

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

Tuesday, May 2, 2017, 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 Jack Hamilton, John Hughes, Amy Timmons, Doug Treadway, Victoria Wendt; Vice Mayor Mark McBrady; 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.

5. Town Manager's Report. Update on Current Events. No legal actions can be taken. Council may ask town staff to review an operational matter at this time, or may ask that a matter be put on a future agenda for actions or further discussion. Possible matters and projects are related to Town general administration, Finance, Public Works, Community Development.

Page 3 **5.1. Town contribution to the Prescott Area Wildland Urban Interface Commission (PAWUIC) on behalf of Dewey-Humboldt Firewise neighborhoods/Board.**

6. Consent Agenda.

7 **6.1. Minutes.** Minutes from the February 10, 2017 Special Meeting, and February 14 Work Session, February 21, 2017 Regular Meeting and March 7, 2017 Regular 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
31

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. **Follow-up discussion on Study Session hours.** (From January 17th Regular Meeting decision)

35

9.1. **Chip-Seal Overlay Contract Award.** Possible contract award, rejection or modification

79

9.2. **Council consideration on a potential Partnership between Town and the Prescott Area Wildland Urban Interface Commission (PAWUIC), grant applicants regarding a Defensible Space Grant.**

85

9.3. **Allow Debby Pomeroy to present potential changes to Town Code Title IX, Chapter 90 Animals.** [CAARF requested by CM Wendt, which includes Presentation Request Form]

89

9.4. **Discussion and possible action regarding the Building Lease extension with Community Action Program (CAP) for Dewey-Humboldt Town Library located at 2735 S. Corral Street, Dewey-Humboldt.**

9.4.1. **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 the real estate property lease for the Town Library located at 2735 S. Corral St., Dewey-Humboldt, Arizona (APN 402-09-030C).

9.4.2. **Reconvene Regular Meeting.**

10. **Public Hearing Agenda.**

THIS CONCLUDES THE LEGAL ACTION PORTION OF THE AGENDA.

11. **Adjourn.**

For Your Information:

Next Town Council Meeting: Tuesday, May 16, 2017, at 6:30 p.m.

Next Planning & Zoning Meeting: Thursday, May 4, 2017, at 6:00 p.m.

Next Town Council Work Session: Tuesday, May 9, 2017, at 2:00 p.m. or 6:30 p.m. TBD

Next Town Council Special Budget Session: Tuesday, May 9, 2017, at 9:00 a.m.

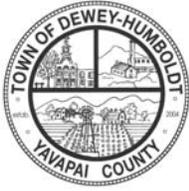
If you would like to receive Town Council agendas via email, please sign up at AgendaList@dhaz.gov and type Subscribe in the subject line, or call 928-632-7362 and speak with Judy Morgan, Town Clerk.

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 _____, 2017, 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.



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

TOWN COUNCIL REGULAR MEETING

May 2, 2017 – 6.30 p.m. Town Council Meeting Chambers

Agenda Item # 5.1. Town contribution to the Prescott Area Wildland Urban Interface Commission (PAWUIC) on behalf of Dewey-Humboldt Firewise neighborhoods/ Board.

To: Mayor and Town Council Members

From: Yvonne Kimball, Town Manager

Date submitted: April 27, 2017

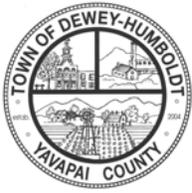
Summary:

PAWUIC has requested the D-H Firewise Board to make a donation to help defray their costs. PAWUIC is a non-profit organization and staffed at large by volunteers. The Firewise Board is in no financial position to make a donation. They approached the Town (see the attached memo). Given the fact that Council has made a priority to protect the community from imminent fire danger, I believe it would be appropriate for the Town to make a donation to PAWUIC on behalf of the Firewise Board or the residents in the Blue Hills and Foothills neighborhoods.

In the FY 17 Budget, the current budget, \$4000 was budgeted for the activities to earn Firewise certification. By using in-kind staff and volunteer time, we did not spend the appropriation for the certification purpose. A minimum amount was spent for the Firewise meetings. Since the Dumpster Day event was a combined project with Firewise, we could say that we also spent \$1100 from the \$4000 Firewise appropriation to set up the fence for the event. In summary, there is sufficient funding in the budget this year to make a donation to PAWUIC for Firewise purposes.

Technically, since it is a budgeted purpose, I have the authority to authorize the donation. I do wish to run this by the Council as I view it as a donation from the Council. I intend to disburse \$800 to PAWUIC for Firewise purposes, as requested, unless Council directs me otherwise.

Attachments: 1) D-H Community Planner Steven Brown's memo explaining the donation request; 2) PAWUIC donation request letter.



TOWN OF DEWEY-HUMBOLDT
P.O. BOX 69
HUMBOLDT, AZ 86329
Phone 928-632-8643 ▪ Fax 928-632-7365

MEMO

Date: April 27, 2017

To: Yvonne Kimball

From: Steven Brown

Re: Expenditure for Donation to Prescott Area Wildland Urban Interface Commission (PAWUIC)

The Blue Hills/Foothills Firewise Board received a letter from Bob Betts, PAWUIC Chair requesting a donation to help defray their administrative costs from currently budgeted funds. PAWUIC applies for, manages and administers grants from the State Forestry Department for the mitigation of fire hazard and the provision of defensible space for residential structures. The Town has received services in the form of property assessments, abatement and continuing grant writing and administration from PAWUIC for the past year, and have the ability to do so into the future. The Firewise Board has requested that the Town make a donation of \$801 to PAWUIC. This would represent a \$1 per capita donation. I recommend the town proceed with the payment on behalf of Firewise. I of course seek your direction.

Additionally, On Tuesday, April 25, 2017, it is my understanding that Council agreed to appropriate as part of the FY17/18 budget, a sum of \$1,604 in addition to \$2000 to be used for Firewise, some to be donated to the PAWUIC to help defray their administrative costs. This would represent a donation of \$2 per capita for the combined population of approximately 801 individuals residing in the Blue Hills and Foothills areas. It appears that Council is fully supportive of the Firewise activities.

yavapai**firewise**●org

Bob Betts
Chairman

Victoria Wendt, Chairperson
Dewey-Humboldt Firewise Committee
P.O. Box 69
Humboldt AZ 86329

March 20, 2017

Dear Victoria,

At the direction of the Executive Board during the February meeting I discussed the importance of supporting PAWUIC financially. We must reduce our reliance on elusive and dwindling grant funds. The Foothills and, most recently, Southview Trails challenged other communities to provide an annual contribution of \$5 per lot.

In underscoring the philosophy of “give a little, get a little”, I am writing to your community with some data points that I am asking you to share with your owners' association board and/or management company.

Dewey-Humboldt, Foothills East and Blue Hills has received \$3,600 in grant funding through December, 2016. On the other hand your individual and/or association contributions to the general fund of PAWUIC in 2016 were negligible most notably because you are a new Firewise Community.

Each year to maintain your Firewise recognition each community is required to provide evidence of a \$2/per capita inkind or cash expenditure on Firewise activities. An equivalent cash commitment to the general operating expense of PAWUIC would ensure the continuing viability of our organization and the work it does. Further, your contributions will help to provide continuing access to grant funding

from sources not readily available to the individual communities.

Your assistance in providing critical funding necessary to maintain our service to our Firewise communities is appreciated. Please share this information with your community board or membership.

Sincerely,

Bob Betts, Chairman
Prescott Area Wildland Urban Interface Commission
Cell 847-309-4499
Office 928-277-8032

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**TOWN OF DEWEY-HUMBOLDT
TOWN COUNCIL
SPECIAL MEETING MINUTES
FEBRUARY 10, 2017, 7:30 P.M.**

A SPECIAL MEETING OF THE DEWEY-HUMBOLDT TOWN COUNCIL WAS HELD ON FRIDAY, FEBRUARY 10, 2017, AT TOWN HALL AT 2735 S. STATE ROUTE 69, DEWEY-HUMBOLDT, ARIZONA. MAYOR TERRY NOLAN PRESIDED.

1. **Call To Order.** The meeting was called to order at 7:30 p.m.
2. **Roll Call.** Town Council Members Jack Hamilton, John Hughes, Amy Timmons, Doug Treadway, Victoria Wendt (arrived late at 8:13 p.m.); Vice Mayor Mark McBrady; and Mayor Terry Nolan.
3. **Special Session.** Legal action can be taken.

3.1. Council consideration, discussion and possible action related to the referendum election scheduled for March 14, 2017 - Council will consider the following options:

- Discussion and possible action to direct the Town Clerk to send to the qualified electors of the Town corrective ballot information showing that the correct address of the property proposed to be acquired by the Town is 12925 E. Main Street, Dewey-Humboldt, Arizona and to publish this information and post it at Town Hall and on the Town's website.
- Discussion and possible action to rescind the Call of Election establishing a special election on March 14, 2017 and adopt the Amended Call of Election establishing a special election on August 29, 2017 for the purpose of referring to the qualified electors of the Town of Dewey-Humboldt, Arizona the question of whether the Town Council's adoption of a resolution approving a purchase contract for real property located at 12925 E. Main Street, Dewey-Humboldt, Arizona in the amount of \$120,000 for municipal purposes shall be approved.

Mayor Nolan read the agenda item and asked the Town Attorney to speak on this agenda item.

Town Attorney Goodwin spoke on the agenda describing the options explained at the last meeting. Option 1 has more potential for legal challenge; Option 2 cleans up some of the issues with the ballot but postpones the election until August and there might be concerns of whether the property would still be available.

Councilmember (CM) Amy Timmons spoke on talking with an attorney and was advised there are options to stop a referendum election.

Town Attorney (TA) Susan Goodwin explained the ways to challenge or stop a referendum have to do with the petitioners not obtaining enough valid signatures or if the petitioners did not strictly complying with requirements. Does not believe these apply in this case. Does not know the grounds on which CM Timmons' consulting attorney thought a referendum election could be stopped.

There was council opinion on their preferences on these options.

CM Hamilton spoke in support of option 1. It would save the town money.

CM McBrady spoke in support of option 2 and thought it would give more time to obtain more arguments for the publicity pamphlet.

CM Treadway spoke on hearing from an expert who advised that sending out a corrective card would satisfy the address issue. He explained he realized he let the deadline pass to submit an argument in support of the resolution but failed to do so, but he didn't think it was anyone's fault but his own.

CM Hughes didn't think acceptance of additional arguments would be allowed. TA Goodwin believed it would restart the timelines and arguments could be accepted.

CM Hamilton asked the Attorney if an additional postponement could be decided in August, again. TA Attorney explained they are trying to correct an error on the ballot and believes they are acting in good faith. The error can be cured with appropriate notice, but it is not 100% and might lose the opportunity to purchase the building. CM Hamilton asked whether a May election could be selected instead, giving time to reprint ballots but not to submit more arguments for the pamphlet. He stated his opinion that once arguments are already submitted it would be unfair for "FOR" argument writers to submit after seeing the "AGAINST" arguments. TA Goodwin explained timelines would start over based on the election date per statutes.

CM Treadway spoke on the ballot being the avenue for voting and individuals can campaign their sides leading up to election day.

CM McBrady stated his opinion that the argument filed "against" states the building is being purchased for the museum. He thought the ballot wording should have been written and approved by the Council, and thought the deadline should have been told individually to the public and council, rather than published as required by state law.

CM Treadway spoke on the neutrality of the ballot wording and that the process was explained and strictly followed.

Public comment was taken on this item.

Leigh Cluff stated, "the election has been a nightmare" so she spoke to Prescott Elections who told her a referendum can be cancelled and other communities have "Council referendums". She spoke on previous council members voting on the resolution and then doing a referendum. TA Goodwin stated she would like to hear from Prescott Elections on stopping a referendum. CM Hamilton responded that he told the Council in advance he would do a referendum on this purchase. Mayor Nolan explained that the council voted for the resolution and then certain council members initiated and followed through on the referendum process to allow the community to vote on it.

Nancy Wright stated that both she and CM Hamilton voted against the resolution. ARS only gives Council power through state law and state constitution and wanted to know where it gives the power to postpone the election for a reason other than to correct a problem, not for putting more arguments on the publicity pamphlet. Staff and those submitting arguments followed the statutes and deadlines. Some people chose to not pay attention to the deadline to submit. She feels VM McBrady and CM Timmons want to deny them their constitutional rights and cost the town more money by postponing the election for more pro arguments.

CM Timmons felt it was underhanded and the Council crammed in the election instead of waiting until the next General Election to save money.

CM Treadway explained he chaired that study session and council decided to choose the March election date as there were concerns, if waiting for a later consolidated election date the building would sell before the election.

CM Timmons felt that it still might have sold anyway and doesn't believe that logic. She thinks calling a special election for the referendum was a moot point and didn't make sense.

CM Hamilton explained the next General Election was 2-years away and was too long to wait. Council wanted to address it as a community decision, as soon as possible. He explained the agreement, although expired, could be entered into again if voters approve Proposition 441 to purchase.

Mayor Nolan stated the Attorney let them know that the owners would still agree to let them buy the building.

VM McBrady asked if vote is "NO", could the council buy the building.

Town Attorney Goodwin first stated she didn't think they could buy it without another vote.

VM McBrady continued to speak on the use of the building and not liking the arguments against the proposition. Ballot wording is written fairly but the arguments are not, as they state the building would be bought for the museum.

TA Goodwin readdressed the earlier question explaining if the measure passes, the Council is bound to the decision. If the measure fails then it wouldn't take another vote to purchase the property, but it would be subject to being referred again to the voters.

CM Hughes thinks the council is bound either way.

Public comment was taken.

Doris Lake spoke on representing others who work at Humboldt Elementary School. She stated according to the County it [the election] should not go forward. Residents of D-H were not properly apprised of the vote. A public vote should be free, should be in the newsletter, not in an article in the newspaper or in the legal section as nobody reads those. Arguments for referendum should be free. The referendum should not have happened. Museum brings tourism to the town and benefits the community of D-H. Point is this was never put up for public discussion and asked opinions with no fee. Postpone until August to correct all the errors. No one asked her or her neighbors for their views or opinions.

Mayor Nolan stated it is a law to charge a fee for the arguments.

Doris Lake asked if it is in the council's purview to waive the fee? Mayor Nolan stated fees must be charged for arguments in publicity pamphlets.

Doris Lake stated that people don't read the newspaper or the town website and thinks a town newsletter article or a flyer distributed by the town to the citizens would have been proper. Mayor Nolan stated meetings can be watched from home and nothing was done underhanded.

Councilmember Wendt arrived at 8:13 p.m.

Mayor Nolan explained the Council chose to call a special election on the soonest date to allow for the purchase of the building in a reasonable period, if approved.

John Young said he thought the publicity pamphlet was misguided on how it was put out. Thinks it was written for one reason. Ridiculous to have a referendum and have only arguments from one side. He is embarrassed for the town, and "impressions are it".

Kyle Lambert spoke on buying the building for the museum to keep it going and using it for something else in the long-run. He stated his confusion about the whole referendum process, and suggested "dumbing it down" for people who don't understand the words. He suggested writing a letter about the referendum and publishing it. Mayor Nolan explained the Town can't but anyone in the public can do this or campaign for the proposition.

Councilmember McBrady spoke on the passion surrounding this issue. He stated he felt it was an opportunity to change the election date to August to allow for more time for the Town to promote the pros and cons of the proposition, to educate the community.

Councilmember Treadway stated he was upset about the insinuations made against the employees that they did something wrong. He spoke on the referendum process being a constitutional right. He explained why he promoted setting an earlier election date to address the purchase in a timely manner.

TA Goodwin reiterated that if the vote to purchase the building fails then the council is not bound to it, but the passage of a measure is what binds the council.

Carl Marsee explained the Dewey-Humboldt Historical Society monitored the internet for the address 12925, not "the bank building". This is why no one from the museum submitted an argument for the publicity pamphlet. He spoke on the museum visitor data and explained the council never told the DHHS what they would do with the building if purchasing it.

Jerry Brady spoke on getting direction from the electoral commission, Yavapai County Superior Court, County Attorney, and Court of Appeals, for resolution. He spoke in support of the museum and gave a brief history of the building during WWI.

John Young asked how this [election] would be handled if the building is off the market.

TA Goodwin stated she would need to research it, if Council gave her this direction.

Ted Brooks said he spoke with an attorney and if the church is off the market, the referendum dies; if back on the market it would need a new referendum.

Sandy Geiger asked when the arguments could be submitted; spoke again on the search engine used to monitor the building address; understands all the rules have been followed but she is disappointed in the arguments in the publicity pamphlet.

Town Clerk Judy Morgan explained the deadline to submit was based on the date of the election (90 days Prior to election (PTE)).

CM Timmons asked how soon the notice went on the website after the election date was determined and why advertising for arguments was not in the newsletter for December. TC Morgan explained it went up as soon as possible on the website and was not included in the newsletter for reasons to avoid violating state statute. She explained further the length of time the referendum process has been going on for and all the steps taken. She explained who controls election laws and all steps taken have been in compliance with those laws. Council has a limited function in a referendum election.

Vice Mayor McBrady read one of the arguments in the pamphlet. CM Timmons interjected that people can lie in an argument. He continued to read, arguing about the "Against" argument and thinking it should have been written differently.

CM Treadway explained a person can say whatever they want in an argument, it is their constitutional right.

Town Manager Kimball suggested to the Council they might be getting away from the subject of the agenda item. Town Attorney Kimball countered she thought it was a healthy discussion that was close enough to the agenda item to not be off topic.

