effectiveness and Time Management training

## **Volunteer Experience:**

Landmark Education, Well-Being Group Volunteer, 2012 - present

Town of Clarkdale, Planning Commission, 2012 - present

COG Water Company, Sedona: Secretary, Board of Directors, 2007- present

Conference for Global Transformation: Committee Chair, 2003 - 2007

Philadelphia 4<sup>th</sup> Police District Advisory Council, 1996 – 2006

Friends of Dickinson Square, Board Member, 1986 – 1996

## **Skill Set:**

Microsoft Office Suite: Excel, OneNote, PowerPoint, Publisher and Word

Outlook and SharePoint

Productivity, time management and organizational expertise

Purchasing, Sales and Customer Service Management

Training and managing a team for effective communication and collaboration

Writing/editing for clarity and effectiveness

## **Awards and Commendations:**

United States Information Agency

Philadelphia Police Department

# MASTER

## John Staltari – Field Technician

### Certifications:

Computer maintenance (A+), Network +  
Supporting & Maintaining a Windows NT Server Network  
Implementing, Installing, Configuring, and Administering Windows 2000 Professional and Server  
Interconnecting Cisco Network Devices (CCNA)  
Microsoft MCP Certified  
Cisco CCNA Certified  
Comp/TIA A+ and Net+ Certified

### Hardware:

Building desktop and server computer systems  
Maintaining/repairing Compaq/HP servers and SAN hardware  
Installing hardware and performing system upgrades  
Troubleshooting and repair hardware problems on both PC and laptop computers  
Very proficient with HP desktop and IBM/Lenovo laptop hardware  
Building and configuring large and small scale networks  
Deployed and maintained Xerox WorkCentre MFP devices

### Software:

Installing, maintaining, configuring and troubleshooting all Windows O/S Platforms, which include Windows Desktop OS, Windows Server, Microsoft Office Suites, Microsoft SQL Server, Microsoft Exchange, Microsoft Terminal Server  
Various Linux operating systems including: Red Hat 8, 9, RHEL 4 and 5, Fedora, Ubuntu, and Debian  
MAC OSX, Mac Office 2004 and 2008  
Third party applications including: ICOMS, Citrix client, VNC, Norton Antivirus Corporate Version, Samba Server, Norton Ghost, AutoCAD application suite, Veritas Backup Exec and NetBackup, GFI Mail Security and Essentials, Remedy, Infra Enterprise, WSUS  
McAfee Enterprise products such as Antivirus, ePO Server and client management applications  
VMWare Server, VirtualBox, Microsoft Virtual Server and Virtual PC  
Remote access and management tools such as RDP, Offer Remote Assistance, SMS 2003 and SCCM 2007  
High proficiency to learn new software intricacies  
Good understanding of Web programming technologies including HTML, JSP and ASP

# MASTER

## Robert Heiney Skill Set:

### Certifications:

BS in Information Technology with an emphasis in Security, Western Governors University

MSCE Security (Microsoft Certified Systems Engineer Security)

CCNA (Cisco Certified Network Associate)

Project+ (CompTIA Certified IT Project Manager)

Security+ (CompTIA Certified Security Professional)

Linux+ (CompTIA Certified Linux Professional)

Network+ (CompTIA Certified Network Professional)

A+ (CompTIA Certified Computer Technician)

CIW Certified Web Design Specialist

CIW Certified Java Script Specialist

CIW Certified Database Design Specialist

### Hardware:

Routers, Switches, Hubs, and Firewalls (Cisco, HP, Sonicwall), Desktop Systems, Servers, Printers, Backup Devices (Optical, Hard Drive, tape drive), RAID technologies

### Software:

Windows (NT, 9X, 2000, XP, Server 2003, SBS 2003, Vista, Server 2008), Linux (Ubuntu, Debian), Mac OSX

Microsoft Exchange (2000, 2003, 2007, 2010), Microsoft SQL (2000, 2005, 2008), Terminal Services, IIS, Microsoft CRM

PKI (Public Key Infrastructure), Risk assessments, Security policies, Disaster Recovery Planning and Implementation, Patch Management, Anti-malware installation and management.

Microsoft Office (97, 2000, XP, 2003, 2007, 2010), Anti-Virus (Trend Micro, Symantec, AVG)

LAN, WAN, DNS, DHCP, Hosts, TCP/IP, SMTP, POP3, IMAP, ISDN, dial-up, cable, DSL, T-1



**MASTER**

**Exhibit I – Authorized Signature Form (Signed and Notarized)**

**TOWN OF DEWEY-HUMBOLDT, ARIZONA  
AUTHORIZED SIGNATURE FORM**

Dewey-Humboldt Contract: **Enterprise Technical Support**

Contractor Name: Four-D, LLC

WHEREAS, the Town of Dewey-Humboldt requires that Contractor execute documents necessary for the prompt and efficient execution of the business related to the CONTRACT;

NOW, THEREFORE, on behalf of the Contractor, I hereby declare that:

Ida-Meri deBlanc is/are authorized to execute and sign on behalf of said Contractor the following documents:  
(Name of Parties Authorized)

- 1. The CONTRACT
- 2. Change Orders
- 3. All other papers necessary for the conduct of the corporation's affairs and execution of the CONTRACT

The above-named person is granted the authority and duties herein referenced for the duration of the CONTRACT or until express notice of revocation has been duly given in writing, whichever is the lesser period. In the event Contractor is governed by a Board of Directors, a copy of the Resolution of the Board granting authority to said person(s) is attached hereto, and I hereby verify that such Resolution remains in full force and effect.

Ida-Meri de Blanc  
 Name  
Managing Partner, Four-D, LLC  
 Title

(Seal of Corporation)  
 STATE OF Arizona\_ )  
 ) ss.  
 County of Yavapai )

I, \_\_\_\_\_ of the \_\_\_\_\_ corporation, do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Directors of said corporation, at a meeting of said Board held on \_\_\_\_\_, 20\_\_\_\_, and that the same is in full force and effect at this time.

DATED \_\_\_\_\_, 20\_\_\_\_\_.

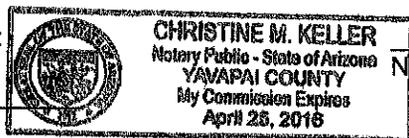
\_\_\_\_\_  
(Officer of Corporation)

(Seal of Corporation)  
 STATE OF \_\_\_\_\_ )  
 ) ss.  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me this 10th day of April, 2013 by Ida-Meri deBlanc, appearing before the undersigned Notary Public, and stated that she executed such instrument on behalf of said corporation for the purpose and consideration therein expressed.

My Commission Expires:

4-16-2016



Christine M Keller  
 Notary Public

# MASTER

Exhibit J –Original RFP Attached (See next 25 pages)



TOWN OF DEWEY-HUMBOLDT  
P.O. BOX 69  
HUMBOLDT, AZ 86329  
Phone 928-632-7362 Fax 928-632-7365

## NOTICE AND REQUEST FOR PROPOSAL FOR ENTERPRISE TECHNICAL SUPPORT

<b>Item</b>	<b>Important Dates</b>
Distribution of RFP	By March 17, 2013
Proposal Due Date	12:00 p.m. Local time, April 11, 2013
Contract Award	April 16, 2013
Implementation and Conversion	June/July 2013

Return Proposals to: Town of Dewey-Humboldt  
Town Clerk's Office  
2735 South Highway 69, P.O. Box 69  
Humboldt, AZ 86329

The Town of Dewey-Humboldt (the "Town") seeks Enterprise Technical Support services in compliance with these specifications. Competitive sealed proposals for these services will be received by the Town Clerk's Office at the above specified location, until the time and date cited.

Proposals must be submitted in a sealed envelope clearly marked on the outside: "RFP for Enterprise Technical Support". Any proposal received at the wrong location, unsealed or after the time specified will not be accepted and will be returned unopened. It is the proposer's responsibility to assure proposals are received at the above location on or before the specified time.

Work Summary. The Town currently maintains on-call contracts for enterprise technical support, with internal staff providing assistance when able. The Town has determined that a review of the services offered by qualifying providers is appropriate at this time and is requesting proposals from qualified information technology and telecommunications providers that can provide the Town with above standard, flexible Enterprise Technical Support including, but not limited to enterprise server, remote connection, desktop management, training, software management, IT security, and telecommunications services. The successful bidder will be awarded an information technology and telecommunications service contract for the term stated in the RFP.

Proposal Requirement: Proposals shall be in accordance with the proposal requirements set forth in the Request for Proposals, which may be obtained by contacting Deni Thompson, Accountant, telephone number 928-632-7362, or via email at denithompson@dhaz.gov. Any proposal which does not conform in all material respects to the Request for Proposals will be considered non-responsive.

Right to Reject Proposals: The Town reserves the right to reject any or all proposals, waive any informality in a proposal or to withhold the Award for any reason the Town determines.

**IMPORTANT  
PROPOSER'S CHECK LIST**

- 1. The proposal has been signed in the Section IV. (Proposals not signed in this section will not be considered.)
- 2. Authorized Signature Form is enclosed.
- 3. The proposal prices offered have been reviewed. (See Section 1.15.5)
- 4. Any required descriptive literature or other information has been included.
- 5. The Contract Time and/or schedules have been included.
- 6. Any addendums have been included/noted in Offer Section. (See Section 4.6)
- 7. The mailing envelope/package has been addressed to:  

Town of Dewey-Humboldt  
Town Clerk's Office  
2735 South Highway 69, P.O. Box 69  
Humboldt, AZ 86329
- 8. Proposal Package/Envelope has been identified as required.
- 9. The proposal is submitted in time to be received and stamped in by Clerk's Office representative no later than specified time on designated date. (Otherwise the proposal cannot be considered.)

date. No Proposer may withdraw his Proposal during this period without written permission from Dewey-Humboldt.

1.11 Addendum: This Request for Proposals may only be modified by a written Addendum. Potential Proposers are responsible for obtaining all addenda.

1.12 Proposer Registration: Proposers shall register with the Dewey-Humboldt Contact person, Deni Thompson, at 928-632-7362 to make arrangements to receive notice of Addenda to this RFP. All addenda will be posted on the Dewey-Humboldt website at www.dhaz.gov.

1.13 Proposal Bond: None required.

1.14 General Evaluation Standards:

1.14.1 Dewey-Humboldt seeks to obtain the services described below in the Scope of Work. Dewey-Humboldt will evaluate proposals on the selection criteria set forth below. Dewey-Humboldt will be the sole judge of whether the services offered are acceptable. Proposals from individuals who have provided inadequate services to municipalities in the past, or proposals offering services proven unsatisfactory in Town's sole judgment may be rejected and not considered.

- A. Firm Experience and Capability
- B. Expertise of Firm's Key Staff
- C. Local Firm Consideration
- D. Prior Projects with Town
- E. Other Prior Projects
- F. Insurability

1.14.2 Dewey-Humboldt reserves the right to reject any or all proposals or any part thereof, or to accept any proposal, or any part thereof, or to withhold the award and to waive or decline to waive irregularities in any proposal when it determines that it is in its best interest to do so.

1.14.3 A Proposer (including each of its principals) who is lawfully prohibited from any public procurement activity may have its Proposal rejected.

1.14.4 Clarifications. Dewey-Humboldt reserves the right to obtain Proposer clarifications where necessary to arrive at full and complete understanding of Proposer's product, service, and/or solicitation response. Clarification means a communication with a Proposer for the sole purpose of eliminating ambiguities in the Proposal and does not give Proposer an opportunity to revise or modify its proposal.

1.14.5 Waiver and Rejection Rights. Dewey-Humboldt 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.

1.15 Proposal Preparation:

1.15.1 Format. Proposers shall submit their Proposal with an original and 2 copies and shall be submitted either on the forms provided in this RFP or their substantial equivalent. Any substitute document must be legible and contain the same information requested on the forms.

1.15.2 No Facsimile or Electronic Mail Proposals. Proposals may not be submitted in facsimile or electronically. A facsimile or electronic mail Proposal shall be rejected.

1.15.3 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.

and products. Proposed pricing for additional items, services and products should be noted on the Schedule of Fees form or a separate attachment to Proposer's submittal document. Once the contract has been awarded, the Contractor will not be permitted to charge the Town for any service that is not clearly identified in terms of cost and detail within the original proposal to the Town. The only exception to this limitation will be if the Town specifically requests an additional service that was not identified in the RFP or in the Contractor's proposal.

1.15.6 RFP Addendum Acknowledgement. Each RFP Addendum shall be acknowledged in the Proposal Section, which shall be submitted together with the Proposal on the Proposal due date and time. Failure to note an RFP Addendum may result in rejection of the Proposal.

1.15.7 Evidence of Intent to be Bound. The Proposal form within the RFP shall be submitted with the Proposal and shall include a signature by a person authorized to sign the Proposal. The signature shall signify the Proposer's intent to be bound by its Proposal and the terms of the RFP and that the information provided is true, accurate and complete. Failure to submit verifiable evidence of intent to be bound, such as an original signature, shall result in rejection of the Proposal.

1.15.8 Non-Collusion and Non-Discrimination. By signing and submitting the Proposal, the Proposer certifies that: the Proposer did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of its Proposal; and 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.

## 1.16 Inquiries

1.16.1 Duty to Examine. It is the responsibility of each Proposer to examine the entire RFP, 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.

1.16.2 Contact Person. Any inquiry related to the RFP, including any requests for or inquiries regarding standards referenced in the RFP should be directed solely to the Contact person listed on the cover page of the RFP. The Proposer shall not contact or direct inquiries concerning this RFP to any other Town employee unless the RFP specifically identifies a person other than the Contact Person as a contact.

1.16.3 Submission of Inquiries. All inquiries shall be submitted in writing and shall refer to the appropriate RFP, page and paragraph. Do not place the RFP information on the outside of the envelope containing that inquiry, since it may then be identified as a Proposal and not be opened until after the Proposal due date and time. Dewey-Humboldt shall consider the relevancy of the inquiry but is not required to respond in writing.

1.16.4 Timeliness. Any inquiry or exception to the solicitation shall be submitted as soon as possible and should be submitted at least ten (10) days before the Proposal due date and time. Failure to do so may result in the inquiry not being considered for an RFP Addendum.

1.16.5 No Right to Rely on Verbal Responses. A Proposer shall not rely on verbal responses to inquiries. A verbal reply to an inquiry does not constitute a modification of the RFP.

1.17 Request for Taxpayer I.D. Number and Certification IRS W-9 Form. Prior to any Contract Award, the I.R.S. W-9 Form must be completed and submitted to the Town's Finance Department.

## II. GENERAL CONDITIONS

### III. SCOPE OF WORK

The Contractor shall perform the following services:

- Establish guidelines and programs for effective information technology management; Provide data processing services required by the Town;
- Recommend long-range and short-range management information systems plans and ETS budgets to Town management;
- Make recommendations on major systems development and research projects;
- Establish Town-wide strategic policy for planning, development, and design of information needs;
- Research management information systems hardware and software including applicable vendor applications, data base management, and operational control packages;
- Set policies to ensure privacy data and security of data processing facilities;
- Establish guidelines and programs for effective database management utilization;
- Keep the servers, desktops, website, and phones of the Town working well, with a target problem resolution time of less than 48 hours 90% of the time and an emergency response of less than 2 hours 80% of the time;
- Consult with and advise Town program heads on information technology management needs and problems;
- Demonstrate continuous effort to improve operations, decrease turnaround times, streamline work processes, and work cooperatively and jointly to provide quality seamless citizen service.

### IV. PROPOSER'S PROPOSAL

4.1 Proposer's Proposal: For the proposal opening April 11, 2013 for enterprise technical support services.

4.2 Covenant Clause: It is expressly agreed by Proposer that these covenants are irrevocable and perpetual.

4.3 Conditions Accepted: The undersigned Proposer declares that before preparing this proposal, he or she has read the Proposal Documents carefully, and that this proposal is made with full knowledge of the kind, quality and quantity of services to be furnished by signing this proposal. Proposer agrees to all conditions contained in the Proposal Documents.

4.4 Proposal Price: Pricing shall be set forth in the Schedule of Fees, which shall be attached to the Proposal.

TOWN OF DEWEY-HUMBOLDT, ARIZONA

AUTHORIZED SIGNATURE FORM

Dewey-Humboldt Contract: **Enterprise Technical Support**

Contractor Name: \_\_\_\_\_

WHEREAS, the Town of Dewey-Humboldt requires that Contractor execute documents necessary for the prompt and efficient execution of the business related to the CONTRACT;

NOW, THEREFORE, on behalf of the Contractor, I hereby declare that

\_\_\_\_\_  
(Name of Parties Authorized)

is/are authorized to execute and sign on behalf of said Contractor the following documents:

1. The CONTRACT
2. Change Orders
3. All other papers necessary for the conduct of the corporation's affairs and execution of the CONTRACT

The above-named person is granted the authority and duties herein referenced for the duration of the CONTRACT or until express notice of revocation has been duly given in writing, whichever is the lesser period. In the event Contractor is governed by a Board of Directors, a copy of the Resolution of the Board granting authority to said person(s) is attached hereto, and I hereby verify that such Resolution remains in full force and effect.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

(Seal of Corporation)

STATE OF \_\_\_\_\_ )  
County of \_\_\_\_\_ ) ss.

I, \_\_\_\_\_ of the \_\_\_\_\_ corporation, do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Directors of said corporation, at a meeting of said Board held on \_\_\_\_\_, 20\_\_\_\_\_, and that the same is in full force and effect at this time.

DATED \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
(Officer of Corporation)

**TOWN OF DEWEY-HUMBOLDT  
AGREEMENT FOR ENTERPRISE TECHNICAL SUPPORT SERVICES**

THIS Agreement is entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by and between the Town of Dewey-Humboldt, Arizona, an Arizona municipal corporation (the "Town"), and \_\_\_\_\_, an Arizona \_\_\_\_\_ (the "Contractor").

FOR THE PURPOSE of providing enterprise technical support services for the Town of Dewey-Humboldt, Arizona, the Town and Contractor do hereby mutually agree to the following:

**1. SERVICES AND RESPONSIBILITIES**

1.1 Retention of Contractor. In consideration of the mutual promises contained in this Agreement, Town engages Contractor to render services set forth herein, in accordance with all the terms and conditions contained in this Agreement.

1.2 Scope of Services. Contractor shall do, perform and carry out in a satisfactory and proper manner, as determined by Town, the services set forth in this Agreement, including all exhibits ("Services"). The specific scope of work is set forth in Exhibit A.

1.3 Responsibility of Contractor.

1.3.1 Contractor shall tour the Services site and become familiar with existing equipment, software, and hardware prior to commencing the Services and notify Town of any constraints associated with the Services site and/or facilities.

1.3.2 Contractor shall procure and maintain during the course of this Agreement insurance coverage required by Paragraph 4 of this Agreement.

1.3.3 Contractor shall designate \_\_\_\_\_ as Contractor Representative and all communications shall be directed to him. Key Contractor Personnel are set forth in Exhibit B, attached hereto and made a part hereof. "Key Personnel" includes those employees (managers, principals, and technical experts) who have significant responsibilities regarding the Services and Contract. Prior to changing the Contractor Representative or Key Personnel, Contractor shall first obtain the approval of Town, which will not unreasonably be withheld.

1.3.4 Contractor's subcontracts are also set forth in Exhibit B. Any modification to the list of Subcontractors on Exhibit B, either by adding, deleting or changing subcontractors, shall require the written consent of Town.

1.3.5 Contractor shall obtain its own legal, insurance and financial advice regarding Contractor's legal, insurance and financial obligations under this Agreement.

1.3.6 Contractor shall coordinate its activities with Town's representative and submit its reports to Town's representative.

1.3.7 Contractor shall provide, pay for and insure under the requisite laws and regulations all labor, materials, equipment, and transportation, and other facilities and services necessary for the proper execution and completion of the Services. Contractor shall provide, pay for and insure for all equipment necessary for the Services.

1.3.8 Contractor shall obtain and pay for all business registrations, licenses, permits, governmental inspections and governmental fees necessary and customarily required for the proper execution and completion of Services. Contractor shall pay all applicable taxes. Contractor shall give all

materials furnished by Contractor will be allowed by Town except as provided herein; nor shall Contractor provide any services or furnish any materials not covered by this Agreement unless Town first approves in writing.

#### 4. INSURANCE REPRESENTATIONS AND REQUIREMENTS

4.1 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 A-7 or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to Town. Failure to maintain insurance as specified may result in termination of this Agreement at Town's option.

4.2 No Representation of Coverage Adequacy. By requiring insurance herein, Town does not represent that coverage and limits will be adequate to protect Contractor. Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement 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 Agreement.

4.3 Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers Compensation insurance and Professional Liability insurance if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, Town, its agents, representative, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.

4.4 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 Agreement are satisfactorily performed, completed and formally accepted by Town, unless specified otherwise in this Agreement.

4.5 Primary Insurance. Contractor's insurance shall be primary insurance as respects performance of subject contract and in the protection of Town as an Additional Insured.