Nancy Wright spoke on those who submitted arguments and doing so in the time provided. She spoke on her belief that the building would be permanently used by the museum if purchased by the town.

Ted Brooks spoke on postponing the election due to the transposed number, and giving a chance to resubmit arguments for the pamphlet.

Bart Brush clarified that he didn't think the museum was a good space as it wasn't large enough.

Jerry Brady spoke on the most scandalous frauds in the area and Hilary Clinton's ex-parte through emails.

Leigh Cluff filled in CM Wendt about hearing from Prescott that a referendum could be stopped. She said the community is passionate about this election and recommended they "Make it fair" otherwise, people will vote out council members.

Councilmember Wendt apologized for arriving late and spoke in favor of purchasing the bank building. She said the "Con" arguments are biased and stated she will vote to push the election to August.

Carl Marsee stated the staff has done a good job and no one at the museum has said they have done anything wrong.

Councilmember Hamilton made a motion to approve option 1 to keep this on the March 14th consolidated election date; and directing staff to send to the qualified electors of the Town corrective ballot information showing the correct address of the property proposed to be acquired

Town Council Special Meeting Minutes, February 10, 2017
by the Town (12925 E. Main Street, Dewey-Humboldt, Arizona); and to publish this information and
post it at Town Hall and on the Town's website. It was seconded by CM Treadway and passed by
a 4-3 vote in favor, Councilmembers Timmons, Wendt and Vice Mayor McBrady voting against.

Mayor Nolan spoke on this decision being fair, everyone had the same chance to submit arguments
and suggested people campaign on this issue.

4. Adjourn.

The meeting was adjourned at 9:08 p.m.

Terry Nolan, Mayor

ATTEST:

Judy Morgan, Town Clerk

**TOWN OF DEWEY-HUMBOLDT
TOWN COUNCIL
STUDY SESSION MINUTES
FEBRUARY 14, 2017, 6:30 P.M.**

A STUDY SESSION OF THE DEWEY-HUMBOLDT TOWN COUNCIL WAS HELD ON TUESDAY, FEBRUARY 14, 2017, AT TOWN HALL AT 2735 S. STATE ROUTE 69, DEWEY-HUMBOLDT, ARIZONA. MAYOR TERRY NOLAN PRESIDED.

1. **Call To Order.** The meeting was called to order at 6:30 p.m.
2. **Roll Call.** Town Council Members Jack Hamilton, John Hughes, Amy Timmons, Doug Treadway, Victoria Wendt; Vice Mayor Mark McBrady; and Mayor Terry Nolan were present.
3. **Study Session.** No legal action to be taken.

3.1. Town Clerk Office Functions Overview.

Town Clerk Judy Morgan gave a PowerPoint presentation covering an overview of the functions and responsibilities of the Town Clerk office, as provided in the meeting packet. Town Clerk Morgan highlighted the election process during her presentation.

Public Comment was taken.

Jerry Brady spoke on the fiduciary duty of the Town Council through Federal Laws.

**3.2. Talk about amending “Principles of Sound Financial Management” (POFSM).
[CAARF requested by Councilmember Hamilton]**

Councilmember Hamilton spoke on doing research to determine if fees can be arbitrary. A fee study that was performed showed the Town only covering about 40% of the cost. He recommended removing this from the Town Code since they are not doing a fee study. Make it straight forward and it can be moved forward to a regular meeting. How would the fees be changed over time? By the inflation rate? Arbitrarily by the Council? An average based on local municipalities’ fees. He did not see the need for change and felt the language about doing a fee study every three years should be removed from the Code.

Mayor Nolan recommended the filing of a CAARF to do this.

Councilmember Wendt inquired about Councilmember Hamilton’s determination that a fee study was not necessary. Councilmember Hamilton was not sure on the source of this.

Town Manager (TM) Kimball noted the POSFM required the fee study. Council updated this in 2016. The fee study requirement was removed then. Councilmember Hamilton explained he must have been looking at the old POSFM.

Councilmember Wendt questioned the reason for this. Town Manager Kimball explained the original requirement was a fee study every three years. There were a few other things Council reviewed. Staff surveyed surrounding municipalities to determine whether D-H is in line with the local area. Some fees have separate legal requirements such as magistrate fees. The change did not determine how they will review the fees. Staff already reviews this on a regular basis and will bring to Council’s attention if a difference is noticed, which is not an unusual method. The wording could be updated on why or when to review.

Councilmember Timmons inquired as to how the fees are determined, based on local area or similar size municipality? Town Manager Kimball explained that both are considered, but the personality of the Town has to be considered. Staff keeps track of the smaller local municipalities plus the County. The current building fees are the same as the County’s.

Councilmember Hamilton apologized to the Council for bringing the subject forth, realizing that it is now a moot issue.

Councilmember Wendt felt there was nothing wrong with reviewing the document and believes that it is sufficient to check with local similar-sized municipalities.

Councilmember Treadway agrees with simplicity.

Councilmember Hughes spoke of Don Roberts, Building Official, being the responsible employee and that it's what he does and he is good with that.

Public Comment was taken.

Jerry Brady spoke of an issue with unfunded liabilities of 60% of the roads; Prescott's public liability problems; Yavapai County being down about 42% for not properly accounting for unfunded liabilities; reviews of comprehensive General Plan; roads being health and safety issue; The need to go to the Federal Government to bring up to the federal standards; no banks will loan in Dewey-Humboldt. Town Manager Kimball responded that Dewey-Humboldt has no debt or liability. Prescott and Prescott Valley do have those liabilities. Dewey-Humboldt is a good steward for finance. She is not aware of financial austerity. Councilmember Hughes spoke on Mr. Brady providing some false numbers in his comment as Prescott Valley has no Fire Department and does not have that deficit. Councilmember Hughes noted Mr. Brady's comments were not related to the agenda item. Jerry Brady stated that Councilmember Hughes' statement is false.

3.3. Joint Council/P&Z Meeting regarding Planning and Zoning work list.

Planning and Zoning Commission members joined the Town Council at the table. Victor Hambrick, Jeff Siereveld, Richard Schauwecker and Luis Chavez introduced themselves and spoke on their backgrounds, to the Council. Council made their introductions and spoke on their community background as well.

Commission Chair Hambrick spoke on what the Planning & Zoning put together. They used guidance and firm direction on the list, adding, removing, approving and prioritizing the list. He gave an overview on each of the six list items P&Z is proposing:

- A. Establishment of volunteer group to provide assistance with compliance with code enforcement violations.
- B. Exploration of possible routes for providing permanent access across the Agua Fria River.
- C. Improvement Districts as mechanism for improving private roads that are proposed to transition to public.
- D. Review and discussion of Town General Plan Circulation Element and challenges to implementation.
- E. Discussion regarding troubling existing zoning anomalies.
- F. Discussion of General Plan Update process and alternatives.

Councilmember Wendt spoke on liking the first listed item – help from the community for code enforcement issues.

Councilmember Hamilton is not sure if this falls under P&Z issues, thinking it appears to be more of a Council issue.

Community Planner (CP) Brown explained that P&Z could work on a strategy to develop this group.

Councilmember Hamilton asked who takes on the appointment to this committee. The Town, Council or P&Z Commission? Community Planner Brown spoke of the intent being P&Z.

Chair Hambrick spoke of the Council deciding whether these six items are good for direction or if they want the commission to go another direction. He also recommended that not all solutions would be decided tonight. Every issue on the list is time consuming. Council would need to make a prioritized list. He suggested that the Town road issue could be removed while the Council considers other options regarding this.

Councilmember Hamilton would like the Commission to work on Items C and E, with Item F not being a priority, Item D and F after that. Commissioner Hambrick agreed with Councilmember Hamilton.

Community Planner Brown's suggestion is Item E, as there are areas of Town where zoning development is not clear, overlay of shapes are not according to property lines.

Mayor Nolan spoke on multiple zoning lines on single properties. The General plan only has a few years before redo or readopt. Would like to see it redone. Give P&Z lead-time to do that development.

Councilmember Wendt feels Item D needs to be looked at as there is danger in Blue Hills for fire issues, look at liability and secondary options for getting out of the area in an emergency. Mayor Nolan spoke on a situation in California that took days to evacuate.

Councilmember Treadway felt all the items merit consideration. All good, Item E strikes him as important.

Councilmember Hughes would place Item B last on the list. There are paved roads on both sides, other ways in and out. Costly to establish. That money could help those on unpaved roads.

Councilmember Hamilton spoke of past council addressing that issue. It would be about a million dollars and require the Corp of Engineers' involvement.

Mayor Nolan spoke of this being a historic crossing and if a bridge were constructed it would no longer be historic.

Commissioner Siereveld gave an overview of the bridge idea.

Community Planner Brown asked about Item A and where it sits on the list.

Mayor Nolan thinks it is important. P&Z could come up with a plan on how to deal with it. Community Planner Brown asked for consensus. Councilmember Hughes and Councilmember Wendt both agreed with this idea.

There was discussion regarding Open Meeting Law requirements and other details involving the development of such a group. The purpose of this was for Council to consider what the Commission has come up with. Councilmember Hamilton spoke that if the appointment by Council then Open Meeting Law requirements would apply. If P&Z creates the committee then no OML would be necessary. It was compared to the Firewise committee, where the citizens are empowered to establish and conduct the group.

Community Planner Brown asked if other Commission members had any input.

Commissioner Schauwecker spoke of the original intent to reach out to elderly or financially challenged, to mend problems. He spoke of the plan not being fine-tuned yet. He recommended possible grant application to fund this organization or the Town could

appoint or recruit volunteers for help on these violations. Commissioner Schauwecker also inquired about another board that was just established and spoke of thinking that the Board of Adjustment (BOA) would have been more appropriate for P&Z to handle. Commissioner Chavez agreed with Commissioner Schauwecker.

Mayor Nolan spoke on how to vet people to avoid liability.

Community Planner Brown reminded that is was just an idea and wants to know if council wants P&Z to look at it, or not.

Councilmember Treadway felt the concept was good but there were many intangibles to consider. If Council wanted to consider the idea, then discussion at a later Work Session would be a good idea.

Councilmember Hughes spoke that it appeared all were in agreement on Item A – more research and background would be necessary, requesting the Town Manager to bring this research back to Council. Doesn't need to fall under P&Z.

Mayor Nolan spoke of possibly expanding the purpose to help the older people who don't have a code violation.

Commissioner Chavez recommended considering who oversees it.

Town Manager Kimball spoke of actually seeing how this fits under P&Z responsibility. If Council wants it to be addressed through the Council and Staff, that would be fine too. Town Manager Kimball became aware there is a Clean Town Committee in the code already. This could be the solution.

Town Clerk Morgan explained the history of the Clean Town Committee.

Town Manager Kimball would like to investigate the committee and come back to Council with suggestions or, if Council wants, move forward on recruiting and appointing to committee. She suggests a non-Council appointed committee like Firewise.

Councilmember Hamilton is against reinstating that committee. More in favor of "Firewise"-type committee.

Councilmember Wendt asked if it would be possible to incorporate this into the Firewise.

Community Planner Brown explained this is not the type of cleanup envisioned by Firewise, as the issues involved debris not scrub (defensible space).

Chair Hambrick spoke that it appears the proposed priority order would be Item E/Zoning Anomalies; Item D/General Plan Circulation secondary access; Item F/General Plan since it is three years out. Zoning anomalies correction shouldn't be a burden of the property owner. The P&Z Commission agreed.

Councilmember Hamilton generally agrees, but if there were legalities then the Town wouldn't get involved in lawyer fees for individual property owners. Commissioner Hambrick responded that there would be zoning challenges only, there is no charge to correct zoning.

Community Planner Brown currently can only offer that they rezone their property and the pertaining cost for that.

Public Comment was taken

Jerry Brady spoke of a risk pool coverage for sending private people onto private property for municipal work. He asked about fire safety insurance for emergency access or using

people to clean scrub/Firewise property. There may be no liability today, but if there were an incident like Yarnell there would be uninsured liabilities.

Mayor Nolan inquired of the Council if they had any further direction for the P&Z Commission.

Councilmember Treadway spoke of the P&Z's plate being full with the five identified issues.

Mayor Nolan thanked the P&Z Commission for their work.

Community Planner Brown reminded Council that on February 21, 2017, they would have the opportunity to appoint a couple more Commissioners to the P&Z Commission.

4. Special Session. Legal action can be taken.

4.1. Whether to hold additional special session(s) this month. This is an established agenda item for Council's discussion on whether to add an additional special study session and if so, to set the date.

Mayor Nolan stated he did not think it necessary to hold another meeting, there was Council consensus.

5. Adjourn.

The meeting was adjourned at 7:59 p.m.

Terry Nolan, Mayor

ATTEST:

Judy Morgan, Town Clerk

**TOWN OF DEWEY-HUMBOLDT
TOWN COUNCIL
STUDY SESSION MINUTES
FEBRUARY 21, 2017, 6:30 P.M.**

A STUDY SESSION OF THE DEWEY-HUMBOLDT TOWN COUNCIL WAS HELD ON TUESDAY, FEBRUARY 21, 2017, AT TOWN HALL AT 2735 S. STATE ROUTE 69, DEWEY-HUMBOLDT, ARIZONA. MAYOR TERRY NOLAN PRESIDED.

1. **Call To Order.** The meeting was called to order at 6:30 p.m. by Mayor Nolan.
2. **Opening Ceremonies.**
 - 2.1. **Pledge of Allegiance.** Done.
 - 2.2. **Invocation.** Given by Councilmember Timmons.
3. **Roll Call.** Town Council Members Jack Hamilton, John Hughes, Amy Timmons, Doug Treadway, Victoria Wendt; Vice Mayor Mark McBrady; and Mayor Terry Nolan were present.
4. **Announcements Regarding Current Events, Guests, Appointments, and Proclamations.**

Councilmember Hamilton stated that he was cancelling his ethics violation charge filed two years ago against the Mayor. In the last year or so, the Mayor has done a good job of conducting the meetings, therefore, Councilmember Hamilton withdraws his charge.

Mayor Nolan spoke of the Rural Transportation Advocacy Council (RTAC) Gas Tax bill having been cancelled. The other bill for Public Safety went forward but have taken that part out and will try to be use it on the Local Body Tax (LBT) tax.

4.1. Interviews and possible appointment of applicants to the Planning and Zoning Commission to fill the two vacancies.

Mayor Nolan gave an overview of Agenda Item 4.1 in which they will interview for two vacancies on the Planning & Zoning Commission, however, it appears that there are now three vacancies, since this item was scheduled. Mayor Nolan called on the applicants to speak.

Councilmember Hamilton prepared six questions for the candidates.

1. Do you understand the function of the P & Z Commission, what it does?
2. Do you have any personal experience with P & Z issues?
3. Would you like to see changes in the Town zoning or building codes? If so, what would you like to see changed?
4. Since the P & Z meetings fall under the Open Meeting Laws, do you know what that entails?
5. Have you read the Town's General Plan?
6. P & Z is an advisory commission. If the Council does not take the advice of the commission, even after spending several hours of working on something, would that be a problem for you?

Arlene Alen, former Council Member, was unable to attend due to a prior commitment.

Lori Crofutt spoke of moving here to have the rural lifestyle she grew up with. She drives a school bus for the Humboldt Unified School District. She decided to get involved as the community needs to be more involved in all aspects of the Town. In answer to

Councilmember Hamilton's six questions, Ms. Crofutt responded that she met with Chair Hambrick and got some background; she has no personal experience with planning and zoning issues; she has no issue with the current zoning or building codes; she understands OML; has not read the General Plan and would not take issue, if Council did not take the commission's advice.

Penney Hubbard was unable to make the meeting due to illness.

Dennis Repan is interested in continuing to volunteer for the community. In answer to Councilmember Hamilton's six questions, Mr. Repan responded that he has experience with the P & Z Commission; has had previous personal P & Z issues; would like to see the Commission be more proactive coming to Council with things that may have been overlooked; is familiar with OML; feels the General Plan needs to be reviewed; and would not have issue with Council not taking Commission advice, he's been on the other side. He previously served on the P & Z Commission one to two years.

Jeff VanDerMeersche spoke of having moved to the area in 1980, worked for the school system, and established his family here and is readying for retirement. Councilmember Wendt asked to interview Mr. VanDerMeersche. She inquired if Mr. VanDerMeersche has been to Council or P & Z meetings. Mr. VanDerMeersche said that he has not attended meetings in the past. Councilmember Wendt inquired of his interest. Mr. VanDerMeersche has known a P & Z commissioner for 20 years, who felt that Mr. VanDerMeersche would be interested in serving. Councilmember Wendt asked his philosophy of zoning codes in relationship to property rights and animal ownership in relation to this Country town. Mr. VanDerMeersche replied that he was not familiar with that right now. In answer to Councilmember Hamilton's questions, Mr. VanDerMeersche replied that he understood the function of the P & Z commission; no issues with P & Z issues; not able to speak on changes to the code; understands OML; has not read the General Plan and would not have issue with Council not taking the P & Z Commission's advice.

Town Clerk Morgan informed the Council that there was another application that came in at 5 p.m. this day. The application had not gone through the application/vetting process. That applicant is in the audience. Mayor Nolan asked for the applicant's name, which Town Clerk Morgan responded was Karen Brooks. Councilmember Wendt asked to speak to this recent applicant first before moving on.

Mayor Nolan called Karen Brooks to the podium.