4.6 Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three (3) years past completion and acceptance of the Services evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the three year period.

4.7 Waiver. All policies, including Workers' Compensation Insurance, shall contain a waiver of rights of recovery (subrogation) against Dewey-Humboldt, its agents, representative, officials, directors, officers, and employees for any claims arising out of the Services of Contractor. Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

4.8 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. Contractor shall be solely responsible for any such deductible or self insured retention amount. Town, at its option, may require Contractor to secure payment of such deductible or self insured retention by a surety bond or irrevocable and unconditional Letter of Credit.

4.9 Use of Subcontractors. If any Services under this Agreement are subcontracted in any way, Contractor shall execute written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements set forth herein protecting Town and Contractor. Contractor shall be

4.11.2 Professional Liability: Contractor shall maintain Professional Liability insurance covering errors and omissions arising out of the Services performed by Contractor, or anyone employed by Contractor, or anyone for whose acts, mistakes, errors and omissions Contractor is legally liable, with an unimpaired liability insurance limit of \$1,000,000 each claims and \$2,000,000 all claims. Professional Liability coverage specifically shall contain contractual liability insurance covering the contractual obligations of this Agreement. In the event the Professional Liability insurance policy is written on a "claims made" basis, coverage shall extend for three (3) years past completion and acceptance of the Services, and Contractor shall be required to submit Certificates of Insurance evidencing proper coverage is in effect as required above.

~~4.11.3 Vehicle Liability: Contractor shall maintain Business Automobile Liability Insurance with a limit of \$1,000,000 each occurrence on Contractor's owned, hired, and non-owned vehicles assigned to or used in the performance of the Contractor's Services under this Agreement. Coverage will be at least as broad as Insurance Services Office, Inc., coverage code "1" any auto policy form CA-00-01-12-93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of performance of this Agreement, Town, its agents, representative, officers, directors, officials and employees shall be cited as an Additional Insured under the Insurance Service Offices, Inc. Business Auto Policy Designated Insured Endorsement form CA-20-48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.~~

## 5. INDEMNIFICATION

5.1 To the fullest extent permitted by law, the Contractor, its successors, assigns and guarantors, shall pay, defend, indemnify and hold harmless Town, its agents, officers, officials and employees from and against all demands, claims, proceedings, suits, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), and all claim adjustment and handling expenses, relating to, arising out of, or alleged to have resulted from acts, errors, mistakes, omissions, Services caused by the Contractor, its agents, employees or any tier of Contractor's subcontractors related to the Services in the performance of this Agreement. Contractor's duty to defend, hold harmless and indemnify Town, its agents, officers, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting therefrom, caused by Contractor's acts, errors, mistakes, omissions, Services in the performance of this Agreement including any employee of the Contractor, any tier of Contractor's subcontractor or any other person for whose acts, errors, mistakes, omissions, Services the Contractor may be legally liable including Town. Such indemnity does not extend to Town's negligence.

5.2 Insurance provisions set forth in this Agreement are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

## 6. TERMINATION OF THIS AGREEMENT

6.1 Termination. Town may, by written notice to the Contractor, terminate this Agreement in whole or in part with seven (7) days notice, either for Town's convenience or because of the failure of Contractor to fulfill his contract obligations. Upon receipt of such notice, Contractor shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to Town copies of all data, drawings, reports, estimates, summaries, and such other information and materials as may have been accumulated by the Contractor in performing this Agreement, whether completed or in process. This Agreement may be terminated in whole or in part by the Contractor in the event of substantial failure by Town to fulfill its obligations.

second violation, and \$1,000 per day for the third violation. Town at its option may terminate the Contract after the third violation. Contractor shall not be deemed in material breach of this Contract if Contractor and/or subcontractors establish compliance with the employment verification provisions of Sections 274A and 274B of the federal Immigration and Nationality Act and the E-Verify requirements contained in A.R.S. § 23-214(A). Town retains the legal right to inspect the papers of any Contractor or subcontractor employee who works on the Contract to ensure that Contractor or subcontractor is complying with the warranty. Any inspection will be conducted after reasonable notice and at reasonable times. If state law is amended, the parties may modify this paragraph consistent with state law.

7.7 Sudan and Iran. Contractor warrants that it does not have scrutinized business operations in Sudan or Iran, as prohibited by A.R.S. §§ 35-391.06 and 35-393.06, and further acknowledges that any subcontractor who is contracted by Contractor to perform work pursuant to the Contract shall warrant that they do not have scrutinized business operations in Sudan or Iran.

7.8 Exclusive Use of Services - Confidentiality. The services agreed to be provided by Contractor within this Agreement are for the exclusive use of Town and Contractor shall not engage in conflict of interest nor appropriate Town work product or information for the benefit of any third parties without Town consent.

7.9 Sole Agreement. There are no understandings or agreements except as herein expressly stated.

7.10 Notices. Any notice to be given under this Agreement 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:

DEWEY-HUMBOLDT:

CONTRACTOR:

Town Manager  
Town of Dewey-Humboldt  
P.O. Box 69  
Humboldt, Arizona 86329

The address may be changed from time to time by either party by serving notices as provided above.

7.11 Controlling Law. This Agreement is to be governed by the laws of the State of Arizona.

## 8. SUSPENSION OF WORK

8.1 Order to Suspend. Town may order the Contractor, in writing, to suspend all or any part of the Services for such period of time as it may determine to be appropriate for the convenience of Town.

## 9. INTERESTS AND BENEFITS

9.1 Interest of Contractor. Contractor covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed.

9.2 Interest of Town Members and Others. No officer, member or employee of Town and no member of its governing body who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the services to be performed under this Agreement, shall participate in any decision relating to this Agreement which affects his personal interest or have any personal or pecuniary interest, direct or indirect, in this Agreement or the process thereof.

**EXHIBIT A  
SCOPE OF WORK**

***[ATTACH SCOPE FROM THE REQUEST FOR PROPOSALS – SECTION III]***

**EXHIBIT C  
SCHEDULE OF SERVICES**

***[IF A SCHEDULE IS NOT APPLICABLE TO THIS CONTRACT, FILL IN "N/A"]***

**EXHIBIT E  
CHANGE ORDER**

CHANGE ORDER NO. \_\_\_\_\_

Distribution:    TOWN OF DEWEY-HUMBOLDT    [ ]  
                      CONTRACTOR                            [ ]  
                      OTHER                                        [ ]

PROJECT: \_\_\_\_\_                                        DATE: \_\_\_\_\_  
OWNER: Town of Dewey-Humboldt  
CONTRACTOR:  
AGREEMENT DATED:

CHANGES:

\_\_\_\_\_

The Agreement is changed as follows:

Not valid until signed by both Town and Contractor.  
Signature of Contractor indicates acceptance.

The original compensation was \_\_\_\_\_

Net change by previously authorized Change Orders \_\_\_\_\_

The compensation prior to this Change Order was \_\_\_\_\_

The compensation will be increased by this Change Order in the amount of  
\_\_\_\_\_

The new compensation under the Agreement including this Change Order will be \_\_\_\_\_

The Contract Time will increase by \_\_\_\_\_

**ACCEPTANCE STATUS:**

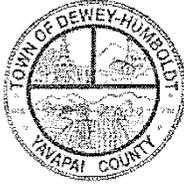
\_\_\_\_\_  
Contractor  
By \_\_\_\_\_

\_\_\_\_\_  
Town of Dewey-Humboldt  
By \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

STATE SOLE PROPRIETOR'S WAIVER (ATTACH)



TOWN OF DEWEY-HUMBOLDT  
P.O. BOX 69  
HUMBOLDT, AZ 86329  
Phone 928-632-7362 Fax 928-632-7365

## NOTICE AND REQUEST FOR PROPOSAL FOR ENTERPRISE TECHNICAL SUPPORT

<b>Item</b>	<b>Important Dates</b>
Distribution of RFP	By March 17, 2013
Proposal Due Date	12:00 p.m. Local time, April 11, 2013
Contract Award	April 16, 2013
Implementation and Conversion	June/July 2013

Return Proposals to: Town of Dewey-Humboldt  
Town Clerk's Office  
2735 South Highway 69, P.O. Box 69  
Humboldt, AZ 86329

The Town of Dewey-Humboldt (the "Town") seeks Enterprise Technical Support services in compliance with these specifications. Competitive sealed proposals for these services will be received by the Town Clerk's Office at the above specified location, until the time and date cited.

Proposals must be submitted in a sealed envelope clearly marked on the outside: "RFP for Enterprise Technical Support". Any proposal received at the wrong location, unsealed or after the time specified will not be accepted and will be returned unopened. It is the proposer's responsibility to assure proposals are received at the above location on or before the specified time.

Work Summary. The Town currently maintains on-call contracts for enterprise technical support, with internal staff providing assistance when able. The Town has determined that a review of the services offered by qualifying providers is appropriate at this time and is requesting proposals from qualified information technology and telecommunications providers that can provide the Town with above standard, flexible Enterprise Technical Support including, but not limited to enterprise server, remote connection, desktop management, training, software management, IT security, and telecommunications services. The successful bidder will be awarded an information technology and telecommunications service contract for the term stated in the RFP.

Proposal Requirement: Proposals shall be in accordance with the proposal requirements set forth in the Request for Proposals, which may be obtained by contacting Deni Thompson, Accountant, telephone number 928-632-7362, or via email at denithompson@dhaz.gov. Any proposal which does not conform in all material respects to the Request for Proposals will be considered non-responsive.

Right to Reject Proposals: The Town reserves the right to reject any or all proposals, waive any informality in a proposal or to withhold the Award for any reason the Town determines.

Equal Opportunity: The Town is an equal opportunity employer. Minority and women's business enterprises are encouraged to submit proposals on this solicitation.

Goal of the RFP Process. The Town's goal is to enter into a contract to obtain required Enterprise Technical Support in the most efficient and cost-effective manner available. The Town is firmly committed to an ETS program which will provide the following.

- o Enterprise server support;
- o Remote connection;
- o Desktop management;
- o Software management;
- o Training;
- o Data security and backup;and
- o Robust telecommunications.