Karen Brooks informed the Council she has lived in D-H since 1951 having attended local schools. She was a 4-H member for ten years and later became a leader and served for 22 years. Her sons have completed FFA and she participated as well and has served on various local committees and boards, such as a local bank and the VA agency. She has been retired for the last five years but feels she is ready to get back into it, no better place other than her hometown. In answer to Councilmember Hamilton's questions, Ms. Brooks responded that she has a grasp of P & Z, used to attend meetings devoutly, and was involved in 2008 when they tried to bring in a lot of codes; has had issues with P & Z that are being worked on and can work with Town Staff; would like to start with the General Plan and the codes have to be changed for the P & Z to be able to enforce them, the Council sets the laws, that needs to come down and be workable at lower levels, such as committee level, she spoke of working people not being able to park their work vehicles in their yard.; knows the OML; has read sections of the General Plan; if the Council can give reasoning of why they want things a certain way, she could understand it, if they did it just arbitrarily, that would be hard to swallow.

Councilmember Treadway asked Commissioner Hambrick what factors helped influence his recommendations. Chair Hambrick had a list of 15 questions he used during interviews. He has not been able to interview everyone. There were only two vacancies when he conducted the interviews. He weighted experience; ideas for change; new faces to the town, etc...

Councilmember Hamilton spoke that in his opinion he felt the interview process was not handled correctly and that the process needs to be changed and he will turn a CAARF in to correct this process. Chair Hambrick felt the process was uncomfortable, as he has to make recommendations on his interviews, while Council was unable to be involved in this part of the process. Councilmember Treadway spoke that he did not have qualms with Chair Hambrick conducting the interviews as he was the individual that had to work with the commission applicants.

Councilmember Wendt inquired of the Town Manager if the Council Members could have an opportunity to explain why they made the choices they did when they voted on their choice.

Town Manager Kimball did not feel it was a legal concern, however, normally you would just decisively make your selection based on qualifications. Council can decide their process as a whole. There is nothing set that Council Members should or should not give a reason.

Councilmember Hamilton said that Council can, in advance, speak of why you are supporting candidates, but not after the vote.

Councilmember Treadway spoke of looking for familiarity and P & Z experience with the candidates appearing well qualified.

Councilmember Wendt would go with the way the rest of the Council wants to go, but, thought the audience would like to hear why the Council Members voted the way they did.

Councilmember Hamilton asked if the vote would be the same process as for the BOA. Town Clerk Morgan advised it was up to the Council.

Councilmember Treadway recommended the same process previously used as it was expeditious.

Town Clerk Morgan advised that there were 2 - two-year positions and 1 - four-year position and the assignment of terms would need to be included in the motion affirming the vote.

Vice Mayor McBrady recalled from the BOA process that the person with the most votes received the longer term. There was Council consensus on repeating this process.

Town Clerk Morgan passed out ballots to the Council Members to vote for three of the six applicants. The ballots were collected and tallied by the Town Clerk and Town Manager with each Council Member's selection being read aloud and tallied in a spreadsheet which was projected on the overhead screen.

Councilmember Wendt – Arlene Alen, Lori Crofutt, Karen Brooks; Councilmember Hamilton – Arlene Alen, Penney Hubbard, Dennis Repan; Vice Mayor McBrady – Lori Crofutt, Jeff VanDerMeersche, Karen Brooks; Mayor Nolan – Lori Crofutt, Penney

Hubbard, Jeff VanDerMeersche; Councilmember Treadway – Arlene Alen, Penney Hubbard, Dennis Repan; Councilmember Timmons – Lori Crofutt, Jeff VanDerMeersche, Karen Brooks; Councilmember Hughes – Lori Crofutt, Penney Hubbard; Karen Brooks

Mayor Nolan made a motion to accept the tabulation with Lori Crofutt being a four-year member, Penney Hubbard and Karen Brooks being two-year members, seconded by Councilmember Hamilton, the motion passed unanimously.

Councilmember Hamilton feels that this voting process appears to work well and that the Council continue to use it in the future.

5. Town Manager's Report. Update on Current Events. No legal actions can be taken.

5.1. Public Safety Quarterly Reports – 4th Quarter 2017.

5.1.1. Yavapai County Sheriff's Office report presented by Lt. Raiss.

Lt. Raiss congratulated the new Council Members and explained that he gives a quarterly report and covers a three-month report on activity in the Town. Lt. Raiss gave a summary of his review of the quarterly statistics which were included in the meeting packet. Lt. Raiss spoke on statistics for the days and times of calls, with Monday tending to be a slightly higher call day. Tuesday through Saturdays are fairly consistent. Sundays are a lighter day. The Town contracts with the Sheriff Office for coverage from 6 a.m. to 2 a.m. where 90% of the calls are received. They do follow up on issues that occur outside the hours of coverage, which accounts for 10%. There were no reportable collisions this time period, alarm calls were met in under 10 minutes, there was one disorderly situation call, and eleven domestic calls. Lt. Raiss provided county and area statistics and acknowledged that Dewey-Humboldt's overall statistics are very good.

Lt. Raiss shared information on an incident that happened after this quarter report wherein the person was involved in what was eventually classified as a hoax. The Sheriff's Office received information about someone making undetermined threats, although non-specific, they were in reference to wanting to kill people and there were targets picked out. Multiple people and resources were involved, including the Sheriff's Office and PVPD. The school was under lock down, contact was made with the suspect, an arrest was made and the individual was booked into jail with a significant bond and the case is pending. There were eight officers and detectives working on this issue and the SWAT team was on call, if needed. The school held a community meeting, after the incident, which the Sheriff's Office attended. He cited that Mayor Nolan and Town Manager Kimball were in attendance, as well. Lt. Raiss spoke of the parents and community being satisfied with the outcome of this event. Mayor Nolan spoke of there being a problem that the Town was not notified of this event, until after the fact, with the Town Hall receiving calls from the community wanting to know what was going on. If the Town would have received some communication, it would have been appreciated. Lt. Raiss cited that this was an important lesson learned, however, the priority is to protect the community and that was accomplished on the Town's behalf. They dealt with the immediate concern and took appropriate action. Improvements will be attempted to be made in the area of communication. Mayor Nolan spoke of understanding the priorities, but having a secretary call and advise the Town that there is an issue in the Town and they are working on it, would have been helpful. Councilmember Treadway inquired if the individual was still incarcerated. Lt.

Raiss noted that this person is still in jail and the Town would be notified when he is released. Mayor Nolan reiterated his concerns regarding this incident and expressed appreciation for the Sheriff's Office response.

5.1.2. Central Arizona Fire & Medical Authority report presented by Rick Chase.

Fire Chief Rick Chase gave his report for the last quarter. EMS has the highest volume of calls. The numbers are usually consistent with previous reports/quarters. This past quarter the total calls were October – 24; November – 25; December - 27. Dewey-Humboldt's numbers are always low. Fire calls were October - 2; November - 0 and December - 0. Public Service calls, such as lockouts; bees, snakes, were October – 7; November - 5 and December - 8. Other calls such as chemical spills, hazmat, illegal burning which was October - 0, November- 3 and December - 1. Good Intent calls such as animals, controlled burning, cancelled in route, alarms were October - 6, November - 2 and December - 2. Total dispatches were 112, which was a slight drop.

5.1.3. Magistrate Court report presented by Judge Catherine Kelley.

Judge Catherine Kelley gave a Power Point presentation review of three primary types of cases that the Court handles (in addition to injunctions and restraining orders), these three being, Criminal Traffic, Civil Traffic and Misdemeanors. The high to low ranges were 24 – 72 for Criminal Traffic; 178 – 493 for Civil Traffic; and 79 – 143 for Misdemeanors. Judge Kelley does not see a pattern. The police are in control of how many traffic citations are issued, as well as criminal traffic. Misdemeanors are outside of anyone's control. She would not look at this as crime is going up. Her conclusion is that the Court is functioning well with the present staff and hours.

Councilmember Treadway inquired about the spike in the Civil Traffic numbers in 2015 and 2016 and what she believes is the cause. Judge Kelley believes that the spikes can be based on the different philosophies of the Sheriff Department. Having consistent staff is very helpful. She does not feel that any new trend is evident. There was discussion regarding Foothills Drive having a real issue with speeding.

Judge Kelley explained that she does commute on Mondays and Fridays to Camp Verde and Prescott jails when necessary and she will come in to the office whenever an Order of Protection needs to be issued. In essence, the Court isn't open only Tuesday through Thursday.

Councilmember Timmons asked for clarification that a barking dog is a criminal offense. Judge Kelley affirmed this and that it is consistent throughout the County. She clarified that doesn't mean someone is going to jail for a barking dog, they work for interventions, and possibly fines are involved. Councilmember Timmons said that she thought it was up to each municipality whether it was civil or criminal. Judge Kelley said that they have all chosen to treat this as a criminal offense.

Fiscal Year 2017-2018 Budget preparation overview.

Town Manager Kimball explained that it is budget season. She feels that the budget process is as simple as can be. Town Manager Kimball asked Council if they have wish list ideas for her to work with and include in her proposed budget. There can be changes up until the time of final approval of the budget.

Councilmember Treadway encouraged simple and recommended that each Council Member jot down their thoughts and personally share their ideas with the Town Manager. Councilmember Wendt agreed with Councilmember Treadway and recommended Town Manager Kimball compile the ideas and bring them back to Council. Councilmember Wendt asked if a motion was needed. Mayor Nolan clarified that Council consensus was adequate.

Town Manager Kimball will handle the operational budget and Council can bring their other ideas to her in a week or so, appointments would be beneficial.

Public Comment was taken

Ted Brooks spoke that something he would like to see revived is the dump days. They were being held every other month and it was very positive. It helps the community avoid code violations. It is a positive, public thing for the Council to do.

Councilmember Timmons spoke of having approached the Town Staff regarding this and they are going to have Dumpster Days this year. Apparently, where it was held previously, the public was not respecting the rules or hours, and were dumping wherever and whenever. Dump Days will come back.

Public Comment was taken

Linda Horvath spoke in support of the Dumpster Days and promoted it to other citizens. It is much appreciated.

Town Manager Kimball hopes to receive Council's lists by 3/3/17 and meetings to discuss the lists could be held by 3/10/17. In reference to Dumpster Days, she acknowledged that Councilmember Timmons did ask to hold this event more often. There were initial issues with not enough staff and being held on non-Town-owned property. Now that it is being held on the Town's property, last year's program was extended to an entire week with the area being fenced and is now running smoothly. Town Manager Kimball does not feel this can be accomplished on a monthly basis, but they plan to continue the program.

6. Consent Agenda.

6.1. Minutes. Minutes from the January 10, 2017 Council Study Session.

Councilmember Treadway made a motion to approve the January 10, 2017 Council Study Session Minutes, Councilmember Hughes seconded the motion, it passed unanimously.

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

Dennis Repan spoke on the February 10, 2017 meeting and supported the Mayor's handling of this meeting. Mr. Repan was surprised by the comments that were shared by the audience in this meeting, wanting to lay aside statutes regarding the laws of voting, recall or the referendum. He noticed that some Council Members had the same idea. That you can put the laws aside to try to meet whatever you are trying to get approved from the community. Mr. Repan spoke of his military service, therefore, laws and statues are therefore ingrained in him, so he was really surprised by this response. He was also surprised that the Staff seemed to be getting the brunt of the abuse. He believes the Town Clerk and the Town Manager did everything according to the law. As Councilmember Treadway said, "if you missed the bus, don't blame the driver". He is surprised by the attitude of the Town and it appears it is changing, it used to be a Town of Law, God and Country and this seemed to go away during the meeting.

Mr. Repan also noted a couple of ethics violations during the meeting noting that possible libelous comments were being made about the public from behind the dais, placing the Council at jeopardy.

Councilmember Timmons began to make comment. Mr. Repan reminded her that she could not as this was his forum. Councilmember Timmons went on to thank Mr. Repan and Mayor Nolan for their military service.

Leigh Cluff inquired if she heard correctly that Mr. Repan said that Councilmember Timmons could not respond to him. Councilmember Timmons clarified that she could not respond in this portion of the meeting. Ms. Cluff said that the last time she made a comment during Public Comment, that a Council Member responded to her, and there needs to be consistency. Ms. Cluff then went on to say that she saw something totally different from Mr. Repan at the same meeting. She did not hear anyone there blamed for what happened. There was miscommunication. She spoke of the transposition of numbers. She referred to Councilmember Treadway saying this as well and that there was no blame. She spoke of pulling the community together, having an event where people can get to know each other, she does not like the divide. She agreed with Vice Mayor McBrady's viewpoint at the meeting. She spoke in appreciation of the Council, although she may not always agree with them, she also spoke in appreciation of the Town Staff.

Councilmember Hamilton clarified that this is a segment of the meeting for non-agendized items, therefore, Council Members are not to respond to Public Comment. The exception is that if a Council Member is personally attacked, they can respond.

Councilmember Timmons inquired that even if he (Mr. Repan) was looking at her...Councilmember Hamilton interrupted Councilmember Timmons clarifying that he (Mr. Repan) did not mention her name. If a Council Member is not mentioned, then it is considered addressed, overall, to the Council, and if a Council Member responds then they are in violation of the Open Meeting Law.

Mayor Nolan closed the Public Comment.

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. Council retreat contract and discussion of preparation details. Possible acceptance of the contract. Discussion and direction of preparation details, including scheduling.

Town Manager Kimball explained that the retreat item was brought back as she received the formal proposal from LL Decker and Associates, which was included in the packet. It is much the same as the one reviewed in the 1/17/17 meeting. Town Manager Kimball asked Council to ratify their decision to engage the service of LL Decker and Associates for their retreat.

Mayor Nolan asked if there were any questions.

Councilmember Wendt summarized the proposal as \$3,000 plus gas and meal. Councilmember Wendt approved this and asked if there was somewhere other than Council Chambers to meet.

Town Manager Kimball replied that usually Council meets in Chambers, however, they have used the Library for past meetings. She also mentioned the Activity Center or American Legion. The choices are limited.

Mayor Nolan inquired about the use of Cherry Creek Ranch for this purpose.

There was extensive Council discussion regarding whether there was need for cameras, public attendance, possible locations and dates, and scheduling around possible conflicts.

Councilmember Wendt made a motion to cancel the March 14th Work Session and replace it with the Council Retreat Meeting on March 14th at Cherry Creek Ranch, starting at 9:00 a.m. and approve signing the contract with LL Decker & Associates. Councilmember Hamilton seconded the motion.

Councilmember Treadway spoke of his intention to file a CAARF at the next Work Session. Mayor Nolan recommended Councilmember Treadway file the CAARF at a later meeting.

Councilmember Wendt asked Town Clerk Morgan to read back the motion. Town Clerk Morgan read the motion: Cancel the March 14th Work Session and replace it with the Council Retreat Meeting on March 14th at Cherry Creek Ranch starting at 9:00 a.m. and to approve signing the contract with LL Decker & Associates.

Mayor Nolan asked if everyone understood the motion, or if there were any questions.

Councilmember Hamilton recommended that they could put on the March 21st agenda that, if they needed to add an additional work session, that they could.

Councilmember Timmons asked for clarification that Councilmember Hamilton had previously stated that you can't take action at Work Sessions, questioning the need for Work Sessions?

Mayor Nolan asked to get the motion approved and discuss the other issues after the motion. Mayor Nolan called for a vote. The motion passed unanimously.

Councilmember Timmons inquired again whether Work Sessions are needed if you can't make motions and vote on things.

Mayor Nolan pointed out that under the Work Session Agenda there is an item for action items, primarily to see if they need another meeting. An emergency item could be put under there for vote as well.

Councilmember Hamilton spoke on the Mayor missing Councilmember Timmons' point and that she was actually asking why even have Work Sessions. Councilmember Hamilton explained that Work Sessions are a good place to gauge if there is any Council consensus on a subject. After discussing at a Work Session, and if there is no consensus, it is dropped, if there is some consensus then you can ask to bring something back for the regular meeting. This is where you actually take vote on what you want to do and take public comment.

Councilmember Timmons referred to Councilmember Hamilton previously stating that maybe the Council shouldn't even have Work Sessions any longer.

Councilmember Wendt spoke of having investigated this subject, and according to Community Planner Brown, there is nothing in the Town Code saying they must have a study session, work session. They can be requested as needed, unless, there is something that has got to be brought forward, but there is no requirement of this Town or the ordinances that says they have to hold a monthly work session. Councilmember Hamilton said he has not looked at the Code, but he believes that Councilmember Wendt is wrong. There is something that requires three meetings per month, two regular meetings and a study session. As a Council this can be changed. Councilmember Wendt recommended Staff research this issue.

Town Manager Kimball cited from Code 30.102 which referred to Study Sessions being held on the second Tuesday of each month at 2:00 p.m. in Council Chambers to allow for a detailed review of important matters. Town Manager Kimball noted that the verbiage regarding regular meetings is the same.

Councilmember Wendt reiterated that it doesn't say you have to have them.

Councilmember Timmons stated that she didn't mean to start something.

Public Comment was taken

Karen Brooks spoke of clarifying that the cancellation of the March Study Session does not count as one of our three trial evening study session meetings. So it will be pushed to April and May as being our second and third evening study sessions.

Mayor Nolan said this would be researched and clarified at the next meeting.

Town Manager Kimball noted that the date, location and time of the Council Retreat has been determined. A booklet has been provided to Council with a questionnaire that needs to be completed and returned to Town Manager Kimball by next week and she will pass these on to Ms. Wintrich. Ms. Wintrich recommended that the Council Members run their survey results past significant others or family for feedback.