DATED: \_\_\_\_\_

TOWN OF DEWEY-HUMBOLDT, ARIZONA

Publications Date(s)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Judy Morgan, Town Clerk

**IMPORTANT  
PROPOSER'S CHECK LIST**

- [ ] 1. The proposal has been signed in the Section IV. (Proposals not signed in this section will not be considered.)
- [ ] 2. Authorized Signature Form is enclosed.
- [ ] 3. The proposal prices offered have been reviewed. (See Section 1.15.5)
- [ ] 4. Any required descriptive literature or other information has been included.
- [ ] 5. The Contract Time and/or schedules have been included.
- [ ] 6. Any addendums have been included/noted in Offer Section. (See Section 4.6)
- [ ] 7. The mailing envelope/package has been addressed to:  

Town of Dewey-Humboldt  
Town Clerk's Office  
2735 South Highway 69, P.O. Box 69  
Humboldt, AZ 86329
- [ ] 8. Proposal Package/Envelope has been identified as required.
- [ ] 9. The proposal is submitted in time to be received and stamped in by Clerk's Office representative no later than specified time on designated date. (Otherwise the proposal cannot be considered.)

REQUEST FOR PROPOSAL DOCUMENTS FOR:  
ENTERPRISE TECHNICAL SERVICES  
FOR THE TOWN OF DEWEY-HUMBOLDT, ARIZONA

The Town of Dewey-Humboldt (the "Town") intends to purchase enterprise technical services in compliance with these specifications.

I. REQUIREMENTS FOR PROPOSERS.

1.1 Proposal Opening Date and Location: Proposals will be received in the office of the Town Clerk, Town of Dewey-Humboldt, 2735 South Highway 69, P.O. Box 69, Humboldt, AZ 86329, until 12:00 p.m., on April 16, 2013, at which time the names of the proposers will be opened and publicly read. Proposal prices will not be read. Late proposals will not be considered.

1.2 Proposal Documents Available: The Proposal Documents consist of four parts: I. Requirements for Proposers, II. General Conditions, III. Scope of Work, and IV. Proposer's Proposal (form). The Proposal Documents are available by contacting Deni Thompson, Accountant, telephone no. 928-632-7362, or via email at [denithompson@dhaz.gov](mailto:denithompson@dhaz.gov).

1.3 Incorporation of Proposal Documents: All of the Proposal Documents apply to and become a part of the terms and conditions of the proposal.

1.4 Proposal Form: Proposals must be submitted only on the proposal form. All proposals must be submitted in a sealed envelope clearly marked "RFP for Enterprise Technical Support".

1.5 Town's Right to Reject Proposals: The Town of Dewey-Humboldt reserves the right to reject any and all proposals and to waive technicalities.

1.6 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 Dewey-Humboldt. 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.

1.7 Proposal Amendment or Withdrawal: A Proposal may be withdrawn anytime 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.

1.8 Public Record: All Proposals submitted in response to this solicitation and all evaluation related records shall become property of Dewey-Humboldt and shall become a matter of public record for review, subsequent to proposal opening. Request for nondisclosure of data such as trade secrets and other proprietary data, must be made known in writing to Dewey-Humboldt in Proposals submitted, and the information sought to be protected clearly marked as proprietary. Dewey-Humboldt will not ensure confidentiality of any portion of the proposal that is submitted in the event that a public record request is made. Dewey-Humboldt 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.

1.9 Persons with Disabilities: Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Clerks Office. Requests shall be made as early as possible to allow time to arrange the accommodation.

1.10 Proposal Acceptance Period: All proposals shall remain open for 90 days after the day of the opening of proposals, but Dewey-Humboldt may, at its sole discretion, release any proposal prior to that

date. No Proposer may withdraw his Proposal during this period without written permission from Dewey-Humboldt.

1.11 Addendum: This Request for Proposals may only be modified by a written Addendum. Potential Proposers are responsible for obtaining all addenda.

1.12 Proposer Registration: Proposers shall register with the Dewey-Humboldt Contact person, Deni Thompson, at 928-632-7362 to make arrangements to receive notice of Addenda to this RFP. All addenda will be posted on the Dewey-Humboldt website at [www.dhaz.gov](http://www.dhaz.gov).

1.13 Proposal Bond: None required.

1.14 General Evaluation Standards:

1.14.1 Dewey-Humboldt seeks to obtain the services described below in the Scope of Work. Dewey-Humboldt will evaluate proposals on the selection criteria set forth below. Dewey-Humboldt will be the sole judge of whether the services offered are acceptable. Proposals from individuals who have provided inadequate services to municipalities in the past, or proposals offering services proven unsatisfactory in Town's sole judgment may be rejected and not considered.

- A. Firm Experience and Capability
- B. Expertise of Firm's Key Staff
- C. Local Firm Consideration
- D. Prior Projects with Town
- E. Other Prior Projects
- F. Insurability

1.14.2 Dewey-Humboldt reserves the right to reject any or all proposals or any part thereof, or to accept any proposal, or any part thereof, or to withhold the award and to waive or decline to waive irregularities in any proposal when it determines that it is in its best interest to do so.

1.14.3 A Proposer (including each of its principals) who is lawfully prohibited from any public procurement activity may have its Proposal rejected.

1.14.4 Clarifications. Dewey-Humboldt reserves the right to obtain Proposer clarifications where necessary to arrive at full and complete understanding of Proposer's product, service, and/or solicitation response. Clarification means a communication with a Proposer for the sole purpose of eliminating ambiguities in the Proposal and does not give Proposer an opportunity to revise or modify its proposal.

1.14.5 Waiver and Rejection Rights. Dewey-Humboldt 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.

1.15 Proposal Preparation:

1.15.1 Format. Proposers shall submit their Proposal with an original and 2 copies and shall be submitted either on the forms provided in this RFP or their substantial equivalent. Any substitute document must be legible and contain the same information requested on the forms.

1.15.2 No Facsimile or Electronic Mail Proposals. Proposals may not be submitted in facsimile or electronically. A facsimile or electronic mail Proposal shall be rejected.

1.15.3 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.

1.15.4 No Modifications. Modifications shall not be permitted after Proposals have been opened except as otherwise provided under applicable law.

1.15.5 Content. The Proposal shall contain all of the following information:

Brief Description of the Proposer's Firm

- A. Office location
- B. Length of time in business
- C. Total number of employees and number of local employees
- D. Names of principals, their disciplines, and Arizona registration, if applicable.
- E. Services provided by the firm
- F. Experience in providing similar services within the last 2 years
- G. Three (3) references

Subcontractors:

Please list any firms that will act as subcontractors to your firm. Provide information regarding prior projects on which subcontractors have worked with your firm.

Project Team:

List those individuals who will do the work on this Contract. Provide the following information for each team member:

- A. Team assignment
- B. General qualifications
- C. Any project experience directly relevant to this Contract while with this firm
- D. Indicate current work load and *certify* that no team members will be substituted without prior approval from Dewey-Humboldt.

Relevant Experience:

Include brief descriptions of Services completed by the project team that directly relate to this Contract. Information requested includes client, locations, description of services, budget, and dates during which services were provided. Current client contact and telephone numbers for each project are also requested.

Approach:

Demonstrate the understanding of the Services and the steps you will undertake to accomplish the task. Discuss the firm's unique ability, if any, to professionally provide project management services.

Pricing; Schedule of Fees

Pricing shall be listed on the Schedule of Fees. Prices quoted shall be applicable during the entire term of the Contract and shall be provided at a per hour rate for all services to be provided. All charges associated with this Proposal **MUST** be shown on the Schedule of Fees form and will become applicable for the entire term of the contract, including renewals.

Additional Services/Pricing:

The Proposer is strongly encouraged to offer optional services or make recommendations to enhance the technical capabilities of the Town and to provide pricing for such items

and products. Proposed pricing for additional items, services and products should be noted on the Schedule of Fees form or a separate attachment to Proposer's submittal document. Once the contract has been awarded, the Contractor will not be permitted to charge the Town for any service that is not clearly identified in terms of cost and detail within the original proposal to the Town. The only exception to this limitation will be if the Town specifically requests an additional service that was not identified in the RFP or in the Contractor's proposal.

1.15.6 RFP Addendum Acknowledgement. Each RFP Addendum shall be acknowledged in the Proposal Section, which shall be submitted together with the Proposal on the Proposal due date and time. Failure to note an RFP Addendum may result in rejection of the Proposal.

1.15.7 Evidence of Intent to be Bound. The Proposal form within the RFP shall be submitted with the Proposal and shall include a signature by a person authorized to sign the Proposal. The signature shall signify the Proposer's intent to be bound by its Proposal and the terms of the RFP and that the information provided is true, accurate and complete. Failure to submit verifiable evidence of intent to be bound, such as an original signature, shall result in rejection of the Proposal.

1.15.8 Non-Collusion and Non-Discrimination. By signing and submitting the Proposal, the Proposer certifies that: the Proposer did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of its Proposal; and 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.

## 1.16 Inquiries

1.16.1 Duty to Examine. It is the responsibility of each Proposer to examine the entire RFP, 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.

1.16.2 Contact Person. Any inquiry related to the RFP, including any requests for or inquiries regarding standards referenced in the RFP should be directed solely to the Contact person listed on the cover page of the RFP. The Proposer shall not contact or direct inquiries concerning this RFP to any other Town employee unless the RFP specifically identifies a person other than the Contact Person as a contact.

1.16.3 Submission of Inquiries. All inquiries shall be submitted in writing and shall refer to the appropriate RFP, page and paragraph. Do not place the RFP information on the outside of the envelope containing that inquiry, since it may then be identified as a Proposal and not be opened until after the Proposal due date and time. Dewey-Humboldt shall consider the relevancy of the inquiry but is not required to respond in writing.

1.16.4 Timeliness. Any inquiry or exception to the solicitation shall be submitted as soon as possible and should be submitted at least ten (10) days before the Proposal due date and time. Failure to do so may result in the inquiry not being considered for an RFP Addendum.

1.16.5 No Right to Rely on Verbal Responses. A Proposer shall not rely on verbal responses to inquiries. A verbal reply to an inquiry does not constitute a modification of the RFP.

1.17 Request for Taxpayer I.D. Number and Certification IRS W-9 Form. Prior to any Contract Award, the I.R.S. W-9 Form must be completed and submitted to the Town's Finance Department.

## II. GENERAL CONDITIONS

2.1 Contract Term; Renewal. The Contract term commences upon execution of the Contract and shall be effective for a 1-year period, with the option to renew for a maximum of three (3) additional 1-year terms, subject to the written approval of the Town Manager and Contractor. Any contract entered into pursuant to this Request for Proposal must be accepted in writing by the Proposer within ten (10) days after receipt.

2.2 Bonds: None required.

2.3 Cooperative Use of Contract: Upon written approval of the Successful Proposer, this Contract may be tendered for use by other municipalities and government agencies.