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

9.1. Request for presentation by NAU [Northern Arizona University]. (CAARF from Councilmember Wendt – requested from Richard Heath)

Councilmember Wendt spoke of being contacted by Mr. Heath of NAU to provide a presentation. Town Manager Kimball exchanged emails with Mr. Heath who advised that he could not make it on March 14th, so this would not be in conflict with the cancellation of that Study Session.

Councilmember Hamilton made a motion to approve the request for presentation by NAU, seconded by Councilmember Timmons, the motion passed unanimously.

9.2. [Request] to allow Yavapai College to give us an update. (CAARF requested from Mayor Nolan. Presentation requested from Barbara Robinson for March 21st presentation date)

Mayor Nolan gave an overview of his CAARF requesting Yavapai College to give a presentation to the Council.

Councilmember Hamilton made a motion to allow Yavapai College to give us an update, seconded by Councilmember Wendt, the motion passed unanimously.

10. Public Hearing Agenda. None

11. Adjourn. The meeting was adjourned at 8:50 p.m.

Terry Nolan, Mayor
ATTEST:

Judy Morgan, Town Clerk

**TOWN OF DEWEY-HUMBOLDT
TOWN COUNCIL
REGULAR MEETING MINUTES
MARCH 7, 2017, 2:00 P.M.**

A REGULAR MEETING OF THE DEWEY-HUMBOLDT TOWN COUNCIL WAS HELD ON TUESDAY, MARCH 7, 2017, AT TOWN HALL AT 2735 S. STATE ROUTE 69, DEWEY-HUMBOLDT, ARIZONA. MAYOR TERRY NOLAN PRESIDED.

1. **Call To Order.** Mayor Nolan called the meeting to order at 6:33 p.m.
2. **Opening Ceremonies.**
 - 2.1. **Pledge of Allegiance.** Done
 - 2.2. **Invocation.** Given by Victoria Wendt.
3. **Roll Call.** Town Council Members Jack Hamilton, John Hughes, Amy Timmons, Doug Treadway, Victoria Wendt; Vice Mayor Mark McBrady; and Mayor Terry Nolan were present.
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. Northern Arizona University, Prescott Valley Campus presentation by Richard Heath. [approved presentation at 2/21 Council meeting- CM Wendt CAARF]

Richard Heath of NAU spoke on his job responsibilities with the University, with the major duty being community outreach. The University was established in 2010 with three State Universities, and additional regional campuses. The regional campuses have their own infrastructure and in many ways are independent of the main campus. The goal is to offer affordable degrees in a very blended format, offering late afternoon, evening or Saturday classes school to suit the student's needs. A bachelor's degree can be accomplished in a three-year program with dedication. The annual tuition is approximately \$5,800. There are approximately 200 students on campus and participating in online classes, or blended which is both online and face-to-face. Students range from 17 to 62 years of age, with the majority of students in their late 20's, which is considered non-traditional. NAU works in conjunction with Yavapai College. Bachelor programs include Applied Human Behavior (largest program); Entrepreneurship Community Development & Sustainability; and Service Management & Leadership. Future plans are to integrate the extended campuses into the main campus and be one NAU. This school will be known as Northern Arizona University – Prescott Valley Campus, dropping the former title of NAU – Yavapai. The President, Rita Cheng, has full intentions of growing the Prescott Valley campus in the current location or possibly constructing a new location and filling all the educational needs onsite. They intend to offer more bachelor and master degree offerings, which could be blended, or strictly online, and Mr. Heath described these areas of studies and other areas of possible growth at this campus. They have recently developed a Prescott Area Alumni Chapter and are working on internship opportunities.

There were some Council questions and ensuing discussion regarding class scheduling, instructors and the infrastructure

Mr. Heath encouraged Town Council to visit the campus.

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

Town Manager Kimball reported that EPA has contacted her and they will attend the April 4th meeting to give Council a presentation and will be holding a community meeting at the school during their Town visit. There is also an article from the EPA published in the upcoming Newsletter.

5.1. The Town's Fiscal Year 2016-2017 Budget received the GFOA Distinguished Budget Presentation Award.

Town Manager Kimball spoke of being excited to share that the fiscal 2016-2017 Budget received the Government Finance Officer's Association (GFOA) Distinguished Budget Presentation Award. A photocopy of the plaque was included in the meeting packet.

5.2. Fiscal Year 2017-2018 Budget Calendar (draft #1).

Town Manager Kimball explained that she included a tentative working calendar which is included in the packet. The League of Cities will give them a calendar, which should arrive soon, to update theirs with mandatory dates (adoption of budget, etc.) Calendar dates are based on past schedules, but may need to be modified based on Council's availability. In regard to county IGAs, Town Manager Kimball, has met with the Library Director and the IGA will increase approximately 10% (\$46,000). The Sheriff's Office will increase approximately 9%. She has not heard anything on health insurance, but anticipates an increase. She has received some budget considerations and requests while meeting with some Council members and encourages others to meet with her soon.

Councilmember Treadway inquired why the increase for the Library. Town Manager Kimball addressed this briefly, as it was not an agenda item, explaining there was a six-year contract with no increase during that time. The figure is not official.

Councilmember Timmons questioned that the only days scheduled for budget sessions were Tuesdays and Thursdays. Town Manager Kimball cited this was how it was historically handled, but would be for Council to decide. She inquired if Council feels they will need the time allotted. There are some mandatory meetings, such as tentative and adoption.

Town Manager Kimball reminded the Council Members that if they would complete their Personality Profile Surveys, she would forward the results to the facilitator before the retreat.

6. Consent Agenda. None

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

7.1. Dennis Repan informed the Council that this morning he filed a complaint with the Attorney General's Office on the February 21st meeting, Agenda Item 4.1, Notice to Interview and Possibly Appoint Applicants to the Planning and Zoning Commission to fill the two vacancies, as he did not feel the agenda was followed by Town Council. He is aware several other complaints were filed, as well. He also filed a Code of Ethics Violation, although he doesn't feel it was the best way to file a complaint against Council, it was the only tool available. During the meeting, the Staff recommended that Town Council appoint two positions to the Planning & Zoning, but Council varied from that, although the agenda was clear on what they had to do. When he went back and listened to the meeting, he counted at least three, possibly four, violations of code. He feels it would be best if Council went back and nullified that whole process, as it wasn't done according to Code. His complaint is available for review with the Town Clerk. Mr. Repan spoke of Town Council taking an oath to serve their office, being given two books, one was the Town Code and the other was Open Meeting Law that has to be followed. When Town Council varies from

an agenda to such a degree, they are in violation. Mr. Repan said that filing against the entire Council was overkill, so Mayor Nolan is the name he put on the complaint. Mayor Nolan interrupted and agreed with Mr. Repan, "The buck stops here". He reminded Council that they have to pay attention to the Town Codes. Mr. Repan stated that Vice Mayor McBrady has mentioned many times that D-H is a small town and they can work within the Codes of the Town and Mr. Repan feels that is true, but when you vary to the degree that Council did during that meeting, he thinks it is a violation. There is an easy way to fix it, go back and nullify the selection/appointment and put it up for re-selection/appointment, a simple easy thing within the bounds for Council to do.

Mayor Nolan commented that they would wait to see what the Attorney General has to say.

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. Continued discussion regarding circulation enhancement, private-road transition and public-road maintenance (Follow up on the discussion at the February 7th meeting)

Public Works Director Hanks spoke of this being a follow-up to the February 7th meeting and gave an overview of his research in this matter. A PARA study was provided to Council for review. The rural road standards were included in the meeting packet. The summary states there is no set standard but customary recommendations are based on speed and traffic. Finished material varies depending on location. Council can establish their own standards for a transition of private to public roads. Considerations need to be made for hilly, curvy, line of site, traffic, etc... Current policy requires the transition of roads to come up to a paved standard, which falls in line with surrounding jurisdictions.

Councilmember Timmons personally prefers her road be dirt because there is less traffic. What if people don't want their roads changed or paved. Director Hanks said the policy is written that private roads are to be brought up to a paved standard. The policy can be changed. Councilmember Timmons spoke of asphalt millings being poured at the end of her street, which was helpful and works very well. Director Hanks said that would reduce costs and he acknowledged that the process did help on her road, but that it does not work on some road types due to soil and rock content. Councilmember Timmons asked about the maintenance. Director Hanks said it is graded twice a year and potholes are filled in. It would be treated as a dirt road on the Maintenance Schedule.

Councilmember Wendt reminded Director Hanks of her road which was paved over 25 years ago and cited it as an excellent road. She feels this type of treatment would be helpful to many of the roads in the Blue Hills area to help the ingress/egress situation and inquired of the expense. Director Hanks cited this as varying depending on the equipment needed. Councilmember Wendt asked if there was a reason that the Town couldn't have two standards. Director Hanks said that would be the Council's call, but did cite that there could be questioning of the standards and why certain types are used in certain areas.

Councilmember Hamilton cited that the main thing is that these roads in question have to become Town roads before the Town can do anything. The standard has to be set for the whole town, not just one area, everyone has to have the same opportunity. The roads have to be brought up to a certain standard, and everyone can bring their road up to the standard, if they want. Director Hanks cited the standard like that requires primarily looking at width, drainage, etc... Councilmember Hamilton cited the Trail Policy that has to be taken into consideration, not just simply widening the roads. Director Hanks cited the

average easement in Town as 50 feet to include driving, drainage, etc... This is a realistic consideration when acquiring roads.

Mayor Nolan advised this was an opportunity for discussion and recommended Council go through the PARA study again before making any decisions. This was good information brought back to Council by Director Hanks.

Town Manager Kimball noted that the PARA study was provided to all Council Members. She reminded Council of the Retreat on March 14th and there will be a resulting list of issues. Roads are always a top priority with all Councils over the years. At a later date Council can go over the information at a Study Session. She is sure that roads will be a topic at the Retreat.

Councilmember Wendt pointed out on the overhead map connector routes that would help with egress. Director Hanks said that he could look into consideration of an emergency route going north.

Councilmember Hamilton pointed out that some routes would involve eminent domain and would require property condemnation. Previously the public did not look favorably on condemnation for road purposes. Councilmember Wendt asked why a right of way couldn't be used in lieu of condemnation. She recommended going with Director Hanks to talk to people.

Councilmember Treadway spoke of a citizen telling him that he loved his home in the Blue Hills because his road was rougher than a cob and no one comes to see him.

Mayor Nolan recommended that after the Retreat they take this information and move on to a Study Session. Mayor Nolan commended PW Director Hanks and his crew for the work they do.

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

9.1. Whether to hold additional special sessions this month. (As directed at the February 21 regular meeting; in consideration of cancellation of the March 14th Study Session in order to hold a day-long council retreat)

There was Council consensus that an additional meeting was not necessary.

9.2. Council's approval to hear presentation by Earl Goodwin regarding Road Improvement program. [CAARF requested by CM Treadway]

Councilmember Treadway gave an overview of his CAARF. This issue goes hand in hand with what was just discussed. Earl Goodwin would like to talk about an alternative approach to the road improvement program which includes the private roads, too. It would require thinking outside the box and considering alternatives that would not require taking money from the reserve fund. CM Wendt made a motion to approve Mr. Goodwin coming in to speak with us and give his presentation on roads, seconded by Councilmember Timmons.

Councilmember Wendt asked the Mayor if it would be possible to acquire a laser pointer to use on overhead presentations. Mayor Nolan believes any laser pointer would work, the types that are passed out at conferences.

Mayor Nolan called for a vote on the motion, the motion passed unanimously.

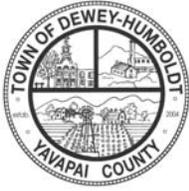
10. Public Hearing Agenda. None

11. **Adjourn**. The meeting was adjourned at 7:34 p.m.

Terry Nolan, Mayor

ATTEST:

Judy Morgan, Town Clerk



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

TOWN COUNCIL REGULAR MEETING

May 2, 2017 – 6.30 p.m. Town Council Meeting Chambers
Agenda Item # 8.1. Study Session Hours discussion.

To: Mayor and Town Council Members

From: Yvonne Kimball, Town Manager

Date submitted: April 26, 2017

Summary:

At Councilmember Timmons' request, Council directed staff to implement a 3-month trial period for changing the Council's Study Sessions to 6:30 p.m. The decision was made at the January 17, 2017, Council meeting. February and April's Study Sessions were conducted at 6:30 p.m. March's Study Session was cancelled to accommodate for the day-long retreat meeting that day.

At the January 17th meeting, Council also directed this be brought up for discussion at this meeting to determine schedules moving forward.

Upon your evaluation of this trial period, there are several moving forward options:

1. Permanently change all future Study Sessions to evenings at 6:30 p.m. It would require an ordinance change before it becomes effective.
2. Continue one (or X number) more time for the evening Study Session and bring back for evaluation and discussion at X meeting.
3. Resume the original schedule of 2:00 p.m. Study Sessions.

Reviewed
h28
12-28-2016



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

COUNCIL AGENDA ACTION REQUEST FORM

Meeting Type: Regular Special Work Session

Meeting Date: January 17, 2017

Date of Request: 12-28-2016

Requesting: Action Discussion or Report Only

Type of Action: Routine/Consent Agenda Regular

Agenda Item Text (a brief description for placement on the agenda; please be exact as this will be the wording used for the agenda):

Council consideration of potentially changing study session / work session meeting time from 2 pm to 6.30pm on the second Tuesday of each month

Purpose and Background Information (Detail of requested action). Currently, Town Code Section 30.102 Study Session

provides that study sessions take place at 2 pm on the second Tuesday of each month while regular meetings are at 6.30 pm on the first and the third Tuesdays. I have received a great deal of feedback from our residents that an evening meeting time would be more convenient for them to attend in person. Also if study sessions are in the evenings, all our meetings would be at the same time in the evening. It would be easier to remember. For residents (and council members) who work during the day, evening meetings would be more desirable. In order to encourage more community participation at study sessions, I would like for the Council to consider to change the study session time to evenings.

Staff Recommendation(s): Should Council decide to change study session time through a motion, an ordinance to amend the current Code Section would need to be prepared and adopted by council. An adopted ordinance becomes operative 30 days after its passage and signature by the Mayor.

Budgeted Amount: none

List All Attachments: Town Code Section 30.102 Study Sessions

Type of Presentation: oral

Special Equipment needed: Laptop Remote Microphone

Overhead Projector Other: _____

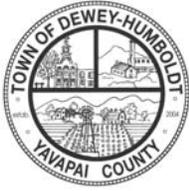
Contact Person: CM Amy Timmons

Note: Per Town Code §30.105(D): Any new item will be placed under "New Business" for the council to determine its disposition. It can be acted upon at that meeting, sent to staff for more work, sent to the appropriate board or commission, set for a work session or tabled for a future date, etc.

CARRF purpose and Background information (in a bigger font)

Currently Town Code Section 30.102 Study Session provides that study sessions take place at 2 pm on the second Tuesday of each month while regular meetings are at 6.30 pm on the first and third Tuesdays. I have received a great of feedback from our residents that an evening meeting time would be more convenient for them to attend in person. Also if study sessions are in the evenings, all our meetings would be at the same time in the evening. It would be easier to remember all the meeting times. For residents (and council members) who work during the day, evening meetings would be more desirable. In order to encourage more community participation at study sessions, I would like for the council to consider to change the study session time to evenings.

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

TOWN COUNCIL REGULAR MEETING

May 2, 2017 – 6:30 pm Town Council Meeting Chambers

Agenda Item # 9.1. Chip-Seal Overlay Contract Award. Possible contract award, rejection or modification.

To: Mayor and Town Council Members

From: Ed Hanks, Public Works Director

Recommendation: To award Spring 2017 Chip-Seal Overlay Project to Earth Resources Corporation.

Date submitted: April 24, 2017

Summary:

The Spring 2017 Chip-Seal Overlay Project was advertised. We received bids from two responsible bidders. Earth Resource Corporation for a Total Sum of \$166,260.30 and Asphalt paving and Supply for a Total Sum of \$169,980.10, both are local companies. After reviewing the bids local contractor, Earth Resource Corporation appears to be the lowest responsible bidder at a total bid of \$166,260.30.

\$169,000.00 was budgeted for the 2017 Spring Chip-Seal Overlay Project this year. Staff recommends awarding the contract to Earth Resources Corporation at a price of \$166,260.30.