2.4 Protests: A proposer may protest a solicitation or a contract award by filing a protest in writing with the purchasing officer not less than 72 hours before the closing date and time of the solicitation, or within 72 hours after issuance of a notice of apparent low responsive and responsible bidder, or a notice of intent to award. The protest shall include the following information: (1) the name, address and telephone number of the protester; (2) the signature of the protester or its authorized representative; (3) a detailed statement of the legal and factual grounds of the protest, including copies of relevant documents.

2.5 Evaluation Criteria. Proposals will be evaluated using four sets of criteria. Proposers meeting the mandatory criteria will have their proposals evaluated for both qualifications and price. The following represent the principal selection criteria that will be considered during the evaluation process.

A. Mandatory Criteria.

- (a) Proposers shall adhere to the instructions in this Request for Proposal to prepare and submit the proposal.
- (b) Proposers shall demonstrate knowledge of:
  - Principles, applications, and techniques of electronic data processing systems;
  - Computer systems design, programming and operations;
  - Computer hardware and software systems planning and technical support functions;
  - Organization, management, and control of complex computer equipment and data processing facilities.
- (c) Proposers shall demonstrate ability to perform all tasks and responsibilities set forth in the Scope of Work.

B. Expertise and Experience. Proposers shall provide information and documentation of the following areas of expertise and experience:

- (a) Successful experience with other municipalities.
- (b) Demonstrated ability to perform requested services on a consistent, above standard basis.
- (c) The primary contact shall have some combination of experience and education leading to the ability to perform the Mandatory Criteria, which typically includes three years of technical experience in directing a major program in a large scale data processing facility and a bachelor's degree in mathematics, business administration, computer sciences or a related field. Other combinations of experience and education that meet the minimum requirements may be substituted.

### III. SCOPE OF WORK

The Contractor shall perform the following services:

- Establish guidelines and programs for effective information technology management; Provide data processing services required by the Town;
- Recommend long-range and short-range management information systems plans and ETS budgets to Town management;
- Make recommendations on major systems development and research projects;
- Establish Town-wide strategic policy for planning, development, and design of information needs;
- Research management information systems hardware and software including applicable vendor applications, data base management, and operational control packages;
- Set policies to ensure privacy data and security of data processing facilities;
- Establish guidelines and programs for effective database management utilization;
- Keep the servers, desktops, website, and phones of the Town working well, with a target problem resolution time of less than 48 hours 90% of the time and an emergency response of less than 2 hours 80% of the time;
- Consult with and advise Town program heads on information technology management needs and problems;
- Demonstrate continuous effort to improve operations, decrease turnaround times, streamline work processes, and work cooperatively and jointly to provide quality seamless citizen service.

### IV. PROPOSER'S PROPOSAL

4.1 Proposer's Proposal: For the proposal opening April 11, 2013 for enterprise technical support services.

4.2 Covenant Clause: It is expressly agreed by Proposer that these covenants are irrevocable and perpetual.

4.3 Conditions Accepted: The undersigned Proposer declares that before preparing this proposal, he or she has read the Proposal Documents carefully, and that this proposal is made with full knowledge of the kind, quality and quantity of services to be furnished by signing this proposal. Proposer agrees to all conditions contained in the Proposal Documents.

4.4 Proposal Price: Pricing shall be set forth in the Schedule of Fees, which shall be attached to the Proposal.







TOWN OF DEWEY-HUMBOLDT  
AGREEMENT FOR ENTERPRISE TECHNICAL SUPPORT SERVICES

THIS Agreement is entered into as of this \_\_\_\_ day of \_\_\_\_\_, 2013, by and between the Town of Dewey-Humboldt, Arizona, an Arizona municipal corporation (the "Town"), and \_\_\_\_\_, an Arizona \_\_\_\_\_ (the "Contractor").

FOR THE PURPOSE of providing enterprise technical support services for the Town of Dewey-Humboldt, Arizona, the Town and Contractor do hereby mutually agree to the following:

1. SERVICES AND RESPONSIBILITIES

1.1 Retention of Contractor. In consideration of the mutual promises contained in this Agreement, Town engages Contractor to render services set forth herein, in accordance with all the terms and conditions contained in this Agreement.

1.2 Scope of Services. Contractor shall do, perform and carry out in a satisfactory and proper manner, as determined by Town, the services set forth in this Agreement, including all exhibits ("Services"). The specific scope of work is set forth in Exhibit A.

1.3 Responsibility of Contractor.

1.3.1 Contractor shall tour the Services site and become familiar with existing equipment, software, and hardware prior to commencing the Services and notify Town of any constraints associated with the Services site and/or facilities.

1.3.2 Contractor shall procure and maintain during the course of this Agreement insurance coverage required by Paragraph 4 of this Agreement.

1.3.3 Contractor shall designate \_\_\_\_\_ as Contractor Representative and all communications shall be directed to him. Key Contractor Personnel are set forth in Exhibit B, attached hereto and made a part hereof. "Key Personnel" includes those employees (managers, principals, and technical experts) who have significant responsibilities regarding the Services and Contract. Prior to changing the Contractor Representative or Key Personnel, Contractor shall first obtain the approval of Town, which will not unreasonably be withheld.

1.3.4 Contractor's subcontracts are also set forth in Exhibit B. Any modification to the list of Subcontractors on Exhibit B, either by adding, deleting or changing subcontractors, shall require the written consent of Town.

1.3.5 Contractor shall obtain its own legal, insurance and financial advice regarding Contractor's legal, insurance and financial obligations under this Agreement.

1.3.6 Contractor shall coordinate its activities with Town's representative and submit its reports to Town's representative.

1.3.7 Contractor shall provide, pay for and insure under the requisite laws and regulations all labor, materials, equipment, and transportation, and other facilities and services necessary for the proper execution and completion of the Services. Contractor shall provide, pay for and insure for all equipment necessary for the Services.

1.3.8 Contractor shall obtain and pay for all business registrations, licenses, permits, governmental inspections and governmental fees necessary and customarily required for the proper execution and completion of Services. Contractor shall pay all applicable taxes. Contractor shall give all

notices and comply with all laws, ordinances, rules, regulations and lawful orders of any public authority bearing on the performance of the Services.

1.4 Responsibility of Town.

1.4.1 Town shall cooperate with the Contractor by placing at its disposal all available information concerning the Services.

1.4.2 Town designates Deni Thompson as its Town Representative. All communications to Town shall be through its Town Representative.

1.5 Contract Term; Renewal.

Contract Term; Renewal. The Contract commences upon execution of the Contract and shall be effective for a one-year period, with the option to renew for up to three (3) additional one-year terms upon mutual agreement of the Town Manager and Contractor if the prices remain unchanged. The Town Council must approve renewal in all other cases. Any renewal shall be in writing and shall expressly state the prices for the services during the renewal term.

1.6 Schedule of Services. The Schedule of Services is set forth in Exhibit C.

2. COMPENSATION AND METHOD OF PAYMENT

2.1 Compensation. Compensation shall be on a "services provided" basis as set forth in in the Fee Schedule, Exhibit D, attached hereto and incorporated herein and shall not exceed \$\_\_\_\_\_ for the Contract term.

2.2 Method of Payment. Payment shall be made monthly, within 15 days of receipt by Town of an invoice from Contractor, as set forth in this Section and in Exhibit D.

2.3 Monthly Statement. Contractor shall include with each monthly invoice, a statement listing the work done by specific task, including all services completed for which payment is requested.

2.4 Invoices. Contractor shall prepare monthly invoices and reports of services provided which clearly indicate the hours and services provided and the amount of compensation due by virtue thereof. All invoices shall be for services completed. Town reserves the right to deduct up to ten percent (10%) from the invoiced amount for any invoice submitted more than sixty (60) days after the Services are completed.

2.5 The Contractor shall provide to Dewey-Humboldt its completed W-9 Form prior to receipt of any Compensation.

2.6 Taxes. Contractor is responsible for and shall pay all sales, consumer, use, and other taxes. When equipment, materials or services generally taxable to the Contractor are eligible for a tax exemption, credit or deduction due to the nature of the item, at Contractor's request, Town will assist Contractor in applying for and obtaining the same.

3. CHANGES TO THE SCOPE OF SERVICES

3.1 Change Orders. Town may, at any time, and by written change order, make changes in the services to be performed under this Agreement. A form of change order is attached hereto as Exhibit E. If such changes cause an increase or decrease in Contractor's cost or time required for performance of any services under this Agreement, an equitable adjustment shall be made and the Agreement shall be modified in writing accordingly. Any claim of Contractor for adjustment under this clause must be submitted in writing within thirty (30) days from the date of receipt by Contractor of the notification of change. It is distinctly understood and agreed by the parties that no claim for extra services provided or

materials furnished by Contractor will be allowed by Town except as provided herein; nor shall Contractor provide any services or furnish any materials not covered by this Agreement unless Town first approves in writing.

#### 4. INSURANCE REPRESENTATIONS AND REQUIREMENTS

4.1 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 A-7 or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to Town. Failure to maintain insurance as specified may result in termination of this Agreement at Town's option.

4.2 No Representation of Coverage Adequacy. By requiring insurance herein, Town does not represent that coverage and limits will be adequate to protect Contractor. Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement 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 Agreement.

4.3 Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers Compensation insurance and Professional Liability insurance if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, Town, its agents, representative, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.

4.4 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 Agreement are satisfactorily performed, completed and formally accepted by Town, unless specified otherwise in this Agreement.

4.5 Primary Insurance. Contractor's insurance shall be primary insurance as respects performance of subject contract and in the protection of Town as an Additional Insured.

4.6 Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three (3) years past completion and acceptance of the Services evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the three year period.

4.7 Waiver. All policies, including Workers' Compensation Insurance, shall contain a waiver of rights of recovery (subrogation) against Dewey-Humboldt, its agents, representative, officials, directors, officers, and employees for any claims arising out of the Services of Contractor. Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

4.8 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. Contractor shall be solely responsible for any such deductible or self insured retention amount. Town, at its option, may require Contractor to secure payment of such deductible or self insured retention by a surety bond or irrevocable and unconditional Letter of Credit.

4.9 Use of Subcontractors. If any Services under this Agreement are subcontracted in any way, Contractor shall execute written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements set forth herein protecting Town and Contractor. Contractor shall be

responsible for executing the agreement with Subcontractor and obtaining Certificates of Insurance verifying the insurance requirements.