Attachments: 1) bid tabulation; 2) RFP documents (incl. project map; project scope; contract text)

2017 Spring Chip-Seal Bid Tabulation

Item No.	Base Bid		Earth Resources		Asphalt Paving and Supply		DH Public Works Director estimate		
	Description	Quantity	Units	Unit Price	Total	Unit Price	Total	Unit Price	Total
	General conditions								
1	Mobilization	1	LS	\$ 1,100.00	\$ 1,100.00	\$ 7,500.00	\$ 7,500.00	\$ 1,500.00	\$ 1,500.00
2	Storm water pollution Prevent	1	LS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Traffic Control	1	LS	\$ 10,875.00	\$ 10,875.00	\$ 12,350.00	\$ 12,350.00	\$ 8,000.00	\$ 8,000.00
4	Geotechnical Testing	1	LS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Allowance for Extra work	1	LS	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
6	Hot Patch Repair Per Appendix: A	30	Ton	\$ 339.00	\$ 10,170.00	\$ 200.50	\$ 6,015.00	\$ 300.00	\$ 9,000.00
7	Low Volume Single chip seal using CRS-2P over existing Pavement Per Mag Sec.-330 See Appendix:A	83009	SY	\$ 1.50	\$ 124,513.50	\$ 1.50	\$ 124,513.30	\$ 1.60	\$ 132,814.40
8	Fog Coat Per Mag sec.-330 Appendix: A	83009	SY	\$ 0.20	\$ 16,601.80	\$ 0.20	\$ 16,601.80	\$ 0.20	\$ 16,600.00
9	Double yellow center line stripe Appendix B	0	LF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Total Base Bid				\$ 166,260.30		\$ 169,980.10		\$ 170,914.40

Department of Public Works
Bid Documents and Plans
for the
Spring 2017
Chipseal Overlay Project

**Town of Dewey-Humboldt
Public Works Department
2735 S. Hwy 69, Unit 10
Dewey-Humboldt, Arizona
Tel.: (928) 632-5074
Fax: (928) 632-7365
P.O. Box 69
Humboldt, AZ
86327**

**Prepared by:
Ed Hanks Jr.
Public Works Director**

Bid Date: April 18, 2017 2:00 PM, AZ local time



Town of Dewey-Humboldt
Notice and Invitation for Bids

Services: Chip Seal

Bid Opening/Deadline for Submittal: April 18, 2017 2:00 p.m.

Location: Dewey-Humboldt Town Hall, 2735 S Highway 69, Suite 12, Humboldt Station, Humboldt, AZ

Staff Contact/ telephone number: Ed Hanks, Public Works Director 928-632-5074

Contract Documents available at: Town of Dewey-Humboldt, Office of the Town Clerk, 2735 S Highway 69, Humboldt Station, Humboldt, AZ. 86329

Date and Location for Submittal of Sealed Bids: Sealed bids will be received by mail at Town of Dewey-Humboldt, Town Clerk’s Office, P.O. Box 69, Humboldt, AZ 86329, or delivered to Town of Dewey-Humboldt, Office of the Town Clerk, 2735 S Highway 69, Humboldt Station, Humboldt, AZ no later than 2:00 p. m. on April 18, 2017 for the above services. Bids must be submitted in a sealed envelope clearly marked on the outside “2017 Chip Seal Overlay”. Any bid received after the time specified will be returned unopened. It is the bidder’s responsibility to assure bids are received at the above location on or before the specified time. Bids will be opened at 2:00 p. m., and the names of proposers publicly read aloud immediately after the time for receiving bids.

Pre-Bid Conference: A mandatory pre-bid conference will be held on Tuesday April 11, 2017 at 2:00 p.m. at the Dewey-Humboldt Town Hall, 2735 S Highway 69, Suite 12 Humboldt Station, Humboldt, AZ 86329.

Work Summary: Dewey-Humboldt seeks chip seal overlay services. The services are required to be completed no later than the end of business on June 30, 2017. The services are generally described as follows: Placing approximately 30 tons hot patch in preparation of Chip seal overlay, approximately 83000 square yards of low volume Single Chip Seal on Town roadways.

Bid Requirement: Each bid will be in accordance with the bid requirements, set forth in the Request for Bids, which may be downloaded from www.dhaz.gov or obtained by contacting the Town Clerk, telephone no. 928-632-7362 or Ed Hanks, telephone no. 928-632-5074. Any bid which does not conform in all material respects to the Request for Bids will be considered non-responsive.

Right to Reject Bids: Dewey-Humboldt reserves the right to reject any or all bids, waive any informality in a bid or to withhold the Award for any reason Dewey-Humboldt determines.

Equal Opportunity: Dewey-Humboldt is an equal opportunity employer. Minority and women’s business enterprises are encouraged to submit bids on this solicitation.

DATED: _____

TOWN OF DEWEY-HUMBOLDT, ARIZONA

Publications Date(s)

Judy Morgan, Town Clerk

**IMPORTANT
BIDDER'S CHECK LIST**

- 1. The Bid has been signed. (Bids not signed will not be considered.)
- 2. Authorized Signature Form is enclosed.
- 3. The bid prices offered have been reviewed.
- 4. Any required descriptive literature or other information have been included.
- 5. The Contract Time and/or schedules have been included.
- 6. All addenda numbers issued have been noted on Bidder's Affidavit (See Section 4.6).
- 7. The mailing envelope/package has been addressed to:
Town Clerk's Office
P.O. Box 69
Humboldt, Arizona 86329
- 8. Bid Package/Envelope has been identified with proposal number and title.
- 9. The bid 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 bid cannot be considered.)
- 10. The Bid Guarantee in the form of a certified check, cashier's check or surety bond for 10% of the amount bid has been included.

INVITATION FOR BID DOCUMENTS FOR:
2017 CHIP SEAL OVERLAY
FOR THE TOWN OF DEWEY-HUMBOLDT, ARIZONA

Dewey-Humboldt intends to purchase chip seals overlay services in compliance with these specifications.

REQUIREMENTS FOR BIDDERS.

1.1 Bid Opening Date and Location: Bids will be received in the office of the Town Clerk, Dewey-Humboldt Town Hall, 2735 S. Highway 69, Unit 12, Humboldt, Arizona 86329 until 2:00 p.m., on Tuesday April 18, 2017 at which time the names of the bidders will be opened and publicly read. Late bids will not be considered.

1.2 Bid Documents Available: The Bid Documents consist of four parts: I. Requirements for Bidders, II. General Conditions, III. Scope of Work, and IV. Bidder's Bid (form). The Bid Documents are available for downloading from www.dhaz.gov or by contacting Judy Morgan, Town Clerk, telephone no. 928-632-7362 or Ed Hanks, Public Works Supervisor, telephone no. 928-632-5074.

1.3 Incorporation of Bid Documents: All of the Bid Documents apply to and become a part of the terms and conditions of the bid.

1.4 Bid Form: Bids must be submitted only on the bid form. All bids must be submitted in a sealed envelope clearly marked "2017 Chip Seal Overlay."

1.5 Pre-Bid Conference: A **Mandatory Pre-Bid Conference** will be held at 2:00 p.m. on Tuesday April 11, 2017, at the Dewey-Humboldt Town Hall, Suite 12 Humboldt Station, Humboldt, Arizona. The Scope of Work will be reviewed, discussed and opened for questions. **Potential bidders are required to attend.** Potential bidders will be able to ask for interpretations and clarifications of this IFB at that time. Dewey-Humboldt will not be responsible to convey any clarifications to potential bidders who are not in attendance.

1.6 Dewey-Humboldt's Right to Reject Bids: Dewey-Humboldt reserves the right to reject any and all bids and to waive technicalities.

1.7 Late Bids: Late submittals and/or unsigned Bids will not be considered under any circumstances. Envelopes containing Bids with insufficient postage will not be accepted by Dewey-Humboldt. It is the sole responsibility of the Bidder to see that his/her Bid is delivered and received by the proper time and at the proper place.

1.8 Bid Amendment or Withdrawal: A Bid may be withdrawn any time before the Bid due date and time. A Bid may not be amended or withdrawn after the Bid due date and time except as otherwise provided by applicable law.

1.9 Public Record: All Bids 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 bid opening. Request for nondisclosure of data such as trade secrets and other proprietary data, must be made known in writing to Dewey-Humboldt in Bids submitted, and the information sought to be protected clearly marked as proprietary. Dewey-Humboldt will not insure confidentiality of any portion of the bid 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 bid as confidential or proprietary in order for the bidder to apply for a court order blocking the release of the information.

1.10 Persons with Disabilities: Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Town Clerk's Office. Requests shall be made as early as possible to allow time to arrange the accommodation.

1.11 Bid Acceptance Period: All bids shall remain open for ninety (90) days after the day of the opening of bids, but Dewey-Humboldt may, at its sole discretion, release any bid and return the bid security (as applicable) prior to that date. No Bidder may withdraw his Bid during this period without written permission from Dewey-Humboldt. Should any Bidder refuse to enter into a contract, under the terms and conditions of the procurement, Dewey-Humboldt may retain the security (as applicable), not as a penalty, but as liquidated damages.

1.12 Addendum: This Request for Bids may only be modified by a written Addendum. Potential Bidders are responsible for obtaining all addenda.

1.13 Bidder Registration: Bidders shall contact Dewey-Humboldt's Contact person, Ed Hanks, at (928) 632-5074 to make arrangements to receive notice of Addenda to this Solicitation. All addenda will be posted on the Dewey-Humboldt website at www.dhaz.gov.

1.14 Bid Bond: Each bid will be submitted on the Bid Form(s) included in the Contract Documents and will be accompanied by a certified check, cashier's check, or bid bond for ten percent (10%) of the amount of the bid, made payable to the Town of Dewey-Humboldt.

1.15 General Evaluation Standards:

1.15.1 In General. Dewey-Humboldt seeks to obtain the services described above in the Scope of Work and will award a contract to the lowest most responsive bidder. Dewey-Humboldt wishes to obtain the most reliable and productive services. Dewey-Humboldt will be the sole judge of whether the services offered are acceptable. Bids from individuals who have provided inadequate services to municipalities in the past, or bids offering services proven unsatisfactory in Dewey-Humboldt's sole judgment may be rejected and not considered

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

1.15.3 Waiver and Rejection Rights. Dewey-Humboldt reserves the right to reject any or all Bids or to cancel the solicitation altogether, to waive any informality or irregularity in any Bid received, and to be the sole judge of the merits of the respective Bids received.

1.16 Bid Preparation:

1.16.1 Format. Bidders shall submit their Bid with an original and **2 copies** and shall be submitted on the forms provided in this Invitation for Bids.

1.16.2 No Facsimile or Electronic Mail Bids. Bids may not be submitted in facsimile or electronically. A facsimile or electronic mail Bid shall be rejected.

1.16.3 Typed or Ink Corrections. The Bid shall be typed or in ink. Erasures, interlineations or other modifications in the Bid shall be initialed in ink by the person signing the Bid.

1.16.4 No Modifications. Modifications shall not be permitted after Bids have been opened except as otherwise provided under applicable law.

1.16.5 Content. The Bid shall contain all of the following information:

Brief Description of the Bidder'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.
- 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.

1.16.6 Solicitation Addendum Acknowledgement. Each Solicitation Addendum shall be acknowledged in the Bid Section, which shall be submitted together with the Bid on the Bid due date and time. Failure to note a Solicitation Addendum may result in rejection of the Bid.

1.16.7 Evidence of Intent to be Bound. The Bid form within the Solicitation shall be submitted with the Bid and shall include a signature by a person authorized to sign the Bid. The signature shall signify the Bidder's intent to be bound by its Bid and the terms of the Solicitation 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 Bid.

1.16.8 Non-Collusion and Non-Discrimination. By signing and submitting the Bid, the Bidder certifies that: the Bidder did not engage in collusion or other anti-competitive practices

in connection with the preparation or submission of its Bid; and the Bidder 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.

1.17 Inquiries

1.17.1 Duty to Examine. It is the responsibility of each Bidder to examine the entire Solicitation, seek clarification (inquiries), and examine its Bid for accuracy before submitting the Bid. Lack of care in preparing a Bid shall not be grounds for modifying or withdrawing the Bid after the Bid due date and time, nor shall it give rise to any Contract claim.

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

1.17.3 Submission of Inquiries. All inquiries except those at the Pre-Bid Conference shall be submitted in writing and shall refer to the appropriate Bid Request, page and paragraph. Do not place the Bid Request on the outside of the envelope containing that inquiry, since it may then be identified as an Bid and not be opened until after the Bid due date and time. Dewey-Humboldt shall consider the relevancy of the inquiry but is not required to respond in writing.

1.17.4 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 Bid due date and time for review and determination by Dewey-Humboldt. Failure to do so may result in the inquiry not being considered for a Solicitation Addendum.

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

II. GENERAL CONDITIONS

2.1 Contract Term; Renewal. The Contract shall commence upon issuance of a Notice to Proceed by Dewey-Humboldt. All services shall be completed by June 30, 2017.

2.2 Bonds:

2.2.1 Bonds Required. Concurrently with the execution of the Contract, the Contractor shall furnish Dewey-Humboldt the following Bonds, which shall become binding upon the award of the Contract to the Contractor:

A Performance Bond in an amount equal to one hundred percent (100%) of the Contract amount conditioned upon the faithful performance of the Contract in accordance with Plans, Specifications and conditions thereof. Such Bond shall be solely for the protection of Dewey-Humboldt.

A Payment Bond in an amount equal to one hundred percent (100%) of the Contract amount solely for the protection of the claimants supplying labor or materials to the Contractor or his subcontractors in the prosecution of the Work provided for in such Contract.

2.2.2 Form. Bond forms to be executed are included with the Contract Documents. Each such Bond shall include a provision allowing the prevailing party in a suit on such Bond to recover as a part of this judgment such reasonable attorney's fees as may be fixed by a judge of the court. Each such bond shall be executed by a surety company or companies holding a certificate of authority to transact surety business in the State of Arizona issued by the Director of the Department of Insurance pursuant to Title 20, Chapter 2, Article 1 of the Arizona Revised Statutes and any amendments thereto. The Bonds shall be made payable and acceptable to Gilbert. The Bonds shall be written or countersigned by an authorized representative of the surety who is either a resident of the State of Arizona or whose principal office is maintained in this State and the Bonds shall have attached thereto a certified copy of the Power of Attorney of the signing official.

2.2.3 Contingent Award. Submittal of the required bonds as set forth in this paragraph is a condition precedent to this contract becoming effective.

2.3 Cooperative Use of Contract: Upon written approval of the Successful Bidder, this Contract may be tendered for use by other municipalities and government agencies.

2.4 Protests: A bidder may protest a solicitation or a contract award by filing a protest in writing with the Town Manager 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.

III. SPECIFIC SCOPE OF WORK

The services are generally described as follows: Placing approximately 30 tons hot patch in preparation of Chip seal overlay, approximately 83000 square yards of low volume Single Chip Seal on Town roadways.

The areas to be chip sealed and hot patch repaired are shown generally on Map Appendix A.

IV. BIDDER'S BID

4.1 Bidder's Bid: For the bid opening April 18, 2017 for Chip Seal Overlay services.

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

4.3 Conditions Accepted: The undersigned Bidder declares that before preparing this bid, he or she has read the Bid Documents carefully, and that this bid is made with full knowledge of the

BID SCHEDULE
Base Bid

Item No.	Description	Quantity	Unit	Unit Price	Total Amount
	General Conditions				
1	Mobilization	1	LS		
2	Allowance for storm water Pollution Prevention	1	LS	0	0
3	Traffic Control	1	LS		
4	Materials Testing	1	LS	0	0
5	Allowance for extra work	1	LS	\$3000.00	\$3000.00
6	Prepare Road surface with Hot Patch Per Appendix: A	30	TON		
7	Low Volume Single Chipseal using CRS-2P over existing Pavement Per Mag Sec.-330 See Map Appendix A	83009	SY		
8	Fog Coat Per Mag sec.- 330 See Map Appendix A	83009	SY		
9	Double yellow center line stripe Appendix B	0	LF	0	0
10					
11	Totals Bid				
12					

Total Bid _____

Name of Bidder: _____

Bidder's Address: _____

Bidder's License Type and Number: _____

Bidder's Signature: _____

Type or Print Name: _____

Phone/Fax: _____ /fax: _____

Project: Spring 2017 Chip overlay

BID SURETY BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, _____, (hereinafter "Principal"), and the _____, a corporation duly organized under the laws of the State of _____, duly licensed and holding a certificate of authority to transact surety business in the State of Arizona issued by the Director of the Department of Insurance pursuant to Title 20, Chapter 2, Article 1, (hereinafter "Surety"), are held and firmly bound unto the Town of Dewey-Humboldt, a municipal corporation as Obligee, in the sum of ten percent (10%) of the amount of the bid submitted by the Principal to the Mayor and Council of the Town of Dewey-Humboldt for the work described below, for the payment of which sum, well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, and administrators, successors, and assigns, jointly and severally, firmly by these presents, and in conformance with A.R.S. § 34-201.

WHEREAS, the Principal is herewith submitting its bid proposal for Dewey Humboldt –Spring 2017 Chipseal overlay.

NOW, THEREFORE, if the Town of Dewey-Humboldt shall accept the bid of the Principal and the Principal shall enter into a contract with the Town of Dewey-Humboldt in accordance with the terms of the bid proposal and give the Bonds and Certificates of Insurance as specified in the Standard Specifications with good and sufficient surety for the faithful performance of the contract and for the prompt payment of labor and materials furnished in the prosecution of the contract or in the event of the failure of the Principal to enter into the contract and give the Bonds and Certificates of Insurance, if the Principal pays to the Town of Dewey-Humboldt the difference not to exceed the penalty of the bond between the amount specified in the bid and such larger amount for which the Obligee may in good faith contract with another party to perform the work covered by the bid, then this obligation is void. Otherwise it remains in full force and effect provided, however, that this Bond is executed pursuant to the provisions of Section 34-201, Arizona Revised Statutes, and all liabilities on this Bond shall be determined in accordance with the provisions of the Section to the extent as if it were copied at length herein.

This Surety Bond shall not be executed by an individual surety or sureties, even if the requirements of A.R.S. Section 7-101 are satisfied.

Signed and sealed this _____ day of _____, 2017.

Principal

Title

Witness:

Surety

Title

Witness:

Address of Surety:

* Attach Power of Attorney

PROJECT SPECIFICATIONS

General Information:

- The Town of Dewey-Humboldt desires to Single chip seal existing Town owned roadways. The bidder is hereby made aware that intersections need extra attention under this contract and that the Town desires to coordinate its forces with the successful bidder to improve the radius at the bid unit prices per square yard.

- The work shall be as described in the plans and in these specifications.

Special Requirements:

Uniform Standard Specifications and Details: The Town of Dewey-Humboldt has adopted the “Uniform Standard Specifications for Public Works Construction” as sponsored and distributed by the Maricopa Association of Governments, Arizona and as supplemented by Central Yavapai County Government Unified Construction Standards. By this reference, these standards are incorporated into these Project Specifications and contract.

Permits: A Town Right of Way permit will not be required.

Award of Purchase: Bids will be evaluated and awarded based on the total base bid plus or minus any bid alternates, (if any), selected by the Town Council. The successful bidder will be selected by the Mayor and Council at the next regularly scheduled Town Council meeting following the bid opening date.

Time of Completion and Liquidated Damages: The successful bidder shall complete construction within **60** calendar days after **Notice to Proceed**. Failure to complete on time shall subject the successful bidder to liquidated damages as specified in Section 108.9 “Failure to Complete on Time” of the Maricopa Association of Governments Uniform Standard Specifications for Public Works Construction.

Form of Bid: All bids must be submitted on the Bid Proposal form attached hereto, and must be **sealed**, marked “**Spring 2017 Chip Seal overlay**”, and received at the Office of the Town Clerk prior to the stated bid time. The Town reserves the right to accept or reject any and all bids.

Bid Sheet: The quantities listed are approximate and will be field verified for pay items. They may be increased, decreased or deleted at the discretion of the Town. **The unit bid prices shall be considered as full compensation. Therefore, they must include all state and local taxes and license taxes required to do the work.**

PROJECT SPECIFICATIONS

The specifications that follow are additional and/or clarifying provisions to the MAG/YAG Specs most applicable to this particular project.

SECTION 104: SCOPE OF WORK:

104.1.4. CLEAN-UP AND DUST CONTROL:

Particular care is to be given to dust control.

SECTION 106: CONTROL OF MATERIALS:

106.2 SAMPLES AND TESTS OF MATERIALS:

As written.

SECTION 301: SUBGRADE PREPARATION

The Contractor shall sweep all roadways to the satisfaction of the Town Agent prior to placement of single chip seal or second pass of double chip seal.

The Contractor shall mound sand on cut-to-fit roofing felt over manholes and water or gas valves prior to chip and shall remove felt and oil/chip waste prior to rolling.

SECTION 330: ASPHALT CHIP SEAL

330.3 TIME OF APPLICATION AND WEATHER CONDITIONS:

Temperature and other MAG Specification weather limitations shall be adhered to. The Town Agent shall have the discretion to prohibit or stop chip seal operations if, in his judgment, weather conditions are not conducive to proper cure of the chip seal coat. The chip seal coat shall not be placed prior to authorization of the Town Agent. No chip seal operations shall start prior to all equipment being on-site and in an operating condition and all traffic signs and flaggers being in position.

No chip seal construction will be allowed between September 1 and May 30 without the approval of the Town Agent.

330.4.1 PREPARATION OF SURFACES:

Some roads will need to be repaired with hot patch material. These areas will need to be applied to existing surface elevations and compacted with smooth steel drum roller. This work will need to be completed one week prior to sealing. All roads will be swept clear of debris in accordance of M.A.G. section 330.4.1.

330.4.2 APPLICATION OF BITUMINOUS MATERIAL:

Asphalt shall conform to Section 712, MAG Specifications, for Grade CRS-2P applied at the following rates as directed by the Agent:

High Volume Single Chip Seal (1/2" chip): CRS-2P	0.50 to 0.60 Gal/SY
Low Volume Single Chip Seal (3/8" Chip): CRS-2P	0.30 to 0.40 Gal/SY

Contractor must provide specification sheets and test results for any submitted equal as a part of the bid package.

The Contractor shall supply the Town Agent with certified weight slips for each load to allow verification of application rates.

All other relevant portion of section 330.4.2 shall apply. .

330.4.3 APPLICATION OF COVER MATERIAL:

Cover material shall correspond to the requirements of MAG Specifications, Section 716, except that the gradation shown in Tables 716-1 and 716-2 for sieve size #200 shall be 0 to 1% passing (**not** 0% to 2% passing for the #200 sieve size as shown).

The Contractor shall provide test reports sealed by an Engineer registered to practice in the State of Arizona which demonstrates that the material delivered conforms to the specification requirements. One test report shall be provided from the stockpile at the source prior to chip seal construction and an additional test report shall be provided for each 500 tons of chips or portion thereof delivered to the job site. Application shall be as follows:

Single Chip Seal Course -	3/8" Low Volume	20	to	30
Pounds/SY				
Single Chip Seal Course -	1/2" High Volume	25	to	35
Pounds/SY				

The Contractor shall supply the Town agent with certified weight slips to allow verification of the application rates.

All other portions of Section 330.43 shall apply.

330.4.4 ROLLING:

Placement and rolling shall be in accordance with MAG Specifications.

330.4.6 SURPLUS AGGREGATE REMOVAL:

As Written.

330.4.7 Distributing Equipment:

As written.

330.7 PAYMENT

Payment shall be in accordance with Section 330.7 except as modified below:

Chip seal will be paid at the contract price per square yard which shall include all labor materials and equipment.

SECTION 333: FOG SEAL COATS

333.6 Application of Asphalt Emulsion

Approximate rate of application will be .15 gallon per square yard.

All other portions of Section 333 are as written.

SECTION 401: TRAFFIC CONTROL

401.2 TRAFFIC CONTROL DEVICES:

The Contractor shall provide the Traffic Control signs, markings and devices in accordance with the Arizona Department of Transportation Traffic Control Manual for Highway Construction and Maintenance and the Manual of Uniform Traffic Control Devices.

A reader board is required three working days prior to start of project. The reader boards shall be placed in the areas of Kachina Road west of Highway 69 and on Blue Ridge road west of Foothills Road. Message will read the dates that the work will be performed.

The Contractor shall facilitate the safe movement of traffic through the work area as required for the duration of the project.

401.3 FLAGMEN OR PILOT CARS:

Flaggers shall be provided, as required, and/or deemed necessary by the Agent to facilitate the safe movement of traffic within the construction area.

The Contractor shall provide warning signs for “Slow, Loose Gravel, 15 MPH,” or other wording accepted by the Town agent at no less than 1/4 mile intervals through all chip seal areas until the surface has been swept free of loose material and accepted by the Engineer.

401.4 TRAFFIC CONTROL MEASURES:

As written.

401.5 GENERAL TRAFFIC REGULATIONS:

If at any time during the construction, the Town Agent feels that the Traffic Control being provided by the Contractor is inadequate, he may direct the Contractor to provide additional signs, and/or flagmen. Should the Contractor fail to provide the required Traffic Control, the Town Agent will arrange for said control. The cost of this control will be deleted from the Contractor’s pay.

401.7 PAYMENT:

All required Traffic Control provided in accordance with Section 401, MAG Specifications, and the additional conditions provided herein will be considered as incidental to chip seal operations. No separate measurement or payment will be made.

**AGREEMENT FOR SERVICES
CONTRACT**

THIS AGREEMENT is entered into as of this ____ day of _____, 2017, by and between the Town of DEWEY-HUMBOLDT, Arizona, a municipal corporation, hereinafter referred to as “Town” and _____, hereinafter referred to as “Contractor.”

FOR THE PURPOSE of providing Chip Seal services for the Town of Dewey-Humboldt, Town and Contractor do hereby mutually agree to the following:

1. SERVICES AND RESPONSIBILITIES

1.1 Retention of the Contractor. In consideration of the mutual promises contained in this Agreement, Town engages the 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 the Bid Documents and Contractor’s bid, which are attached hereto as Exhibit A and Bid Schedule.

1.3 Responsibility of the Contractor.

1.3.1 Contractor hereby agrees that the documents and reports prepared by Contractor will fulfill the purposes of the Contract, shall meet all applicable code requirements and shall comply with applicable laws and regulations. In addition, and not as a limitation on the foregoing, such documents and reports prepared by Contractor shall be prepared in accordance with professional Consulting standards, as applicable. Any review or approval of said documents and reports does not diminish these requirements.

1.3.2 Contractor shall tour the Services site and become familiar with existing conditions, including utilities, prior to commencing the Services and notify Town of any constraints associated with the Services site.

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

1.3.4 Contractor shall designate _____ as Contractor Representative and all communications shall be directed to him. Prior to changing such designation Contractor shall first notify Town in writing.

1.3.5 Contractor's subcontracts are set forth in Exhibit B attached hereto and made a part hereof. Any modification to the list of Subcontractors on Exhibit B, either by adding, deleting or changing subcontractors, shall require the written consent of Town.

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

1.3.7 Contractor shall coordinate its activities with Town's representative and submit any required reports to Town's representative.

1.3.8 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 and pay for and insure for all equipment necessary for the Services.

1.3.9 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 _____ as its Contract Representative. All communications to Town shall be through its Contract Representative.

1.4.3 Contract Term: The Contract shall commence upon issuance of a Notice to Proceed by Dewey-Humboldt. Work shall be completed within 30 business days, beginning with the day following the starting date specified in the Notice to Proceed. Failure to complete the Work on time shall subject Contractor to liquidated damages as set forth in Section 108.9 "Failure to Complete on Time" of the Maricopa Association of Governments Uniform Standard Specifications for Public Works Construction.

1.4.4 Contract Documents: Contract Documents shall include the following: The Call for Bids, Plans, Standard Specifications and Details, Special Provisions, Addenda, if any, and Proposal, as accepted by the Mayor and Council, Performance Bond, Payment Bond, Certificates of Insurance, and Change Orders, if any, are by this reference made a part of this Contract to the same extent as if set forth herein in full.

2. COMPENSATION AND METHOD OF PAYMENT

2.1 Compensation: All compensation for complete and satisfactory completion of services rendered by Contractor, including its subcontractor(s), shall be set forth in Exhibit C and shall not exceed \$_____.

2.2 Method of Payment. Method of payment shall be set forth in Exhibit C. If payment is to be made monthly, Contractor shall prepare monthly invoices and progress reports which clearly

indicate the progress to date and the amount of compensation due by virtue of that progress. All invoices shall be for services completed.

2.3 Invoices. 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. Invoices for the month of July shall be submitted on or before August 1st. Invoices submitted after the close out of the fiscal year (August 1st) shall not be paid by Town.

2.4 The Contractor shall provide to Town its completed W-9 Form prior to receipt of any Compensation.

2.5 Taxes. Contractor will be 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 D. If such changes cause an increase or decrease in the 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 the Contractor for adjustment under this clause must be submitted in writing within thirty (30) days from the date of receipt by the 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 is 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 Gilbert, 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 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.

4.11.4 Workers’ Compensation Insurance: Contractor shall maintain Workers’ Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor’s employees engaged in the performance Services under this Agreement and shall also maintain Employer Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

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 the Contractor to fulfill his contract obligations. Upon receipt of such notice, the 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 Gilbert 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 the 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 the Contractor of the 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. The 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 the 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 the 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 the 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 the Contractor and Town, and Town will not be liable for any obligation incurred by the Contractor, including but not limited to unpaid minimum wages and/or overtime premiums. [FOR SOLE PROPRIETORS ONLY: The 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. Gilbert at its option may terminate the Contract after the third violation. Contractor shall not be deemed in material breach of this Contract if the 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 the 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 Equal Treatment of Workers. Contractor shall keep fully informed of all federal and state laws, county and local ordinances, regulations, codes and all orders and decrees of bodies or tribunals having any jurisdiction or authority, which in any way affect the conduct of the work. Contractor shall at all times observe and comply with all such laws, ordinances, regulations, codes, orders and decrees; this includes, but is not limited to laws and regulations ensuring equal treatment for all employees and against unfair employment practices, including the Occupational Safety and Health Administration ("OSHA") and the Fair Labor Standards Act ("FLSA").

Contractor shall protect and indemnify Gilbert and its representatives against any claim or liability arising from or based on the violation of such, whether by Contractor or its employees.

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:

TOWN:

CONTRACTOR:

Town Manager
Town of Dewey-Humboldt
P.O. Box 69
Humboldt, Arizona 86327

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

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

7.13 Israel. Contractor certifies that it is not currently engaged in, and agrees for the duration of this Agreement that it will not engage in, a boycott of Israel, as that term is defined in Ariz. Rev. Stat. § 35-393.

8. SUSPENSION OF WORK

8.1 Order to Suspend. Town may order 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.

8.2 Adjustment to Contract Fee. If the performance of all or any part of the Services is, for any unreasonable period of time, suspended or delayed by an act of Town in the administration of this Agreement, or by its failure to act within the time specified in this Agreement (or if no time is specified, within a reasonable time), an adjustment shall be made for any increase in cost of performance of this Agreement necessarily caused by such unreasonable suspension or modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension or delay to the extent (1) that performance was suspended or delayed for any other cause, including the fault or negligence of the Contractor, or (2) for which an equitable adjustment is provided for or excluded under any other provision of this Agreement.

9. INTERESTS AND BENEFITS

9.1 Interest of Contractor. Contractor covenants that he 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

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, four (4) identical counterparts of this contract each of which shall, for all purposes, be deemed an original thereof, have been duly executed by the parties on the date and year first above written.

TOWN OF DEWEY-HUMBOLDT

By: _____
Terry Nolan, Mayor

ATTEST:

By: _____
Judy Morgan, Town Clerk

APPROVED AS TO FORM:

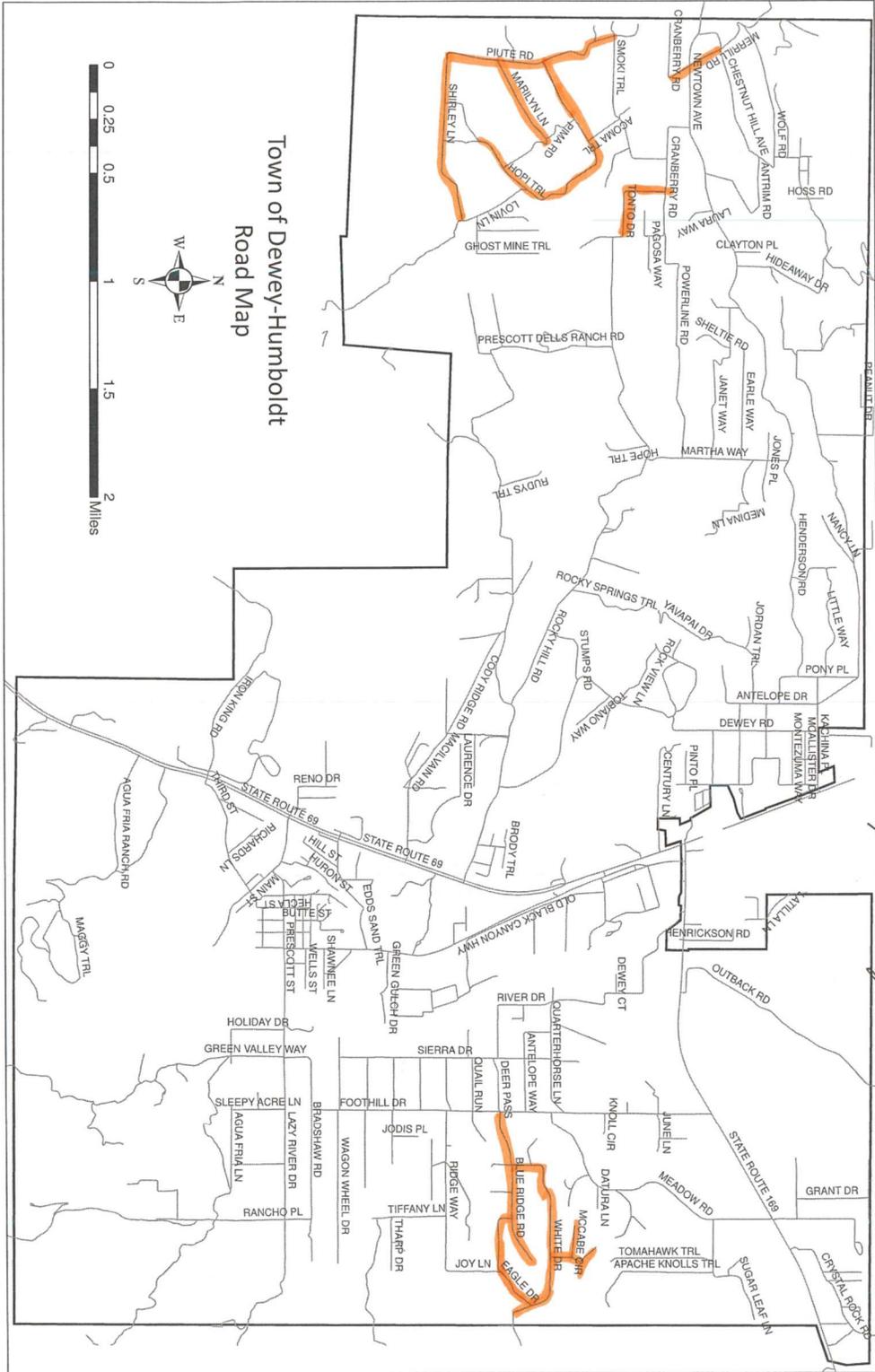
By: _____
Susan D. Goodwin, Town Attorney

CONTRACTOR

By: _____
Its: _____

EXHIBIT A
SCOPE OF WORK

The services are generally described as follows: Placing approximately 83000 square yards of low volume Single Chip Seal on Town roadways and 30 Tons Hot Patch in preparation. The areas to be chip sealed are shown generally on Appendix: A attached hereto.