4.10 Evidence of Insurance. Prior to commencing any Services under this Agreement, Contractor shall furnish Town with Certificate(s) of Insurance, or formal endorsements as required by this Agreement, 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 specified in this Agreement and that such coverage and provisions are in full force and effect. Acceptance and reliance by Town on a Certificate of Insurance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. Such Certificate(s) shall identify the Agreement and be sent to Town Accountant ~~Risk Manager~~. If any of the above cited policies expire during the life of this Agreement, it shall be Contractor's responsibility to forward renewal Certificates within ten (10) days after the renewal date containing all the aforementioned insurance provisions. Certificates shall specifically cite the following provisions:

4.10.1 Town, its agents, representatives, officers, directors, officials and employees is an Additional Insured as follows:

- a. Commercial General Liability-Under ISO Form CG 20 10 11 85 or equivalent.
- ~~b. Auto Liability Under ISO Form CA 20 48 or equivalent.~~
- c. Excess Liability-Follow Form to underlying insurance.

4.10.2 Contractor's insurance shall be primary insurance as respects performance of this Agreement.

4.10.3 All policies, including Workers' Compensation, waive rights of recovery (subrogation) against Town, its agents, representatives, officers, directors, officials and employees for any claims arising out of Services performed by Contractor under this Agreement.

4.10.4 Certificate shall cite a thirty (30) day advance notice cancellation provision. If ACORD Certificate of Insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

4.11 Required Coverage:

4.11.1 Commercial General Liability: Contractor shall maintain "occurrence" from Commercial Liability Insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$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 Services Office, Inc. policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, Town, its agents, representative, officers, directors, officials and employees shall be cited as an Additional Insured Endorsement form CG 20 10 11 85 or equivalent, which shall read "Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you". If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

4.11.2 Professional Liability: Contractor shall maintain Professional Liability insurance covering errors and omissions arising out of the Services performed by Contractor, or anyone employed by Contractor, or anyone for whose acts, mistakes, errors and omissions Contractor is legally liable, with an unimpaired liability insurance limit of \$1,000,000 each claims and \$2,000,000 all claims. Professional Liability coverage specifically shall contain contractual liability insurance covering the contractual obligations of this Agreement. In the event the Professional Liability insurance policy is written on a "claims made" basis, coverage shall extend for three (3) years past completion and acceptance of the Services, and Contractor shall be required to submit Certificates of Insurance evidencing proper coverage is in effect as required above.

~~4.11.3 Vehicle Liability: Contractor shall maintain Business Automobile Liability Insurance with a limit of \$1,000,000 each occurrence on Contractor's owned, hired, and non-owned vehicles assigned to or used in the performance of the Contractor's Services under this Agreement. Coverage will be at least as broad as Insurance Services Office, Inc., coverage code "1" any auto policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of performance of this Agreement, Town, its agents, representative, officers, directors, officials and employees shall be cited as an Additional Insured under the Insurance Service Offices, Inc. Business Auto Policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.~~

## 5. INDEMNIFICATION

5.1 To the fullest extent permitted by law, the Contractor, its successors, assigns and guarantors, shall pay, defend, indemnify and hold harmless Town, its agents, officers, officials and employees from and against all demands, claims, proceedings, suits, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), and all claim adjustment and handling expenses, relating to, arising out of, or alleged to have resulted from acts, errors, mistakes, omissions, Services caused by the Contractor, its agents, employees or any tier of Contractor's subcontractors related to the Services in the performance of this Agreement. Contractor's duty to defend, hold harmless and indemnify Town, its agents, officers, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting therefrom, caused by Contractor's acts, errors, mistakes, omissions, Services in the performance of this Agreement including any employee of the Contractor, any tier of Contractor's subcontractor or any other person for whose acts, errors, mistakes, omissions, Services the Contractor may be legally liable including Town. Such indemnity does not extend to Town's negligence.

5.2 Insurance provisions set forth in this Agreement are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

## 6. TERMINATION OF THIS AGREEMENT

6.1 Termination. Town may, by written notice to the Contractor, terminate this Agreement in whole or in part with seven (7) days notice, either for Town's convenience or because of the failure of Contractor to fulfill his contract obligations. Upon receipt of such notice, Contractor shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to Town copies of all data, drawings, reports, estimates, summaries, and such other information and materials as may have been accumulated by the Contractor in performing this Agreement, whether completed or in process. This Agreement may be terminated in whole or in part by the Contractor in the event of substantial failure by Town to fulfill its obligations.

6.2 Payment to Contractor Upon Termination. If the Agreement is terminated, Town shall pay the Contractor for the services rendered prior thereto in accordance with percent completion at the time work is suspended minus previous payments.

## 7. ASSURANCES

7.1 Solicitations for Subcontractors, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by Contractor for Services to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by Contractor of Contractor's obligations under this Agreement and any Regulations relative to nondiscrimination on the grounds of race, color or national origin.

7.2 Examination of Records. Contractor agrees that duly authorized representatives of Town shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of Contractor involving transactions related to this Agreement.

7.3 Ownership of Document and Other Data. Original documents and other data prepared or obtained under the terms of this Agreement or any change order are and will remain the property of Town unless otherwise agreed to by both parties. Town may use such documents for other purposes without further compensation to Contractor; however, any reuse without written verification or adaptation by Contractor for the specific purpose intended will be at Town's sole risk and without liability or legal exposure to Contractor. Any verification or adaptation of the documents by Contractor for other purposes than contemplated herein will entitle Contractor to further compensation as agreed upon between the parties.

7.4 Litigation. Should litigation be necessary to enforce any term or provision of this Agreement, or to collect any damages claimed or portion of the amount payable under this Agreement, that all litigation and collection expenses, witness fees, court costs, and reasonable attorneys' fees incurred shall be paid to the prevailing party.

7.5 Independent Contractor. This Contract does not create an employee/employer relationship between the parties. It is the parties' intention that Contractor will be an independent contractor and not Town's employee for all purposes, including, but not limited to, the application of the Fair Labor Standards Act, Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the Internal Revenue Code, the Immigration and Naturalization Act, Arizona revenue and taxation laws, Arizona Workers' Compensation Law, and Arizona Unemployment Insurance Law. Contractor agrees that it is a separate and independent enterprise from Town, that it has a full opportunity to find other business, that it has made its own investment in its business, and that it will utilize a high level of skill necessary to perform the work. This Contract shall not be construed as creating any joint employment relationship between Contractor and Town, and Town will not be liable for any obligation incurred by Contractor, including but not limited to unpaid minimum wages and/or overtime premiums. [FOR SOLE PROPRIETORS ONLY: Contractor shall execute the Sole Proprietor's Waiver of Workers' Compensation Benefits attached hereto and incorporated by reference.]

7.6 Immigration Law Compliance Warranty. As required by A.R.S. § 41-4401, Contractor hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). Contractor further warrants that after hiring an employee, Contractor verifies the employment eligibility of the employee through the E-Verify program. If Contractor uses any subcontractors in performance of the Contract, subcontractors shall warrant their compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A), and subcontractors shall further warrant that after hiring an employee, such subcontractor verifies the employment eligibility of the employee through the E-Verify program. A breach of this warranty shall be deemed a material breach of the Contract that is subject to penalties up to and including termination of the Contract. Contractor is subject to a penalty of \$100 per day for the first violation, \$500 per day for the

second violation, and \$1,000 per day for the third violation. Town at its option may terminate the Contract after the third violation. Contractor shall not be deemed in material breach of this Contract if Contractor and/or subcontractors establish compliance with the employment verification provisions of Sections 274A and 274B of the federal Immigration and Nationality Act and the E-Verify requirements contained in A.R.S. § 23-214(A). Town retains the legal right to inspect the papers of any Contractor or subcontractor employee who works on the Contract to ensure that Contractor or subcontractor is complying with the warranty. Any inspection will be conducted after reasonable notice and at reasonable times. If state law is amended, the parties may modify this paragraph consistent with state law.

7.7 Sudan and Iran. Contractor warrants that it does not have scrutinized business operations in Sudan or Iran, as prohibited by A.R.S. §§ 35-391.06 and 35-393.06, and further acknowledges that any subcontractor who is contracted by Contractor to perform work pursuant to the Contract shall warrant that they do not have scrutinized business operations in Sudan or Iran.

7.8 Exclusive Use of Services - Confidentiality. The services agreed to be provided by Contractor within this Agreement are for the exclusive use of Town and Contractor shall not engage in conflict of interest nor appropriate Town work product or information for the benefit of any third parties without Town consent.

7.9 Sole Agreement. There are no understandings or agreements except as herein expressly stated.

7.10 Notices. Any notice to be given under this Agreement 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:

DEWEY-HUMBOLDT:

CONTRACTOR:

Town Manager  
Town of Dewey-Humboldt  
P.O. Box 69  
Humboldt, Arizona 86329

The address may be changed from time to time by either party by serving notices as provided above.

7.11 Controlling Law. This Agreement is to be governed by the laws of the State of Arizona.

## 8. SUSPENSION OF WORK

8.1 Order to Suspend. Town may order the Contractor, in writing, to suspend all or any part of the Services for such period of time as it may determine to be appropriate for the convenience of Town.

## 9. INTERESTS AND BENEFITS

9.1 Interest of Contractor. Contractor covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed.

9.2 Interest of Town Members and Others. No officer, member or employee of Town and no member of its governing body who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the services to be performed under this Agreement, shall participate in any decision relating to this Agreement which affects his personal interest or have any personal or pecuniary interest, direct or indirect, in this Agreement or the process thereof.

9.3 Notice Regarding A.R.S. § 38-511. This Contract is subject to cancellation under Section 38-511, Arizona Revised Statutes.

10. ASSIGNABILITY

The Contractor shall not assign any interest in this Agreement, and shall not transfer any interest in the same without the prior written consent of Town thereto.

IN WITNESS WHEREOF, Town and Contractor have executed this Agreement as of the date first written.

TOWN OF DEWEY-HUMBOLDT

By: \_\_\_\_\_  
Terry Nolan, Mayor

ATTEST:

By: \_\_\_\_\_  
Judy Morgan, Town Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Curtis, Goodwin, Sullivan,  
Udall & Schwab, P.L.C., Town Attorneys  
By: \_\_\_\_\_

CONTRACTOR

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT A  
SCOPE OF WORK**

***[ATTACH SCOPE FROM THE REQUEST FOR PROPOSALS – SECTION III]***

**EXHIBIT B  
CONTRACTOR'S KEY PERSONNEL AND SUBCONTRACTORS**

KEY PERSONNEL:

SUBCONTRACTORS:

**EXHIBIT C  
SCHEDULE OF SERVICES**

***[IF A SCHEDULE IS NOT APPLICABLE TO THIS CONTRACT, FILL IN "N/A"]***

**EXHIBIT D**  
**SCHEDULE OF FEES AND**  
**PAYMENT SCHEDULE**

A. Schedule of Fees:

B. Compensation

1. The consideration of payment to Contractor, as provided herein shall be in full compensation for all of Contractor's work incurred in the performance hereof, including offices, travel, per diem or any other direct or indirect expenses incident to providing the services.
2. Attached hereto as Exhibit D-1 is Contractor's hours and fee estimate for the Project. Contractor's fee shall not exceed the amounts:

**Description**

**Amount**

C. Method of Payment

Invoices shall be on a form and in the format provided by Town and are to be submitted in triplicate to Town via Town's authorized representative.



[Page intentionally left blank]



**TOWN OF DEWEY-HUMBOLDT**  
**P.O. BOX 69**  
**HUMBOLDT, AZ 86329**  
**Phone 928-632-8562 ▪ Fax 928-632-7365**

---

**TOWN COUNCIL REGULAR MEETING**

**April 16, 2013– 6:30 p.m. Town Council Meeting Chambers**

**Agenda Item # 9.3 “OpenBooks Web Posting” IGA with Arizona Department of Administration (ADOA).**

**To: Mayor and Town Council Members**

**From: Deni Thompson, Town Accountant**

**Date submitted: April 9, 2013**

**Recommendation: Accept the IGA and authorize the Mayor to execute 3 copies of the IGA.**

**Summary:**

Pursuant to A.R.S. 41-725, the Town is to establish and maintain an official internet website accessible to the public at no cost that contains a comprehensive reporting of all revenues and expenditures over \$5000 of local monies starting April 2013. The Arizona Department of Administration has created OpenBooks.az.gov (Arizona’s official financial transparency website) to host local government data.

Staff believes it would be beneficial to participate in AZDOA’s OpenBooks Program. Many municipalities of our size are participating. Hence, the IGA is included for the Council to consider and hopefully accept.

As stated in the agreement, there is an initial set-up fee of two-thousand dollars (\$2,000) and a 2013 annual fee of three-thousand dollars (\$3,000). The fees have been determined on the cost recovery basis. In future years, depending on a number of factors including the number of participants, the annual fee is likely to decrease. The Town will be billed for a total of five thousand dollars (\$5,000) upon receipt of the signed agreement. The Town will be expected to pay the entire amount by July 31, 2013. These arrangements allow the Town to budget and pay fees in its new fiscal year of 2013-2014 and accommodate the unexpected expense. Reports will be closely reviewed by staff before submitting to OpenBooks.az.gov to insure that private information is protected.

We are working with our current financial software provider, Caselle, to comply with the requirements of the statute. Caselle will provide the Town a General Ledger Report that contains the required data in the required format to be uploaded to the State of Arizona’s OpenBooks.az.gov website on a quarterly basis beginning with the close of the 1<sup>st</sup> quarter of 2013. Caselle will charge an additional fifteen dollars (\$15.00) per month to cover support costs (the current support fee is \$164/month; the OpenBooks function will increase the fee to a total of \$179/month).

The Accountant and the Town Manager will be the authorized official and administrators. The contacts can be modified when necessary. The Town Attorney has also reviewed the IGA and has some comments which haven't been addressed by Staff.

**ATTORNEY'S DETERMINATION FOR THE TOWN OF DEWEY-HUMBOLDT**

I have reviewed the above referenced Intergovernmental Agreement between the State of Arizona, acting by and through its DEPARTMENT OF ADMINISTRATION, GENERAL ACCOUNTING OFFICE, and the TOWN OF DEWEY-HUMBOLDT, an Agreement among public agencies which, has been reviewed pursuant to Arizona Revised Statutes § §11-951 through 11-954 and declare this Agreement to be in proper form and within the powers and authority granted to the Town under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Agreement.

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

---

Curtis, Goodwin, Sullivan, Udall & Schwab. P.L.C.  
Town Attorney  
By:

# ARIZONA OPENBOOKS INTERAGENCY SERVICE AGREEMENT

Janice K. Brewer  
Governor



Brian C. McNeil  
Director

**ARIZONA DEPARTMENT OF ADMINISTRATION**  
**GENERAL ACCOUNTING OFFICE**  
100 NORTH FIFTEENTH AVENUE • SUITE 302  
PHOENIX, ARIZONA 85007

## **ADOA-GAO OPENBOOKS INTERAGENCY SERVICE AGREEMENT** **Number**

In accordance with Arizona Revised Statutes, Sections (A.R.S. §§) 41-703 and 41-711, this Agreement is entered into by and between **the Town of Dewey-Humboldt**, a **Local Governmental** body (hereinafter referred to as "**LOCAL GOVERNMENT**"), and the **Arizona Department of Administration, General Accounting Office** (hereinafter referred to as "**ADOA-GAO**"), governing the hosting and publication of **LOCAL GOVERNMENT** data on **ADOA-GAO's** website established under A.R.S. § 41-725 and called **OpenBooks.az.gov**, Arizona's official financial transparency web site hereinafter "**OPENBOOKS**"), and shall be effective as indicated in Section 1 - Term of Agreement.

### **1. Term of Agreement**

This Agreement shall be effective upon **the date the last party signs this Agreement through December 31, 2017**. This Agreement may be terminated in accordance with Section 4.

### **2. Scope of Services**

The **LOCAL GOVERNMENT** is requesting that **ADOA-GAO** provide **LOCAL GOVERNMENT** data hosting, publication and support services (**SERVICES**) in connection with the **LOCAL GOVERNMENT** having its financial data published on **OPENBOOKS** managed by **ADOA-GAO**.

To effectively provide these **SERVICES** both **ADOA-GAO** and the **LOCAL GOVERNMENT** agree to perform their respective responsibilities set forth in **SCHEDULE A** attached to this agreement.

### **3. Fees**

**LOCAL GOVERNMENT** shall pay **ADOA-GAO** an **INITIAL SETUP FEE** of two thousand dollars (\$2,000) in advance of the first calendar year of **SERVICES** and an **ANNUAL FEE FOR OPERATING COSTS** for each calendar year **SERVICES** are to be provided. The **ANNUAL FEE FOR OPERATING COSTS** for the calendar year ending

## GAOISA Number

December 31, 2013, is three thousand dollars (\$3,000), payable in advance. Each subsequent year's **ANNUAL FEE FOR OPERATING COSTS**, also payable in advance, shall be in the amount communicated by **ADOA-GAO** to the **LOCAL GOVERNMENT** by way of an Amendment **not later than ninety (90) days before the beginning of the year to which it applies.**

### 4. Termination

Either party may terminate this Agreement upon sixty (60) calendar days written notice to the other party. If the termination is initiated by **ADOA-GAO**, **ADOA-GAO** shall refund to the **LOCAL GOVERNMENT** any unamortized **ANNUAL FEE FOR OPERATING COSTS** at the time the termination becomes effective. If the termination is initiated by the **LOCAL GOVERNMENT**, no refund shall be forthcoming.

If a termination is initiated by the **LOCAL GOVERNMENT** and, with the prior consent of the **LOCAL GOVERNMENT**, the **ADOA-GAO** has acquired capital equipment or resources necessary to fulfill the **ADOA-GAO's** responsibilities to the **LOCAL GOVERNMENT** as set forth in the Scope of Services, the **LOCAL GOVERNMENT** shall be responsible to reimburse the **ADOA-GAO** for any unamortized or unrecovered costs on or before the date the contract is terminated.

This agreement may be terminated by either party in accordance with A.R.S. § 38-511.

### 5. Force Majeure

- (a) Either party shall be excused for delay or failure to perform its obligations under this Agreement, in whole or in part, when and to the extent that such delay or failure is a result of causes beyond the control and without the fault or negligence of the party unable to perform. Such causes include, without limitation, acts of God, acts of the public enemy, acts of the United States government, fires, floods, epidemics, quarantine restrictions, or embargoes.
- (b) The party whose performance is so affected shall promptly notify the other party of all pertinent facts and take all reasonable steps, promptly and diligently, to prevent such causes if it is feasible to do so, or to minimize or eliminate the effect thereof.
- (c) It is understood and agreed that settlement of strikes or other labor disputes shall be at the sole discretion of the party encountering the strike or other dispute and that the inability of **ADOA-GAO** or its Subcontractors to meet the requirements of this Agreement as a result of labor strikes or disputes shall not be deemed to be a Force Majeure.

### 6. Indemnification

Each party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to

## GAOISA Number

as "**CLAIMS**") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such **CLAIMS**, which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

### 7. Confidentiality

- (a) A.R.S. § 41-725, which is incorporated by reference, defines certain information as confidential and not to be released to the public by way of publication on **OPENBOOKS**. By virtue of this Agreement, **ADOA-GAO** and **LOCAL GOVERNMENT**, their employees, and agents may have access to certain confidential and/or proprietary information of the other party, as defined below. **ADOA-GAO** and **LOCAL GOVERNMENT** agree to use Confidential Information received from the other Party only as expressly permitted in the Agreement and in furtherance of the purposes expressed in the Agreement. Neither **ADOA-GAO** nor **LOCAL GOVERNMENT** will disclose to any third party the other party's Confidential Information, in whole or in part, except as otherwise herein provided.
- (b) **LOCAL GOVERNMENT** may provide, intentionally or otherwise, confidential data as described in A.R.S. § 41-725, the Health Insurance Portability and Accountability Act or other relevant federal or state laws or local ordinances, ostensibly for posting on **OPENBOOKS**. **ADOA-GAO** is not responsible for reviewing **LOCAL GOVERNMENT** data for confidentiality purposes and is held harmless by **LOCAL GOVERNMENT** for any damages arising from **ADOA-GAO**'s posting such confidential information on **OPENBOOKS**.

### 8. Limitation of Liability

**ADOA-GAO** shall under no circumstances be liable for:

- (a) Posting or displaying on **OPENBOOKS** confidential, sensitive, incorrect, inaccurate, misleading, libelous, pejorative information provided by **LOCAL GOVERNMENT**.
- (b) Providing access in response to the **LOCAL GOVERNMENT**'s direction to any Entity Administrator or Entity User.
- (c) Failure to revoke access to any Entity Administrator or Entity User at the request of the **LOCAL GOVERNMENT** provided that the revocation is effected within three (3) business days.

### 9. Miscellaneous

It is mutually agreed by the parties that:

- (a) In the event of a dispute, the parties agree to use arbitration to the extent

**GAOISA Number**

required by A.R.S. § 12-1518. The laws of the State of Arizona shall govern any interpretation of this Agreement and venue shall be in Maricopa County, Arizona.