Map Appendix A:

See Overlay Maps.

**EXHIBIT C
PAYMENT SCHEDULE**

A. 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 C-1 is the Contractor's hours and fee estimate for the Project. Contractor's fee shall not exceed the amounts of the Bid Schedule:

Description

Amount

B. 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.

STATE SOLE PROPRIETOR'S WAIVER (ATTACH)

Agreement including this Change Order will be _____

The Contract Time will increase by _____

ACCEPTANCE STATUS:

Contractor

Town of Dewey-Humboldt

By _____

By _____

Date _____

Date _____

**STATUTORY PERFORMANCE BOND PURSUANT TO
TITLE 34, CHAPTER 2, ARTICLE 2,
OF THE ARIZONA REVISED STATUTES
(Penalty of this bond must be 100% of the Contract amount)**

KNOW ALL MEN BY THESE PRESENTS:

That, _____ (hereinafter "Principal"), and _____, a corporation organized and existing under the laws of the State of _____ and _____ duly licensed and holding a certificate of authority to transact surety business in the State of Arizona issued by the Director of the Department of Insurance pursuant to Title 20, Chapter 2, Article 1, with its principal office in the City of _____, (hereinafter "Surety") as Surety, are held firmly bound unto the Town of Dewey-Humboldt, County of Yavapai, State of Arizona (hereinafter "Obligee") in the amount of _____, (\$_____) the payment of which, the Principal and Surety bind themselves, and their heirs, administrators, executors, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with Obligee dated the ____ day of _____, 2017, to construct **Spring 2017 Chipseal Overlay**, which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal shall faithfully perform and fulfill all of the undertakings, covenants, terms, conditions and agreements of the Contract during the original term of the Contract and any extension of the Contract with or without notice to the Surety, and during the life of any guaranty required under the Contract and also performs and fulfills all of the undertakings, covenants, terms, conditions, and agreements of all duly authorized modifications of the Contract that may hereafter be made, notice of which modifications to the Surety being hereby waived; the above obligation is void. Otherwise it remains in full force and effect.

PROVIDED, HOWEVER, that this Bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, and all liabilities on this Bond shall be determined in accordance with the provisions, of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, to the extent as if it were copied at length in the Agreement.

The prevailing party in a suit on this bond shall recover as part of the judgment reasonable attorney fees that may be fixed by a judge of the court.

This Bond shall not be executed by an individual surety or sureties, even if the requirements of A.R.S. Section 7-101 are satisfied.

Witness our hands this ____ day of _____, 2017.

PRINCIPAL

SEAL

By _____

SURETY

SEAL

By _____

Address of Surety:

AGENT OF RECORD

AGENT ADDRESS

* attach Power of Attorney

LABOR AND MATERIALS BOND

**STATUTORY PAYMENT BOND PURSUANT TO
TITLE 34, CHAPTER 2, ARTICLE 2,
OF THE ARIZONA REVISED STATUTES**
(Penalty of this bond must be 100% of the Contract amount)

KNOW ALL MEN BY THESE PRESENTS:

That, _____ (hereinafter "Principal") as Principal, and _____, a corporation organized and existing under the laws of the State of _____, duly licensed and holding a certificate of authority to transact surety business in the State of Arizona issued by the Director of the Department of Insurance pursuant to Title 20, Chapter 2, Article 1, (hereinafter "Surety"), with its principal office in the City of _____, as Surety, are held and firmly bound unto the Town of Dewey-Humboldt, County of Yavapai, State of Arizona (hereinafter "Oblige") in the amount of _____ (\$_____) for the payment whereof, the Principal and Surety bind themselves, and their heirs, administrators, executors, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written Contract with Oblige dated the ____ day of _____, 2017, to construct **Spring 2017 Chipseal Overlay**, which Contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal promptly pays all moneys due to all persons supplying labor or materials to the Principal or the Principal's subcontractors in the prosecution of the work provided for in the contract, this obligation is void. Otherwise it remains in full force and effect.

PROVIDED, HOWEVER, that this Bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, of the Arizona Revised Statutes, and all liabilities on this Bond shall be determined in accordance with the provisions, conditions and limitations of Title 34, Chapter 2, and Article 2, Arizona Revised Statutes to the same extent as if they were copied in length in this Agreement.

The prevailing party in a suit on this bond shall recover as a part of the judgment reasonable attorney fees that may be fixed by a judge of the court.

This Bond shall not be executed by an individual surety or sureties, even if the requirements of A.R.S. Section 7-101 are satisfied.

Witness our hands this ____ day of _____, 2017.

PRINCIPAL

SEAL

By _____

SURETY

SEAL

By _____

Address of Surety:

AGENT OF RECORD

AGENT ADDRESS

* Attach Power of Attorney

TOWN OF DEWEY-HUMBOLDT, ARIZONA

CERTIFICATE OF INSURANCE

The

_____ certifies that the following insurance policies have been issued on behalf of

Name of Insured

_____ Address of Insured

Type of Insurance	Carrier	Policy No.	Eff. Date	Min. Amt. Of Coverage	Exp. Date	Limits of Liability
(1) Workmen's Compensation						Statutory
(2) Contractor's Protective Bodily Injury				\$2,000,000		Each Occurrence
(3) Contractor(s) Protective Property Damage				\$1,000,000 \$1,00,000		Each Accident Aggregate
(3) Contractual Bodily Injury				\$2,000,000		Each Occurrence
(3) Contractual Property Damage				\$1,000,000 \$1,000,000		Each Accident Aggregate
(4) Automobile Bodily Injury & Property Damage				\$1,000,000		Each Occurrence

Owner makes no representation that coverage and limits will be adequate to protect Contractor. All insurance required herein shall be maintained in full force and effect until all work required to be performed is satisfactorily performed, completed and formally accepted by Owner. All insurance coverage shall be on an occurrence basis and not claims made basis. Policies of insurance shall not be terminated or modified without at least 10 days' notice to Owner.

When the project includes construction of a new, or modification of an existing building (**in addition to the above types**):

(6) Fire and Extended Coverage plus Vandalism and Malicious Mischief for the Full Amount of Contract, with the Town of DEWEY-HUMBOLDT named as an additional insured.

Policy No. Exp. Date Amount

(7) Umbrella Coverage

Policy Includes Coverage For:

- A. 1. Damage caused by blasting
 - 2. Damage caused by collapse or structural injury
 - 3. Damage to underground utilities

 - B. Liability assumed in construction agreements and other types of contracts or agreements in effect in connection with insured operations.

 - C. All owned, hired or non-owned automotive equipment used in connection with the insured operation.
-

It is agreed that none of these policies will be canceled or changed so as to affect this certificate until ten (10) days written notice of such cancellation or change has been delivered to the Town of Dewey-Humboldt.

It is further agreed that:

- (1) These policies shall not expire until all work has been completed and the project has been accepted by the Town of Dewey-Humboldt. **(If a policy does expire during the life of the Contract, a renewal Certificate of the required coverage must be sent to the Town of Dewey-Humboldt not less than five days prior to expiration date.)**

This certificate is not valid unless countersigned by an authorized representative of the Insurance Company.

Date _____ Countersigned by _____

Signature

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

TOWN COUNCIL REGULAR MEETING

May 2, 2017 – 6.30 p.m. Town Council Meeting Chambers

Agenda Item # 9.2. Council consideration on a potential Partnership between Town and the PAWUIC grant applicants regarding a Defensible Space Grant.

To: Mayor and Town Council Members

From: Yvonne Kimball, Town Manager

Date submitted: April 26, 2017

Recommendation: form a partnership with PAWUIC

Summary:

The Prescott Area Wildland Urban Interface Commission (PAWUIC) has secured a federal grant through the AZ Dept. of Forestry. The grant is for property owners to create defensible space. The Town's Blue Hills and Foothills neighborhoods are eligible to receive the grant. It is a reimbursement grant and reimburses up to 90% of \$1400 worth of eligible project.

Both PAWUIC and the Town's Firewise board approached me to request the Town's financial support by providing up-front the money needed for the property owners. They found that it is a hardship for individual homeowners to pay for the work and wait for the reimbursement through the grant process, which usually takes 120 days or more.

Essentially, PAWUIC and Firewise Board asked the Town to be a banking agency to loan property owners the money needed and then the Town can be reimbursed when PAWUIC receives its funds from the State. The Firewise Board has suggested forming a partnership through a "memorandum of understanding" (MOU) to hold the three parties involved accountable. This would be an innovative concept for PAWUIC in that they have not worked with a municipality before. This would be new to the Town in that the Town has never played the role of a (interest free) lender before.

I believe the partnership is a very good concept and I can understand PAWUIC and Firewise Board wanting Town's help. Without reviewing the grant contract, the Town Attorney advised that the concept is not in violation of the "gift clause". Without seeing the grant contract, many details were missing and both the Town Attorney and I had some concerns about the mechanism of the partnership. Staff wanted to ascertain that the Town would be reimbursed in the end, as intended.

I received the grant contract from PAWUIC today and after reviewing it, I am less concerned about the risk the Town is running into with this partnership. Town staff drafted a preliminary MOU and I want to send it to the Town Attorney for review if Council is interested in pursuing this partnership. The MOU contains the process for money exchange.

For budget purposes, up to \$27,720 would be potentially used in FY 18 and the entire amount would be reimbursed eventually. It could take more than one fiscal year for the reimbursement to come though.

Attachment: Draft MOU (it has not been reviewed by the Town Attorney)

I would like to point out that albeit the best intention, there is a risk that the Town would never receive the reimbursement. The Town's financial status is solvent enough to handle the worst case scenario. However, if Council wishes to avoid the risk, Council should not pursue the partnership with PAWUIC. Town could instead choose to offer a grant to homeowners directly without an expectation of reimbursement of the funds. If Council is interested in this option, staff can provide a procedure.

MEMORANDUM OF UNDERSTANDING
Between Prescott Area Wildland Urban Interface Commission (PAWIC),
Blue Hills/Foothills Firewise Board
And the
Town of Dewey-Humboldt, Arizona

I) **INTRODUCTION:**

PAWIC has secured Grant # WFHF 16-204 through the Arizona Department of Forestry and Fire Management. The grant is originally provided to AZ state Forestry by the US Department of Agriculture (USDA); PAWIC is AZ Dept. of Forestry's sub-grantee.

The program is designed to assist property owners in creating defensible space through utilization of individual properties and combined efforts within residential communities in the PAWIC area. The grant term is from 12/05/2016 to 12/31/2018.

Dewey Humboldt's Upper Blue Hills area and the Northwest Foothills neighborhoods have been recognized as a FireWise community and have been included in PAWIC grant application. There are 14 acres/properties in the Blue Hills area and 8 in Foothills area; a total of 22 acres are eligible for the grant.

It is available to reimburse each property (limited to one acre) up to 90% of \$1400 value of work done. The property owner would be responsible for 10% of up to \$1,400 value of work done. Anything above the balance of the 90% of the \$1,400 (\$1,260) which is needed to complete their abatement is also the property owner's responsibility.

Both PAWIC and the DH Firewise Board requested that the Town participate in the grant process by providing money needed to eligible homeowners who wish to utilize the reimbursement grant program to create defensible spaces.

II) **PARTIES:** This Memorandum of Understanding (MOU) is made and entered into by and between the Prescott Area Wildland Urban Interface Commission (PAWUIC), Blue Hills/Foothills Firewise Board, and the Town of Dewey-Humboldt, hereafter referred to as the Town.

- **Town of Dewey-Humboldt**
- **Blue Hills/Foothills Firewise Board**
- **Prescott Area Urban Wildland Interface Commission (PAWUIC)**

III) **PURPOSE:**

Both the PAWIC and the DH FireWise Board found that it is a hardship for individual homeowners to pay for the work and wait for the reimbursement through the normal grant process which could take 120 days or more. PAWIC and the FireWise Board therefore approached the Town to partner with PAWUIC and eligible home owners to upfront the money needed to conduct the work. Town finds that town's financial support would encourage participation of the grant activities and therefore benefit the general citizens in the Town. Town finds in its FY 18 Budget that there is sufficient fund, up to \$27,720, to offset the cost upfront. Town is to be reimbursed by PAWUIC for the amount put in.

The purpose of this MOU is to establish an understanding between PAWUIC, Firewise Board and the Town concerning their commitment to using their resources to help the citizens of Dewey-Humboldt better utilize the defensible space **grant**. This MEMO outlines the respective responsibilities of each agency in the development and implementation of this reimbursement grant through a collaborative approach. The parties agree to the following process for management of a reimbursement process that would have the Town providing funding for, and acceptance of the time delay for reimbursement.

IV) RESPONSIBILITIES:

- An initial property assessment is done by staff at Central Arizona Fire and Medical Authority.
- The property owner obtains at least two (2) bids from contractors to conduct the abatement, and one contractor selected.
- Available reimbursement is calculated from the bid by the contractor.
- Property owner makes decision that they can afford their part of the obligation
- Property owner enters into a contract with the abatement contractor, and the work is completed.
- The property owner provides documentation to Firewise Board (assessment, bids, contract, invoice and cancelled check for payment of reimbursable amount)
- Firewise Board member verifies completion of the work, and completeness of documentation.
- Firewise Board submits documentation to Town of Dewey-Humboldt and a letter to endorse the Town's disbursement of a specific amount of fund to the property owner. .
- Town pays the balance due to the property owner, who then pays off their contractor obligation.
- Town provides documentation to PAWUIC, including assessment, bids, contract, and invoice and cancelled check from property owner, and copy of check to property owner for payment to contractor.
- Town reserves the right to verify the documents and the work done. When Town is satisfied with Fire Board's documentation to endorse the funding request, Town pays the requested fund (the balance due) to the property owner directly with a copy to the Firewise Board representative. Property owner or the recipient of the town fund is responsible to pay off their contractor obligation.
- Town waits 90-120 days for reimbursement from PAWUIC.

IV) OTHER PROVISIONS

Nothing in this Memorandum of Understanding (MOU) is intended to conflict with current laws or regulations. If a term of this agreement is inconsistent with such authority, then that term shall be invalid, but the remaining terms and conditions of this agreement shall remain in full force and effect.

V) EFFECTIVE DATE

The terms of this agreement will become effective on the date signed by all parties.

VI) MODIFICATION This agreement may be modified upon the mutual written consent of the parties.

VII) TERMINATION The terms of this agreement, as modified with the consent of all parties, will remain in effect until the grant end dates for an approved grant. Either party upon 30 days written notice to the other parties may terminate this agreement.

VIII) SIGNATURES

This Memorandum of Understanding shall constitute the entire agreement of all parties and is executed upon signature.

Passed, Approved, and Adopted by the Mayor and Council of the Town of Dewey/Humboldt this ___ day of _____, 2017.

Mayor Nolan, Mayor

ATTEST:

Judy Morgan, Town Clerk

The foregoing agreement has been reviewed by the undersigned attorney for the Town of Dewey/Humboldt, who has determined that the agreement is in proper form and is within the powers and authority granted under the laws of this state to the Town of Dewey/Humboldt.

Susan Goodwin, Town Attorney

Robert Betts
Prescott Area Wildland Urban Interface Commission

Blue Hills/Foothills Firewise Board

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

4-24-17
vw

Received
me

COUNCIL AGENDA ACTION REQUEST FORM

Meeting Type: Regular Special Work Session

Meeting Date: May 2, 2017

Date of Request: April 20, 2017

Requesting: Action Discussion or Report Only

Type of Action: Routine/Consent Agenda Regular

Agenda Item Text (a brief description for placement on the agenda; please be exact as this will be the wording used for the agenda):

Allow Debby Pomeroy to present potential changes to Town Code Title IX
Chapter 90 Animals.

Purpose and Background Information (Detail of requested action). DH citizens have

approached me about examining the above mentioned code section. There is a desire to separate the regulations on dogs from the code.

I enlisted Ms. Pomroy, an expert of dog-related legislative issues to help me take a look at the code. She has some suggestions. I ask council to

allow Ms. Pomroy to make a presentation on possible changes to the current "animal code". I also ask that public comments be allowed at that time.

Staff Recommendation(s): _____

Budgeted Amount: N/A

List All Attachments: presentation form

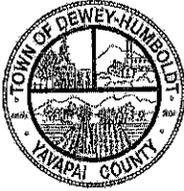
Type of Presentation: Verbal

Special Equipment needed: Laptop Remote Microphone

Overhead Projector Other: _____

Contact Person: CM Wendt

Note: Per Town Code §30.105(D): Any new item will be placed under "New Business" for the council to determine its disposition. It can be acted upon at that meeting, sent to staff for more work, sent to the appropriate board or commission, set for a work session or tabled for a future date, etc.



TOWN OF DEWEY-HUMBOLDT
P.O. BOX 69
HUMBOLDT, AZ86329
Phone 928-632-8562 • Fax 928-632-7365

Town Council Presentation Request Form

Requests to make a formal Town Council presentation must be approved by the Town Council as a whole at a council meeting. The request form is used to accompany a council member's Council Agenda Request Form (CARF) which would sponsor the presentation request. The Form must be submitted at least four weeks to the sponsoring council member prior to the requested Town Council meeting date. The CARF will be discussed at a council meeting for the Council to determine whether to approve the presentation request. The Town Council meets every first and third Tuesday of the month at 6:30 p.m. for regular sessions. The Council also meets every second Tuesday of the month at 2:00 p.m. for study sessions. The Town Council attempts to limit the length of individual presentations to 30 minutes unless the Council votes to extend that time. If any special equipment is requested, please notify the Town Clerk no less than 72 hours before the Council meeting.

Nature and Description of Presentation (Please note that this form does not apply to commendation and /or proclamation presentations, and individuals who wish to speak at the Comments from the public item on an agenda):

DH citizens have approached me (CM Wendt) about the town animal codes as there is a desire to separate the Animal Code Title IX Chapter 90 to a Dog Ordinance which would separate dog regulations from other animals. I enlisted Ms. Pomeroy, an expert in dog-related legislative issues, to help me take a look at the code.

Ms. Pomeroy is an approved American Kennel Club – Border Terrier Club of America Legislative Liaison since 2006, and has been active in the National Animal Interest governments in Arizona and other States, and most recently at the Federal level. She has raised dogs, for show, agility and the field since 1974. Ms. Pomeroy is currently the Chairman of the Breeders Education Committee for the Border Terrier Parent Club and has served in many capacities since 1986. Ms. Pomeroy owns and operates an Agility Training Facility and host 8 Agility Trials a year in the State of Arizona.

Ms. Pomeroy offered suggestions on writing a separate "dog ordinance" to replace Animal Ordinance Town Code Title IX Chapter 90, by removing livestock and other animals. Ms. Pomeroy also suggest council allow public comments for her presentation.

Please describe the number of participants, any audio or visual equipment that you will set up and utilize, and how long you will require to set up your equipment.

Verbal presentation

C:\Users\YvonneKimball\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\OUU
GWQIT\council presentation request form-final and adopted (1).docx

Individual, agency, and/or organization attending Town Council meeting:

Name: Debby Pomeroy Phone: 928-636-1267

Council Meeting Date Requested: __ June 13, 2017: alternate date: _____

Requested by:

Name: CM Wendt

Phone: _____

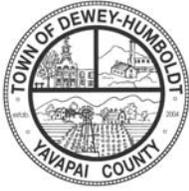
Address: _____ Email: CM.Wendt@dhaz.gov

If you have any questions about the application process, please contact the Town Clerk's Office at (928)632-7362. Please return this form to the sponsoring council member, Dewey- Humboldt Town Hall, 2735 S. Highway 69, P.O. Box 69, Humboldt, AZ 86329, by fax to (928)632-7365 or by email to the council member (Town Council contact information can be found at www.dhaz.gov/contacts).

For Town Clerk Office Use Only:

Date requested received _____	Sponsoring Council Member _____
Approved by Council at _____ meeting (Mayor Initial _____)	
Not Approved _____	Applicant Notified and Notes: _____

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

TOWN COUNCIL REGULAR MEETING

May 2, 2017 – 6.30 p.m. Town Council Meeting Chambers

Agenda Item # 9.4. Discussion and possible action regarding the current Town Library Lease.

To: Mayor and Town Council Members

From: Yvonne Kimball, Town Manager

Date submitted: April 26, 2017

Summary:

The current Town Library Building Lease is expiring June 30, 2017. The Library Service Lease with Yavapai County Free Library District (YCFLD) also expire at the same time. Both agreements were entered-into 6 years ago. Yavapai County Free Library District has expressed interest in continuing the current arrangement, which the Town reimburses for services rendered. We are awaiting a written agreement from YCFLD.

In the meantime, the building owner wishes to renew the lease at a \$1/SF a month with other terms remaining unchanged. The original building lease is enclosed.

LANDLORD TENANT AGREEMENT
Dewey-Humboldt Town Library Property

THIS LANDLORD TENANT AGREEMENT (hereafter "Lease") is entered into this 1st day of July, 2011 by and between the Town of Dewey-Humboldt, a municipal corporation of the State of Arizona, ("the Town"), and Community Action Program, a non-profit organization organized under the laws of the State of Arizona ("CAP").

1. Description of the Property Being Leased: The property being leased hereunder is a portion of that certain real property defined by the Yavapai County Assessor's Office as Tax Parcel Number 402-09-030C and identified on EXHIBIT A as "Library" (the "Premises")

2. Use of Premises Pursuant to Lease; Change of Use. The Lease is entered into by and between the Parties for the purpose of leasing real property upon which to locate the Dewey-Humboldt Town Library and for the conducting of any and all business, meetings and events deemed appropriate for that facility by the Common Council of the Town. Specifically agreed by the Parties is that a portion of the Premises shall be known as the DEWEY-HUMBOLDT TOWN LIBRARY. Any change in use shall require the approval of the CAP Board, which approval shall not be withheld unreasonably.

Any out buildings and utility fixtures necessary for the operation and maintenance of the building currently known as the Activity Center ("Center") are for the exclusive use of said Center and are not part of this Lease. The Center shall be entitled to joint use, with tenant, of the following: all parking lot areas, driveways, the septic system, utility poles, and any other joint use facilities necessary or customary for the peaceful enjoyment of the Center facility and the Library.

3. Term of Lease and Option to Extend. The term of this lease shall run from July 1, 2011, and for a period of sixty (60) months from that date ("Initial Term"). Additionally, for adequate and appropriate separate consideration, the receipt and sufficiency of which is hereby acknowledged by CAP, this Lease shall automatically renew for successive one (1) year periods (each a "Renewal Term") unless either party gives the other notice, in writing, that the Lease will not be renewed for the next Renewal Term no less than ONE HUNDRED EIGHTY (180) days prior to the end of the Initial Term or any Renewal Term.

4. Assignment and Subletting. The Town shall not assign this lease, or any part thereof, or sublet the premises or any portion thereof, without the prior written consent of CAP. Consent shall not be unreasonably withheld.

5. Lease Payment Amount. Beginning July 1, 2011, and on the first day of each month thereafter, the Town shall pay to CAP the sum of ONE-THOUSAND TWELVE DOLLARS AND THIRTEEN CENTS (\$1,012.13). Beginning with the payment due on July 1, 2011, and with the first month of each successive lease year, thereafter, including any years during the option period should it be exercised, the monthly payment amount shall be adjusted upward by no more than six (6) percent such actual determination to be

made through application of the Consumer Price Index as published by the U.S. Department of Labor – All Urban Consumers (CPI-U).

6. Pre-Lease Construction Expenses: Any and all costs associated with the obtaining of the Certificate of Occupancy (CO) to Yavapai County Standards for the Premises shall be borne by CAP.

7. Premises Improvements and Signage: The cost of any and all improvements to the Premises following the obtaining of the Certificate of Occupancy and any and all signage installed in the course of turning the Premises into the municipal library shall be at the expense of the Town, except that it is specifically agreed, that an appropriately designed plaque honoring Kate Garber and the contribution of the Thoresen Foundation of Charitable Giving shall be at the expense of CAP.

At the conclusion of this Lease, the Town shall be entitled to remove any and all improvements made to the Premises by the Town or the Yavapai County Library District. Removal of such improvements, however, cannot denigrate or diminish the value of the Premises as it existed on July 1, 2011. Prior to removal, the Town shall obtain an agreement, in writing, from CAP that such items were paid for by the Town or the District, and that removal will not diminish the value of the Premises. In the event the Town wishes to remove improvements resulting in such a diminishment of the Premises, the Town shall be responsible for the costs(s) of otherwise restoring the Premises to its value and condition as of July 1, 2011, reasonable wear and tear excepted.

8. Insurance; Replacement Cost. Upon occupancy, the Town shall be obligated to protect against any loss or damage sustained to the structures and improvements located upon the Premises. In the event of such loss, the Town shall be responsible for restoration of the Premises to CAP's reasonable requirements. The Town shall also be obligated, to the extent it deems necessary, to obtain insurance coverage for loss or damage to any and all personal property which it locates upon the Premises throughout the term of this Lease and any Renewal Terms.

The Town shall also obtain personal liability coverage in an amount no less than One Million Dollars (\$1,000,000.00) to protect against any claims of injury to any person or persons allegedly injured on the Premises. The Town is only liable, pursuant to Arizona law, for acts of negligence. CAP shall obtain such coverage as it deems in its best interest to obtain in order to protect itself from claims of negligence arising upon the Premises and /or from its construction of the Premises and its position as Landlord hereunder.

In the event of loss, replacement cost of the building shall be determined at the time of loss by an independent appraiser. The terms of all insurance obtained by the Town on the Premises for any purpose, shall require the insurer to notify CAP immediately, of any reduction or cancellation of coverage, and such cancellation or reduction shall not be effective until at least 30 days after such notice is given to CAP.

9. Peaceable Enjoyment. CAP covenants to keep the Town in peaceable possession and enjoyment of the Premises during the term of this Lease.

10. Right of First Refusal. In the event CAP desires to sell the Premises:

a) The Town shall have the right of first refusal for any bona fide offer made to CAP for the Premises. In the event of a bona fide offer, the Town may accept such terms or refuse said terms, in which case CAP shall be free to accept the original offer.

b) In the event that CAP wishes to sell the Premises with no bona fide offer in hand, CAP shall make an offer to the Town and the Town may accept, refuse, or negotiate the price and terms. The Town may require retaining an independent appraiser to determine a fair market value for the Premises, the cost of appraiser to be shared by CAP and the Town. If the Parties agree with the amount and terms, they shall complete the sale accordingly.

If the Parties do not agree on the amount, each may appoint an additional appraiser, at their own expense, and the three appraisers shall agree on a fair market value, if possible. If agreement is not reached, the appraisal of each of the three appraisers shall be added together, divided by three, and said amount may be accepted or refused by either party.

If price and terms cannot be agreed upon and CAP receives a bona fide offer, provisions of 9a) shall apply.

11. Responsibilities of the Town. Other than payment provisions as addressed above, the Town shall comply with all statutes, ordinance, rules and regulations that are applicable to the Town's occupation and use of the Premises.

12. Utilities. The Town shall be responsible, either directly or indirectly, for the placement of any deposits and the payment of any costs of utilities utilized upon the Premises, and through the term of the Initial Term and any Renewal Terms.

13. Triple Net Lease; Maintenance. It is the intention of the Parties that this is a triple net lease. Maintenance, insurance, and taxes, in the unlikely event that there are any taxes, are the sole responsibility of the Town, except that:

a) The Town's limit on maintenance expenses is capped at \$1,200.00 per year (July to July) except the shared costs as outlined in section 13d. By June 30th of every year, on a yearly basis (July to July), the Town shall provide CAP a detailed list of invoices paid, relating to maintenance costs. In the event that the annual cap is achieved, any expenses above and beyond the \$1,200.00 per year shall be borne solely by CAP.

b) In the event that the shared leach field lines require maintenance, the cost shall be shared equally between the Center and the Town. The Town will only be responsible for maintenance on the septic tank to which the library building contributes sewage.

c) Any planned maintenance activities required by CAP during the sixty (60) month lease shall be documented herein. Failure to document planned maintenance activities will alleviate the Town from fiduciary and performance obligation.

d) In addition to the \$1200 cap set forth in Paragraph 13 (a)(1), the Town will share 50% of equipment repair (not replacement) for the two (2) HVAC Units and the Hot Water Heater. CAP will be responsible for the other 50%. CAP will provide sole maintenance of the Hot Water Heater and the two (2) HVAC Units.

e) CAP will maintain its status as a not for profit organization with the Arizona Corporation Commission. In the unlikely event that the not for profit status is lost the Town shall be reimbursed, by CAP, for any expenses resulting from such loss, including but not limited to taxes. The Town will also maintain their status with the Arizona Corporation Commission.

14. Restriction of Hazardous Material. The Town shall not cause or permit any hazardous material to be generated, produced, brought upon, used, stored, treated, or disposed of in or about the Premises by Town, its agents, employees, contractors, sub lessees or invitees without the prior written consent of CAP. CAP shall be entitled to take into account such other factors or facts as CAP may reasonably determine to be relevant in determining whether to grant or withhold consent to the Town's proposed activity with respect to any hazardous material. In no event, however, shall CAP be required to consent to the installation or use of any storage tanks on the Premises.

15. Assignment. Recognizing that it is possible that the Town may at some future date elect to create a library district, the interests of Parties, hereunder shall be fully assignable upon written consent of the other Party, such reasonable consent not to be withheld.

16. Notices. Any notices required under this Lease shall be deemed sufficient if made in writing and sent by certified mail to either party at the following addresses:

Community Action Program:
C.A.P.
P.O. Box 714
Dewey-Humboldt, AZ 86329

The Town:
Town of Dewey-Humboldt
Town Manager
P.O. Box 69
Humboldt, AZ 86329

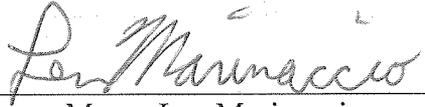
17. Successors and Assigns. The covenants, conditions and terms of this Lease shall extend to and be binding upon CAP and the Town and their successors, agents employees and assigns, if any.

18. Corporate Authorization. Through their signatures below, those signing this Lease on behalf of CAP, that entity being a non-profit corporation, avow that they are authorized by their corporation to enter into this Lease and that the terms of this Lease have been reviewed by their directors and approved in their entirety and without reservation.

19. Venue and Jurisdiction. Jurisdiction and venue for any and all matters arising hereunder shall be in Yavapai County Arizona and Arizona law, in effect on the date of

Notary Public

PASSED AND APPROVED by the Common Council of the Town of Dewey-Humboldt, this 12th day of April, 2011.



Mayor Len Marinaccio

ATTEST:

APPROVED AS TO FORM:



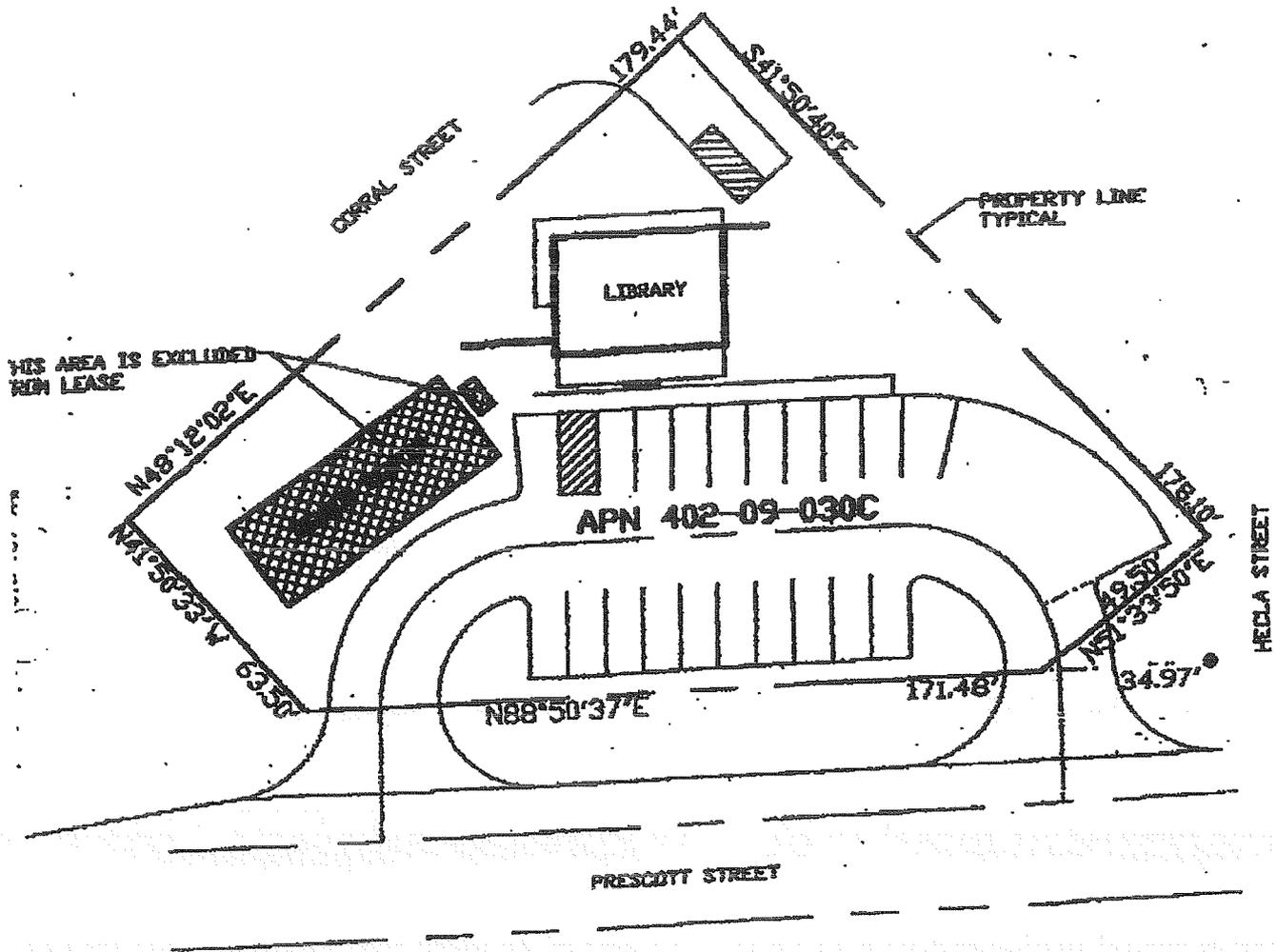
Judy Morgan
Dewey-Humboldt Town Clerk



Susan Goodwin
Dewey-Humboldt Town Attorney

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EXHIBIT 'A'



5