- (b) This Agreement shall be governed and interpreted by the laws of the State of Arizona. Purchases made in furtherance of this Agreement are subject to the Arizona Procurement Code (A.R.S. § 41-2501, et seq.) and the administrative rules promulgated thereunder (AAC R2-7-101, et seq.).
- (c) Any amendments to this Agreement must be in writing and signed by both parties.
- (a) All requests for additional services shall be in writing and signed by both parties and subject to current established **ADOA-GAO** billing rates.
- (b) Additional capital equipment or other resources to be acquired by the **ADOA-GAO** to fulfill its responsibilities to the **LOCAL GOVERNMENT** as set forth in the Scope of Services and for which the **LOCAL GOVERNMENT** may be required to reimburse the **ADOA-GAO** shall be agreed to in writing by the **LOCAL GOVERNMENT**.
- (c) **ADOA-GAO** reserves the right, at its sole reasonable discretion, to deny access as Entity Administrator or Entity User.
- (d) This agreement is subject to the provisions of A.R.S. § 38-511.
- (e) The parties to this agreement certify compliance with the requirements in A.R.S. §§ 35-391.06 and 35-393.06.
- (f) All notices pertaining to this Agreement shall be addressed or faxed to the parties respectively as follows:

<b>ADOA-GAO:</b>	
Arizona Department of Administration General Accounting Office (GAO) 100 N. 15th Avenue, Suite 302 Phoenix, AZ 85007	ATTN: Jennifer Verhelst Systems Support & Projects Manager Phone Number: 602-542-5106 Email: jennifer.verhelst@azdoa.gov
<b>LOCAL GOVERNMENT:</b>	
Town of Dewey-Humboldt 2735 South Highway 69 P.O. Box 69, Humboldt, AZ 86329	ATTN: Deni Thompson Accountant Phone Number: 928-632-7362 Email: denithompson@dhaz.gov
Print ISA	

THIS AGREEMENT IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE UNDERSTANDING BETWEEN THE PARTIES, AND IT SUPERSEDES ALL PROPOSALS, ORAL OR WRITTEN, AND ALL OTHER DOCUMENTS OR COMMUNICATIONS BETWEEN THE PARTIES RELATIVE TO THE SUBJECT MATTER HEREIN COVERED, UNLESS SUCH DOCUMENTS OR COMMUNICATIONS ARE SPECIFICALLY INCLUDED BY REFERENCE.

IN WITNESS WHEREOF, the parties have executed this Agreement:

LOCAL GOVERNMENT:

Town of Dewey-Humboldt

ADOA:

Arizona Department of Administration

By: \_\_\_\_\_  
Terry Nolan, Mayor

By: \_\_\_\_\_  
Brian C. McNeil, Director

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

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

## SERVICE AGREEMENT GAOISA Number

Between the Arizona Department of Administration General Accounting Office  
And LOCAL GOVERNMENT

### SCHEDULE A

#### Roles and Responsibilities

The respective roles of ADOA-GAO and a LOCAL GOVERNMENT related to that service are outlined in the section below.

#### ADOA-GAO Responsibilities:

- Provide consultation with the LOCAL GOVERNMENT project team member concerning the requirements of the A.R.S. § 42-725, confidentiality issues, file layout and overall process.
- Provide main point of contact for all communications related to the project.
- Prepare and provide LOCAL GOVERNMENT timely written notice of any ISA ADDENDUM.
- Confirm and communicate schedules.
- Notify the appropriate contacts of issues that require resolution.
- Coordinate the change process.
- Oversee content and maintenance of the OpenBooks.az.gov website (PROD).
- Provide an LOCAL GOVERNMENT User Guide on the use of the Administrative Tool and the Secure Account Service (SAS) Login Utility.
- Define LOCAL GOVERNMENT's system roles (Entity Administrator and Entity User).
- Authorize and maintain LOCAL GOVERNMENT's access to the system via SAS.
- Evaluate and grant or deny LOCAL GOVERNMENT requests for access to or roles in OPENBOOKS; activate and deactivate accounts.
- Provide and maintain technological infrastructure.
- Host and maintain Transparency Application Databases containing the State of Arizona and LOCAL GOVERNMENT data.
- Provide diagnosis of and initialize efforts to correct issues/problems with OPENBOOKS software application, Transparency Application Database, OpenBooks.az.gov website and technology infrastructure within three (3) business days of the discovery of such problems.
- Maintain two Transparency Application databases (PROD and TEST).
- Delete LOCAL GOVERNMENT incorrect postings within three (3) business days of receiving notification by email from LOCAL GOVERNMENT.
- Comply with all laws, statutes, ordinances, rules and regulations applicable to any Arizona State government body or authority;
- Diligently complete SERVICES.

#### ADOA-GAO Does NOT Have the Responsibility to:

- Defend LOCAL GOVERNMENT's compliance with A.R.S. § 41-725 subsections (C) through (E).
- Respond to the LOCAL GOVERNMENT's constituency about the LOCAL GOVERNMENT's data or the use of OPENBOOKS.

**SCHEDULE A (Continued on Next Page)**

## SERVICE AGREEMENT GAOISA Number

### SCHEDULE A (Continued from Preceding Page)

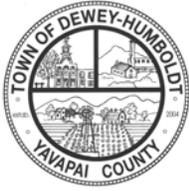
#### LOCAL GOVERNMENT Responsibilities:

- Provide ADOA-GAO with required information for posting to OPENBOOKS in accordance with A.R.S. § 41-725 subsections (C) through (E).
- Accept and properly execute the ISA and any annual ADDENDUM or Amendment prepared by ADOA-GAO in a timely manner, but no more than ninety (90) days.
- The LOCAL GOVERNMENT chief executive officer shall designate, using the processes and forms prescribed by ADOA-GAO, one or more Entity Administrators.
- The Entity Administrator shall designate, using the processes and from prescribed by the ADOA-GAO, one or more Entity Users.
- The LOCAL GOVERNMENT Entity Administrator(s) and User(s) shall be authorized to interface and liaise with ADOA-GAO personnel.
- Obtain administrative login access via SAS.
- Request and maintain authorized user roles for Entity Administrator and Entity User.
- Notify ADOA-GAO of any Administrator or User changes within 48 hours of such changes.
- Adhere to the data specification (file layout).
- Adhere to the guidance in the LOCAL GOVERNMENT User Guide.
- Adhere to State of Arizona Security requirements.
- Review data to assure compliance with confidentiality requirements, including those in A.R.S. § 41-725.
- Make payments in accordance the ISA and any Amendments.
- Upload the LOCAL GOVERNMENT data into the system as directed.
- Update and administer content data.
- Take reasonable measures to maintain the timeliness and accuracy of the LOCAL GOVERNMENT data presented on OpenBooks.az.gov.
- Notify ADOA-GAO of any required file deletions as soon as practicable.
- Cooperate with ADOA-GAO in the identification, diagnosis and resolution of issues/problems with the OPENBOOKS software application, Transparency Application Database, OpenBooks.az.gov website, and technology infrastructure.

### SCHEDULE A (Remainder of Page Intentionally Left Blank)



[Page intentionally left blank]



**TOWN OF DEWEY-HUMBOLDT**  
**P.O. BOX 69**  
**HUMBOLDT, AZ 86329**  
**Phone 928-632-8562 ▪ Fax 928-632-7365**

---

**TOWN COUNCIL MEETING**

**April 16, 2013– 6:30 p.m. Town Council Meeting Chambers**

**Agenda Item # 9.5 Discussion and possible action regarding acquisition of property for Town Hall purposes and possibly to approve Resolution No. 13-107.**

**To: Mayor and Town Council Members**

**From: Yvonne Kimball, Town Manager**

**Suggested action: After discussion at 9.5.1 executive session, decide one of the following options:**

- a. adopt the resolution (with modification if needed);
- b. delay the resolution adoption to include other properties for consideration
- c. not interested in purchasing any properties or the proposed resolution

**Date submitted: April 11, 2013**

**Summary:**

The Town Council discussed potential property purchase for Town Hall uses a few times last year. The recent discussion was at the March 19<sup>th</sup> meeting. The Council made a decision “not to move forward with the purchase of this property (Humboldt Station) at this time”. Some directions were also made during the executive session.

Staff wanted to report to the Council our findings at the direction given at the executive session. The town attorney advised that an executive session would be appropriate for this purpose.

If after discussion, the Council wishes to adopt the proposed resolution to authorize next steps of property purchase (which will take a long while to complete), Resolution 13-107 would fulfill that goal. If the Council has other properties that you may be interested in, Resolution 13-107 can be delayed or modified. If the Council is not interested in any property purchase at this time, Resolution 13-107 can be completely ignored.

A firm decision and/or clear direction is always desirable; but the Council is not obligated to adopt the resolution if you are not ready to proceed.

**RESOLUTION NO. 13-107**

**A RESOLUTION OF THE COMMON COUNCIL OF THE TOWN OF DEWEY-HUMBOLDT, ARIZONA AUTHORIZING AND DIRECTING THE TOWN MANAGER AND TOWN ATTORNEY TO OBTAIN APPRAISALS AND LEGAL DESCRIPTIONS AND TAKE OTHER NECESSARY ACTIONS PREPARATORY TO ACQUIRING TITLE TO CERTAIN PARCELS OF REAL PROPERTY ON BEHALF OF THE TOWN BY DONATION, EMINENT DOMAIN OR PURCHASE FOR MUNICIPAL GOVERNMENT PURPOSES.**

**WHEREAS**, the continued growth and development of the Town of Dewey-Humboldt requires the acquisition of certain real property; and

**WHEREAS**, the Common Council of the Town of Dewey-Humboldt finds that the acquisition of property generally located at 12899 East Main Street, 12901 East Main Street, 12922 East Main Street, and/or 12847 East Main Street, Dewey-Humboldt, Arizona may be necessary for municipal government purposes; and

**WHEREAS**, prior to acquisition of such property, an appraisal and a legal description must be prepared and other actions preparatory to such acquisition may be necessary,

**NOW, THEREFORE BE IT RESOLVED** by the Common Council of the Town of Dewey-Humboldt, County of Yavapai, Arizona:

1. That the Town Manager and Town Attorney are hereby authorized and directed to obtain appraisals and legal descriptions and take other necessary actions preparatory to acquisition of certain parcels of real property on behalf of the Town; and

2. That the Town Manager is directed to present the above information to the Council for possible approval to proceed with the acquisition.

**PASSED AND ADOPTED** by the Mayor and Common Council of the Town of Dewey-Humboldt, Arizona this \_\_\_ day of \_\_\_\_\_, 2013.

---

Terry Nolan, Mayor

ATTEST:

---

Judy Morgan, Town Clerk

APPROVED AS TO FORM:

---

Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C.  
Town Attorney  
By: