

**CITY OF WILLCOX
MAYOR AND CITY COUNCIL
AGENDA**

Monday, November 19, 2012

7:00 p.m.

City Council Chambers

300 W. Rex Allen Drive

Willcox, AZ 85643

(Mayor or Designee will read only **BOLD** print of each agenda item,
except for Public Hearings, Petitions and Communications.)

**Resolution No. 2012- 96
Ordinance NS311**

NOTICE TO PARENTS: Valley Telecom Group records all Willcox City Council meetings. These recordings may be played and replayed on Valley Telecom Cable Channel 1. If you permit your child to participate in the Council Meeting, a recording will be made of your child's participation. If your child is seated in the audience, he or she may be recorded. If you desire, you may request that your child be seated in a designated area to avoid recording. To do so, please submit your request to the City Clerk prior to the meeting. (A.R.S. §1-602.A)

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE TO THE FLAG

4. CALL TO THE PUBLIC

Mayor and Council consider comments or complaints from the public. Those wishing to address the Council are required to register by completing an individual speaker's form and filing it with the Clerk before the meeting. The speaker must be recognized by the Mayor before speaking. Time permitting each presentation will be given approximately three (3) minutes. It is probable that each organization will be limited to one speaker. Action taken as a result of public comment will be limited to directing staff to study or reschedule the matter for further consideration at a later date.

5. DECLARATION ON CONFLICT OF INTEREST

Council members and staff have a right to declare a conflict of interest. The declaration of a conflict of interest must be made prior to discussion of any agenda item in which Council members or staff member determine they have a conflict of interest.

6. ADOPTION OF THE AGENDA

The Council will at this time either adopt the agenda as presented or may remove or table any of the listed agenda items. Tabled items, unless otherwise directed, will appear on the next regular agenda. Council may not add any items to the agenda at this time. Should staff have any recommendations concerning the exclusion or tabling of agenda items they will voice these recommendations at this time

7. CONSENT AGENDA

Items that are considered to be routine by the City Council will be enacted by one motion **without** discussion. The consent agenda is a timesaving device and Council members have received documentation on these items for their review prior to the open meeting. Any Councilmember may remove any item from the consent agenda for discussion and a separate vote as deemed necessary. The public may view the documentation relating to the consent agenda on the City's web site or 24 hours prior to the meeting at the City Clerk's Office, 101 S. Railroad Avenue, Suite B, Willcox, AZ from 8:30 a.m. to 4:30 p.m. or at the Elsie S. Hogan Library, 100 N. Curtis Avenue during normal working hours Monday-Saturday.

7A. MINUTES OF PREVIOUS MEETINGS

Tab 1

Regular Meeting- June 4, 2012, September 4,2012, September 17, October 1, 2012, and October 15, 2012
Work Session- Joint Work Session January 9, 2012, September 17, 2012, October 1, 2012 and October 15, 2012

- 8. DISCUSSION/DECISION REGARDING RESOLUTION NO. 2011- 89 THE SUBGRANTEE AGREEMENT OPSG OVERTIME AND MILEAGE FOR THE PURPOSE OF ACCEPTING FROM THE ARIZONA DEPARTMENT OF HOMELAND SECURITY A GRANT IN THE AMOUNT OF \$28,000.00 TO FUND OFFICER OVERTIME AND MILEAGE DURING THE PERFORMANCE OF OPERATION STONEGARDEN FROM NOVEMBER 1, 2012 THROUGH DECEMBER 31, 2013; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION; AND DIRECTING CITY STAFF TO EXECUTE AND FINALIZE ANY OTHER NECESSARY GRANT DOCUMENTATION AND DECLARING AN EMERGENCY.** Tab 2

Consideration, discussion/decision regarding Resolution NO. 2011-89 Approving the Subgrantee agreement OPSG overtime and mileage for the purpose of accepting from the Arizona department of homeland security a grant in the amount of \$28,000.00 to fund officer overtime and mileage during the performance of operation Stonegarden from November 1, 2012 through December 31, 2013

- 9. DISCUSSION/DECISION REGARDING RESOLUTION NO. 2012-90 APPROVE AMENDING THE ADOPTED BUDGET FOR THE CITY OF WILLCOX FOR THE FISCAL YEAR 2012-2013, AS ORIGINALLY ADOPTED IN RESOLUTION NO 2012-67; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.** Tab 3

Discussion/Decision Regarding Resolution No. 2011-90 approve amending the adopted budget for the city of Willcox for the Fiscal Year 2012-2013, as originally adopted in Resolution no 2012-67.

- 10. DISCUSSION/DECISION REGARDING RESOLUTION NO. 2012-91 APPROVE FOR THE PURPOSE OF ACCEPTING FROM WINGS OVER WILLCOX A DONATION OF REAL PROPERTY; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.** Tab 4

Discussion/Decision Regarding Resolution No. 2011-91 Approve for the purpose of accepting from Wings Over Willcox a donation of real property.

- 11. DISCUSSION/DECISION REGARDING RESOLUTION NO. 2012-92 APPROVING THE PURCHASE OF RETRO REFLECTIVE STREET SIGNS FROM CENTER LINE SUPPLY WEST FOR COMPLIANCE WITH THE HIGHWAY SAFETY IMPROVEMENT PROGRAM (HSIP) GRANT AWARDED TO THE CITY BY THE STATE OF ARIZONA ON AUGUST 24, 2010; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.** Tab 5

Consideration, discussion/decision regarding Resolution No. 2011-92 Approving the purchase of retro reflective street signs from center line supply west for compliance with the highway safety improvement program (HSIP) grant awarded to the city by the state of Arizona on august 24, 2010; authoring the mayor to execute this resolution and directing authorized city officers and agents to carry out the purposes and intent of this resolution.

- 12. DISCUSSION/DECISION REGARDING RESOLUTION NO. 2012-93 APPROVING AND ADOPTING THE CDBG CONTRACT #112-13 BETWEEN THE CITY OF WILLCOX AND THE ARIZONA DEPARTMENT OF HOUSING FOR THE PURPOSE OF ADMINISTERING FUNDS FROM TITLE I OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974 (CDBG) FOR HISTORIC PRESERVATION OF THE WILLCOX COMMUNITY CENTER; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.** Tab 6

Consideration, discussion/decision regarding Resolution NO. 2011-93 Approving and adopting the CDBG contract #112-13 between the city of Willcox and the Arizona department of housing for the purpose of administering funds from Title I of the housing and community development act of 1974 (CDBG) for historic preservation of the Willcox community center.

13. **DISCUSSION/DECISION REGARDING RESOLUTION NO. 2012-94 APPROVING THE BID FOR PURCHASE Tab 7
OF REAL PROPERTY FROM JOHN A. HOLCOMB, MARY M. HOLCOMB AND AMANDA D. KIRKENDALL IN THE
AMOUNT OF \$175,111.00, FOR THE SALE OF CITY PROPERTY LOCATED AT 1510 N. CIRCLE I. ROAD, WILLCOX,
ARIZONA; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DIRECTING AUTHORIZED CITY
OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.**

Consideration, discussion regarding Resolution NO. 2011-94 Approving the bid for purchase of real property from John A. Holcomb, Mary M. Holcomb and Amanda D. Kirkendall in the amount of \$175,111.00, for the sale of city property located at 1510 N. Circle I. Road, Willcox, Arizona

14. **DISCUSSION/DECISION REGARDING RESOLUTION NO. 2012-95 CANVASSING, DECLARING AND Tab 8
ADOPTING THE RESULTS OF THE GENERAL ELECTION HELD ON NOVEMBER 6, 2012**

Consideration, discussion and/or decision regarding Resolution NO. 2012-95 Declaring and Adopting the Results of the General Election held on November 6, 2012.

15. **CITY MANAGER REPORTS**

Consideration, discussion, and/or decision regarding the following topics by the City Manager:

- **City Hall Closed-** November 22 & 23, 2012 for Thanksgiving
- **Special Work Session-** Capital expense needs for Water System & Solid Waste Monday, November 26, 2012 at 6:30 pm.
- **Apple Festival-** November 29 –December 1, 2012 at the Community Center
- **Employee Appreciation Potluck-** December 6, 2012 from 11:00 am-1:00 pm.
- **Work Session-** Monday December 10, 2012 for Sewer System

16. **COMMENTS NOT FOR DISCUSSION FROM MAYOR AND COUNCIL MEMBERS.**

17. **DISCUSSION/DECISION ENTER INTO AN EXECUTIVE SESSION PURSUANT TO ARIZONA REVISED Tab 9
STATUTES §38-431.03A(3) DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE ATTORNEY OR
ATTORNEYS OF THE PUBLIC BODY REGARDING THE PURCHASE, SALE, OR LEASE OF REAL PROPERTY**

Consideration, discussion and/or decision to enter into an Executive Session pursuant to ARS §38-431.03A(1) and (3), as stated, consultation for legal advice with the attorney(s) of the public body regarding the purchase, sale, or lease of real property. .

18. **RECESS TO EXECUTIVE SESSION, IF APPROVED**

19. **RECONVENE FROM EXECUTIVE SESSION**

20. **DISCUSSION/DECISION/DIRECTION TO STAFF REGARDING MATTERS DISCUSSED IN EXECUTIVE SESSION**

Consideration, discussion, decision and/or direction to staff regarding matters discussed in Executive Session and/or consultation for legal advice from City Attorney.

21. **ADJOURN**

NOTE: Documentation (if any) for items listed on the Agenda is available for public inspection, a minimum of 24 hours prior to the Council Meeting, at any time during regular business hours in the Office of the City Clerk, 101 S. Railroad Avenue, Suite B, or the Elsie S. Hogan Community Library during regular business hours Monday-Saturday and on the City's website www.cityofwillcox.org.
NOTE: People with disabilities may request reasonable accommodations. Requests must be made 48 hours prior to the meeting by contacting City Hall at 384-4271 during regular business hours 8:00 a.m. to 4:30 p.m., Monday through Friday.

TAB 1

**THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 4TH DAY OF JUNE 2012**

CALL TO ORDER – Gerald W. Lindsey called the regular meeting to order on Monday, June 4, 2012 at 7:10 p.m. and Welcomed all to this City Council meeting and is happy to have all of them here and thinks will be hearing from some of you.

ROLL CALL-City Clerk Cristina Garcia Whelan, called the roll

PRESENT

Mayor Gerald W. Lindsey
Vice Mayor Monika Cronberg
Councilman Elwood A. Johnson
Councilman William "Bill" Holloway
Councilman Robert "Bob" Irvin
Councilman Earl Goolsby
Councilman William "Bill" Nigh

STAFF

City Manager Pat McCourt
City Attorney Hector M. Figueroa
City Clerk Cristina Garcia Whelan, CMC
Library Director Tom Miner
~~Public Safety Director Jake Weaver~~
Finance Director Ruth Graham
Public Services & Works Director Dave Bonner
Development Services Jeff Stoddard

PLEDGE OF ALLEGIANCE TO THE FLAG - Led by Mayor Lindsey

CALL TO THE PUBLIC

Kathy Smith addressed the Mayor and Council and stated this is her last City Council meeting and thanked them for putting up with her for the past 7-years. She introduced Alan Baker as the new Chamber Director and he started today and if anything is needed from Chamber please call Mr. Baker. I have enjoyed working with the staff and worked a lot with Pat, Dave and Ruth. "I planned this as a Call to the Public so that the Council members can not say a word."

DECLARATION ON CONFLICT OF INTEREST

No Conflicts were declared by Council or Staff

ADOPTION OF THE AGENDA

MOTION: Councilman Johnson moved to adopt the agenda as presented.

SECONDED: Councilman Irvin seconded the motion. **DISCUSSION:** Mayor Lindsey stated no Executive Session this evening. City Attorney Figueroa agreed. Councilman Johnson amended the motion with removal of items 23-26 Executive Session. **CARRIED**

DISCUSSION/DECISION REGARDING TO APPOINT A MAYOR TO A TWO (2) YEAR TERM

Mayor Lindsey announced nominations for Mayor are now open. Councilman Johnson nominated Councilwoman Cronberg; Councilman Goolsby moved to nominate Irvin; Mayor Lindsey asked are there any other nominations. Mayor asked twice with pause. Mayor and Council moved to close nominations. Mayor and Council announced to appoint a Mayor to a 2-year term. Mayor Lindsey by alpha asked for **vote for Councilwoman Cronberg by raise of hands:** Councilman Johnson, Councilwoman Cronberg and Councilman Holloway. **For Councilman Irvin:** Councilman Nigh; Councilman Irvin; Councilman Lindsey and Councilman Goolsby.

DISCUSSION/DECISION REGARDING TO APPOINT A VICE MAYOR TO A TWO (2) YEAR TERM

Mayor Lindsey announced nominations for Vice Mayor to a 2-year term open. Councilman Nigh nominated Goolsby; Goolsby nominated Holloway; Mayor Lindsay asked any further nominations? Pause asked again are there any further nominations. Hearing none he moved to close nominations for Vice Mayor. Mayor Lindsey **vote by alpha order for Councilman Goolsby by raise of hands:** Councilman Nigh. **For Councilman Holloway:** Councilman Irvin; Councilman Holloway; Mayor Lindsey; Councilman Johnson; Councilwoman Cronberg; Councilman Goolsby.

Congratulations Mayor Irvin and Vice Mayor Holloway! 5-Minute recess was given to change Council members seating.

PRESENTATION BY WILLCOX HISTORIC THEATER PRESERVATION INC., REGARDING THE RE-OPENING OF THE REX ALLEN THEATER

Curt Edelman representative of the Willcox Historic Theater Organization a non-profit presented on the re-open of the Rex Allen Theater. In any business, to re-open it needs to determine what to do to make it run, i.e. cost and profitability; however, another reason for Theater to be re-opened is for the community. The Community needs a theater; the kids

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need a place to entertain themselves and be safe and a theater can offer that type of need. We went to the Rex Allen Museum who owns the Theater and asked them for a Letter of Intent, so we could do a study on assets, concession stands, projectors (the ones we have are the oldest in the State), the seating, the Bingo machine, lighting, plumbing, roofing and HVAC and we came up with a lot of information on what was needed in just those areas to get this moving forward. All this will need to be decided to determine what is needed to be raised. I went back and looked at receipts i.e. to buy popcorn, soda, rent movie, salaries water etc. I have looked at other theaters of the same size and demographics in AZ and NM, and a couple in Ohio. We researched what they cost to operate in an environment similar to ours, which is not finished yet. That money is needed and we will accomplish this through donations from local companies and fundraisers a targeted date is mid-August. If we get a percentage of funding we will move forward and if not the theater will not open and that is where we are. Councilman Goolsby asked if he had a figure. Mr. Edelman stated \$30,000. Councilman Goolsby asked if they were on way to garden that money. Mr. Edelman stated we opened an account and we need \$29,000 more. Councilman Goolsby stated that is a good start. Councilman Nigh asked if a 501C3 has been established. Mr. Edelman stated the paperwork has been done and need AZ Commission to approve Corporation EIN. Councilman Johnson asked if he was looking for dollar amount from City of Willcox. Mr. Edelman stated that was not our intent. Councilman Nigh stated no money can be donated until 501C3 is approved. Mr. Edelman stated once it is approved it can be retroactive. It can be Retro to the date of May 11, 2012 when we got the 501C3 by Gayle Berry. Mayor Irvin asked if they have looked at fundraisers. Mr. Edelman stated Terry Rowden has sent out letters and pledge letters and we are getting some response from those but it is slow process. Mayor Irvin asked who the members were. Mr. Edelman replied Terry, Gayle and Carol Adcock. He stated he opened an account at Cochise Credit Union and is accepting pledges or donation or contact one of the members. Councilman Lindsey asked if considering 2nd run as opposed to first. Mr. Edelman stated yes, and they are less expensive He thanked the Mayor and Council.

DISCUSSION/DECISION REGARDING THE WILLCOX ELKS LODGE REQUEST FEES BE WAIVED FOR THE ANNUAL 4TH OF JULY SWIM MEET, THURSDAY, JULY 4, 2012 FROM 8:00 A.M. THROUGH 6:00 P.M.

MOTION: Councilman Lindsey moved to approve the Elk's request fees be waived for the Annual 4th of July Swim Meet, Thursday, July 4, 2012 from 8 am - 6 p.m.

SECONDED: Councilwoman Cronberg seconded the motion **6 AYES-** Mayor Irvin; Vice Mayor Holloway; Councilman Lindsey; Councilman Johnson; and Councilman Nigh, **1 Nay** Councilman Goolsby. **CARRIED**

DISCUSSION/DECISION REGARDING THE REQUEST TO ACCEPT A \$100 (AND FUTURE) DONATION TO THE WILLCOX DEPARTMENT OF PUBLIC SAFETY FROM PRIVATE DONOR.

MOTION: COUNCILMAN JOHNSON moved to approve the donation accept a \$100 (and future) donation t the Willcox Department of Public Safety from private donor.

SECONDED: Vice Mayor Holloway seconded the motion. **CARRIED**

DISCUSSION/DECISION REGARDING THE REQUEST TO ACCEPT A \$150 (AND ONGOING) DONATION TO THE WILLCOX DEPARTMENT OF PUBLIC SAFETY FROM PRIVATE DONOR.

MOTION: Councilman Johnson moved to approve acceptance of \$150 (and ongoing) donation t the Willcox Department of Public Safety from private donor. **SECONDED:** Vice Mayor Holloway seconded the motion. **CARRIED**

DISCUSSION/DECISION REGARDING THE ATTENDANCE AND PARTICIPATION AT THE LEAGUE OF OF ARIZONA CITIES AND TOWNS ANNUAL CONFERENCE IN SCOTTSDALE, AZ

MOTION: Councilman Johnson moved to forego the attendance and participation at The League of Arizona Cities and Towns Annual Conference in Scottsdale, AZ due to economy and possible raise to City staff. **MOTION FAILED WITHOUT SECOND.**

MOTION: Vice Mayor Mr. Holloway moved to approve the attendance and participation at The League of Arizona Cities and towns Annual Conference in Scottsdale, Arizona. **SECONDED:** Councilman Lindsey seconded the motion.

DISCUSSION: Councilman Lindsey intends to participate in the League of Arizona Cities and Towns Annual Conference. Councilwoman Cronberg stated she was going and right now who all is attending. Clerk stated Nigh, Lindsey, Cronberg and Holloway. City Manager McCourt stated it showcase the Cities and Representatives on Resolutions Committee and a person to carry the Flag for the City of Willcox **6 AYES-** Mayor Irvin; Vice Mayor Holloway; Councilman Lindsey; Councilman Goolsby; and Councilman Nigh, **1 Nay-** Councilman Johnson. **CARRIED**

DISCUSSION/DECISION REGARDING RESOLUTION NO. 2012-46 APPROVING AND ADOPTING THE PARKING LEASE BETWEEN THE CITY OF WILLCOX ["LESSOR"] AND JACOBS COMPANY ["LESSEE"] FOR PARKING AND PASSENGER PICKUP AREA AT QUAIL PARK ON PARCEL #202-43-015B, AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DECLARING AN EMERGENCY TO EXIST.

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MOTION: Councilman Johnson moved to approve Resolution NO. 2012- 46 as presented, regarding The Parking Lease Between The City Of Willcox ["Lessor"] and Jacobs Company ["Lessee"] For Parking And Passenger Pickup Area At Quail Park On ParcEL #202-43-015B.

SECONDED: Vice Mayor Holloway & MC seconded the motion. **DISCUSSION:** Vice Mayor Holloway asked Mr. Bonner if there were any issue with maintenance on that lot size. Mr. Bonner replied it has been cleaned up and leveled off he would like to recommend for some of that money go to Streets for reimbursement for work that has been done and the remainder for the future. Mayor Irvin asked if we have railroad ties already. Mr. Bonner stated yes by the ball fields. Councilwoman Cronberg asked if we need to address recommendation by Mr. Bonner since its going to General Fund. City Manager McCourt stated it is going to General Fund and will bring costs incurred by Streets Department at the next meeting. **CARRIED**

DISCUSSION/DECISION REGARDING RESOLUTION NO. 2012-47 AUTHORIZING AND APPROVING THE CONTRACT EXTENSION WITH HINTON BURDICK HALL & SPILKER, PPLC ["HINTON BURDICK"] FOR AUDIT SERVICES FOR FY2011-2012 ANNUAL AUDITED FINANCIAL STATEMENTS AND SINGLE AUDIT [IF REQUIRED] AND AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DECLARING AN EMERGENCY TO EXIST-Vice Mayor Holloway asked how much was paid for the last audit. Ms. Graham replied we paid \$18,000 and this year it was quoted \$750 higher. We have now exceeded \$500,000 and will now have a single audit.

MOTION: Councilman Lindsey moved to approve Resolution NO. 2012-47, as stated, regarding Hifton Burdick, PLLC Fiscal 2011-12 Annual Audit Contract.

SECONDED: Councilwoman Cronberg seconded the motion. **CARRIED**

LEASE AGREEMENT RENEWAL BETWEEN THE CITY OF WILLCOX ["CITY"] AND ARIZONA DEPARTMENT OF PUBLIC SAFETY ["ADPS"] CONTRACT NO. 98-206 FOR PARCEL OF LAND AT 1101 N. CIRCLE I ROAD AND AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND THE LEASE RENEWAL AND DECLARING AN EMERGENCY TO EXIST.

MOTION: Vice Mayor Holloway moved to approve Resolution NO. 2012-48, as presented, regarding the Arizona Department of Public Safety Fiscal Year 2012-13 Lease Agreement Renewal.

SECONDED: Councilman Lindsey seconded the motion. **DISCUSSION:** Councilman Lindsey stated not this year but in the future the City of Willcox needs to see negotiate for them to at least pay for the water and trash removal. **CARRIED**

DISCUSSION/DECISION REGARDING RESOLUTION NO. 2012-49 FOR THE PURPOSE OF APPROVING THE APPOINTMENT OF PATRICK MCCOURT AND THE CITY MANAGER SERVICES AGREEMENT WITH AMENDED VACATION BENEFITS AND AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION, THE AGREEMENT AND DECLARING AN EMERGENCY TO EXIST.

MOTION: Councilman Lindsey moved to approve Resolution NO. 2012-49, as stated, regarding The City Manager Services Agreement with Amended Vacation Benefits.

SECONDED: Councilman Goolsby seconded the motion. **CARRIED**

DISCUSSION/DECISION REGARDING RESOLUTION NO. 2012-50 APPROVING AND AUTHORIZING COMMUNITY CENTER PHASE III IMPROVEMENTS, AUTHORIZING CITY STAFF TO PROCEED WITH THE PROPOSED PROJECT AND AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DECLARING AN EMERGENCY TO EXIST

MOTION: Councilman Johnson moved to approve Resolution NO. 2012-50, as presented, regarding the Community Center Phase III Improvements.

SECONDED: Councilwoman Cronberg seconded the motion. **DISCUSSION:** Mayor Lindsey asked Mr. Bonner to bring them up to date. Mr. Bonner wanted to make sure everyone was aware of current situation; there was additional money after the bid of \$90,000 to do additional work and some change orders and money was returned as it was not used. Change's to replace the doors. The paint number from Architect and actual number came in at \$1,900 more. After change orders i.e. re-stucco stairwell, windows on Westside and stucco to match the rest of the adobe; a window pane on the Southside that was broken due to vandalism was replaced. East side venting going to basement looked bad with plumbing and it was decided to put that underneath. Repair of Phase II Stucco some areas were coming loose from quick break, and when they paint that area it will seal that off and prevent that from happening again. We did not accept proposal of putting brick in patio in front of building. Proposal is to get as much of that patio done with money and stopping at a logical point; or at the edge of sidewalk where brick stops or a little half of patio area. Councilwoman Cronberg stated it seems like there are always a lot of change orders. Mr. Bonner stated it was because they had monies left over and they were trying to get as much work as possible. **CARRIED**

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DISCUSSION/DECISION REGARDING RESOLUTION NO. 2012-51 APPROVING THE EXPENDITURE OF \$3,866.37 FOR THE COST OF A 4" PE LINE TO SERVE CURRENT AND FUTURE SERVICE AND EXTENSIONS, AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DECLARING AN EMERGENCY TO EXIST

MOTION: -Councilman Johnson moved to approve Resolution NO. 2012- 51, as presented, regarding the Expenditure of \$3,866.37 for the cost of a 4" PE Line to serve current and future service and extensions.

SECONDED: Councilwoman Cronberg seconded the motion **DISCUSSION:** Councilman Johnson stated take it out of Economic Development that is what it is there for. Mr. Bonner stated there are ways to handle the water & sewer and could not find anything in Code for Gas. Additional amount is \$3,866 and total amount is \$8,100.00. Mayor And Council think it is a good idea and try to work with contractor to make that happen and both parties win. Mr. Bonner already 4" to extend that was logically size. **CARRIED**

DISCUSSION/DECISION REGARDING RESOLUTION NO. 2012- 52 DESIGNATING AUTHORIZED SIGNATORIES FOR THE CITY OF WILLCOX FINANCIAL ACCOUNTS, PROPERTIES, AFFAIRS, BOOKS AND CORPORATE RECORDS OF THE CITY AND DECLARING AN EMERGENCY TO EXIST

MOTION: Vice Mayor Holloway moved to approve Resolution NO. 2012-52, as stated, regarding the Designating Authorized Signatories for the City of Willcox Financial Accounts.

SECONDED: Councilwoman Cronberg seconded the motion. **DISCUSSION:** City Manager McCourt stated we will fill in blank spaces with the names of Mayor and Vice Mayor. **CARRIED**

REPORTS BY THE CITY MANAGER PAT MCCOURT

Consideration, discussion, and/or decision regarding the following topics by the City Manager:

- **Report on Collection of Donations for the 4th of July Fireworks-**Mentioned at the last meeting that the Willcox Department of Public Safety is accepting donations towards the 4th of July Fireworks! Donations are coming in slowly.
- **Report Swimming Pool –** Opened for business on Sunday, May 27, 2012
- **Skateboard Equipment-** should have arrived last week and anticipate it will arrive this week.
- **Roof on City Hall-**did get that done.
- **Representation on various Boards and Committees-**Items on the next agenda for representatives to the P&Z, P&R, Library, a memo will be sent out in advance to remind them.

COMMENTS NOT FOR DISCUSSION FROM MAYOR AND COUNCIL MEMBERS.

Councilman Nigh stated at the seminar he will visit the Sewer Treatment Plant and water purification for the future and thinks someone should be looking at that and he would be happy to cover that.

Mayor Irvin thanked staff and our going Mayor Lindsey for the time put in as Mayor and has "big shoes to fill".

Councilman Holloway thanked Kathy Smith for 7-years of service he did not assume she would spend the 7-years and appreciates that. Councilwoman Cronberg ditto to what Councilman Holloway stated and welcomed Alan and "Good Luck" to both of you.

~~**DISCUSSION/DECISION ENTER INTO AN EXECUTIVE SESSION PURSUANT TO ARIZONA REVISEE STATUTES §38-431.03A(3) DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE ATTORNEY OR ATTORNEYS OF THE PUBLIC BODY**~~

~~Consideration, discussion and/or decision to enter into an Executive Session pursuant to ARS §38-431.03A (3), as stated, relating to consultation for legal advice with the attorney(s) of the public body.~~

~~**RECESS TO EXECUTIVE SESSION, IF APPROVED**~~

~~**RECONVENE FROM EXECUTIVE SESSION**~~

~~**DISCUSSION/DECISION/DIRECTION TO STAFF REGARDING MATTERS DISCUSSED IN EXECUTIVE SESSION**~~

~~Consideration, discussion, decision and/or direction to staff regarding matters discussed in Executive Session and/or consultation for legal advice from City Attorney.~~

ADJOURN-8:00 p.m.

**THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 4TH DAY OF JUNE 2012**

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the City Council of the City of Willcox held on the 4th day of June, 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 4th day of June, 2012

/s/ Virginia A. Mefford
Transcribed by City Clerk VIRGINIA A. MEFFORD

PASSED, APPROVED AND ADOPTED this 19th day of November 2012.

/s/ Robert A. Irvin
MAYOR ROBERT A. IRVIN
Signed: _____

ATTEST:

/s/ Virginia A. Mefford
City Clerk VIRGINIA A. MEFFORD

**THE MINUTES OF THE SPECIAL MEETING OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 4th DAY OF SEPTEMBER 2012**

CALL TO ORDER- Mayor Bob Irvin called the special meeting to order on Monday, September 4, 2012 at 7:00 p.m. and welcomed everyone in attendance

ROLL CALL-City Clerk Virginia A. Mefford, called the roll:

PRESENT

Mayor Robert A. Irvin
Vice Mayor Bill Holloway
Councilman Gerald W. Lindsey
Councilman Elwood A. Johnson
Councilwoman Monika Cronberg
Councilman Earl Goolsby
Councilman William "Bill" Nigh

STAFF

City Manager Pat McCourt
City Attorney Ann Roberts
Jake Weaver Chief of Police
City Clerk Virginia A. Mefford
Finance Director Ruth Graham
Library Director Tom Miner
Public Services & Works Director Dave Bonner
Development Services Jeff Stoddard

PLEDGE OF ALLEGIANCE TO THE FLAG – led by Mayor Irvin

CALL TO THE PUBLIC

Sharon Nigh attended the League of Town and cities the people who attended were very professional and thanked Virgie for the quality you bring to the City we would like. We as of today do not have liability insurance for the Rex Allen Days. Please watch this.

DECLARATION ON CONFLICT OF INTEREST

None Declared.

ADOPTION OF THE AGENDA

MOTION: Vice Mayor Holloway moved to adopt the agenda with the removal of items 17-20 relating to Executive Session and moving item 8A to regular agenda **SECOND:** Councilwoman Cronberg seconded the motion. **CARRIED**

PUBLIC HEARINGS, PETITIONS, AND COMMUNICATIONS

Public Hearing: The Mayor and Council will hold Public Hearing on Tuesday, September 4, 2012 at 7:00 p.m., City Council Chambers, 300 W. Rex Allen Drive, relating to:

Liquor Licensed Series #13 for Aridus Winery Company, LLC, new liquor license
OPENED: Public Hearing at 7:10 pm. with no discussion. **CLOSED:** at 7:11 pm.

CONSENT AGENDA

Items that are considered to be routine by the City Council will be enacted by one motion **without** discussion.

MOTION: Councilwoman Cronberg moved to adopt the Consent Agenda and table item 8A

SECOND: Councilman Goolsby seconded the motion **CARRIED**

MINUTES OF PREVIOUS MEETINGS

~~Regular Meeting April 2, 2012, Special Meetings April 5, 2012, May 7, 2012, July 9, 2012, Work Session August 6, 2012, Regular Meetings August 6, 2012, and August 20, 2012.~~

**PRESENTATION/DISCUSSION BY REPRESENTATIVE OF FROM THE WILLCOX HISTORIC THEATER
PRESERVATION INC. COMMITTEE**

Ms. Berry gave a presentation on the WHTP Inc. When the doors closed in October the WHTP Inc. made an offer in April the museum would not sell or get rid of any contents; we did have some enthusiastic interest about getting the theater re-opened and WHTP Inc. did lots of research and we submitted three grants. We have one that is very interested. We increased our offer to \$35,000 but the museum still said it was not enough. We have exhausted the 120 days of the letter of intent and the roof is

**THE MINUTES OF THE SPECIAL MEETING OF THE MAYOR AND
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leaking and causing more damage; we don't know why the Museum turn their backs on re-opening we as a community we are trying to get this up and running. The museum board stated they have had interest in the theater and WHTP Inc. will support anyone who would like to re-open the theater. WHTP Inc. is very frustrated with the museum board but we will continue to do whatever it takes to get this re-opened.

Councilman Lindsey asked is there anything you are asking for the City of Willcox to do. I understand both sides and I know both sides are working to make this work. I just hope both parties will continue to work thing out. Councilman Goolsby asked is there going to be a time when you, I mean you have been in front of the council even before tonight; at what point would you abandon your efforts. Ms. Berry stated we will not abandon this possibility.

**DISCUSSION AND/OR DECISION/DIRECTION REGARDING THE APPLICATION FOR LIQUOR LICENSE SERIES #13
ARIDUS WINERY COMPANY, LLC NEW LICENSE**

MOTION: Councilman Johnson moved to approve the application for Liquor License Series #13 Aridus Winery Company, LLC, new license 1126 N. Haskell Avenue, Willcox, AZ **SECOND:** Councilwoman Cronberg seconded the motion. **DISCUSSION:** Representative of Aridus explained they have purchased the old Apple Warehouse and we are also going to be bottling. Councilman Lindsey stated it is a great thing to have. Councilman Johnson asked will you be offering wine tasting. Aridus representative stated we have an office on Haskell so the growers can taste their wine we are simply bottling the wine. **CARRIED**

**DISCUSSION AND/OR DECISION/DIRECTION REGARDING ACCEPTING A GIFT FROM SSVEC OF 8 COMPUTERS
SYSTEMS 4 FOR TEEN USE AND 4 FOR PUBLIC USE**

MOTION: Councilman Lindsey moved to accept the gift from SSVEC of eight computers. **SECOND:** Councilwoman Cronberg seconded the motion **DISCUSSION:** Mr. Minor stated they would be purchasing the monitors. **CARRIED**

**DISCUSSION AND/OR DECISION/DIRECTION REGARDING RESOLUTION NO. 2012-76, SUPPORTING THE SUNZIA
SOUTHWEST TRANSMISSION PROJECT WITH REGARD TO ROUTE 4B OF THE SUNZIA PROPOSED
TRANSMISSION LINE AND DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE
PURPOSES AND INTENT OF THIS RESOLUTION.**

MOTION: Vice Mayor Holloway moved to approve Resolution No. 2012-76, as stated supporting Sunzia Southwest Transmission Project with regard to Route 4B of the Sunzia Proposed Transmission Line **SECOND:** Councilman Lindsey seconded the motion **DISCUSSION:** SunZia Transmission representatives Ian Calkin and Nancy Jean Welker gave a brief overview on the high voltage transmission that would stretch through NM and Southern AZ. It is hopeful by the end of this year to finish up the project and we get with the State of Arizona for permitting. This will create many jobs and be located off HWY 19; this will create opportunities for Solar. The U of A and UNM stated it would be an economic growth for this area. We hope the City Council will approve this Resolution. Councilman Lindsey asked about the Bowie Power Plant was a natural gas Project and would SunZia not be needed. Mr. Calkin stated this line will run parallel of I-10 this will depend on the BLM or State of Arizona this says will depend on what direction it will run. We are a long way of how the power lines will look; there are a lot of variables on how this will look. Councilman Lindsey and Councilman Goolsby are happy to see them stay away from the San Pedro River. **CARRIED**

**DISCUSSION AND/OR DECISION/DIRECTION REGARDING RESOLUTION NO. 2012-77, OPPOSING THE FEDERAL
IMPLEMENTATION PLAN ON NITROGEN OXIDES PROPOSED BY THE UNITES STATES ENVIRONMENTAL
PROTECTION AGENCY AND DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE
PURPOSES AND INTENT OF THIS RESOLUTION**

MOTION: Councilman Lindsey moved to approve Resolution No. 2012-77, as stated opposing the Federal implementation plan on nitrogen oxides proposed by the Unites States environmental protection agency **SECOND:** Councilwoman Cronberg seconded the motion. **DISCUSSION:** Mr. Jeff Oldfather gave a presentation on the talking points in the Council packets. They have spent \$8 million on three upgrades and \$2.5 to \$5million to implement over the next five years. This plant is well operated and most efficiently run organization. We are not opposed to regulation we are opposed to someone putting us out of business. I urge you to consider this. Councilman Lindsey stated the ultimate goal is coal: it is probably the cheapest form

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of energy. Councilman Goolsby stated we took a class to the National Monument it is a logistic nightmare when were in Massena Point this area was one of the most pristine clear air. Councilman Lindsey stated if EPA should shut you down what is the alternative. Mr. Oldfather stated we could use the natural gas but these units were not designed to support this.
CARRIED

DISCUSSION AND/OR DECISION/DIRECTION RESOLUTION NO. 2012-78, APPROVING THE APPOINTMENT OF ANN P. ROBERTS, ESQ., TO THE POSITION OF CITY ATTORNEY PURSUANT TO THE ASSIGNMENT OF LEGAL SERVICES CONTRACT APPROVED BY RESOLUTION NO. 2012-74; DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION; AND, DECLARING AN EMERGENCY TO EXIST.

MOTION: Councilman Johnson moved to approve Resolution NO. 2012-78, as stated approving the appointment of Ann Roberts, Esq., as the City Attorney pursuant to the assignment of Legal Services Contract approved by Resolution #2012-74.
SECOND: Councilman Lindsey seconded the motion. **CARRIED**

REPORTS BY THE CITY MANAGER PAT MCCOURT

Consideration, discussion, and/or decision regarding the following topics by the City Manager:

- **City Hall front desk Closed-** on September 6-7, 2012 for conversion training.
- **Mayor/Manager Luncheon –** Quality Inn - Kiva Room on Thursday, September 20, 2012 at noon - RSVP by September 14, 2012 at Noon.
- **Special Work Session-** Capital needs on Gas System on the Monday, October 22, 2012 at 6:30 p.m.

COMMENTS NOT FOR DISCUSSION FROM MAYOR AND COUNCIL MEMBERS.

Mayor Irvin stated it was an honor and privilege to attend the League.

Councilman Holloway enjoyed the Conference and made some contacts on Economic Development.

Councilwoman Cronberg asked for follow up information on the Golf Course Mr. McCourt stated staff will bring up some minor adjustments on this.

Councilman Goolsby stated I was extremely honored, there was an awesome level of professionalism and they were there to make the things better.

Councilman Lindsey stated he enjoyed the Conference and enjoyed the information presented, on the Economic Development. I am sure Sue would come over from Sierra Vista to provide input on this.

Councilman Nigh stated I was able to attend three seminars on the Waste Water Treatment one was from Kingman, Scottsdale Waste Water Treatment Plant they provide all the water to 20 Golf Courses he did get the business card form this event and will keep in touch.

DISCUSSION/DECISION ENTER INTO AN EXECUTIVE SESSION PURSUANT TO ARIZONA REVISED STATUTES §38-431.03A(3) DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE ATTORNEY OR ATTORNEYS OF THE PUBLIC BODY

~~Consideration, discussion and/or decision to enter into an Executive Session pursuant to ARS §38-431.03A(1) and (3), as stated, relating to consideration of employee and consultation for legal advice with the attorney(s) of the public body.~~

RECESS TO EXECUTIVE SESSION, IF APPROVED

RECONVENE FROM EXECUTIVE SESSION

DISCUSSION/DECISION/DIRECTION TO STAFF REGARDING MATTERS DISCUSSED IN EXECUTIVE SESSION

~~Consideration, discussion, decision and/or direction to staff regarding matters discussed in Executive Session and/or consultation for legal advice from City Attorney.~~

ADJOURN- with no further discussion adjourned at 8:14 pm.

**THE MINUTES OF THE SPECIAL MEETING OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 4th DAY OF SEPTEMBER 2012**

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the special meeting of the City Council of the City of Willcox held on the 4th day of September 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 4th day of September 2012

City Clerk Virginia A. Mefford

PASSED, APPROVED AND ADOPTED this 19th day of November 2012.

MAYOR ROBERT A Irvin
Signed _____

ATTEST:

City Clerk Virginia A. Mefford

**THE MINUTES OF THE SPECIAL MEETING OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 17th DAY OF SEPTEMBER 2012**

CALL TO ORDER- Mayor Bob Irvin called the special meeting to order on Monday, September 4, 2012 at 7:00 p.m. and welcomed everyone in attendance

ROLL CALL-City Clerk Virginia A. Mefford, called the roll:

PRESENT

Mayor Robert A. Irvin
Vice Mayor Bill Holloway
Councilman Gerald W. Lindsey
Councilman Elwood A. Johnson
~~Councilwoman Monika Cronberg~~
Councilman Earl Goolsby
Councilman William "Bill" Nigh

STAFF

City Manager Pat McCourt
City Attorney Ann P. Roberts
Jake Weaver Chief of Police
City Clerk Virginia A. Mefford
Finance Director Ruth Graham
Library Director Tom Miner
Public Services & Works Director Dave Bonner
Development Services Jeff Stoddard

ABSENT

Councilwoman Monika Cronberg-Excused

PLEDGE OF ALLEGIANCE TO THE FLAG – led by Mayor Irvin

CALL TO THE PUBLIC

Mr. Telles addressed the Council regarding the Rex Allen Museum and the Rex Allen Theater. He stated the Museum was given an offer and was not comfortable with it and they are still in talks with the other group and will address this further at the next Museum meeting they will have later this week, but just wanted to update the council of what has transpired.

Ms. Terri Rowden introduced herself stated we are non profit organization that would like to purchase the Rex Allen Theater and our mission is to provide and revive the Rex Allen Downtown area. We are trying to provide a growth for the community art group. We are trying to target the youth in the community to give them a place to thrive and to be a catalyst for the growth of the community. The Historical preservation committee would like to have a work session with the Council in the near future.

Daniel Nix addressed the council regarding the alley behind where he lives. He stated the area is not taken care of and the weeds are fairly high and he provided council with photos of the alley. He would like to put a fence accessible to the utilities. He would like to request to be on the agenda for this purpose.

DECLARATION ON CONFLICT OF INTEREST. None declared.

ADOPTION OF THE AGENDA

MOTION: Councilman Johnson moved to adopt the agenda as presented. **SECOND:** Vice Mayor Holloway seconded the motion **CARRIED**

CONSENT AGENDA

Items that are considered to be routine by the City Council will be enacted by one motion **without** discussion.

MOTION: Councilman Johnson moved to adopt the Consent Agenda

SECOND: Councilman Lindsey seconded the motion **CARRIED**

MINUTES OF PREVIOUS MEETINGS

Regular Meeting April 2, 2012, **Special Meetings** April 5, 2012, May 7, 2012, July 9, 2012, **Work Session** August 6, 2012, **Regular Meetings** August 6, 2012, and August 20, 2012.

DISCUSSION AND/OR DECISION/DIRECTION REGARDING STREET CLOSURE FOR VETERANS DAY PARADE, RAILROAD AVENUE FROM FREMONT TO MALEY

**THE MINUTES OF THE SPECIAL MEETING OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 17th DAY OF SEPTEMBER 2012**

MOTION: Councilman Johnson moved regarding street closure for Veterans Day Parade, Railroad Avenue from Fremont to Maley. **SECOND:** Vice Mayor Holloway seconded the motion **DISCUSSION:** Johnson asked a group if they are going to have just as nice of display as last year and the group stated we hope so. **CARRIED**

**REX ALLEN DAYS PARADE STREET CLOSURES DESIGNATED FOR PARADE ON SATURDAY
OCTOBER 6th. (ORIGINAL PARADE ROUTE CLOSURES)**

MOTION: Councilman Johnson moved Regarding the Requests by Rex Allen Days, Inc. For The 61st Annual Rex Allen Days Parade Street closures designated for parade on Saturday October 6th. (Original Parade Route closures) **SECOND:** Vice Mayor Holloway seconded the motion

DISCUSSION: Mr. Telles stated this parade may be the death of me, but Rex Allen Day's committee has been working diligently with ADOT. We sent them both routes and they came back with accepting both routes for a \$2,000,000 liability insurance and because of this; we want to move the parade route back to the original route. City Manager McCourt stated I received an email from the Chamber of Commerce to modify the times of the closure and asked Mr. Telles if had seen the email. Mr. Telles stated he has not and one of the Councilmen handed him a copy to read. Councilman Johnson asked will your insurance cover the extended time. Mr. Telles stated no it only covers until 1:00 pm. City Manager stated thank you for clearing that up for us, we will inform Chamber of Commerce the will need to get this taken care of, if they choose to extend the closure. **CARRIED**

**DISCUSSION AND OR DECISION/DIRECTION REGARDING APPOINTMENT OF TIM CHARLEY TO THE
PARKS & RECREATION ADVISORY COMMITTEE TO FILL UNEXPIRED TERM VACATED BY CODY BOWMAN,
TERM TO EXPIRE 12-31-2014.**

MOTION: Councilman Johnson moved regarding appointment of Tim Charley to the P&R Advisory Committee to fill the unexpired term vacated by Cody Bowman, term to expire 12-31-2014. **SECOND:** Councilman Lindsey seconded the motion. **CARRIED**

**DISCUSSION AND/OR DECISION/DIRECTION REGARDING TO WAIVE OUR SHARE OF JUVENILE
ACCOUNTABILITY BLOCK GRANT TO COCHISE COUNTY**

MOTION: Councilman Johnson moved regarding to waive our share of juvenile accountability block grant to Cochise County. **SECOND:** Councilman Lindsey seconded the motion **CARRIED**

**DISCUSSION AND/OR DECISION/DIRECTION REGARDING ON DONATION OF MATERIALS AND LABOR
TO CONSTRUCT A WILDLIFE OBSERVATION PLATFORM LOCATED ADJACENT TO THE GOLF COURSE**

MOTION: Councilman Johnson moved regarding on donation of materials and labor to construct a wildlife observation platform located adjacent to the golf course. **SECOND:** Councilman Lindsey seconded the motion, **motion Died on the floor due to no vote.** **DISCUSSION:** City Manager stated it also includes the City to add some cost on this. Lindsey asked why a survey was need of this to build this. Mr. Bonner stated it is a small portion of the property is owned by a private citizen. Councilman Johnson Amend original motion on donation of materials and labor to construct a wildlife observation platform located adjacent to the golf course to include the City cost. **SECOND:** by Vice Mayor Holloway. **CARRIED**

**DISCUSSION AND/OR DECISION/DIRECTION REGARDING RESOLUTION NO. 2012-79, AS STATED,
A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA,
"CITY", REAFFIRMING RESOLUTION NOS. 2012-71 AND 2012-72, REGARDING THE GRANTING AND RENEWAL
OF A FRANCHISE AGREEMENT TO SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE, INC., AN ARIZONA
CORPORATION, PROVIDING FOR THE PUBLICATION OF THE PROPOSED FRANCHISE AGREEMENT AND
DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS
RESOLUTION.**

MOTION: Councilman Johnson moved regarding Resolution No. 2012-79, as Stated, a resolution of the mayor and council of the City of Willcox, Cochise County, Arizona, "City", reaffirming resolution nos. 2012-71 and 2012-72, regarding the granting and renewal of a franchise agreement to Sulphur Springs Valley Electric Cooperative, Inc., an Arizona corporation, providing for the publication of the proposed franchise agreement and directing authorized city officers and agents to carry out the purposes and intent of this resolution. **SECOND:** Councilman Lindsey seconded the motion. **CARRIED**

**DISCUSSION AND/OR DECISION/DIRECTION REGARDING RESOLUTION NO. 2012-80, AS STATED,
APPROVING AND ACCEPTING PAYMENT IN THE AMOUNT OF \$8,355.14 FROM VALLEY
CONNECTIONS, L.L.C., AS PAYMENT IN FULL FOR ALL TAX FEES DUE FOR THE TIME PERIOD**

**THE MINUTES OF THE SPECIAL MEETING OF THE MAYOR AND
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HELD ON THIS 17th DAY OF SEPTEMBER 2012**

FROM JANUARY 1, 2006 THROUGH JUNE 30, 2012 AND AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION.

MOTION: Councilman Johnson moved regarding Resolution No. 2012-80 As Stated, approving and Accepting payment in the amount of \$8,355.14 from Valley Connections, L.L.C., as payment in full for all tax fees due for the time period from January 1, 2006 through June 30, 2012 and authorizing the mayor to execute this resolution. **SECOND:** Councilman Lindsey seconded the motion

DISCUSSION: Mr. Troy Judd of Valley Connections, LLC stated they have many franchises and they have been doing self audit and realized they were not paying on the cable part and the telephone franchise we over collected and the net about was the \$8,355 and we wanted to settle up with this amount we would like to do this on a quarterly basis instead of the sales tax process. **CARRIED**

DISCUSSION AND/OR DECISION/DIRECTION RESOLUTION NO. 2012-81 AS STATED, APPROVING AND ADOPTING SECTION 317, ENTITLED "SUPPLEMENTAL BENEFITS FOR INJURED PUBLIC SAFETY EMPLOYEES", AS AN ADDITION TO THE "CITY OF WILLCOX EMPLOYEE HANDBOOK"; ESTABLISHING THE EFFECTIVE DATE; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DECLARING AN EMERGENCY.

MOTION: Councilman Johnson moved regarding Resolution No. 2012-81, as Stated, approving and adopting section 317, entitled "supplemental benefits for injured public safety employees", an addition to the "city of Willcox employee handbook"; establishing the effective date. **SECOND:** Councilman Goolsby seconded the motion

DISCUSSION: Lindsey asked I don't understand this other than it was handed down by the legislature, do we have a choice. City Manager stated no we don't have a choice it is a mandate and we may have an impact on our budget we will make this up we hope through the workman's comp. **CARRIED**

REPORTS BY THE CITY MANAGER PAT MCCOURT

Consideration, discussion, and/or decision regarding the following topics by the City Manager:

- **Mayor Manager Luncheon** – Quality Inn - Kiva Room on Thursday, September 20, 2012 at noon
- **City wide clean-up**- September 29, 2012
- **City Manager gone to ICMA**- October 6-10, 2012
- **City Manager Vacation**- October 12, 2012
- **Special Work Session**- Capital needs on Gas System on the Monday, October 22, 2012 at 6:30 p.m.
- **Jury Duty**- I was selected to jury duty.

COMMENTS NOT FOR DISCUSSION FROM MAYOR AND COUNCIL MEMBERS.

Councilman Holloway stated I am proud the parade route went back to the original route.

Councilman Lindsey stated I am happy the parade route is back to the original route and I'm glad things worked out.

Councilman Johnson asked for an update on the burned down hotel.

Councilman Nigh stated he was relived the R.A.D had all there ducts in a row with the Parade route and looking forward to hear about the burnt down hotel.

DISCUSSION/DECISION ENTER INTO AN EXECUTIVE SESSION PURSUANT TO ARIZONA REVISED STATUTES §38-431.03A(3) DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE ATTORNEY OR ATTORNEYS OF THE PUBLIC BODY REGARDING THE PURCHASE, SALE, OR LEASE OF REAL PROPERTY

MOTION: Councilman Johnson moved to enter into an Executive Session pursuant to ARS §38-431.03A(1) and (3), as stated, relating to consideration of employee and consultation for legal advice with the attorney(s) of the public body regarding the purchase, sale, or lease of real property. **SECOND:** Vice Mayor Holloway seconded the motion. **CARRIED**

RECESS TO EXECUTIVE SESSION, IF APPROVED at 7:43 pm.

RECONVENE FROM EXECUTIVE SESSION 8:30 pm.

DISCUSSION/DECISION/DIRECTION TO STAFF REGARDING MATTERS DISCUSSED IN EXECUTIVE SESSION

**THE MINUTES OF THE SPECIAL MEETING OF THE MAYOR AND
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MOTION: Councilman Johnson moved to give staff direction for easement on the property and go out for proper bid and advertise with no minimum bid per executive session **SECOND:** by Vice Mayor Holloway. **3 AYES-**Councilmen Johnson, Councilman Goolsby, and Councilman Nigh and **3 NAYS:** Mayor Irvin, Councilman Lindsey, and Vice Mayor Holloway. **3 to 3 FAILED**

MOTION: Vice Mayor Holloway moved to give Direction to staff with no minimum bid to be postponed a week later and easement for shared property **SECOND:** by Councilman Lindsey **DISCUSSION:** Mr. Lindsey stated he would like a minimum bid for \$135,000. Ms. Roberts stated we have a motion on the floor. Mayor Irvin called for a vote **3 AYES-** Mayor Irvin, Councilman Lindsey, and Councilman Nigh and **3 NAYS-** Vice Mayor Holloway, Councilman Johnson, and Councilman Goolsby. **3 to 3 FAILED**

MOTION: Vice Mayor Holloway moved to direct staff to provide easement on that property **SECOND:** Councilman Johnson. **CARRIED**

MOTION: Vice Mayor Holloway moved to extend the due date to November 9 **SECOND:** Councilman Lindsey. **CARRIED**

MOTION: Mayor Irvin moved to have a minimum bid of \$135,000 **SECOND:** Councilman Lindsey. **DISCUSSION:** Councilman Goolsby asked why this number. Councilman Lindsey stated he has looked at it with a broker price opinion of it. I have looked at the area, building and the condition and I feel that is a fair number for a minimum bid; I hope it goes higher and I suspect that it will. Vice Mayor Holloway stated with the minimum bid of \$135,000 it seems as if we don't value that property. Councilman Goolsby stated I feel the same way. Councilman Holloway stated I want people to know it is a prime piece of property. Councilman Goolsby stated he feels the same way. Councilman Holloway stated it has an appraised value of \$168,000. Councilman Johnson stated that was where he was at. City Manager McCourt stated we are going to have sealed bids and to have a minimum bid they know they will have to bid what they think that property is worth to capture it. Councilman Lindsey stated all this does is keep the \$80,000 to \$90,000 bids out of the bids and then to have to turn around and start over. Councilman Goolsby asked would you entertain to compromise somewhere in the middle of \$135,000 and \$168,000 and do \$150,000. Councilman Lindsey stated it would be delaying the process but I would go with it, I'm just giving you my opinion. Councilman Johnson asked City Attorney Roberts if we receive a bid that is less than what the Council is looking for, we don't have to accept the bid. City Attorney Roberts stated it is the council's decision to accept the bid or none of these bids are comparable, my concern is, if we do a minimum bid of \$135,000 and someone was think of bidding \$225,000 and with the minimum bid of \$135,000 they my bid lower we loose out. Councilman Holloway had the same concern. Councilman Johnson stated for the record and for public information it was the appraised at \$228,000 and because of the sewer situation it appraised at \$168,000. Councilman Nigh stated the property in Willcox has not accelerated in value as in other different areas so it is a different situation. I yield with Councilman Lindsey as he has the experience in this area. Councilman Johnson stated I agree with you there but how often do you get to sell property by the interstate. Vice Mayor Holloway asked for the Mayor to call for the vote. **2 AYES:** Mayor Irvin and Councilman Lindsey **4 NAYS:** Vice Mayor Holloway, Councilman Johnson, Councilman Goolsby, and Councilman Nigh. **2 to 4 FAILED**

MOTION: Vice Mayor Holloway moved to set minimum bid at \$158,000 **SECOND:** Councilman Johnson. **DISCUSSION:** Councilman Lindsey stated he was apposed to it if you are going to set a minimum bid it should be realistic if not we should just go with no minimum bid. Mayor Irvin called for a vote **3 AYES:** Vice Mayor Holloway, Councilman Johnson, and Councilman Goolsby, **3 Nays:** Mayor Irvin, Councilman Lindsey and Councilman Nigh. **3 to 3 FAILED**

MOTION: Mayor Irvin moved to have no minimum bid **SECOND:** Councilman Lindsey. **CARRIED**

ADJOURN at 8:45 p.m.

**THE MINUTES OF THE SPECIAL MEETING OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 17th DAY OF SEPTEMBER 2012**

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the City Council of the City of Willcox held on the 17th day of September 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 17th day of September 2012

City Clerk Virginia A. Mefford

PASSED, APPROVED AND ADOPTED this 5th day of November 2012.

MAYOR Robert A. Irvin
Signed: _____

ATTEST:

City Clerk Virginia A. Mefford

**THE MINUTES OF THE REGULAR SESSION OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 1st DAY OF OCTOBER 2012**

CALL TO ORDER- Mayor Bob Irvin called the regular session meeting to order on Monday, October 1, 2012 at 7:00 p.m. and welcomed everyone in attendance

ROLL CALL-City Clerk Virginia A. Mefford, called the roll:

PRESENT

Mayor Robert A. Irvin
Vice Chairman Bill Holloway
Councilman ~~Gerald W. Lindsey~~
Councilman Elwood A. Johnson
Councilwoman Monika Cronberg
Councilman Earl Goolsby
Councilman William "Bill" Nigh

STAFF

City Manager Pat McCourt
City Clerk Virginia A. Mefford
City Attorney Ann Roberts
Finance Director Ruth Graham
Public Services & Works Director Dave Bonner
Development Services Jeff Stoddard
Library Director Tom Miner

ABSENT

Councilman Gerald W. Lindsey- Excused

PLEDGE OF ALLEGIANCE TO THE FLAG lead by Mayor Irvin

DECLARATION ON CONFLICT OF INTEREST

None Declared

ADOPTION OF THE AGENDA.

MOTION: Councilman Johnson moved to adopt the agenda as presented.

SECONDED: Councilwoman Holloway seconded the motion. **CARRIED**

CONSENT AGENDA

MOTION: Vice Mayor Holloway moved to adopt the consent agenda as presented.

SECONDED: Councilwoman Cronberg seconded the motion. **CARRIED**

MINUTES OF PREVIOUS MEETINGS

Minutes approve on consent agenda.

Special Meeting- May 31, 2011 and May 30, 2012

JT Work Sessions – August 8, 2011

Work Session- May 21, 2012 and September 4, 2012

**DISCUSSION AND/OR DECISION REGARDING WILLCOX WINE COUNTRY REQUEST FOR LIQUOR
LICENSE APPLICATION APPROVAL FOR WINE VENDORS AT WINE FESTIVAL OCTOBER 20 AND 21, 2012**

MOTION: Councilman Johnson moved to approve the Willcox Wine Country request for Liquor License application approval for wine vendors at Wine Festival in Railroad Park on October 20 and 21, 2012.

SECONDED: Councilwoman Cronberg seconded the motion. **CARRIED**

**DISCUSSION/DECISION REGARDING WILLCOX WINE COUNTRY FESTIVAL REQUEST FOR A
WAIVER FOR GLASS CONTAINERS IN RAILROAD PARK**

MOTION: Councilman Johnson moved to approve the Willcox Wine Country Festival request for a Waiver for Glass Containers in Railroad Park

SECONDED: Councilwoman Cronberg seconded the motion. **CARRIED**

**THE MINUTES OF THE REGULAR SESSION OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 1st DAY OF OCTOBER 2012**

**STREET CLOSURE REQUEST BY WILLCOX CHAMBER OF COMMERCE AND AGRICULTURE FOR SATURDAY
OCTOBER 6, 2012 ON RAILROAD AVENUE FROM STEWART ST TO MALEY ST. FOR REX ALLEN DAYS**

MOTION: Councilman Johnson moved to approve a street closure request by the Willcox Chamber of Commerce and Agriculture for Saturday, October 6th, 2012 on Railroad Avenue from Stewart St. to Maley St. for Rex Allen Days.

SECONDED: Vice Mayor Holloway seconded the motion. **CARRIED**

AMEND MOTION; Councilman Johnson to include October 5 & 6, 2012

SECOND: Vice Mayor Holloway. **CARRIED**

**DISCUSSION AND/OR DECISION/DIRECTION REGARDING FINAL BID PACKAGE ON PROPERTY ON
CIRCLE I ROAD.**

MOTION: Councilman Johnson moved to approve the final package on property on Circle I Road.

SECONDED: Councilwoman Cronberg seconded the motion. **CARRIED**

**DISCUSSION AND/OR DECISION/DIRECTION REGARDING APPROVAL TO SPEND USDA GRANT FUNDS TO
PURCHASE A LOSS PREVENTION DETECTION SYSTEM FOR THE LIBRARY**

MOTION: Councilman Goolsby moved to approve to spend USDA Grant Funds to purchase loss prevention detection system for the library.

SECONDED: Mayor Irvin seconded the motion. **DISCUSSION:** Nigh asked if it was a moving camera. Mr. Minor stated yes it is, and referenced the staff back-up, and included, this company was the only with sufficient amount. He recommended the Council approve this item. Councilman Johnson asked if this was an enhancement. Mr. Minor stated yes it is, we received a large grant to purchase this security system, to not burden the tax payers, and it will deter the theft. Vice Mayor asked is this a non bidding contractor. City Manager stated we will post for bidding on this. **CARRIED**

REPORTS BY THE CITY MANAGER PAT MCCOURT

Consideration, discussion, and/or decision regarding the following topics by the City Manager:

- **Cowboy Hall of Fame-** Dinner will be on October 4, 2012 at 6:00 pm.
- **Rex Allen Days-** October 6-7 Parade on October 6, 2012 at 10:00 am.
- **City Manager gone to ICMA-** October 6-10, 2012 Chief Weaver will be here to take on the responsibility.
- **Annual Audit-** October 11 and 12, 2012 for year end June 30, 2012.
- **City Manager Vacation-** October 12, 2012 Chief Weaver will be here to take on the responsibility.
- **Jury Duty-** City Manager on standby October 16, 2012
- **Wine Festival-** October 20 and 21, 2012 at Railroad Park.
- **Special Work Session-** Capital expense needs Gas System Monday, October 22, 2012 at 6:30 p.m.
- **New Business in town-** Southwest Irrigation
- **Possible Special Meeting-** with Rex Allen Theater Group for funding to present a proposal to Council, maybe next Council meeting. Vice Mayor Holloway stated a half hour on October 15, 2012 at 6:30 pm.

COMMENTS NOT FOR DISCUSSION FROM MAYOR AND COUNCIL MEMBERS.

No Council commits at this time.

~~**DISCUSSION/DECISION ENTER INTO AN EXECUTIVE SESSION PURSUANT TO ARIZONA REVISED
STATUTES §38-431.03A(3) DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE ATTORNEY OR
ATTORNEYS OF THE PUBLIC BODY REGARDING THE PURCHASE, SALE, OR LEASE OF REAL PROPERTY**~~

~~Consideration, discussion and/or decision to enter into an Executive Session pursuant to ARS §38-431.03A(1) and (3), as stated, relating to consideration of employee and consultation for legal advice with the attorney(s) of the public body regarding the purchase, sale, or lease of real property.~~

~~No motion on the floor to move into executive session.~~

RECESS TO EXECUTIVE SESSION, IF APPROVED

**THE MINUTES OF THE REGULAR SESSION OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 1st DAY OF OCTOBER 2012**

RECONVENE FROM EXECUTIVE SESSION

DISCUSSION/DECISION/DIRECTION TO STAFF REGARDING MATTERS DISCUSSED IN EXECUTIVE SESSION

~~Consideration, discussion, decision and/or direction to staff regarding matters discussed in Executive Session and/or consultation for legal advice from City Attorney.~~

ADJOURN

Being no further business before the Mayor and Council Mayor Irvin adjourned at 7:15 p.m.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the special meeting of the City Council of the City of Willcox held on the 1st day of October 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 1st day of October 2012

City Clerk Virginia A. Mefford

PASSED, APPROVED AND ADOPTED this 15th day of October 2012.

MAYOR ROBERT A IRVIN

Signed _____

ATTEST:

City Clerk Virginia A. Mefford

**THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 15th DAY OF OCTOBER 2012**

CALL TO ORDER- Mayor Bob Irvin called the regular meeting to order on Monday, October 15, 2012 at 7:00 p.m. and welcomed everyone in attendance

ROLL CALL-City Clerk Virginia A. Mefford, called the roll:

PRESENT

Mayor Robert A. Irvin
Vice Mayor Bill Holloway
Councilman Gerald W. Lindsey
Councilman Elwood A. Johnson
Councilwoman Monika Cronberg
Councilman Earl Goolsby
Councilman William "Bill" Nigh

STAFF

City Manager Pat McCourt
City Clerk Virginia A. Mefford
City Attorney Ann Roberts
Finance Director Ruth Graham
Public Services & Works Director Dave Bonner
Development Services Jeff Stoddard
Library Director Tom Miner

PLEDGE OF ALLEGIANCE TO THE FLAG lead by Mayor Irvin

DECLARATION ON CONFLICT OF INTEREST

None Declared

ADOPTION OF THE AGENDA

MOTION: Vice Mayor Holloway moved to adopt the agenda as presented remove item 7A and 12-16.

SECONDED: Councilman Lindsey seconded the motion. **CARRIED**

MINUTES OF PREVIOUS MEETINGS

Minutes approve on consent agenda.

~~Regular Meeting- September 4, 2011, September 17, 2012 and October 1, 2012~~

~~Work Session- September 17, 2012 and October 1, 2012~~

DISCUSSION/DECISION REGARDING RESOLUTION NO. 2012-82 THE INTERGOVERNMENTAL AGREEMENT (IGA) WITH THE COCHISE COUNTY ELECTIONS AND SPECIAL DISTRICTS

MOTION: Councilman Lindsey made a motion to approve Resolution No. 2012-82 The Intergovernmental agreement (IGA) with the Cochise County Elections and Special

Districts. **SECONDED:** Councilwoman Cronberg the motion. **CARRIED**

PRESENTATION/DISCUSSION REGARDING JULY 1 – SEPTEMBER 30, 2013 FINANCIAL STATEMENT AND INVESTMENT REPORT FROM RUTH GRAHAM.

Ms. Graham gave an overview for the first quarter for Fiscal Year 2013 from the worksheet provided in the council books backups. Councilman Lindsey was concerned why we were in such a high deficit in the first quarter. Ms. Graham stated the debt service payment was on the Greater Arizona Development Authority (GADA) bonds approved by the voters; the bond proceeds were used for the Willcox Public Safety Complex and the Library. The revenue is from property tax. Ms Graham explained on the City sales tax the City of Willcox received about 26% of our revenue and we are right on target for the 26% as in past years; we pay 50% to the Chamber of Commerce and 2/3 to General Fund and 1/3 to the streets. On the summary page it gave an overview of all the major points of the cash balance; this was discussed to the Council line by line from the worksheet. Councilwoman Cronberg asked if the intention was to give a copy to the Council on the transfer accounts as we did not have this in our packets. Ms. Graham apologized she did not supply a copy of the transfer account information as this was her first time having an expense out of that fund and didn't think of including it into the packet.

**THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 15th DAY OF OCTOBER 2012**

CITY MANAGER REPORTS

The City Manager Mr. McCourt thanked the Council for letting him attend the ICMA conference.

- **Jury Duty-** City Manager on standby October 16, 2012 – Mr. McCourt was excused from Jury Duty.
- **Wine Festival-** October 20 and 21, 2012 at Railroad Park.
- **Special Work Session-** Capital expense needs Gas System Monday, October 22, 2012 at 6:30 p.m. Mr. McCourt stated this is regarding the utility funds and this is the first step to the budget discussion for next year.

COMMENTS NOT FOR DISCUSSION FROM MAYOR AND COUNCIL MEMBERS.

Councilman Goolsby announced he would like to extend an invitation to the Council and staff for the evening of the election, November 6, 2012 at 6 p.m. I am a government teacher and I have the senior class over for field day and it would be a good experience to have some council members there.

Vice Mayor Holloway commented on the difference of Economic Development and Community Development. Community Development is a process in which we make the community a better place to live and work, the theater fits in that.

Economic Development is purely and simply a creation of wealth in which community benefits are created; we just need to remember that Community Development is not the same as Community development.

Councilman Lindsey stated he would like to thank Valley Telecom for adding the PAC 12 to the line up and he was glad to be back from his trip.

Councilman Nigh stated there is a talented guy in our mix, Director of the Chamber of Commerce who has extensive knowledge in waste water and would like to invite him to meet with Mr. Bonner and City Manager.

~~**DISCUSSION/DECISION ENTER INTO AN EXECUTIVE SESSION PURSUANT TO ARIZONA REVISED STATUTES §38-431.03A(3) DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE ATTORNEY OR ATTORNEYS OF THE PUBLIC BODY REGARDING THE PURCHASE, SALE, OR LEASE OF REAL PROPERTY**~~

~~Consideration, discussion and/or decision to enter into an Executive Session pursuant to ARS §38-431.03A(1) and (3), as stated, relating to consideration of employee and consultation for legal advice with the attorney(s) of the public body regarding the purchase, sale, or lease of real property.~~

~~**RECESS TO EXECUTIVE SESSION, IF APPROVED**~~

~~**RECONVENE FROM EXECUTIVE SESSION**~~

~~**DISCUSSION/DECISION/DIRECTION TO STAFF REGARDING MATTERS DISCUSSED IN EXECUTIVE SESSION**~~

~~Consideration, discussion, decision and/or direction to staff regarding matters discussed in Executive Session and/or consultation for legal advice from City Attorney.~~

ADJOURN

Being no further business before the Mayor and Council Mayor Irvin adjourned at 7: 30 p.m.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the special meeting of the City Council of the City of Willcox held on the 15th day of October 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 15th day of October 2012

City Clerk Virginia A. Mefford

**THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 15th DAY OF OCTOBER 2012**

PASSED, APPROVED AND ADOPTED this 5th day of November 2012.

MAYOR ROBERT A IRVIN

Signed _____

ATTEST:

City Clerk Virginia A. Mefford

**THE MINUTES OF THE JOINT WORK SESSION OF THE MAYOR AND CITY COUNCIL
AND THE PLANNING & ZONING COMMISSION OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 9TH DAY OF JANUARY 2012**

CALL TO ORDER –Vice Mayor Monika Cronberg called the joint work session meeting to order on Monday, January 09, 2012 at 6:11 p.m.

ROLL CALL-City Clerk Cristina Garcia Whelan, CMC, called the roll:

PRESENT

Vice Mayor Cronberg
Councilman Elwood A. Johnson
Councilman Bill Holloway
Councilman Bob Irvin

ABSENT

Mayor Gerald W. Lindsey
Councilman Stephen Klump
Councilman Donahue

STAFF

City Manager Pat McCourt
City Clerk Cristina Garcia Whelan, CMC

PLANNING & ZONING

Chairman Jim Fusco
Vice Chairman Earl B. Goolsby
Commissioner Doyle Miller
VACANT

ABSENT

Commissioner Don Ulises-**Absent**–out-of-town

STAFF

Development Services Jeff Stoddard

PLEDGE OF ALLEGIANCE TO THE FLAG- Vice Mayor Cronberg

DECLARATION ON CONFLICT OF INTEREST-There was no response from Vice Mayor and Council present and P&Z and staff.

ADOPTION OF THE AGENDA

MOTION: Councilman Johnson moved to adopt the agenda as presented.

SECONDED: Councilman Holloway seconded the motion. **CARRIED**

DISCUSSION REGARDING TITLE 11 ZONING

City Manager Pat McCourt stated at the last meeting there was some reservation on where we were on the process of re-adopting the P&Z element of our City Code. Staff is not clear on what direction to take. Staff did indicate this would be brought back for Mayor and Council to providing direction on where the Council would like to go.

Development Services Jeff Stoddard asked how does the Council wanted to begin the work session. The Vice Mayor stated we would ask questions and then address that question. Mr. Stoddard agreed and if there were changes suggested he would bring the items back to P&Z. Vice Mayor Cronberg replied the challenge from the previous work session was trying to balance all of the work that has gone in to Title 11 and the intent that the Commission has defined and marry that with Council and keep things moving forward.

Councilman Johnson stated an example he has is G'Ma D's who was doing business by BuddyZ and now wanting to relocate to corner of Haskell and Maley and costing \$2,000 to have engineering study. Mr. Stoddard explained that is the State Law. All commercial work has to be done by licensed engineer. Mr. Stoddard explained the plans have to go from City to County.

Mr. Fusco stated that there were concerns on landscaping he indicated a lot of the guidelines came from other cities in Arizona. We do need to take some conservation steps, to move forward and (P&Z) can amend. Another issue was on the signage. We do have to have guidelines and these are not far from other Cities. Councilman Johnson asked how the City can help those businesses and help them stay alive. Mr. Fusco stated the Historic District needs to try to keep it looking like the 1800's. People want to see that and think they are going back in time. The P&Z Commission want to set a path of where they want Willcox to be in the future.

**THE MINUTES OF THE JOINT WORK SESSION OF THE MAYOR AND CITY COUNCIL
AND THE PLANNING & ZONING COMMISSION OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 9TH DAY OF JANUARY 2012**

City Manager McCourt asked Mr. Stoddard what Infill provides. Mr. Stoddard read that "open lots within developed areas so long as have water and sewer they get incentive." Also it talks about waiving 50% of residential connection fees and waive all sewer connection fees once completed. Infill can be put in Commercial areas. Mr. Stoddard explained anything Commercial has to be designed by professional engineer. We could have percentage of fees waived in the Historic District. City Manager McCourt stated if he hears Councilman Johnson correctly whoever is doing that improvement in Historic Preservation Zone that maybe the City wants to provide some assistance when redevelop in the Historic District similar to Infill Zone. Mr. Stoddard stated an incentive could be if moving into the Historic District they could be residential or commercial in that area and each would have a set of different standards, and he does explain all the rules because he wants them to know all the costs before they start anything. All commercial work that public enters has to be Engineered and plan designed. Mr. McCourt stated what he is hearing from Councilman Johnson is he would like to see the City of Willcox put incentives in when people are doing development in our Historic District, also Arizona does have an anti-donation clause and whoever move to the Historic District has to demonstrate benefit value to the City and Community to offset that. In the Infill District the benefit is the infrastructure is already in place and the City has lower cost. We will have to put on our thinking caps on what the community benefit will be.

Councilman Johnson asked how we are going to encourage the lots the City has i.e. in Ironwood to sell and get them developed and on tax rolls. Mr. Stoddard referred to page 95 11-14-10.2 that is State ARS and they have to meet 3-4 requirements. City Manager McCourt suggested this is a good subject to send back to P&Z and come back and add it to Title 11 when we can wrestle it out. Mr. Fusco does think there is a lot of wrestling to be done because fees are not there area or expertise. Mr. McCourt said we are not suggesting stop Title 11. The fees: the City charges building fees which cover a variety of topics. If the fees are reduced we are then transferring that cost to another section of the community.

Vice Mayor Cronberg asked Council members present if there was anything else? Councilman Johnson believes we need to move Title 11 forward and obtain Council approval.

ADJOURN

Being no further business before the Mayor and Council Vice-Mayor Cronberg adjourned the Work Session at 7:15 p.m.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Work Session of the City Council of the City of Willcox held on the 09th day of January 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 9th day of January 2012

Transcribed Sherry Lynn Van Allen – HR

PASSED, APPROVED AND ADOPTED this 5th day of November 2012.

MAYOR ROBERT A IRVIN

Signed _____

ATTEST:

City Clerk Virginia A. Mefford

**THE MINUTES OF THE WORK SESSION OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 17th DAY OF SEPTEMBER 2012**

CALL TO ORDER- Mayor Bob Irvin called the work session meeting to order on Monday, September 17, 2012 at 6:00 p.m. and welcomed everyone in attendance

ROLL CALL-City Clerk Virginia A. Mefford, called the roll:

PRESENT

Mayor Robert A. Irvin
Vice Chairman Bill Holloway
Councilman Gerald W. Lindsey
Councilman Elwood A. Johnson
Councilwoman Monika Cronberg
Councilman Earl Goolsby
Councilman William "Bill" Nigh

STAFF

City Manager Pat McCourt
City Clerk Virginia A. Mefford
City Attorney Ann P. Roberts
Finance Director Ruth Graham
Public Services & Works Director Dave Bonner
Development Services Jeff Stoddard
Library Director Tom Miner

ABSENT

Councilwoman Cronberg- Excused

PLEDGE OF ALLEGIANCE TO THE FLAG lead by Mayor Irvin

DECLARATION ON CONFLICT OF INTEREST

None Declared

ADOPTION OF THE AGENDA.

MOTION: Councilman Johnson moved to adopt the agenda as presented.

SECONDED: Vice Chairman Holloway seconded the motion. **CARRIED**

DISCUSSION REGARDING PARK FEES

Mr. Bonner explained the Park Fees the Council asked to be reworked. Mr. Bonner went through the pages in the back-up. Council asked if there was any usage fee now. Mr. Bonner stated there were no usage fees at this time only an application fee of \$50.00. Mr. Bonner explained line by line on the Rodeo Ground fees that have been charged in the past. He asked the Council if they had any questions. Councilman Johnson asked how the charges going to be managed. Are we going to put someone in charge of this and ensure everything is going to be checked? For example if someone reserves it on Friday and then someone comes in behind them and uses it and trashes it, who will be the one managing this? Because, if no one checks on it until Monday; how are you going to assess the deposit because someone could have used it between those times? Mr. Bonner stated this is something we are looking into. He then explained that the reason the lights are more expensive at Quail Park is because it represents two fields. Mr. Goolsby asked does that explain why the difference on cost at the Rodeo grounds is because of the usage is dependent on the event. Mr. Bonner stated yes. Council asked have you done a cost analysis on this to see if you recover your cost. Mr. Bonner stated it would not recover all the cost but it would help off set it, this is why the staff is asking to establish a fee structure to help. Mr. Goolsby stated you just said something that makes this right "fee structure"; the council could waive the fee. Mr. Bonner stated with so many fee waivers in the past I would rather have a fee structure so we wouldn't have the fee waiver process. Councilman Johnsons stated we do have a list of regular fees we waive is this a question of generating revenue or off setting cost. Mr. Bonner stated we have not had a quorum for Parks and Recreation because we need to have at least three members that live within the cit limits and the meetings we were having were more of how are we going to go about the fee schedule. Councilman Johnson stated if we are going to have a fee structure we need have one specific person to run it. Mr. Bonner stated we are already doing the reservation and making sure it is ready for the scheduled time. Councilman Johnson stated we should just charge a flat rate and leave it. City Manager McCourt stated I keep hearing we need to run this like a business. This is not what we are talking about; we are trying to identify the individuals who are specifically requesting for their use not the public use. The general public shouldn't need to pay to use the public parks.

**THE MINUTES OF THE WORK SESSION OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 17th DAY OF SEPTEMBER 2012**

Councilman Johnson asked what it would cost to install a swipe card to pay for the electricity. Mr. Bonner stated it would cost about \$2500. Mr. Lindsey stated I have a problem not charging the fee at Keiller Park it doesn't have to be excessive or anything and we should give the children a break to use it. Mr. Bonner stated we did give the children a break we cut their fees in half. He gave some comparisons to the Council of the Rodeo Grounds with various other towns that have one. Mr. Ward stated if someone is making a profit then they should pay to use the facilities. Mr. Bonner explained the City has to work over at the rodeo ground right before each event to get it prepared the cost is \$150. Councilman Johnson asked for a summary of cost analyses to maintain it. Councilman Goolsby stated I agree with Councilman Johnson, I have heard of people not receiving their deposit back, but I also agree with Vice Mayor Holloway it shouldn't cost community members to use the public parks. What we should do is call it a fee/deposit and be done with it. Mr. Bonner stated if we could do a non-refundable deposit it would be a lot better. On the Quail, Keiller and Railroad Parks it would be a non-refundable fee. Councilman Lindsey stated it wouldn't hurt to have a sign up that stated this is reserved from this time to that time. Councilman Johnson stated again, it goes back to management. City Manager McCourt stated we will have the occasion where someone will not play by the rules and the police will have to be called. Community member Mr. Paul Sheets stated I was at one of the City of Marana parks and I observed there were multiple signs around, there were city employees working, emptying trash and coming up to you to ensure you had the paperwork to have that facility, there is a lot of leg work that needs to be done to make this work. Mr. Trevor Ward stated I am here as a member of the community and not as a judge, and stated I'm pretty sure my tax dollars pay for a portion of the park and recreation. If I am making a profit for using the facilities I don't mind paying a fee, but for the youth groups to use it I don't think they should be charged. Little League is open to all youths up to the ages of 17 years old. It is a community event we don't charge for attendance. City Manager McCourt stated the fees discussed would not come close to covering the cost of operations of the various parks. Mayor stated we are out of time and we need to adjourn the work session and continue at a later time.

ADJOURN

Being no further business before the Mayor and Council Mayor Irvin adjourned the Work Session at 6:57 p.m.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the special meeting of the City Council of the City of Willcox held on the 17th day of September 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 17th day of September 2012

City Clerk Virginia A. Mefford

PASSED, APPROVED AND ADOPTED this 5th day of November 2012.

MAYOR ROBERT A IRVIN

Signed _____

ATTEST:

City Clerk Virginia A. Mefford

**THE MINUTES OF THE WORK SESSION OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 15th DAY OF OCTOBER 2012**

CALL TO ORDER- Mayor Bob Irvin called the work session meeting to order on Monday, October 15, 2012 at 6:30 p.m. and welcomed everyone in attendance

ROLL CALL-City Clerk Virginia A. Mefford, called the roll:

PRESENT

Mayor Robert A. Irvin
Vice Mayor Bill Holloway
Councilman Gerald W. Lindsey
Councilman Elwood A. Johnson
Councilwoman Monika Cronberg
Councilman Earl Goolsby
Councilman William "Bill" Nigh

STAFF

City Manager Pat McCourt
City Clerk Virginia A. Mefford
City Attorney Ann P. Roberts
Finance Director Ruth Graham
Public Services & Works Director Dave Bonner
Development Services Mr. Stoddard
Library Director Tom Miner

ABSENT

PLEDGE OF ALLEGIANCE TO THE FLAG lead by Mayor Irvin

DECLARATION ON CONFLICT OF INTEREST

None Declared

ADOPTION OF THE AGENDA.

MOTION: Councilwoman Cronberg moved to adopt the agenda as presented.

SECONDED: Vice Mayor Holloway seconded the motion. **CARRIED**

DISCUSSION ON HISTORICAL THEATER PRESERVATION INC

Ms. Gayle Berry gave an update on the Rex Allen Theater. The theater group has offered \$50,000 to the museum and it was accepted. It will take a little more of a down payment and a higher interest rate but it will be workable. We do have a lease with the Museum so we can get into the theater building and an agreement to start fixing it. We were in there at 8:30 this morning and everything seems to work and do not see any major problems. This is 180% from where we were before. Sam Pillsbury who is a winemaker and film-director will be showing a family – friendly movie as a fundraiser. There will be no admission fee; it will be donations only, Saturday, October 20, 2012. This will give us a little test to ensure everything does work. The down payment is double than expected; it is \$6000 instead of \$3000. She explained what needs to be paved and that a wooden ramp would be removed. We have found out other interested things i.e., we have had some sponsors who have paid in advance to have advertisement before the theater closed and we feel we can fulfill that responsibility, but it doesn't bring in any revenue immediately. Bottom line we have more anticipated cost as in construction costs and the paid advertisement to deal with. Ultimately will we get this going? Yes. Will this open before the holiday movies come out? Probably not; there are many things we have to do, and we have to the down payment before we can open it. Councilman Lindsey asked if they are considering extending the block program the museum uses to continue the walkway. Ms. Berry stated we have not considered this, as of yet, but it is a possibility. Mr. Lindsey asked where you stand as far as the ticket booth. Ms. Berry replied, while we are leasing the theater we will be using the ticket booth. Once the Pedro place is gone we will be selling at the door for the short term. Councilman Johnson asked Mr. Stoddard if there are going to be permits for the walkway. Mr. Stoddard replied, there will be for the demolition a fee of \$50, but as far as the walkway, as long as they keep the fence at a four- foot level there is no fee. Councilman Holloway asked how long it will take to have a movie. Ms. Berry stated around Thanksgiving time, if we can get over the hump; if we had around \$15,000 would be home free. Councilwoman Cronberg asked what you see as a role of the City of Willcox. Ms. Berry stated to help us financially. Councilwoman Cronberg stated you have done a lot of research on this. Ms. Berry stated if you could give us some support it would be great to promote this theater for example: a dinner theater, drama club and live entertainment. We are actively promoting this to other outlying area. Councilwoman Cronberg stated if the Council could have discussion on how the City of Willcox may be able to help out financially. Ms. Berry stated this theater is Self-sustainable, on an operational basis. Councilman Goolsby stated you mentioned live entertainment, what kind of design are you

**THE MINUTES OF THE WORK SESSION OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 15th DAY OF OCTOBER 2012**

going to have? Are you going to convert one for the live entertainment or keep two screens? Ms. Berry stated the initial plan is to keep both screens and use the bigger theater for movies and the smaller one for other entertainment, one weekend out of the month. We will show firsts-run and second-run moves. Councilwoman Cronberg stated it is great to see and exciting, all it takes is the willingness of the community and stepping outside the box. Ms. Berry stated it were the community that made all of this happen; people really wanted this. Councilman Goolsby stated what you said about the diversity and variety and like Councilwoman Cronberg mentioned, it gets exciting. Ms. Berry stated we will learn what works and what doesn't during this process. Councilman Lindsey asked if this could come back as an agenda item where we can discuss it further. Councilwoman Cronberg stated this is definitely worthy of our attention; it definitely affects everyone in the community. Mayor Irvin asked that item gets on the next agenda. City Manager stated yes, we will put on the November 5, 2012 agenda.

ADJOURN

Being no further discussion before the Mayor and Council, Mayor Irvin adjourned the Work Session at 6:55 p.m.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the special meeting of the City Council of the City of Willcox held on the 1st day of October 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 15th day of October 2012

City Clerk Virginia A. Mefford

PASSED, APPROVED AND ADOPTED this 19th day of November 2012.

MAYOR ROBERT A Irvin
Signed _____

ATTEST:

City Clerk Virginia A. Mefford

**CITY OF WILLCOX
Request for Council Action**

Agenda Item: 8 .
Tab Number: 2
Date: 11-19-2012

Date Submitted:
~~October 31, 2012~~
Date Requested:
November 5, 2012

Action:
 Resolution
 Ordinance
 Formal
 Other

Subject:
Request to accept Grant
Award/Agreement from
the Department of
Homeland Security for
Operation Stonegarden

To: Honorable Mayor and City Council
From: Chief Jake Weaver

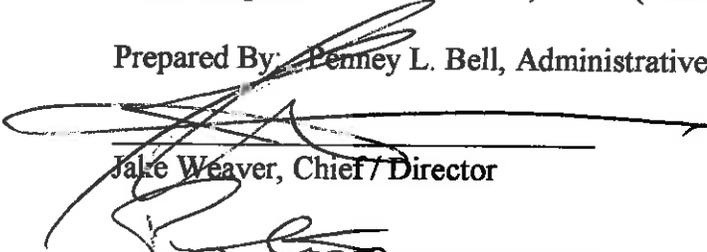
Discussion: The Willcox Department of Public Safety has received an award of \$28,000.00 for Officer Overtime and Mileage through the Department of Homeland Security for Operation Stonegarden. This overtime and mileage reimbursement will allow officers of the Willcox Department of Public Safety to assist participating agencies in combating our Border crimes.

Recommendation: To accept this funding opportunity of \$28,000 (\$25,000 for Overtime & \$3,000 for vehicle Mileage) from the Arizona Department of Homeland Security for Operation Stonegarden for FY 2012. This performance period shall be effective November 1, 2012 through December 31, 2013.

Motion:

Fiscal Impact: FY 12-13 - \$28,000.00 (reimbursable)

Prepared By: Penney L. Bell, Administrative Assistant


Jake Weaver, Chief / Director


Pat McCourt, City Manager

**SUBGRANTEE AGREEMENT
OPSG OVERTIME AND MILEAGE**

12-AZDOHS-OPSG- 999424-01

Enter Grant Agreement Number above (e.g., 999xxx-xx)

Between

**The Arizona Department of Homeland Security
And**

WILLCOX POLICE DEPARTMENT

Enter the Name of the Subrecipient Agency Above

WHEREAS, A.R.S. § 41-4254 charges the Arizona Department of Homeland Security (AZDOHS) with the responsibility of administering funds.

THEREFORE, it is agreed that the AZDOHS shall provide funding to the
WILLCOX POLICE DEPARTMENT

Enter the Name of the Subrecipient Agency Above

(subrecipient) for services under the terms of this Grant Agreement.

I. PURPOSE OF AGREEMENT

The purpose of this Agreement is to specify the responsibilities and procedures for the subrecipient's role in administering homeland security grant funds.

II. TERM OF AGREEMENT, TERMINATION AND AMENDMENTS

This Agreement shall become effective on **November 1, 2012** and shall terminate on **December 31, 2013**. The obligations of the subrecipient as described herein will survive termination of this agreement.

III. DESCRIPTION OF SERVICES

The subrecipient shall provide the services for the State of Arizona, Arizona Department of Homeland Security as approved in the grant application titled
" **Overtime and Mileage** "

Enter Title of Application

and funded at \$ **28,000.** (as may have been modified by the award letter).

Enter Funded Amount above

IV. MANNER OF FINANCING

The AZDOHS shall:

- a) Provide up to \$ **28,000.** to the subrecipient for services provided under Paragraph III. Enter Funded Amount above
- b) Payment made by the AZDOHS to the subrecipient shall be on a reimbursement basis only and is conditioned upon receipt of proof of payment and applicable, accurate and complete reimbursement documents, as deemed necessary by the AZDOHS, to be submitted by the subrecipient. A listing of acceptable documentation can be found at www.azdohs.gov. Payments will be contingent upon receipt of all reporting requirements of the subrecipient under this Agreement.

- c) 44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (formerly OMB Circular A-102), at http://149.168.212.15/mitigation/Library/44_CFR-Part_13.pdf. U.S. Department of Homeland Security Authorized Equipment List (AEL), at <https://www.rkb.mipt.org/ael.cfm> 2 CFR Part 215, Institutions of Higher Education, Hospitals and Other Non-Profit Organizations.
- d) 28 CFR applicable to grants and cooperative agreements, including Part II, Applicability of Office of Management and Budget Circulators; Part 18, Administrative Review Procedure; Part 20, Criminal Justice Information Systems; Part 22, Confidentiality of Identifiable Research and Statistical Information; Part 23, Criminal Intelligence System Operating Policies; Part 42, Non-discrimination Equal Employment Opportunities Policies and Procedures; Part 61, Procedures for Implementing the National Environmental Policy Act; Part 63, Floodplain Management and Wetland Protection Procedures; and Part 66, Uniform Administrative Requirements for Grants and Co-operative Agreements to State and Local Government.

Included within the above mentioned guidance documents are provisions for the following:

NIMSCAST

The subrecipient agrees to complete the National Incident Management System Compliance Assistance Support Tool (NIMSCAST) and remain in compliance.

Environmental Planning and Historic Preservation

The subrecipient shall comply with all applicable Federal, State, and Local environmental and historic preservation (EHP) requirements and shall provide any information requested by FEMA to ensure compliance with applicable laws including: National Environmental Policy Act, National Historic Preservation Act, Endangered Species Act, and Executive Orders on Floodplains (11988), Wetlands (11990) and Environmental Justice (12898). Subrecipient shall not undertake any project having the potential to impact EHP resources without the prior approval of AZDOHS/FEMA, including but not limited to communications towers, physical security enhancements, new construction, and modifications to buildings that are 50 years old or greater. Subrecipient must comply with all conditions placed on the project as the result of the EHP review. Any change to the approved project scope of work will require re-evaluation for compliance with these EHP requirements. If ground disturbing activities occur during project implementation, the subrecipient must ensure monitoring of ground disturbance and if any potential archeological resources are discovered, the subrecipient will immediately cease construction in that area and notify FEMA and the appropriate State Historic Preservation Office. Procurement and construction activities shall not be initiated prior to the full environmental and historic preservation review.

Consultants/Trainers/Training Providers

Billings for consultants/trainers/training providers must include at a minimum: a description of services; dates of services; number of hours for services performed; rate charged for services; and, the total cost of services performed. Consultant/trainer/training provider costs must be within the prevailing rates; must be obtained under consistent treatment with the procurement policies of the subrecipient and 44 CFR Chapter 1, Part 13; and shall not exceed the maximum of \$450 per day per consultant/trainer/training provider unless prior written approval is granted by the AZDOHS. In addition to the per day \$450 maximum amount, the consultant/trainer/training provider may be reimbursed

Nonsupplanting Agreement

The subrecipient shall not use funds to supplant State or Local funds or other resources that would otherwise have been made available for this program/project. Further, if a position created by a grant is filled from within, the vacancy created by this action must be filled within thirty (30) days. If the vacancy is not filled within thirty (30) days, the subrecipient must stop charging the grant for the new position. Upon filling the vacancy, the subrecipient may resume charging for the grant position.

E-Verify

Compliance requirements for A.R.S. § 41-4401—immigration laws and E-Verify requirement.

- a) The subrecipient warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A. (That subsection reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program).
- b) A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of the contract and the subrecipient may be subject to penalties up to and including termination of the Agreement.
- c) The AZDOHS retains the legal right to inspect the papers of any employee who works on the Agreement to ensure that the subrecipient is complying with the warranty under paragraph (a) above.

Property Control

Effective control and accountability must be maintained for all property. The subrecipient must adequately safeguard all such property and must assure that it is used solely for authorized purposes as described in the guidance and application. The subrecipient shall exercise caution in the use, maintenance, protection and preservation of such property.

- a) Equipment shall be used by the subrecipient in the program or project for which it was acquired as long as needed, whether or not the program or project continues to be supported by federal grant funds. Theft, destruction, or loss of property shall be reported to the AZDOHS immediately.
- b) Nonexpendable Property is property which has a continuing use, is not consumed in use, is of a durable nature with an expected service life of one or more years, has an acquisition cost of \$300 (Three Hundred Dollars) or more, and does not become a fixture or lose its identity as a component of other equipment or plant.
- c) A Capital Asset is any personal or real property, or fixture that has an acquisition cost of \$5,000 (Five Thousand Dollars) or more per unit and/or a useful life of more than one year. When use of the Capital Asset for project activities is discontinued, the subrecipient shall request/receive authorization from AZDOHS prior to disposition.
- d) A Property Control Form shall be maintained for the entire scope of the program or project for which property was acquired through the end of its useful life and/or disposition. Nonexpendable Property and Capital Assets must be included on the Property Control Form. When disposition of Nonexpendable Property and Capital Assets occurs the subrecipient shall submit an updated Property Control Form to AZDOHS.

X. REPORTING REQUIREMENTS

Regular reports by the subrecipient shall include:

a) **Programmatic Reports**

The subrecipient shall provide quarterly programmatic reports to the AZDOHS within fifteen (15) working days of the last day of the quarter in which services are provided. The subrecipient shall use the form provided by the AZDOHS to submit quarterly programmatic reports. The report shall contain such information as deemed necessary by the AZDOHS. The subrecipient shall use the Quarterly Programmatic Report Format template, which is posted at www.azdohs.gov. If the scope of the project has been fully completed and implemented, and there will be no further updates, then the quarterly programmatic report for the quarter in which the project was completed will be sufficient as the final report. The report should be marked as final and should be inclusive of all necessary and pertinent information regarding the project as deemed necessary by the AZDOHS. Quarterly programmatic reports shall be submitted to the AZDOHS until the entire scope of the project is completed

b) **Quarterly Programmatic Reports are due:**

January 15 (period October 1– December 31)

April 15 (period January 1 – March 31)

July 15 (period April 1 – June 30)

October 15 (period July 1 – September 30)

c) **Financial Reimbursements**

The subrecipient shall provide as frequently as monthly but not less than quarterly requests for reimbursement. Reimbursements shall be submitted with the Reimbursement Form provided by the AZDOHS staff. The subrecipient shall submit a final reimbursement for expenses received and invoiced prior to the end of the termination of this Agreement no more than **forty-five (45) calendar days** after the end of the Agreement. Requests for reimbursement received later than the forty-five (45) days after the Agreement termination will not be paid. The final reimbursement request as submitted shall be marked FINAL.

The AZDOHS requires that all requests for reimbursement are submitted via U.S. mail (United States Postal Service), FedEx, UPS, etc...or in person. Reimbursements submitted via fax or by any electronic means will not be accepted.

The AZDOHS reserves the right to request and/or require any supporting documentation it feels necessary in order to process reimbursements.

All reports shall be submitted to the contact person as described in Paragraph XXXIX, NOTICES, of this Agreement.

XI. ASSIGNMENT AND DELEGATION

The subrecipient may not assign any rights hereunder without the express, prior written consent of both parties.

XII. AMENDMENTS

Any change in this Agreement including but not limited to the Description of Services and budget described herein, whether by modification or supplementation, must be accomplished by a formal Agreement amendment signed and approved by and between the duly authorized representative of the subrecipient and the AZDOHS.

XIX. FORCE MAJEURE

If either party hereto is delayed or prevented from the performance of any act required in this Agreement by reason of acts of God, strikes, lockouts, labor disputes, civil disorder, or other causes without fault and beyond the control of the party obligated, performance of such act will be excused for the period of the delay.

XX. PARTIAL INVALIDITY

Any term or provision of this Agreement that is hereafter declared contrary to any current or future law, order, regulation, or rule, or which is otherwise invalid, shall be deemed stricken from this Agreement without impairing the validity of the remainder of this Agreement.

XXI. ARBITRATION

In the event of any dispute arising under this Agreement, written notice of the dispute must be provided to the other party within thirty (30) days of the events giving the rise to the dispute. The subrecipient agrees to terms specified in A.R.S. § 12-1518.

XXII. GOVERNING LAW AND CONTRACT INTERPRETATION

- a) This Agreement shall be governed and interpreted in accordance with the laws of the State of Arizona.
- b) This Agreement is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms in this document.
- c) Either party's failure to insist on strict performance of any term or condition of the Agreement shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object.

XXIII. ENTIRE AGREEMENT

This Agreement and its Exhibits constitute the entire Agreement between the parties hereto pertaining to the subject matter hereof and may not be changed or added to except by a writing signed by all parties hereto in conformity with Paragraph X, REPORTING REQUIREMENTS; provided; however, that the AZDOHS shall have the right to immediately amend this Agreement so that it complies with any new legislation, laws, ordinances, or rules affecting this Agreement. The subrecipient agrees to comply with any such amendment within ten (10) business days of receipt of a fully executed amendment. All prior and contemporaneous agreements, representations, and understandings of the parties, oral, written, pertaining to the subject matter hereof, are hereby superseded or merged herein.

XXIV. RESTRICTIONS ON LOBBYING

The subrecipient shall not use funds made available to it under this Agreement to pay for, influence, or seek to influence any officer or employee of a State or Federal government.

XXV. LICENSING

The subrecipient, unless otherwise exempted by law, shall obtain and maintain all licenses, permits, and authority necessary to perform those acts it is obligated to perform under this Agreement.

XXXI. CLOSED-CAPTIONING OF PUBLIC SERVICE ANNOUNCEMENTS

Any television public service announcement that is produced or funded in whole or in part by the subrecipient shall include closed captioning of the verbal content of such announcement.

XXXII. INDEMNIFICATION

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

XXXIII. TERMINATION

- a) All parties reserve the right to terminate the Agreement in whole or in part due to the failure of the subrecipient or the grantor to comply with any term or condition of the Agreement, to acquire and maintain all required insurance policies, bonds, licenses and permits or to make satisfactory progress in performing the Agreement. The staff of either party shall provide a written thirty (30) day advance notice of the termination and the reasons for it.
- b) If the subrecipient chooses to terminate the contract before the grant deliverables have been met then the AZDOHS reserves the right to collect all reimbursements distributed to the subrecipient.
- c) The AZDOHS may, upon termination of this Agreement, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Agreement. The subrecipient shall be liable to the AZDOHS for any excess costs incurred by the AZDOHS in procuring materials or services in substitution for those due from the subrecipient.

XXXIV. CONTINUATION OF PERFORMANCE THROUGH TERMINATION

The subrecipient shall continue to perform, in accordance with the requirements of the Agreement, up to the date of termination, as directed in the termination notice.

XXXV. PARAGRAPH HEADINGS

The paragraph headings in this Agreement are for convenience of reference only and do not define, limit, enlarge, or otherwise affect the scope, construction, or interpretation of this Agreement or any of its provisions.

XXXVI. COUNTERPARTS

This Agreement may be executed in any number of counterparts, copies, or duplicate originals. Each such counterpart, copy, or duplicate original shall be deemed an original, and collectively they shall constitute one agreement.

XXXVII. AUTHORITY TO EXECUTE THIS AGREEMENT

Each individual executing this Agreement on behalf of the subrecipient represents and warrants that he or she is duly authorized to execute this Agreement.

XXXX. IN WITNESS WHEREOF

The parties hereto agree to execute this Agreement.

**FOR AND BEHALF OF THE
WILLCOX POLICE DEPARTMENT**

Enter Agency Name above

Authorized Signature above

Jacob Weaver, Chief / Director

Print Name & Title above

10/31/2012

Enter Date above

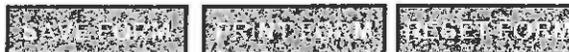
FOR AND BEHALF OF THE

Arizona Department of Homeland Security

Gilbert M. Orrantia

Director

Date



(Please be sure to complete and mail two original documents to the Arizona Department of Homeland Security.)

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA

RESOLUTION 2012-89

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF WILLCOX, ARIZONA, APPROVING THE SUBGRANTEE AGREEMENT OPSG OVERTIME AND MILEAGE FOR THE PURPOSE OF ACCEPTING FROM THE ARIZONA DEPARTMENT OF HOMELAND SECURITY A GRANT IN THE AMOUNT OF \$28,000.00 TO FUND OFFICER OVERTIME AND MILEAGE DURING THE PERFORMANCE OF OPERATION STONEGARDEN FROM NOVEMBER 1, 2012 THROUGH DECEMBER 31, 2013; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION; AND DIRECTING CITY STAFF TO EXECUTE AND FINALIZE ANY OTHER NECESSARY GRANT DOCUMENTATION AND DECLARING AN EMERGENCY.

WHEREAS, the City of Willcox, is authorized and empowered pursuant to Title 9, A.R.S. §§ 9-101 and 9-240 et seq., with all the powers of an incorporated city and all other provisions of law relating to cities and towns, which includes providing public safety services; and,

WHEREAS, the Willcox Police Department has been awarded a grant from the Arizona Department of Homeland Security for the purpose of providing funding for officer overtime and mileage during Operation Stonegarden from the time period of November 1, 2012 through December 31, 2013; and,

WHEREAS, this funding opportunity shall provide \$28,000.00 (\$25,000.00 for overtime and \$3,000.00 for mileage) to the City of Willcox and the Mayor and City Council wish to accept such funding and approve the terms and conditions of the Subgrantee Agreement OPSG Overtime and Mileage, No. 12-AZDOHS-OPSG-999424-01 between the Arizons Department of Homeland Security and the Willcox Police Department dated 10/31/2012; and,

WHEREAS, the Mayor and City Council have determined that said Agreement is in the best interest of the City, its employees and the citizens of this City, and they desire to have this Resolution presented at its November 19, 2012, Council Meeting; and,

WHEREAS, it is necessary for the perservation of the peace, health and safety of the City of Willcox, Arizona, that an emergency be declared to exist, and this Resolution be effective immediately upon its passage and adoption.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, as follows:

SECTION 1: The Subgrantee Agreement OPSG Overtime and Mileage, No. 12-AZDOHS-OPSG-999424-01 between the Arizons Department of Homeland Security and the Willcox Police Department dated 10/31/2012, as presented to the Mayor and City Council, is hereby approved and adopted; and,

SECTION 2: That the immediate operation of the provisions of this Resolution is necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, and this Resolution shall be in full force and effect from and after its passage by the City of Willcox, Cochise County, Arizona; and,

SECTION 3: That the Mayor is authorized and empowered to execute this Resolution Approving the Subgrantee Agreement OPSG Overtime and Mileage, No. 12-AZDOHS-OPSG-999424-01 between the Arizons Department of Homeland Security and the Willcox Police Department dated 10/31/2012 as presented; and,

SECTION 4: The appropriate officials of the City are hereby authorized and directed to take all actions necessary or reasonably required to carry out the intent of this Resolution.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, this 19th day of November, 2012.

APPROVED/EXECUTED

ROBERT A. IRVIN, MAYOR

Dated: _____

ATTEST:

VIRGINIA A. MEFFORD, City Clerk

APPROVED AS TO FORM:

ANN P. ROBERTS, City Attorney

RESOLUTION 2012-89

**CITY OF WILLCOX
REQUEST FOR COUNCIL ACTION**

Agenda Item: 9
Tab Number: 3
Date: 11-19-2012

Date Submitted: 11-5-12 Date Requested: 11-19-12

Action: <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Formal <input checked="" type="checkbox"/> Other

Subject: Amend FY 13 Budget to permit the donation to the Willcox Historical Theater Inc.

TO: MAYOR AND COUNCIL

FROM: City Manager

DISCUSSION: The City Council at the Regular meeting of November 5, 2012 instructed staff to prepare the necessary amendments to the FY 13 Budget (July 1, 2012 – June 30, 2013) to permit payments to be made to the Willcox Historical Theater Inc. (Group). The Payments will match monies raised by the Group up to a maximum of fifteen thousand dollars (\$15,000). The Group's money must be raised after November 5, 2012.

Since the Group maintains their own records and the City will not have an interest in how the monies are used, staff will accept any reasonable evidence of monies raised by the Group and provide a matching check in the next available City check run.

Any amounts remaining unmatched in the City Budget will be carried over to the next City fiscal year until exhausted.

In order to accomplish the budgetary changes it will be necessary to amend the FY13 Budget.

In General Fund under Community Programs (department 10-403) the amount appropriated for Economic Development (line item 10-403-2809) must be reduced by \$15,000, from an original budgeted amount of \$100,000 to a budgeted amount of \$85,000.

In General Fund the amount appropriated for Transfers Out (to Fund 17. Special Revenue Grants, line item 10-403-9734) must be increased by \$15,000, from an original budgeted amount of \$0 to a budgeted amount of \$15,000.

In Fund 17, Special Revenue Grants, two new line items must be created. The transfer into Fund 17 from General Fund will be in Transfers In - Theater (new line item 17-38-71945) in the amount of \$15,000.

An expense line item in the amount of \$15,000 must also be established in Fund 17, special Revenue Grants, to record Theater expenditures of up to \$15,000 (new line item 17-439-1943).

RECOMMENDATION: Move to approve the Resolution No. 2012-____, to amend the Fiscal Year 2012-2013 Budget as indicated.

FISCAL IMPACT: The total amount of the City's Fiscal Year 2012-2013 budget remains the same. The estimated expenses in the General Fund (10) decline by \$15,000. The estimated expenses in Special Revenue Fund (17) increase by \$15,000

Prepared by: Patrick McCourt

Approved by:  _____
City Manager

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA

RESOLUTION 2012-90

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF WILLCOX, ARIZONA, AMENDING THE ADOPTED BUDGET FOR THE CITY OF WILLCOX FOR THE FISCAL YEAR 2012-2013, AS ORIGINALLY ADOPTED IN RESOLUTION NO 2012-67; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes (A.R.S.), the City Council did, on July 16, 2012, adopted the budget for the City for the Fiscal Year 2012-2013; and

WHEREAS, a governing body may transfer monies between budget items so long as the funds are transferred in accordance with A.R.S §42-17106; and,

WHEREAS, on at the regular meeting on November 5, 2012, the Mayor and City Council directed staff to amend the Fiscal Year 2012-2013 Budget to authorize matching funds from the City of Willcox to be paid to the Willcox Historical Theater, Inc., based upon monies raised after November 5, 2012, by the organization up to a maximum of fifteen thousand dollars (\$15,000);

WHEREAS, the Mayor and City Council, after review of the Fiscal Year 2012-2013 Budget, have determined there are funds available in the General Fund to fulfil the request, the transfer is in the public interest and is based upon demonstrated need, and does not result in a violation of the spending limitations in Article IX of the Constitution of Arizona; and,

WHEREAS, the Mayor and City Council have determined that said Agreement is in the best interest of the City, its employees and the citizens of this City, and they desire to have this Resolution presented at its November 19, 2012, Council Meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, as follows:

SECTION 1: The amendment the Fiscal Year 2012-2013 Budget authorizing matching funds from the City of Willcox to be paid to the Willcox Historical Theater, Inc., based upon monies raised by said organization after November 5, 2012, up to a maximum of fifteen thousand dollars (\$15,000) is hereby approved by the Mayor and City Council; and,

SECTION 2: That the Mayor is authorized and empowered to execute this Resolution as presented; and,

SECTION 3: The appropriate officials of the City are hereby authorized and directed to take all actions necessary or reasonably required to carry out the intent of this Resolution.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, this 19th day of November, 2012.

APPROVED/EXECUTED

ROBERT A. IRVIN, MAYOR

Dated: _____

ATTEST:

VIRGINIA A. MEFFORD, City Clerk

APPROVED AS TO FORM:

ANN P. ROBERTS, City Attorney

**CITY OF WILLCOX
REQUEST FOR COUNCIL ACTION**

Agenda Item: 10
Tab Number: 4
Date: 11-19-2012_

Date Submitted:
11-13-12
Date Requested:
11-19-12

Action:
 Resolution
 Ordinance
 Formal
 Other

**Subject: Accept donation
of Land from Wings
Over Willcox; located
near Golf Course**

TO: MAYOR AND COUNCIL

FROM: City Manager

DISCUSSION: Wings Over Willcox (WOW) had addressed the Council concerning the City being a partner for a grant to build a bird viewing station out near the Golf Course; the City Council agreed.

As part of that proposed project, a survey was done to assure the station would be on City land. The survey showed it would not be on City owned land.

WOW has contacted the property owner and made arrangements to purchase the land. The Parcel number is 203-47-323. WOW would like the land to be titled in the City of Willcox's name.

The Question is: will the City of Willcox accept this donation of Land?

This property is also used as a water hazard and part of the effluent distribution system at the Golf Course; therefore ownership by the City would also be beneficial from that point of view.

RECOMMENDATION: Staff recommends accepting this donation from WOW.

FISCAL IMPACT: There will be some minor impact in the loss of property tax to the City and other governmental agencies. The value of the property is very low and this does not appear to be a significant factor.

Prepared by: Pat McCourt

Approved by: 
City Manager

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA

RESOLUTION 2012-91

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF WILLCOX, ARIZONA, FOR THE PURPOSE OF ACCEPTING FROM WINGS OVER WILLCOX A DONATION OF REAL PROPERTY; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.

WHEREAS, the City of Willcox is authorized and empowered pursuant to Title 9, A.R.S. §9-241, to purchase, receive, hold, lease and convey property, real and personal, necessary or proper to carry out the purposes of the corporation, within or without its limits; and,

WHEREAS, the Mayor and City Council have agreed to partner with Wings Over Willcox to build a bird viewing station out near the Golf Course and the intended parcel of land, Parcel Number is 203-47-323, must be purchased to insure that the bird viewing station is located upon City owned land; and,

WHEREAS, Wings over Willcox has contracted with the property owner to purchase the land and would like the land to be titled in the City of Willcox;

WHEREAS, this property is also used as a water hazard and part of the effluent distribution system at the Golf Course and therefore, ownership by the City would also be beneficial;

WHEREAS, the Mayor and City Council have determined that approving the donation of land is in the best interest of the City, its employees and the citizens of this City, and they desire to have this Resolution presented at its November 19, 2012, Council Meeting; and,

WHEREAS, it is necessary for the preservation of the peace, health and safety of the City of Willcox, Arizona, that an emergency be declared to exist, and this Resolution be effective immediately upon its passage and adoption.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, as follows:

SECTION 1: The Mayor and City Council of the City of Willcox, hereby approve and accept the donation of Tax Parcel Number is 203-47-323, from the Wings over Willcox organization; and,

SECTION 2: The appropriate officers and officials of the City are hereby authorized and directed to take all actions necessary or reasonably required to carry out the intent of this Resolution; and,

SECTION 3: That the Mayor is authorized and empowered to execute this Resolution and all other documents necessary to close the transaction to reflect that the real property is conveyed in the name of the corporation; and,

SECTION 4: That the immediate operation of the provisions of this Resolution is necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, and this Resolution shall be in full force and effect from and after its passage by the City of Willcox, Cochise County, Arizona.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, this 19th day of November, 2012.

APPROVED/EXECUTED

ROBERT A. IRVIN, MAYOR

Dated: _____

ATTEST:

VIRGINIA A. MEFFORD, City Clerk

APPROVED AS TO FORM:

ANN P. ROBERTS, City Attorney

**CITY OF WILLCOX
Request for Council Action**

Agenda Item: 11
Tab Number: 5
Date: 11-19-2012

Date Submitted:
Nov. 6, 2012
Date Requested:
Nov. 19, 2012

Action:
 Resolution
 Ordinance
 Formal
 Other

Subject:
Public Services &
Works

To: Honorable Mayor and City Council

From: Public Services & Works, Streets Section

Discussion: On August 24, 2010 The City of Willcox entered an agreement with the State of Arizona on to provide a sign replacement under a HSIP grant (Highway Safety Improvement Program). The City of Willcox agreed to set aside \$150,000 for this contract with the State. This HSIP for sign replacement is 100% refundable to the City of Willcox if all signs are in place within the contract time line which is one year from ordering the signs.

Through the state's Procurement Process, utilizing ADOT Procurement contract(s), an authorized supplier has been selected. This process is used by the City through our procurement code 3-3-3 X. The bid was awarded to Center Line Supply West. The supplier will provide the equipment and services as outlined in the contract and approved plans to complete this project with the aid and consent of the State and the FHWA.

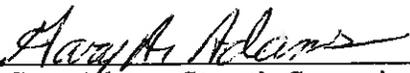
The State has coordinated with the City of Willcox regarding the specifics of the equipment to be ordered by the State. The State will instruct the vender to deliver equipment directly to the City for final acceptance and bill the City directly. The State will reimburse the City with capped Federal funds up to \$150,000 within thirty days after receipt and approval of an invoice for equipment purchased under this agreement. 80% will be refunded when the signs are delivered and the other 20% when the signs are in place. The bid for the signs at this time is \$65,084.97. The total cost is not foreseen to exceed the \$150,000 amount.

The City of Willcox will be responsible for 100% of installation labor cost and any overage of cost exceeding the maximum HSIP funds available for the project. The City will invoice the State within thirty days for reimbursement of approved costs.

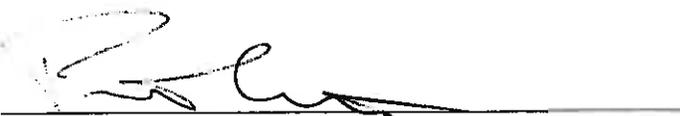
The US Department of Transportation has mandated that that the City needs to have the new retro reflective signs installed by the year 2015.

Recommendation: Staff recommends that we continue with the funding project for sign replacement to meet the new standards.

Fiscal Impact: \$0

Prepared By: 
Gary Adams, Street's Supervisor

Approved By:  FOR DAVE BONNER
Dave Bonner, Public Services & Works Director

Approved By: 
Pat McCourt, City Manager

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA

RESOLUTION 2012-92

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, (“CITY”) APPROVING THE PURCHASE OF RETRO REFLECTIVE STREET SIGNS FROM CENTER LINE SUPPLY WEST FOR COMPLIANCE WITH THE HIGHWAY SAFETY IMPROVEMENT PROGRAM (HSIP) GRANT AWARDED TO THE CITY BY THE STATE OF ARIZONA ON AUGUST 24, 2010; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.

WHEREAS, the CITY is empowered pursuant to Arizona Revised Statutes, Title 9, Section 9-240(A) to have control of the finances and property of the corporation and authorized pursuant to A.R.S. §9-240(B)(3) to exercise exclusive control over the streets; and,

WHEREAS, the CITY entered into an agreement with the State of Arizona to provide street sign replacement services to be refunded to CITY by a Highway Safety Improvement Program Grant up to an amount of \$150,000.00; and,

WHEREAS, CITY pursuant to the Willcox City Code, Section 3-3-3X, entitled “Intergovernmental Procurement”, utilizing the Procurement Process for the State and ADOT Procurement Contracts, have selected Center Line Supply West as the authorized provider to provide the equipment and services as outlined in the agreement; and,

WHEREAS, Center Line Supply West having been selected as the authorized provider, has submitted a bid of \$65,084.97 for the cost of the retro reflective street signs; and,

WHEREAS, the Mayor and City Council have determined that formal action on this Resolution is in the best interest of the CITY and its citizens, and they wish to have this Resolution presented at the November 19, 2012, Regular Meeting of the City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA, as follows:

SECTION 1: The Mayor and City Council hereby authorize and approve the purchase of retro reflective street signs from Center Line Supply West for the cost of \$65,084.97, for the purpose of the CITY participating with the State of Arizona in Highway Safety Improvement Program Grant; and,

SECTION 2: CITY Officials and Administrators are authorized and directed to take all action required to achieve the purpose of this Resolution and fulfill the terms of the CITY'S participation in the Highway Safety Improvement Program Grant Agreement; and,

SECTION 3: That the Mayor is authorized and empowered to execute the Resolution as presented.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA, this 19th day of November, 2012.

APPROVED/EXECUTED:

ROBERT A. IRVIN, MAYOR

ATTEST:

VIRGINIA A. MEFFORD, City Clerk

APPROVED AS TO FORM:

ANN P. ROBERTS, City Attorney

RESOLUTION 2012-92

**CITY OF WILLCOX
REQUEST FOR COUNCIL ACTION**

Agenda Item 12
Tab Number 6
Date: 11/19/2012

Date Submitted:

November 14, 2012

Action:

Resolution
 Ordinance
 Formal

Subject:

FUNDING AGREEMENT
WITH ARIZONA DEPT OF
HOUSING FOR CDBG
CONTRACT NO. 112-13

TO: MAYOR AND COUNCIL
FROM: Finance Director Ruth Graham

DISCUSSION:

By Resolution No. 2012-25 dated April 2, 2012, the Mayor and Council authorized the submission of an Application to the Arizona Department of Housing for the FY2012 Regional Account Community Development Block Grant Funds (CDBG), and certifying that the application met the community's previously identified housing and community development needs and the requirements of the State CDBG program.

The Application was made, and the Arizona Department of Housing has offered a Funding Agreement Between the Arizona Department of Housing and City of Willcox for Historic Preservation – Willcox Community Center in the amount of One Hundred Seventy Thousand Seven Hundred Ninety-seven dollars (\$170,797.00) for Federal Funding Year 2012 under Funding Agreement No. 112-13 with a termination date of December 31, 2014.

The City of Willcox is required to comply with the program guidelines and federal statutes and regulations governing the grant funding. The funds will benefit low income and moderate income persons. The City will use the funds to complete Phase III of the Community Center Improvements. The 2008 and 2010 CDBG funds awarded to the City were used to complete the first two phases of improvements on the Community Center.

RECOMMENDATION:

Motion to approve the Funding Agreement Between the Arizona Department of Housing and City of Willcox for Historic Preservation – Willcox Community Center in the amount of One Hundred Seventy Thousand Seven Hundred Ninety-seven dollars (\$170,797.00) for Federal Funding Year 2012 under Funding Agreement No. 112-13.

FINANCIAL IMPACT:

Grant income of \$170,797.00 to be used for Phase III of the Community Center improvements.

Submitted by:



Ruth Graham, Finance Director

Approved by:



Pat McCourt, City Manager

FUNDING AGREEMENT
with
ARIZONA DEPARTMENT OF HOUSING

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**FUNDING AGREEMENT
with
ARIZONA DEPARTMENT OF HOUSING**

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ATTACHMENTS

- A Scope of Work**
- B Performance Report/Schedule of Completion**
- C Budget**
- D Request for Payment Form**
- E Special Conditions of the Agreement**
- F Certification and Other Requirements Relating to Title I or Title II Assistance**
- G Authorizing Resolution(s)**

AGREEMENT NO. 112-13
TERMINATION DATE DECEMBER 31, 2014

FUNDING AGREEMENT
BETWEEN THE ARIZONA DEPARTMENT OF HOUSING
AND
CITY OF WILLCOX
FOR
HISTORIC PRESERVATION - WILLCOX COMMUNITY CENTER

This Funding Agreement is made by and between:

The **Arizona Department of Housing** ("ADOH"), located at, 1110 West Washington, Suite 310, Phoenix, Arizona 85007, acting pursuant to A.R.S. § 41-3953 and (please select applicable funding source):

- Title I of the Housing and Community Development Act of 1974, as amended ("CDBG")
- Title II of the National Affordable Housing Act of 1990, as amended (HOME Investments Partnerships Act) ("HOME")
- A.R.S. § 41-3955 (State Housing Trust Fund) ("HTF")
- Title 24 Part 574 and 42 U.S.C. Section 12902 of the AIDS Housing Opportunity Act of (Housing Opportunities for Persons With HIV/AIDS) ("HOPWA")
- Title IV Part 582 of the Stewart B. McKinney Homeless Assistance Act of 1987, as amended (Shelter Plus Care) ("SPC")
- Title IV Part 583 of the Stewart B. McKinney Homeless Assistance Act of 1987, as amended (Supportive Housing Program) ("SHP")
- Title III of the Housing and Economic Recovery Act of 2008, Pub. Law 110-289, July 30, 2008, (the Neighborhood Stabilization Program which provides emergency assistance for redevelopment of abandoned and foreclosed homes and multifamily housing)("NSP").

and

CITY OF WILLCOX
(Entity)

An Arizona City ("Recipient") DUNS # 056049265, located at

101 S. Railroad Ave
Street
Willcox, AZ 85643-2135

City State Zip

In consideration of the mutual representations and obligations hereunder, ADOH and Recipient agree as follows:

Section 1. FUNDS PROVIDED

ADOH agrees to provide \$ \$170,697.00 in the following type of funds to Recipient in accordance with this Agreement.

- CDBG, CFDA # 14.228**
Federal Fiscal Year 2012
\$ 170,697.00

- HOME, CFDA # 14.239**
Federal Fiscal Year _____
\$ _____

- HTF**
State Fiscal Year _____
\$ _____

- HOPWA, CFDA # 14.241**
Federal Fiscal Year _____
\$ _____

- SHP, CFDA # 14.235**
Federal Fiscal Year _____
\$ _____

- SPC, CFDA # 14.238**
Federal Fiscal Year _____
\$ _____

- NSP, CFDA #**
Federal Fiscal Year _____
\$ _____

Section 2. OTHER FUNDS

If applicable, Recipient agrees to secure funding other than that listed in **Section 1** for the completion of this Agreement as indicated in the **Budget** attached hereto as **Attachment C**. ADOH reserves the right to rescind some or all of the funding committed through this Agreement if other funding sources become unavailable.

Section 3. ACCEPTANCE OF FUNDS

Recipient hereby accepts the award of funds under the terms of this Agreement and agrees to execute and return this Agreement to ADOH within 30 days of receipt unless

Recipient receives a written waiver of this requirement by ADOH.

Section 4. DURATION

This Agreement shall be effective beginning on the date of execution by ADOH and shall remain in effect until DECEMBER 31, 2014 unless sooner terminated, extended or otherwise amended in accordance with the terms of this Agreement.

Section 5. INCORPORATION OF TERMS FOR COMPLIANCE WITH PROGRAM REQUIREMENTS AND APPLICABLE STATE AND FEDERAL LAW

Recipient shall carry out each activity in compliance with all applicable State and Federal laws, Federal regulations and other requirements including, but not limited to the provisions indicated as marked below and hereby incorporated into this Agreement, as if fully set forth herein. Also incorporated into this Agreement as applicable, are the terms of any resolution authorizing Recipient's application for funds, which is attached hereto as **Attachment G, Authorizing Resolution(s)** and any *Special Conditions of the Agreement* attached hereto as **Attachment E**.

- CDBG** funds require adherence to the following additional provisions: (1) the provisions of 24 CFR, Part 570 as revised; (2) *Certification and Other Requirements Relating to Title I Assistance* attached hereto as **Attachment F**; (3) the provisions contained in the *State of Arizona Consolidated Plan*; (4) *ADOH ERR Handbook*; (5) *ADOH Labor Standards Handbook* (6) *CDBG Application Handbook*; (7) *CDBG Grant Administration Handbook*; and (8) *CDBG Procurement, Contracts and Acquisition Handbook* (collectively "the Incorporated Documents") as each may be amended from time to time. In the event of a conflict between the terms of this Agreement and the terms of the Incorporated Documents, the terms of this Agreement shall govern.
- HOME** funds require adherence to the following additional provisions: (1) the provisions contained in 24 CFR Part 92 Home Investment Partnerships Program as revised, (2) *Certification and Other Requirements Relating to Title II Assistance* attached hereto as **Attachment F**; (3) the provisions contained in the *State of Arizona Consolidated Plan*; (4) *ADOH ERR Handbook*; (5) *ADOH Labor Standards Handbook* (6) the *State Housing Fund Program Summary and Application Guide* and any revisions thereto.
- The use of Housing Trust Funds (HTF)** requires adherence to the following additional provisions: (1) the *State Housing Fund Program Summary and Application Guide* as revised.
- Special Needs Housing "homeless" funding from SPC** requires adherence to 24 CFR Part 582 as revised.
- Special Needs Housing "homeless" funding from SHP** requires adherence to 24

CFR Part 583 as revised.

- Special Needs Housing “homeless” funding from HOPWA requires adherence to 24 CFR Part 574 as revised.**
- Neighborhood Stabilization Program, NSP, requires adherence to specific reporting requirements described in Attachment A, B & D to this Agreement.**

Section 6. SCOPE OF WORK

Recipient agrees to utilize all funds made available under this Agreement only for the purpose of implementing the *Scope of Work* hereby incorporated into this Agreement and described in **Attachment A**.

Revisions to Scope of Work. Recipient agrees to follow the procedures indicated as marked below regarding changes to the *Scope of Work*.

Revisions to the *Scope of Work* that change the manner in which an activity is to be executed or that change final outcome such as number of units, feet of utility line, number of households served, square footage of building, etc. require written approval from ADOH. The following substantial revisions to the *Scope of Work* require written amendment to this Agreement:

- (a) The purpose of the project changes;
- (b) The location of the project changes;
- (c) A project activity is added, deleted or altered such that it becomes a different activity;
- (d) The beneficiary of any activity changes;
- (e) Recipient is requesting a change to the loan or grant terms. Recipient must submit a written request for an Agreement amendment to ADOH, with a revised *Scope of Work* attached;
- (f) The ownership entity changes; and
- (g) Any other changes that involve program requirements.

ADOH will respond to the written request within 14 business days. Amendments may not be implemented until ADOH consents in writing and an amendment to the Agreement has been executed.

Section 7. REPORTS

Recipient shall be responsible for providing various reports of all activities related to this Agreement both as identified below and as requested by ADOH or HUD. Recipient shall also provide to ADOH any additional written information requested by ADOH in a timely manner and within reasonable deadlines as shall be set by ADOH.

7.1 Performance Report. Recipient agrees to submit the ADOH *Performance*

Report respective of the funding source indicated below and attached as Attachment B.

- RENTAL Projects funded with HOME or HTF.** Recipient must submit a *Bimonthly Performance Report* attached hereto as **Attachment B**. The Bimonthly Progress Report must be submitted to ADOH on the 20th of January, March, May, July, September and November and address activities of the preceding two months, i.e., the January report covers the months of November and December.
- All OTHER projects funded with HOME, HTF and CDBG.** Recipient must submit a *Quarterly Progress Report* attached hereto as **Attachment B**. The Quarterly Progress Report must be submitted to ADOH on the 15th of July, October, January and April and address activities of the preceding three months, i.e., the July report covers the months of April, May and June. Failure to submit timely Quarterly Progress Reports will result in suspension of payment reimbursement requests until such reports are brought current.
- Special Needs Housing "homeless" funding from SPC or SHP.** ADOH is required to administer the program during the contract term, which is synonymous with the HUD grant term and as set forth in **Section 4**. Recipient shall submit one (1) *HUD Annual Progress Report (APR) document No. 40118*, attached hereto as **Attachment B** no later than 60 days following the contract termination date listed on Page 1 of the Agreement. Recipient shall enter information reported on the APR into the Homeless Management Information System (HMIS).
- Special Needs Housing "homeless" funding HOPWA.** A Recipient of HOPWA awarded funding shall administer said program in the contract term as set forth in **Section 4** and submit one (1) *HUD Annual Progress Report (APR) document No. 40110-C* attached hereto as **Attachment B** no later than 60 days following the contract termination date listed on Page 1 of the Agreement.
- HTF "Eviction Prevention / Emergency Housing/EPEH" funding.** ADOH shall administer said program in accordance with the dates listed in **Section 4**. Recipient shall submit monthly payment requests accompanied by ADOH generated *Monthly Report* attached hereto as **Attachment B** and a bi-annual program narrative report.
- NSP.** Specific reporting requirements for the NSP funding are attached to this Agreement as Attachment A, B & D.

7.2 Contract Closeout—Completion Reports and Post-Funding Audits. Recipient's obligation to ADOH under this Agreement shall not end until all closeout requirements described in this paragraph are completed. ADOH will notify Recipient in writing that a **Completion Report** is due to ADOH within Sixty (60) days of one of the following occurrences:

- (a) The funds have been expended;
- (b) The Scope of Work has been completed;
- (c) The contract period set forth in this Agreement has expired; or
- (d) The Agreement has been otherwise terminated.

The Completion Report shall contain the information identified in the notice.

Following the receipt and approval of the Completion Report, ADOH will notify Recipient in writing that the Agreement is Administratively Closed.

After the project is administratively closed, Recipient must submit all required audits to ADOH. All audits for fiscal years in which Recipient received funds from ADOH must be received, reviewed and found to be satisfactory by ADOH. In the event that ADOH determines that any project costs described in a post funding audit are unjustified or describe ineligible activities, Recipient will be required to refund such monies back to ADOH.

Section 8. SCHEDULE OF COMPLETION

Recipient agrees to make progress with the *Scope of Work* in accordance with the *Schedule of Completion* hereby incorporated into this Agreement and described in **Attachment B**.

Revisions to the Schedule of Completion. Recipient agrees to follow the procedures indicated as marked below regarding changes to the Schedule of Completion.

- RENTAL Projects funded with HOME or HTF.** Recipient must notify ADOH of revisions to the *Schedule of Completion* using the *Bimonthly Performance Report*, attached hereto as **Attachment B**. To the extent that the changes cause the schedule timeline to be extended, Recipient must submit a written request for a contract amendment to ADOH with a revised *Schedule of Completion* attached. Contract amendment requests must be received by ADOH a minimum of 30 days prior to the contract expiration date. ADOH will respond to the written request within 14 business days. Amendments may not be implemented until ADOH consents in writing and an amendment to the Agreement has been executed.
- All OTHER projects funded with HOME, HTF and CDBG.** Recipient must notify ADOH of revisions to the *Schedule of Completion* using the *Quarterly Performance Report*, attached hereto as **Attachment B**. To the extent that the changes cause the schedule timeline to be extended, Recipient must submit a written request for a contract amendment to ADOH with a revised *Schedule of Completion* attached. Contract amendment requests must be received by ADOH a minimum of 30 days prior to the contract expiration date. ADOH will respond to the written request within 14 business days. Amendments may not be implemented until ADOH consents in writing and an amendment to the Agreement has been executed.

- Special Needs Housing “homeless” funding from SPC or SHP.** To the extent that the changes cause the schedule timeline to be extended, Recipient must submit a written request for a contract amendment to ADOH with a revised *Schedule of Completion* attached. Contract amendment requests must be received by ADOH a minimum of 30 days prior to the contract expiration date. ADOH will respond to the written request within 14 business days. Amendments may not be implemented until ADOH consents in writing and an amendment to the Agreement has been executed.

- HTF “Eviction Prevention/Emergency Housing/EPEH” funding.** To the extent that the changes cause the schedule timeline to be extended, Recipient must submit a written request for a contract amendment to ADOH with a revised *Schedule of Completion* attached. Contract amendment requests must be received by ADOH a minimum of 30 days prior to the contract expiration date. ADOH will respond to the written request within 14 business days. Amendments may not be implemented until ADOH consents in writing and an amendment to the Agreement has been executed.

Section 9. BUDGET

Recipient agrees to use the funds provided pursuant to this Agreement in accordance with the **Budget** that is attached as **Attachment C**. Recipient further agrees that any project costs, unless otherwise specified, exceeding the Budget shall be the sole responsibility of Recipient.

Availability of funding under this Agreement is contingent on final review and approval of the Budget. Budgetary considerations for specific programs are described below:

- CDBG Revisions to the Budget.** Recipient must obtain written approval from ADOH to move funds from one Budget Activity Line Item to another. The following substantial revisions to the **Budget** require a contract amendment:
 - (a) Funds are moved from one Budget Activity Line Item to another and the change in the Budget Activity Line from which it is moved or to which it is being moved exceeds 50%, unless the move is from administration to a non-administration activity, in which case only written notice without a contract amendment is required;
 - (b) Additional funding sources are added to the Project;
 - (c) Recipient is requesting a change to the grant terms.

- HOME and HTF Revisions to the Budget.** Recipient must obtain prior written approval from ADOH to move funds from one Budget Activity Line Item to another. ADOH will only approve changes to the Budget for eligible costs as outlined in the State Housing Fund program. The following substantial revisions to the **Budget** require a contract amendment:

- (a) Additional funding sources are added to the project which require a

- project to be re-underwritten to determine gap;
(b) Recipient is requesting a change to the loan terms.

See Section 10 for changes that affect the Budget.

Recipient shall not retain any funds that are drawn down in excess of immediate cash needs (to be utilized within 15 days of draw down) to cover subsequent requests for reimbursement, and must return them to ADOH within 30 days of receipt. Recipient must also return to ADOH any interest that is earned on these funds that are drawn down and not expended for eligible costs within 15 days of draw down.

Section 10. AMENDMENTS AND MODIFICATIONS

ADOH may consent to amendment or modification of this Agreement upon written request of Recipient. All amendments or modifications to this Agreement shall be by mutual consent of the parties in writing.

Requests for amendments or modifications that result in changes to the Budget must be supported by a revised Budget that is otherwise consistent with Section 9.

ADOH will respond to the request for amendment or modification to this Agreement within 14 business days.

Section 11. ENVIRONMENTAL REVIEW CONDITIONS

In accordance with 24 CFR 50 and 24 CFR 58 ("Environmental Review"), the environmental effects of each activity carried out with federal funds must be assessed. Local government entities are responsible for environmental reviews and requesting a release of funds from ADOH. Non-profits and other non-governmental entities are responsible for assisting ADOH with Environmental Review and ADOH then requests a release of funds from HUD. Completion of the Environmental Review Record ("ERR") is mandatory before taking any physical action on a site or entering into contracts. Only exempt activities such as architecture, engineering and administration may be undertaken and reimbursed by ADOH prior to receiving a written release of funds. Exempt activities described in 24 CFR 58.34(a)(1)-(11) are activities that generally have no physical impact on the environment. If federal funds are involved in a project, neither federal nor non-federal funds may be expended or committed by contract (conditional or not) for property acquisition, rehabilitation, conversion, lease, repair or construction activities, until HUD or ADOH has provided written authorization based on approval of an ERR.

An option agreement (to purchase land) on a proposed site or property is allowable prior to the completion of the Environmental Review if the option agreement is contingent upon an ADOH or HUD authorization to use funds based on a completed ERR. The cost of the option must be a nominal portion of the purchase price.

Projects funded solely with Housing Trust Funds do not require an ERR but are required to

meet the requirements of the State Historic Preservation Act by consulting with the State Historic Preservation Office (SHPO). For State Housing Funded projects, Phase I Environmental Assessments are required to be completed on properties for which new construction/change in use is proposed, regardless of whether Federal or State funds are the source of funding. Expenditures incurred or obligated by construction contract prior to ADOH's release of funds or consultation with SHPO will not be reimbursed by ADOH.

Recipients who had committed or expended non-Federal funds to begin a project before receiving the authorization from ADOH or HUD may still be eligible to use federal funds on the project under the following circumstances:

- (a) Recipients started the project without the intention of using Federal assistance (e.g., as evidenced by other anticipated funding, the original project budget, etc.);
- (b) All work on the project ceases once an application for federal funds is made and an ERR is begun on all activities, i.e., acquisition, construction, etc. ADOH or HUD provides authorization to proceed based on the completed ERR.

Section 12. APPLICATION AND OTHER PRE-AWARD COSTS

Recipient may use a portion of the funds provided hereunder to reimburse itself for exempt activities pursuant to 24 CFR 58.34(a)(1)-(11) such as architecture, engineering, testing and sampling of asbestos and capital needs assessments and environmental reviews.

- CDBG.** If Recipient is receiving funding under this Agreement from the CDBG program, in accordance with federal procedures, Recipient may use funds provided hereunder to reimburse it or to pay for costs incurred in preparing the application. In no event shall such compensation exceed 18 percent of the total funding provided to Recipient by ADOH.

Section 13. COMPENSATION AND METHOD OF PAYMENT

Subject to availability of and receipt of funds from the State's Unclaimed Property Fund (for state HTF funds) and/or the United States Treasury (for HOME, CDBG, SHP, SPC and HOPWA funds) and the commitment of other required funding as indicated in Recipient's application, ADOH agrees to reimburse or advance Recipient for authorized expenditures according to the *Budget* in Attachment C. Recipient must maintain invoices and other similar documentation to support payment expenses under those generally accepted accounting principles and procedures approved by ADOH and outlined in OMB Circulars A-87, A-122, and A-133, as applicable, and 24 CFR Parts 44, 84, 85, 92 and 570 as applicable.

Recipient may request funds only after the date of the executed Agreement and other legal

documents as applicable, provided Recipient has satisfied ADOH funding contingencies and federal Environmental Review conditions. Requests for reimbursement must be made using the ADOH *Request for Payment* form hereby incorporated into this Agreement and attached as **Attachment D**. For construction projects, Release of Lien documents must be attached to the Request for Payment in amounts proportionate to contractor reimbursement requests.

Recipient must maintain proof of said expenditures including checks, payrolls, time records, invoices, contracts, vouchers, orders and other accounting documents evidencing in proper detail the nature and propriety of the respective charges as may be required by applicable federal rules and regulations, including requirements by the Federal Office of Management and Budget, and as may be otherwise reasonably required to permit ADOH to determine or confirm that any such expenditures are prudent and within the Scope of Work.

Recipient's right to incur expenses under this Agreement shall cease upon expiration of this Agreement. All requests for reimbursement on expenditures made prior to expiration of this Agreement must be requested within 60-days after expiration. Unless expressly authorized by ADOH in writing, expenditures not requested within the 60-day period after expiration of this Agreement shall be disallowed and all funds shall be reclaimed by ADOH.

Section 14. FUNDS RECOUPED BY RECIPIENT, INTEREST AND PROGRAM INCOME

14.1 Definitions. For purposes of this section, the following definitions shall apply:

"Funds Recouped by Recipient" means funds initially provided by ADOH to Recipient under this Agreement and any matching contributions that are recouped by Recipient when: (1) the funds provided by ADOH under this Agreement or matching contributions or the proceeds of funds provided by ADOH (including, but not limited to, equipment or housing) do not continue to be used for an approved purpose or eligible activity, as described in applicable law or regulations, for the full period of affordability required by this Agreement, or (2) when a State-assisted homeownership housing does not continue to be the principal residence of the assisted homebuyer for the full affordability period required by this Agreement. Funds Recouped by Recipient are subject to all the requirements of Program Income described below with the exception that Recipient shall not use Funds Recouped by Recipient for administrative purposes. For this reason, Recipient must separately account for all Funds Recouped by Recipient.

"Interest" means any compensation paid or to be paid for the use or deposit of the funds provided by ADOH to Recipient under this Agreement.

"Program Income" means gross income received by Recipient directly generated from the use of funds provided by ADOH under this Agreement. When Program Income is generated by housing that is only partially assisted with funds provided by ADOH under this Agreement or matching contributions, the income shall be prorated to reflect the percentage of funds provided by ADOH under this Agreement. Program Income includes, but is not limited to, the following: (1) proceeds from the disposition by sale or long-term

lease of real property purchased or improved with funds provided by ADOH under this Agreement; (2) gross income from the use or rental of real or personal property acquired by Recipient with funds provided by ADOH under this Agreement, less costs incidental to generation of the income; (3) payments of principal and interest on loans made using funds provided by ADOH under this Agreement or matching contributions; (4) proceeds from the sale of loans made with funds provided by ADOH under this Agreement or matching contributions; (5) proceeds from sale of obligations secured by loans made with funds provided by ADOH under this Agreement or matching contributions; (6) Interest earned on Program Income pending its disposition; (7) proceeds from the disposition of equipment purchased with CDBG funds; (8) gross income from the use or rental of real property, owned by Recipient, that was constructed or improved with funds provided by ADOH under this Agreement, less costs incidental to generation of the income; (9) if the funds provided by ADOH under this Agreement are from the CDBG Program, funds collected through special assessments made against properties owned and occupied by households not of low and moderate income, where the assessments are used to recover all or part of the CDBG portion of a public improvement; and (10) if the funds provided by ADOH under this Agreement are from the HOME Program, any other interest or return on the investment permitted under 24 C.F.R. Part 92.205(b) of HOME funds or matching contributions.

14.2 Use of Program Income and Funds Recouped by Recipient.

Recipient is not authorized by ADOH to retain and reuse Program Income, Funds Recouped by Recipient or accrued Interest as described in the following paragraph(s) except as authorized by ADOH through a written agreement.

Recipient must return all Program Income, Funds Recouped by Recipient, and Interest to ADOH within 30 days of receipt.

Recipient must remit to ADOH any Program Income, Funds Recouped by Recipient or Interest on hand at the time of expiration, cancellation, or termination of this Agreement or subsequently received by Recipient within 30 days of receipt by Recipient.

Section 15. DE-OBLIGATION, RECAPTURE AND REPAYMENT OF FUNDS

15.1 De-obligation. ADOH may reduce funds from the funding award evidenced by this Agreement without regard to the source of funding, under the following circumstances: (1) Recipient has completed performance under the *Scope of Work (Attachment A)* without using all of the funds provided by ADOH under this Agreement; (2) this Agreement expires and not all funds have been expended; (3) ADOH's original allocation was a loan and Recipient or Sub-recipient paid the loan; (4) Recipient, with the consent of ADOH, cancelled or changed an activity required under the *Scope of Work* for reasons other than non-performance; or (5) Recipient receives Program Income that has not been included in the budget or set forth in the *Scope of Work*; and (6) this Agreement has otherwise been terminated. ADOH may de-obligate funds under this Agreement under the foregoing circumstances upon written notice to Recipient.

15.2 Reallocation of De-obligated HOME or State HTF Funds. If the funds provided by ADOH under this Agreement are from the State HTF or the HOME Program, ADOH may reallocate funds that it has de-obligated under this Agreement as it determines in its sole discretion.

15.3 Reallocation of De-obligated CDBG Funds. If the funds provided by ADOH under this Agreement are from the CDBG Program, ADOH may reallocate funds that it has de-obligated under this Agreement to Recipient from which the funds were de-obligated for use under an existing or new funding contract of the same funding year if Recipient can immediately commit the reallocated funds to a project and execute a new or amended funding contract within sixty (60) calendar days of the reallocation. If ADOH is not able to reallocate funds that it has de-obligated under this Agreement in accordance with the foregoing sentence of this subsection, ADOH may reallocate those funds as it determines in its sole discretion.

15.4 Recapture. ADOH may reduce funds from the amount of the funding award evidenced by this Agreement, without regard to the source of funding, under the following circumstances: (1) ADOH determines that Recipient has failed to use the funds provided by ADOH under this Agreement in compliance with the terms of this Agreement or the requirements of applicable laws and regulations (non-compliance); or (2) Recipient fails to perform in accordance with the performance obligations set forth in the *Scope of Work (Attachment A)* and the *Schedule of Completion (Attachment B)* or the terms of this Agreement. ADOH may recapture funds under this Agreement under the foregoing circumstances upon written notice to Recipient.

15.5 Reallocation of Recaptured Funds. ADOH may reallocate funds that it has recaptured under this Agreement, without regard to the source of funding, as it determines in its sole discretion.

15.6 Repayment of Funds. Recipient agrees to repay funds provided under this contract if ADOH determines that Recipient has failed to use the funds provided by ADOH under this Agreement in compliance with the terms of this Agreement or the requirements of applicable laws and regulations. ADOH may specify in writing the terms of the repayment or alternative terms in lieu of repayment, however, in no case shall repayment or alternative terms be accomplished later than one hundred eighty (180) days following the written determination of non-compliance by ADOH.

Section 16. REVERSION OF ASSETS

16.1 Funds Remaining at Expiration. Upon expiration of this Agreement, Recipient shall transfer to ADOH any unexpended funds advanced to Recipient by ADOH under this Agreement.

16.2 Real Property Acquired or Improved with CDBG Funds. Upon expiration

of this Agreement, any real property under Recipient's control that was acquired or improved in whole or in part with CDBG funds, for non-owner occupied use, provided to Recipient by ADOH under this Agreement (including CDBG funds provided to Recipient in the form of a loan) in excess of \$25,000, shall either: (1) be used to meet one of the national objectives in 24 CFR Part 570.208 until five years after expiration of this Agreement, or for such longer period of time as determined to be appropriate by Recipient; or (2) not be used in accordance with 24 CFR Part 570.503(b)(8)(i), in which event Recipient shall pay to ADOH an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property. No payment is required after the period of time specified in 24 CFR Part 570.503 (b)(8)(i).

16.3 Real Property Acquired or Improved with HOME Funds. Upon expiration of this Agreement, any real property under Recipient's control that was acquired or improved in whole or in part with HOME funds, for non-owner occupied uses, provided to Recipient by ADOH under this Agreement (including funds provided to Recipient in the form of a loan), must be occupied only by households that are eligible as low-income families and must meet the requirements to qualify as affordable housing and is subject to encumbrances and obligations described in any applicable Declaration of Conditions, Covenants, and Restrictions ("CC&Rs") for the period of affordability set forth in 24 CFR Part 92.252.

16.4 Real Property Acquired or Improved With State Housing Trust Funds. Upon expiration of this Agreement, any real property under Recipient's control that was acquired or improved in whole or in part with state HTF funds, for non-owner occupied uses, provided to Recipient by ADOH under this Agreement (including funds provided to Recipient in the form of a loan), must be occupied only by households that are eligible as low-income families and must meet the requirements to qualify as affordable housing and is subject to encumbrances and obligations described in any applicable Declaration of CC&Rs for the period of affordability set forth in the CC&Rs.

Section 17. DEPARTMENT OF HOUSING RESPONSIBILITIES

ADOH shall monitor and evaluate Recipient to determine compliance with and performance under this Agreement. A summary of discrepancies noted by ADOH during monitoring visits will be specified in writing. Appropriate time for correction of discrepancies will be specified in the written report to Recipient. ADOH shall follow up on discrepancies to ensure that they have been corrected in a timely manner. The failure of ADOH to require timely performance of any provision of this Agreement shall in no way affect the right of ADOH thereafter to enforce such provision nor shall the waiver of any succeeding breach of such provision act as waiver of the provision itself.

ADOH shall provide reasonable technical assistance to assist Recipient to comply with program requirements for the provision of services under this Agreement. However, this in no way relieves Recipient of full responsibility for its acts or omissions in the performance

of activities required by this Agreement.

Section 18. SUBCONTRACTING

Recipient shall not disburse any funds received under this Agreement without fully completed written agreements with subcontractors requiring they follow all provisions of this Agreement and a completed Environmental Review pursuant to Section 11 of this Agreement.

The use of subcontractors does not relieve Recipient of responsibility for ensuring the administration of the provided funds in accordance with all applicable program requirements. Recipient is responsible for determining the adequacy of performance under subcontractor agreements and procurement contracts and for taking appropriate action when performance issues arise.

Section 19. FAILURE TO MAKE PROGRESS

Failure of Recipient to make progress according to the **Schedule of Completion**, attached hereto as **Attachment B** may result in contract termination, de-obligation of funds or recapture of funds. Recipient agrees to meet with ADOH at the site in which the funded activity is taking place to discuss progress and allow ADOH to provide technical assistance if:

- (a) Recipient fails to begin work on its Environmental Review pursuant to **Section 11** within the sixty (60) calendar days from the date ADOH executes this Agreement;
- (b) Recipient fails to expend any funds in performance of and in accordance with the terms of this Agreement within ninety (90) calendar days from the inception date of this Agreement.

ADOH will terminate any Agreement and recapture funds from the same Agreement in which Recipient does not commence any of the activities described in the *Scope of Work (Attachment A)* or fails to expend any funds in accordance with the *Budget (Attachment C)* within one hundred eighty (180) calendar days from the full execution date of this Agreement. ADOH may in its sole discretion, forgo providing technical assistance and recapture funds as outlined in this Agreement under **Section 15.4** hereof and/or terminate this Agreement for cause pursuant to **Section 20** of this Agreement.

Section 20. TERMINATION FOR CAUSE

ADOH may terminate this Agreement in whole or in part at any time whenever it determines that Recipient has failed to comply with the conditions hereof including, but not limited to the **Scope of Work** set forth in **Attachment A**, **Schedule of Completion** set forth in **Attachment B** and **Budget** set forth in **Attachment C** to this Agreement. If ADOH so determines, it shall notify Recipient in writing by certified mail, return receipt requested, of such termination for cause with such notification to include the reason(s) for the termination and the effective date of termination. If ADOH terminates this Agreement pursuant to this

Section, ADOH shall recapture all funds allocated to Recipient under this Agreement pursuant to **Section 15.4** hereof and obtain repayment of funds expended pursuant to **Section 15.6**, hereof.

Section 21. TERMINATION FOR CONVENIENCE

ADOH or Recipient may terminate this Agreement in whole or part (one or more activities) if either party believes that continuation will not produce beneficial results. If ADOH so determines, it shall notify Recipient in writing by certified mail, return receipt requested, of such termination for convenience and the effective date of termination. If Recipient so determines, it shall notify ADOH in writing by certified mail, return receipt requested, of such termination for convenience and the effective date of termination. If ADOH terminates this Agreement pursuant to this Section, ADOH shall de-obligate, recapture or receive repayment, as applicable, all funds allocated to Recipient under this Agreement pursuant to **Section 15** hereof.

Section 22. ENFORCEMENT

22.1 Remedies for Noncompliance. If Recipient materially fails to comply with any term of this Agreement or applicable law, ADOH may take one or more of the following actions, as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by Recipient or more severe enforcement action by the awarding agency;
- (b) Disallow (that is, deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance;
- (c) Wholly or partly suspend or terminate the award evidenced by this Agreement;
- (d) Withhold further awards to Recipient's project funded by the award evidenced by this Agreement;
- (e) Recapture funds and terminate contract;
- (f) Withhold future ADOH grant awards from all sources; or
- (g) Take other remedies that may be legally available.

22.2 Appealable Agency Action. Enforcement action taken under this section is an appealable agency action pursuant to A.R.S., Title 41, Chapter 6, Article 10.

22.3 Effects of suspension and termination. Costs incurred by Recipient resulting from obligations incurred by Recipient during a suspension or after termination of an award are not allowable unless ADOH expressly authorizes them in the notice of suspension or termination or subsequently.

22.4 Relationship to debarment and suspension. The enforcement remedies identified in this section, including suspension and termination, do not preclude Recipient from being subject to "Debarment and Suspension" under the United States President's

Executive Order 12549.

Section 23. CANCELLATION

Pursuant to A.R.S. § 38-511, ADOH may, within three years after its execution, cancel this Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of ADOH, at any time while this Agreement or any extension of this Agreement is in effect, is or becomes an employee or agent of any other party to this Agreement in any capacity or a consultant to any party of this Agreement with respect to the subject matter of the contract. A cancellation notice made pursuant to this provision shall be effective when Recipient receives written notice of the cancellation unless the notice specifies a later time.

Section 24. RECORDS RETENTION

Pursuant to A.R.S. § 35-214, Recipient shall retain and require that its subcontractors retain for inspection and audit by ADOH, all books, accounts, reports, files, including information regarding actual beneficiaries of the fund, and other records relating to the bidding and performance of this Agreement for a period of five (5) years following the date of the letter informing Recipient of the Administrative Closeout or termination.

Upon request by ADOH, Recipient shall produce a legible copy of all such records at the Administrative Office of ADOH or at the Office of the Auditor General. The original records shall be available and produced for inspection and audit when required by ADOH or the Auditor General.

Recipient shall maintain records that adequately identify the source and application of the funds provided under this Agreement (including Program Income and Recaptured Funds) as part of the financial transactions of their funding program, consistent with generally accepted accounting principles and the requirements of 24 CFR Part 85.20. Recipient will provide reports regarding the capture and reuse of Program Income and Recaptured Funds as requested by ADOH from time to time.

In addition, in the event that the project resulted in Recipient holding any liens or notes as a result of this funding, Recipient must retain all pertinent records for five (5) years beyond the expiration or release of such liens or notes.

Section 25. NO OBLIGATION OF STATE GENERAL APPROPRIATIONS FUNDS

Nothing herein shall be construed as obligating state general appropriation funds, excepting HTF funds, for payment of any debt or liability of any nature arising hereunder. The parties expressly recognize that all payments to be made by ADOH are from federal funds and HTF funds made available to ADOH for this purpose.

Section 26. AVAILABILITY OF FUNDS

Payments under this Agreement are subject to the availability of the federal funds provided to the ADOH for the HOME and CDBG programs and the availability of state funds provided for the state HTF Program. Every payment obligation of ADOH under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by ADOH at the end of the period for which funds are available. No liability shall accrue to ADOH in the event this provision is exercised, and ADOH shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

Section 27. APPLICABLE LAW AND ARBITRATION

This Agreement shall be governed and interpreted by the laws of the State of Arizona. The parties to this Agreement agree to resolve all disputes arising out of or relating to this Agreement through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518 except as may be required by other applicable statutes.

Section 28. INDEMNIFICATION

Recipient shall indemnify, defend, and save harmless ADOH, the State of Arizona and its agents, officials, and employees from any and all claims, demands, suits, actions, proceedings, loss, costs, and damages of every kind and description, including any attorney's fees and litigation expenses, which may be brought or made against or incurred by the State on account of loss of or damage to any property or for injuries to or death of any person, caused by, arising out of or contributed to, in whole or in part, by reason of any alleged act, omission, professional error, fault, mistake, or negligence of Recipient, its employees, agents, representatives, or subcontractors, their employees, agents, or representatives in connection with or incidental to the performance of this Agreement, or arising out of Workmen's Compensation claims, Unemployment Compensation claims, or Unemployment Disability Compensation claims of employees of Recipient or its subcontractors or claims under similar such laws or obligations. Recipient's obligation under this section shall not extend to any liability caused by the sole negligence of ADOH, the State of Arizona, or its employees.

Section 29. FEDERAL GOVERNMENT LIABILITY

It is agreed by all parties that the Federal Government and particularly the U.S. Department of Housing and Urban Development ("HUD") is not a party to this Agreement, and that no legal liability on the part of the Federal Government is inferred or implied under the terms of this Agreement.

Section 30. AUDIT

If federal funds are paid to Recipient through this Agreement, Recipient shall comply with the audit requirements set forth in 24 CFR Part 84. Recipient shall comply with

A.R.S. § 35-181.03 if any state funds are paid through this Agreement. Recipient agrees to rectify issues identified in audits within ADOH prescribed time periods. Failure to comply shall result in withholding of all present and future ADOH provided funds.

Section 31. AUDIT EXCEPTIONS

If federal or state audit exceptions are made relating to this Agreement, Recipient shall reimburse all costs incurred by the State of Arizona and ADOH associated with defending against the audit exception or performing an audit or follow-up audit including but not limited to: audit fees, court costs, attorney's fees based upon a reasonable hourly amount for attorneys in the community, travel costs, penalty assessments, and all other costs of whatever nature.

Immediately upon notification from ADOH, Recipient shall reimburse the amount of the audit exception and any other related costs directly to ADOH as specified by ADOH in the notification.

Section 32. UNALLOWABLE USE OF FUNDS

Recipient, its officers, employees and agents, shall not utilize any of the federal funds or HTF provided under this Agreement to solicit or influence, or attempt to solicit or influence, directly or indirectly, any member of Congress regarding pending or prospective legislation.

Section 33. INTEREST OF MEMBERS OF DEPARTMENT OF HOUSING AND OTHERS

No officer or employee of ADOH and no public official, employee or member of the governing body of Recipient who exercises any functions or responsibilities in review or approval of the undertaking or carrying out of this Agreement shall participate in any decision relating to this Agreement which affects their personal interest or the interest of any corporation, partnership, or association in which they are directly or indirectly interested, or have any interest, direct or indirect, in this Agreement or its proceeds.

Section 34. ACCESS TO RECORDS, PARTICIPANTS AND STAFF

Recipient agrees to provide ADOH and its representatives access at any reasonable time to all participants and staff involved in this Agreement and to all records and reports involving this Agreement.

Section 35. IDENTIFICATION OF DOCUMENTS

All materials used for public outreach and for informational purposes as a part of this Agreement, other than documents exclusively for internal use by ADOH, shall identify the source of federal (CDBG, HOME, SHP, SPC, HOPWA) or state (HTF) funds used as part of this Agreement as well as acknowledgement of support from ADOH.

Section 36. COPYRIGHT

Reports, maps or other documents produced in whole or in part under this Agreement are works for hire and shall not be the subject of any application for copyright by or on behalf of Recipient, by any employee or subcontractor of Recipient. Recipient shall advise ADOH or its designee at the time of delivery of any copyrighted or copyrightable work furnished under this Agreement, or any adversely held copyrighted or copyrightable material incorporated in any such work and of any invasion of the right of privacy therein contained.

Section 37. RIGHTS IN DATA

ADOH may duplicate, use and disclose in any manner and for any purpose whatsoever, within the limits established by federal and state laws and regulations, all information relating to this Agreement.

Section 38. FUNDING CONDITIONS

ADOH will make the funding assistance available to Recipient upon execution of this Agreement by the parties. The obligation and utilization of the funding assistance provided through this Agreement are subject to the proper observation of the requirements incorporated by reference. Recipient shall require any subcontracting entities to observe and follow all provisions of this Agreement.

Section 39. NON-DISCRIMINATION

- (a) Recipient shall comply with A.R.S. § 41-1463 and Executive Orders 99-4 and 2009-09, which prohibit Recipient from discriminating against persons, or depriving or tending to deprive any individual of employment opportunities or otherwise adversely affecting the individual's status as an employee on the basis of race, color, religion, sex, age, national origin, disability or political affiliation and require Recipient to take action to ensure that applicants are employed and that employees are treated during employment without regard to race, color, religion, sex, age, national origin, disability, or political affiliation. Recipient shall comply with all of the other requirements of Executive Order 2009-09.
- (b) Recipient agrees to comply with Title VII of the Civil Rights Act of 1964, as amended. Recipient shall also comply with applicable federal regulations that prohibit discrimination in the employment or advancement in employment of qualified persons because of physical or mental handicap. Recipient shall comply with all applicable federal regulations regarding equal employment opportunity and relevant orders issued by the U.S. Secretary of Labor. Recipient agrees to comply, and will require any subcontractor(s) to comply with applicable federal nondiscrimination

requirements, which may include: Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. §3789(d)); the Victims of Crime Act (42 U.S.C. §10604(e)); the Juvenile Justice and Delinquency Prevention Act of 2002 (42 U.S.C. §5672(b)); the Civil Rights Act of 1964 (42 U.S.C. §2000(d)); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794); Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. §§12132); Title IX of the Education Amendments of 1972 (20 U.S.C. §1681); the Age Discrimination Act of 1975 (42 U.S.C. §6102); 28 C.F.R. pt. 35 (DOJ Regulations- Nondiscrimination on the Basis of Disability in State and Local Government Services); 28 C.F.R. pt. 42 (DOJ Regulations- Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order 13279 (equal protection of the laws for faith-based and community organizations); and 28 C.F.R. pt. 38 (DOJ Regulations- Equal Treatment for Faith-Based Organizations).

Section 40. THIRD PARTY ANTITRUST VIOLATIONS

Recipient assigns to the State of Arizona any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to Recipient toward fulfillment of this Agreement.

Section 41. SCRUTINIZED BUSINESS OPERATIONS

Pursuant to A.R.S. § 35-391.06 and 35-393.06, Recipient certifies that it does not have a scrutinized business operation in Sudan or Iran. For the purpose of this Section the term "scrutinized business operations" shall have the meaning set forth in A.R.S. §§ 35-391 and/or 35-393, as applicable. If the State of Arizona or the ADOH determines that Recipient submitted a false certification, ADOH may impose remedies as provided by law including cancellation or termination of this Agreement.

Section 42. COMPLIANCE REQUIREMENTS FOR A.R.S. § 41-4401—IMMIGRATION LAWS AND E-VERIFY REQUIREMENT

- (a) Recipient warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A. (That subsection reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program.)
- (b) A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of the contract and Recipient may be subject to penalties up to and including termination of this Agreement.
- (c) The ADOH retains the legal right to inspect the papers of any employee who

works on this Agreement to ensure that Recipient or Recipient's subcontractor is complying with the warranty under paragraph (a).

Section 43. INSURANCE

During the contract period, Recipient shall purchase and maintain in full force the following insurance. All certifications of insurance must provide for a thirty (30) day notice to ADOH of cancellation, non-renewal, or material change. Proof of insurance from Recipient shall be provided to ADOH prior to execution of this contract and periodic certifications must be furnished at the request of the Program Specialist.

Recipient and its Subcontractors, at Recipient's and Subcontractors' own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of A-, 7, local government insurance pools formed pursuant to ARS 11-952.01 or other as approved by ADOH, and licensed in the State of Arizona with policies and forms satisfactory to ADOH.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of this Agreement is completed satisfactorily and formally accepted; failure to do so may, at the sole discretion of ADOH, constitute a material breach of this Agreement.

Recipient's insurance shall be primary insurance as respects ADOH, and any insurance or self-insurance maintained by ADOH shall not contribute to it.

Recipient shall not fail to comply with the claim reporting provisions of the insurance policies or cause any breach of an insurance policy warranty, which would affect coverage afforded under insurance policies to protect ADOH.

The insurance policies, except Worker's Compensation, shall contain a waiver of transfer of rights of recovery (subrogation) against ADOH, its agents, representatives, directors, officers, and employees for any claims arising out of Recipient's acts, errors, mistakes, omissions, work or service.

The insurance policies may provide coverage, which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to ADOH under such policies. Recipient shall be solely responsible for the deductible and/or self-insured retention, and ADOH, at its option, may require Recipient to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit.

ADOH reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. ADOH shall not be obligated, however, to review same or to advise Recipient of any deficiencies in such

policies and endorsements, and such receipt shall not relieve Recipient from, or be deemed a waiver of ADOH's right to insist on, strict fulfillment of Recipient's obligations under this Agreement.

The insurance policies, except Worker's Compensation and Professional Liability, required by this Agreement, shall name ADOH, its agents, representatives, officers, directors, officials and employees as additionally insured.

43.1 Required Coverage

Commercial General Liability. Recipient shall maintain Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage. Coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00011093 or any replacements thereof.

Such policy shall contain a severability of interest provision and shall not contain a sunset provision or commutation clause, nor any provision that would serve to limit third party action over claims. The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc. Additional Insured, Form B, CG 20101185, and shall include coverage for Recipient's operations and products and completed operations.

Automobile Liability. Recipient shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to Recipient's any auto, all owned autos, scheduled autos, hired autos, non-owned autos assigned to or used in performance of Recipient's work. Coverage will be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00011293, or any replacements thereof).

Worker's Compensation. Recipient shall carry Worker's Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Recipient's employees engaged in the performance of the work or services; and Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

In case any work is subcontracted, Recipient will require the Subcontractor to provide Worker's Compensation and Employer's Liability to at least the same extent as required of Recipient.

43.2 Certificates of Insurance

Prior to commencing work or services under this Agreement, Recipient shall furnish ADOH with Certificates of Insurance, or formal endorsements as required by this Agreement, issued by Recipient's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Agreement are in full force and effect.

In the event any insurance policy(s) required by this contract is (are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of Recipient's work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of this Agreement, a renewal certificate must be sent to ADOH fifteen (15) days prior to the expiration date.

43.3 Cancellation and Expiration Notice

Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days written notice to ADOH.

Section 44. PRIVACY CONSIDERATIONS

Recipients of federal funds (for the purpose of this section "federal funds" means funding from the CDBG, HOME, HOPWA, SHP, SPC, and NSP programs; *see* Section 1, above) from ADOH warrant and represent that commencing from the effective date of this Agreement and until the latest expiration or termination date of any promissory note, deed of trust, declaration, or other agreement that secures the federal funds that are the subject of this Agreement, Recipient and Recipient's contractors shall comply with the requirements of the federal Privacy Act, 5 U.S.C. § 552a. Recipient warrants and represents that it has read and understands the requirements of the Federal Privacy Act and requires the same of its contractors and subcontractors.

Section 45. NOTICES

When routine reports or correspondence is required to be sent to ADOH, it shall be addressed to Arizona Department of Housing, to the attention of the assigned Program Specialist at 1110 West Washington Street, Suite 310, Phoenix, AZ 85007. Notices or correspondence regarding material changes to the contract or requests for amendment shall be addressed to the same. All correspondence regarding this Agreement must be identified by its ADOH Agreement number (which is located on the top left hand corner of the first page of this Agreement).

**Funding Agreement with
State of Arizona, Department of Housing**

representatives subscribed below:

**THE STATE OF ARIZONA,
ARIZONA DEPARTMENT OF HOUSING CITY OF WILLCOX, RECIPIENT**

BY:

BY:

Michael Trailor
Director

~~Gerald Lindsay~~ Robert A. Irvin
TITLE: Mayor

DATE: _____

DATE: _____

When notice or correspondence is required to be sent to Recipient, it shall be addressed to:

CITY OF WILLCOX

Entity

DAVE BONNER

Attention (if applicable)

101 S. Railroad Ave

Mailing Address

WILLCOX, AZ 85643-2135

City State Zip

Section 46. REGISTRATION WITH SOCIAL SERVE

For new construction or rehabilitation of rental projects, Recipient agrees to register the project with socialserve.com and keep the project listed with socialserve.com for the duration of the period of affordability as indicated in the Conditions, Covenants and Restrictions.

Section 47. ADOH SIGNAGE

For new construction and rehabilitation projects, Recipient must erect a sign at the project site indicating that the project is funded through the Arizona Department of Housing and indicate the sources of funds. The sign must be a minimum size of 24 inches high by 36 inches wide, include a minimum 5-inch high ADOH logo and text printed at a minimum 72 point font. An individual ADOH sign does not have to be provided if Recipient incorporates ADOH information into a larger group sign.

Section 48. PHOTOGRAPHS

For new construction and rehabilitation projects, Recipient is required to provide to ADOH before and after photographs of the project in digital or film format.

Attachment A SCOPE OF WORK

City of Willcox – Historic Preservation – Willcox Community Center

Activity #1 - Administration

\$23,124 CDBG

To carry out all required actions to administer activities funded from the FY 2012 SEAGO Regional Account for the City of Willcox. Actions are to include requisite record keeping, reporting, monitoring and all other actions necessary to ensure compliance with CDBG Program requirements as identified in the 24 CFR 570.500 –570.614 and current Arizona Department of Housing Handbooks.

Activity #2 – Historic Preservation – Willcox Community Center

\$147,573 CDBG

To use CDBG funds for engineering and construction of Historic Preservation improvements at the Willcox Community Center in Willcox, Arizona to include:

- Replacement of 30 windows with energy efficient windows
- Stucco repair associated with window replacement

A. This activity will meet the Low to Moderate Income National Objective (LMA) and will benefit approximately 3757 people, of whom the majority is low-to moderate income.

HUD Performance Measures

Objective: Suitable Living Environment

Outcome: Improved Sustainability

Indicator(s): Number of people (LMI included) with improved access

Data Collection Methodology: Document the number of residents living in the service area who have improved access to the Community Center as a result of the improvements.

ATTACHMENT B
PUBLIC WORKS/PUBLIC FACILITIES/PUBLIC SERVICES PERFORMANCE REPORT

RECIPIENT City of Willcox **Report Period** Year _____

CONTRACT # 112-13 October January April July

APPLICANT/BENEFICIARY DATA

Public Works Activities (water, sewer, sidewalks, lighting, parking lots, etc.)/Public Facilities/Public Services

Please check the appropriate box that reflects the activity being reported on. If your grant includes providing private water/sewer hookup connections or meters, Section A - Housing Rehabilitation must be completed. Definition of persons benefiting: the activity is completed, in whole or part, and persons are benefiting from the completed activity. (i.e.: the public water activity is the replacement of two waterlines. One of the waterlines is completed and operational and one is still under construction. The recipient would only report on the persons benefiting from the operational part of the activity.)

Public Works Public Facility Public Service

DATA BASED ON (check one): Census Tract (complete Beneficiary Data section only) Survey (complete all sections below)

BENEFICIARY DATA	
TOTAL NUMBER IN PROJECT AREA:	TOTAL FOR THIS REPORTING PERIOD
PERSONS	
LMI PERSONS	
% OF LMI PERSONS	

RACIAL CATEGORIES (HUD DESIGNATED)	TOTAL HOUSEHOLDS BENEFITING***		TOTAL PERSONS BENEFITING**	
	RACIAL GROUP	*HISPANIC	RACIAL GROUP	* HISPANIC
WHITE				
BLACK/AFRICAN AMERICAN				
ASIAN				
AMERICAN INDIAN/ALASKAN NATIVE				
NATIVE HAWAIIAN/OTHER PACIFIC ISLANDER				
AMERICAN INDIAN/ALASKAN NATIVE AND WHITE				
ASIAN AND WHITE				
BLACK/AFRICAN AMERICAN AND WHITE				
AMERICAN INDIAN/ALASKAN NATIVE & BLACK/AFRICAN AMERICAN				
OTHER MULTI-RACIAL				
TOTALS				

*Hispanic HUD has designated Hispanic as an ethnic group. A household or person can be identified as both a member of a racial group and an ethnic group.

***Benefiting A household/person that meets the eligibility requirements of the program *and* has actually received the benefit, e.g. received a rehab loan/grant, homeownership assistance or public service being offered.

Complete chart below to show how many of the total number of households/persons benefiting were in these categories:

OTHER BENEFICIARY DATA		
TOTAL NUMBER BENEFITING:	HOUSEHOLDS BENEFITING***	PERSONS BENEFITING***
FEMALE HEAD OF HOUSEHOLDS		
ELDERLY		
DISABLED		

NARRATIVE

PART 1

In the space below, provide a summary of the current status including significant accomplishments and milestones of each grant including, but not limited to the following specific project type information:

- For Public Facilities/Public Services/Public Works projects, the status of the bid process, the construction start date, etc.

PART 2

- A. Explain any variances between accomplishments (proposed and actual beneficiaries) previously reported and the accomplishments being reported this period.
- B. When will the project be completed? Describe the steps to be taken to ensure the completion of the project within the required timeframes.
- C. Provide a detailed description of any problems that are impeding the progress and/or schedule of the project and the efforts taken to resolve the problems.

Prepared by (print) _____

Signature _____

Date _____

Phone _____

email _____

ATTACHMENT F

CERTIFICATION AND OTHER REQUIREMENTS RELATING TO TITLE I ASSISTANCE

The applicant hereby assures and certifies that:

1. It possesses legal authority to apply for Community Development Block Grant funds, and to execute the proposed program.
2. Prior to the submission of the application, the applicant's governing body has duly adopted or passed as an official act a resolution authorizing the submission of the application, including all understandings, assurances, statutes, regulations and orders contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
3. Its chief executive officer or other officer of the applicant approved by the State:
 - a. Consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 (NEPA) and other provisions of Federal law, as specified at 24 CFR 58.1(a) (3) and (a)(4), which further the purposes of NEPA insofar as the provisions of such Federal law apply to this program.
 - b. Is authorized and consents on behalf of the applicant and him(her)self to accept the jurisdiction of the federal and State courts for the purpose of enforcement of his/her responsibilities as such an official.
4. It will comply with the provisions of Executive Order 11990, relating to evaluation of flood hazards and Executive Order 11288 relating to the prevention, control and abatement of water pollution.
5. It will, in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470), Executive Order 11593, and the Preservation of Archeological and Historical Data Act of 1966, P.L. 93-291 (16 U.S.C. 469a-1, et.seq.).
6. It will administer and enforce the labor standard requirements of the Davis Bacon Act, as amended at 40 U.S.C. 276a-276a-5, and the Contract Work Hours and Safety Standards Act at 40 U.S.C. 327-333.
7. It will comply with the provisions of 24 CFR Part 24 relating to the employment, engagement of services, awarding of contracts or funding of any contractors or subcontractors during any period of debarment, suspension or placement in ineligibility status.
8. It shall comply with the requirements of the 1992 Lead Based Paint Poisoning Prevention Act of 42 U.S.C. 4821-4846 (also Title X of the Housing and Community Development Act of 1992) and implementing regulations at 24 CFR Part 35.
9. It will comply with the provisions of 24 CFR part 58 "Uniform Grant Administrative Requirements" and OMB Circular A-87.
10. It will comply with the American Disabilities Act and Section 504 of the Rehabilitation Act, as amended.
11. It will comply with
 - a. Title VI of the Civil Rights Act of 1964 (Pub. L. 88- 352), and the regulations issued pursuant thereto (24 CFR Part 1).
 - b. Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284), as amended.

- c. Section 109 of the Housing and Community Development Act of 1974.
 - d. Executive Order 11063 pertaining to equal opportunity in housing and nondiscrimination in the sale or rental of housing built with Federal assistance.
 - e. Executive Order 11246, and the regulations issued pursuant thereto (24 CFR Part 130 and 41 CFR Chapter 60).
 - f. Section 3 of the Housing and Urban Development Act of 1968, as amended.
 - g. Federal Fair Housing Act of 1988, P.L. 100-430.
 - h. The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1973, 42. U.S.C. 6101-07, and the prohibitions against discrimination against persons with handicaps under Section 504 of the Rehabilitation Act of 1973, (P.L. 93-112), as amended, and the regulations at 24 CFR Part 8.
 - i. The requirements of the Architectural Barriers Act of 1966 at 42 U.S.C. 4151-415.
12. It will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations.
 13. It will comply with applicable conflict of interest provisions, incorporate such in all contracts and establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
 14. It will comply with the provisions of the Hatch Act which limit the political activity of employees.
 15. It will give representatives of the State, the Secretary of HUD, the Inspector General, and the General Accounting Office access to all books, accounts, records, reports, files and other papers, things, or property belonging to it or in use by it pertaining to the administration of State CDBG assistance.
 16. It will ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the program are not listed on the Environmental Protection Agency's (EPA) list of violating facilities and that it will notify the State of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.
 17. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Pub.L. 93-234, 87 Stat., 975, approved December 31, 1973. Section 103 (a) required, on and after March 2, 1974.
 18. It has AND WILL COMPLY WITH THE PROVISIONS OF THE STATE OF ARIZONA CITIZEN AND PUBLIC PARTICIPATION PLAN FOR THE STATE OF ARIZONA CDBG PROGRAM.
 19. It has developed plans to minimize displacement of persons as a result of activities assisted in whole or in part with CDBG funds and to assist persons actually displaced as a result of such activities, and has provided information about such plans to the public.
 20. It will not recover any capital costs of public improvements assisted in whole or in part with CDBG funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements **unless**:
 - a. the CDBG funds are used to pay the proportion of the fee or assessment that is financed from other revenue sources, or:
 - b. it will certify to the State in writing that it lacks sufficient CDBG funds to comply with (a) but that it will not assess properties owned by very low income persons.

21. It will provide all other funds/resources identified in the application, or any additional funds/resources necessary to complete the project as described in the application as submitted, or as may be later amended.
22. It will comply with the requirements of the Single Audit Act of 1996 and OMB Circular A-133; and if the grant is closed out prior to all funds having been audited, it shall refund to Commerce any costs disallowed as a result of any audit conducted after the date of grant closeout.
23. It hereby adopts and will enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and will enforce applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
24. It will ensure that, to the best of the knowledge and belief of the undersigned:
 - a. no Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in the connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
 - b. if any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 - c. the undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

"This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure."

25. It shall comply with the provisions of Section 102 of the HUD Reform Act of 1989.
26. It shall ensure that efforts are made to recruit minority, disabled and woman owned businesses for its vendor/supplier lists.

**AUTHORIZATION TO SUBMIT APPLICATIONS
AND IMPLEMENT CDBG PROJECTS**

RESOLUTION NO. 2012-25

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA AUTHORIZING THE SUBMISSION OF APPLICATIONS FOR FY 2012 STATE SPECIAL PROJECT AND FOR FY2012 REGIONAL ACCOUNT COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS, CERTIFYING THAT SAID APPLICATIONS MEET THE COMMUNITY'S PREVIOUSLY IDENTIFIED HOUSING AND COMMUNITY DEVELOPMENT NEEDS AND THE REQUIREMENTS OF THE STATE CDBG PROGRAM, AND AUTHORIZING ALL ACTIONS NECESSARY TO IMPLEMENT AND COMPLETE THE ACTIVITIES OUTLINED IN SAID APPLICATION.

WHEREAS, the City of Willcox is desirous of undertaking community development activities; and

WHEREAS, the State of Arizona is administering the Community Development Block Grant Program; and

WHEREAS, the State CDBG Program requires that CDBG funds requested address one of the three Congressional mandated National Objectives; and

WHEREAS, the activities within these applications address the community's identified housing and community development needs, including the needs of low and moderate income persons; and

WHEREAS, an Applicant receiving State CDBG funds is required to comply with the program guidelines and Federal Statutes and regulations.

NOW, THEREFORE, BE IT RESOLVED THAT the Mayor and City Council of the City of Willcox authorize applications to be made to the State of Arizona, Department of Housing for FY2012 State Special Project CDBG funds, and for FY2012 Regional Account CDBG funds and authorize the Mayor to sign applications and contracts or grant documents for receipt and use of these funds for continuing improvements to the Community Center, and authorize the Mayor to take all actions necessary to implement and complete the activities submitted in said applications; and

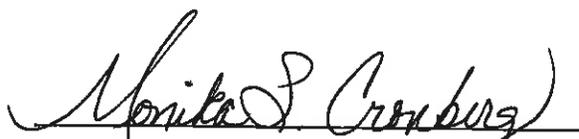
THAT these applications for State CDBG funds meets the requirements of low- and moderate-income benefit for activities justified as benefiting low- and moderate-income

persons, aids in the prevention or elimination of slum and blight or addresses an urgent need which poses a threat to health; and

THAT, the City of Willcox will comply with all State CDBG Program guidelines, Federal Statutes and regulations applicable to the State CDBG Program and the certifications contained in these applications.

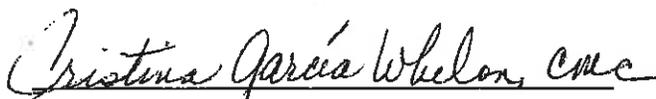
Passed and Adopted by the City Council of Willcox this 2nd day of April, 2012.

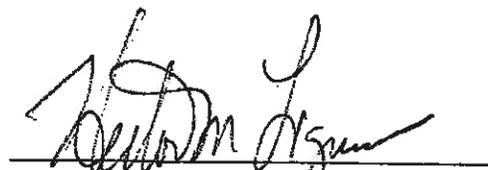
APPROVED/EXECUTED


MAYOR, GERALD W. LINDSEY (OR)
VICE MAYOR, MONICA CRONBERG

ATTEST:

APPROVED AS TO FORM:


City Clerk, Cristina Garcia Whelan, CMC


City Attorney, Hector M. Figueroa

Resolution No. 2012-25

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA

RESOLUTION 2012-93

RESOLUTION OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, APPROVING AND ADOPTING THE CDBG CONTRACT #112-13 BETWEEN THE CITY OF WILLCOX AND THE ARIZONA DEPARTMENT OF HOUSING FOR THE PURPOSE OF ADMINISTERING FUNDS FROM TITLE I OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974 (CDBG) FOR HISTORIC PRESERVATION OF THE WILLCOX COMMUNITY CENTER; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.

WHEREAS, the CITY is authorized pursuant to A.R.S. §§ 9-240 and 9-276, to receive and distribute state and local monies which can be used for local planning, technical assistance and community development activities; and,

WHEREAS, the CITY, by Resolution No. 2012-25, dated April 2, 2012, submitted an Application to the Arizona Department of Housing for the FY 2012, Regional Account Community Development Block Grant Funds (CDBG); and,

WHEREAS, the CITY was awarded CDBG FY12 Grant funds in the amount of \$170,797.00, which will be used for Historic Preservation of the Willcox Community Center for the third phase of the Community Center improvements; and,

WHEREAS, the Mayor and Council desire to have this Resolution presented at the November 19, 2012 Regular Meeting of the City Council and have determined that approval of the Funding Agreement with the Arizona Department of Housing for CDBG Contract No. 112-13, is in the best interest of the City, its employees and the citizens of this City; and,

WHEREAS, it is necessary for the preservation of the peace, health, and safety of the City of Willcox, Cochise County, Arizona, that an emergency be declared to exist to assure timely execution of the Contract, and that this Resolution shall be effective immediately upon its passage and adoption.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, AS FOLLOWS:

SECTION 1: The Mayor and City Council of the City of Willcox, hereby approve the Funding Agreement with the Arizona Department of Housing for CDBG Contract No. 112-13 in the amount of \$170,797.00 as presented by reference, as if set forth herein in full; and,

SECTION 2: The appropriate officers and officials of the City are hereby authorized and directed to take all actions necessary or reasonably required to carry out the intent of this Resolution; and,

SECTION 3: The Mayor is authorized and empowered to execute this Resolution and the Funding Agreement with the Arizona Department of Housing for CDBG Contract No. 112-13, as well as any other documentation necessary to fulfill the terms and obligations of the Contract; and,

SECTION 4: The immediate operation of this Resolution is necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, and this Resolution shall be in full force and effect from and after its passage by the City of Willcox, Cochise County, Arizona.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, this 19th day of November, 2012.

APPROVED/EXECUTED:

ROBERT A. IRVIN, MAYOR

Dated: _____

ATTEST:

VIRGINIA A. MEFFORD, City Clerk

APPROVED AS TO FORM:

ANN P. ROBERTS, City Attorney

RESOLUTION 2012-93

**CITY OF WILLCOX
Request for Council Action**

Agenda Item: 13
Tab Number: 7
Date: 11-19-2012

Date Submitted: November 13, 2012	Action: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Formal <input type="checkbox"/> Other	Subject: Discussion/ Decision to accept bid of 1510 N. Circle I property
---------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------

To: Honorable Mayor and City Council

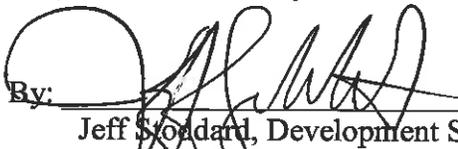
From: Development Services

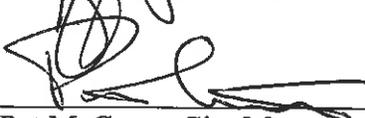
Discussion/ Decision /Direction:

On September 17, 2012, City Council approved going forward with the bid package for the sale of 1510 N. Circle I Rd. The bid opening was on November 9, 2012 at 3:00 p.m. The City received one bid from John A. & Mary M. Holcomb and Amanda D. Kirkendall for the amount of one hundred seventy five thousand and one hundred and eleven (\$175,111.00) dollars (attachment A). All documents were filled out accordingly as requested per the approved Bid package (attachment B). Also include is appraisal of property done by DiPeso Appraisal Service (attachment C). It is recommendation of staff to accept the bid from John A. & Mary M. Holcomb and Amanda D. Kirkendall and proceed with the sale of 1510 N. Circle I Rd. Willcox, AZ 85643.

Recommendation: To accept bid from John A. & Mary M. Holcomb and Amanda D. Kirkendall

Fiscal Impact: One hundred seventy five thousand and one hundred and eleven (\$175,111.00) dollars to the City of Willcox General Fund.

Prepared By: 
Jeff Stoddard, Development Services Department

Approved By: 
Pat McCourt, City Manager

Attachment A

BID FORM
CITY OF WILLCOX
CITY HALL
101 SOUTH RAILROAD AVE. SUITE B
WILLCOX, AZ

Bid For:	Purchase of Municipal Industrial Property
	<p><u>Location:</u> Parcel # _____, located 1510 N. Circle I Rd. Photo on page 10.</p> <p><u>Lot Size:</u> Total Area: 410' x 377.08' x 320.92' x 253.08' x 370' or 4.445 acres Structure size: 3, 180 sqft Structure type: Metal Built: 1985 Excess land area: 3.80 acres Easements: Driveway & Parking <u>Zoning:</u> H-1 Highway 1 <u>Utilities:</u> No City Sewer No Septic System City Water City Gas Sulphur Spring Valley Electric See pages 9-17: legal description, parcel map, flood plain map, structure layout, structure pictures</p>

The undersigned Bidder, having fully informed themselves regarding the accuracy of the statements made herein certified that:

(1) The bid has been arrived at by the Bidder independently and has been submitted without collusion with, and without any agreement understanding, or planned common course of action with, any other Bidder for the purchase of the property described in the Invitation to Bid, designed to limit independent competition.

PROPERTY LOCATION	MINIMUM BID	BID AMOUNT	Legal Name of Bidder
Location: Parcel # _____ located at 1510 N. Circle I rd. Willcox, AZ. 85643 Lot Size: 4.445 acres Structure Size: 3,180 sqft Easements: Driveway & Parking Zoning: H-1, Highway-1 Utilities: No Sewer, No Septic System, City Water and City Gas	NO MINIMUM BID		John A. Holcomb and Anne M. Holcomb Rev. Trust Amanda D. Kirkendall
TOTAL BID		\$175,111.00	Telephone Number
TOTAL BID IN WORDS:		One hundred seventy-five thousand one hundred and eleven dollars and no/100 cents.	520-507-1296

Signature of Authorized Representative for Bidder

[Handwritten Signature] trustee
 Anne M. Holcomb, trustee

SHALL BE SUBMITTED WITH BID

STANDARD TERMS AND CONDITIONS

[Handwritten Signature] Amanda D. Kirkendall

BID SUBMISSION INSTRUCTIONS:

Bids are to be submitted in a sealed envelope. The sealed envelope must have the Bidder's name and address in the upper left-hand corner and the words "BID DOCUMENT for: **Purchase of Municipal Commercial Property** to be opened on Friday, November 9, 2012 at 3:00 P.M." in the lower left-hand corner.

Bids must be completed, submitted and signed in the full legal name of Bidder, and must be fully and properly executed by an authorized person.

Bids received after the time and date specified shall not be considered and shall be returned unopened.

Amendments to or withdrawal of bids received later than the time and date set for the bid opening will not be considered.

Bidders or their representatives may be present at the bid opening.

Attachment B

BID PACKAGE

For

**Sale of Commercial Property owned by the City of Willcox
1510 N. Circle I Rd.
Parcel-**

September 12, 2012

BID FORM
CITY OF WILLCOX
CITY HALL
101 SOUTH RAILROAD AVE. SUITE B
WILLCOX, AZ

Bid For:	Purchase of Municipal Industrial Property
	<p><u>Location:</u> Parcel # _____, located 1510 N. Circle I Rd. Photo on page 10.</p> <p><u>Lot Size:</u> Total Area: 410' x 377.08' x 320.92' x 253.08' x 370' or 4.445 acres Structure size: 3, 180 sqft Structure type: Metal Built: 1985 Excess land area: 3.80 acres Easements: Driveway & Parking <u>Zoning:</u> H-1 Highway 1 <u>Utilities:</u> No City Sewer No Septic System City Water City Gas Sulphur Spring Valley Electric See pages 9-17: legal description, parcel map, flood plain map, structure layout, structure pictures</p>

The undersigned Bidder, having fully informed themselves regarding the accuracy of the statements made herein certified that:

(1) The bid has been arrived at by the Bidder independently and has been submitted without collusion with, and without any agreement understanding, or planned common course of action with, any other Bidder for the purchase of the property described in the Invitation to Bid, designed to limit independent competition.

PROPERTY LOCATION	MINIMUM BID	BID AMOUNT	<u>Legal Name of Bidder</u>
<u>Location:</u> Parcel # _____, located at 1510 N. Circle I rd. Willcox, AZ. 85643 <u>Lot Size:</u> 4.445 acres <u>Structure Size:</u> 3,180 sqft <u>Easements:</u> Driveway & Parking <u>Zoning:</u> H-1, Highway-1 <u>Utilities:</u> No Sewer, No Septic System, City Water and City Gas	<u>NO MINIMUM BID</u>		
TOTAL BID		\$ _____	<u>Telephone Number</u>
TOTAL BID IN WORDS:			

Signature of Authorized Representative for Bidder _____

SHALL BE SUBMITTED WITH BID

STANDARD TERMS AND CONDITIONS

BID SUBMISSION INSTRUCTIONS:

Bids are to be submitted in a sealed envelope. The sealed envelope must have the Bidder's name and address in the upper left-hand corner and the words "BID DOCUMENT for: **Purchase of Municipal Commercial Property** to be opened on Friday, November 9, 2012 at 3:00 P.M." in the lower left-hand corner.

Bids must be completed, submitted and signed in the full legal name of Bidder, and must be fully and properly executed by an authorized person.

Bids received after the time and date specified shall not be considered and shall be returned unopened.

Amendments to or withdrawal of bids received later than the time and date set for the bid opening will not be considered.

Bidders or their representatives may be present at the bid opening.

CONDITIONS OF SALE

1. Buyer shall execute a Land Purchase and Sale Agreement.
2. With the submittal of Buyer's bid, a Bid Surety deposit of Fifteen thousand (\$15,000.00) dollars is required. Balance to be paid: Balance paid in full at close of escrow. Buyer is to arrange own financing.
3. The Bid Surety deposit for parcel# _____ will be applied to the purchase price for that Lot. If, after the acceptance of bid for the sale by the City Council, the City refuses or is unable to consummate the sale, the deposit will be refunded to the Buyer. If, after the acceptance of bid for the sale by the City Council, the Buyer refuses or is unable to consummate the sale, the City will retain the initial deposit. The Buyer acknowledges that the initial deposit shall constitute the liquidated damages to the City in the event of default by the Buyer.
4. Buyer shall pay all escrow and closing costs.
5. The City Council reserves the right to reject any and all Bids.
6. The initial escrow period shall be for a maximum period of 90 days and shall be deemed to have commenced the next business day following the date of City Council approval and acceptance of bid of the land sale and may be extended for three (3) consecutive 30-day periods by mutual agreement. For each 30-day extension, the Buyer shall pay to the City an amount equal to 1% of the original sales price. Funds received by the City for extensions of time will be applied to the purchase price. Further, funds received for extensions of time are not refundable should the Buyer allow the escrow to expire or the Buyer cause the cancellation of the escrow. Funds received for extensions of time will be refunded should the City allow the escrow to expire or cause the cancellation of the escrow. In the event of cancellation or the expiration of the original term of the escrow or any extension thereof, the escrow shall terminate without further action.
7. The sale of City-owned property does not constitute an endorsement or approval of any development plans. Buyer understands the Property will be subject to requirements for development per the City of Willcox Municipal Code.
8. Buyer acknowledges that the City, its employees, agents and representatives have made no representations or warranties, written or oral, express or implied, with respect to the Property. Buyer is relying upon his own expertise and upon his own investigation of the Property with respect to its suitability for Buyer's intended use. Buyer shall acquire the Property AS IS and WITH ALL FAULTS (**SEPTIC SYSTEM HAS FAILED/NO CITY SEWER**).

LIQUIDATED DAMAGES:

The successful Bidder, upon their failure or refusal to close when requested, shall forfeit to the City, as liquidated damages for such failure or refusal, an amount equal to the surety deposited with their bid. Such forfeiture shall not be considered a penalty, but as liquidated damages to compensate the City for the loss or deprivation of the sale.

AWARD:

The Mayor and Council reserves the right to make an award on the bid which, by the Council's judgment best meets the specifications and is deemed to be in the best interest of the City of Willcox.

The Mayor and Council further reserves the right to reject any or all bids, in whole or in part, to award any part or parts, or total bid, and to waive informality or technical defects, if, in her judgment, the best interests of the City of Willcox will so be served.

No award will be made to any corporation, firm or individual who is in arrears to the City by debt or contract, or who is in default as security or otherwise by any obligation to the City of Willcox, Arizona.

ADDITIONAL INFORMATION:

For additional information contact:

Jeff Stoddard

Development Services Department

300 W. Rex Allen Drive, Willcox, AZ 85643

Telephone: (520) 384-6419

Fax: (520) 384-2705

INSTRUCTIONS TO BIDDERS

Receipt and Opening of Bid:

The City of Willcox, Arizona, (herein called the "City"), invites bids on the forms attached hereto, all blanks of which shall be appropriately filled in. Separate, sealed bids will be received by the City Clerk, or authorized Representative, City Hall, 101 S. Railroad Ave, Suite B, Willcox, Arizona 85643 until the time and date stated in the Invitation to Bid. Bids shall then be publicly opened and read aloud.

All bids shall be submitted in sealed envelopes clearly labeled with the Bidder's name, address, and the words "Bid Document" must appear on the envelope with the time and date to be opened. If mailed, the sealed, envelope containing the bid, marked as described above, shall be enclosed in another envelope properly addressed for mailing. No responsibility will be attached to any City Representative or employee for the premature opening of a bid not properly addressed and identified.

Appraisal Package and Bid Package Review:

Bid Packages may be viewed at the City Clerk's Office/Development Services during normal business hours and a copy may be purchased for \$5.00 or downloaded from City website.

Appraisal of Parcel# _____ may be viewed at the City Clerk's Office/Development Services during normal business hours and a copy may be purchased for \$6.50 or downloaded from City website.

Download:

City Of Willcox Website: www.cityofwillcox.org

City Hall
City of Willcox
City Clerk: Virginia Mefford
101 S. Railroad Ave
Willcox, AZ. 85643

Development Services Department
City of Willcox
Jeff Stoddard
300 W. Rex Allen Dr.
Willcox, AZ. 85643

Preparation of the Bid: Each bid shall be submitted on the bid form attached hereto. Bids shall be signed by the Bidder and all blank spaces shall be filled in, in ink or

typewritten, both in words and figures. No change shall be made in the phraseology of the bid or in the items mentioned therein. All bids shall be prepared in conformity with and shall be based upon and submitted subject to all requirements of the specifications together with all addendum (or addenda) thereof.

Method of Bid: The City may make such investigations as it deems necessary to determine the ability of the Bidder to perform the service, and the Bidder shall furnish to the City all such information and data for this purpose as the City may request. The City reserves the right to reject any bid if the evidence submitted by, or investigation of such Bidder fails to satisfy the City that such Bidder is properly qualified to carry out the obligations. Conditional bids will not be accepted.

Addenda and Interpretations: No interpretation of the meaning of the specifications or other Contract Documents will be made to any Bidder orally. Every request for such interpretation should be in writing, addressed to:

Jeff Stoddard,
Development Services
City of Willcox
300 W. Rex Allen Drive
Willcox, Arizona 85643

And to be given consideration, must be received at lease five (5) working days prior to the date fixed for the opening of bids. Any and all such interpretations and any supplementary instructions will be in the form of written addenda to the specifications which, if issued, will be mailed by Certified Mail to all prospective Bidders at the respective address furnished for such purpose, not later than three (3) working days prior to the date fixed for the opening of bids. Failure of any Bidder to receive such addenda or interpretation shall not relieve any Bidder from any obligations under his/her bids as submitted.

Withdrawal of Bids: Bids may be withdrawn personally or on written or fax or telegraphic request dispatched by the Bidder in time for delivery in the normal course of business prior to the time fixed for opening, provided that written confirmation is placed in the mail and postmarked prior to the time set for bid opening. Negligence on the part of the Bidder in preparing the bid confers no right of withdrawal or modification of the bid after such bid has been opened. The fax number is (520)384-2590, Attention: City Clerk.

Special Considerations:

The City reserves the right to reject any or all bids and may waive any informality.

The City reserves the right to correct any award erroneously made as a result of a clerical error.

Corrections: Erasures or other changes in the bid shall be explained or noted over the signature of the Bidder.

Obligation of Bidder:

(a) At the time of the opening of bids, each Bidder will be presumed to have read and to be thoroughly familiar with the specifications and other Contract Documents (including all addendum or addenda). The failure or omission of any Bidder to receive or examine any form, instrument or document which has been sent to the address given such Bidder, or the failure of the Bidders to familiarize themselves with the conditions relating to the specifications shall in no way relieve any Bidder from any obligation in respect to the bid.

(b) The Bidder is responsible for submitting a bid that will conform to all existing Federal, State of Arizona, statutes and regulations as well as City of Willcox ordinances and resolutions.

Right to Reject Bid: The City of Willcox reserves the right to reject any and all bids or quotations, to waive any discrepancies in the bids, quotations, or specifications, when deemed to be in the best interest of the City and also to award any part, all or none of the service(s) specified.

Non-Collusive Bid Statement: All Bidders shall be required to provide a signed non-collusive statement with all the public bids as follows:

The bid has been arrived at by the Bidder independently and has been submitted without collusion with, and without any agreement, understanding, or planned common course of action with, any other Bidder for the purchase of the property described in the Invitation to Bid, designed to limit independent bidding or competition.

No Representations Made: The City of Willcox makes no representations as to the condition, value or marketability of the real property described in the Invitation to Bid. The City of Willcox makes no representations as to the said real property's compliance with Federal, State or Local laws or regulations. The property is conveyed "AS IS" with no representations made as to their validity.

No Bids Received by due date: Sale will remain open until offer has been made.

Legal Description Map

Borrower/Client	City of Willcox			
Property Address	1510 N Circle I Rd			
City	Willcox	County	Cochise	State AZ Zip Code 85643
Lender	City of Willcox			

LEGAL DESCRIPTION PARCEL 2

That portion of the Southwest Quarter of Section 30, Township 13 South, Range 26 East of the Gila and Salt River Meridian, Cochise County, Arizona, more particularly described as follows:

Commencing at a 3" aluminum disc monument stamped K.L.S. 16116 at the West Quarter corner of said Section 30:

Thence South $00^{\circ} 15' 58''$ East along the West line of the Southwest Quarter of said Section 30 a distance of 644.67 feet to the Point of Beginning;

Thence continue South $00^{\circ} 15' 58''$ East along the West line of the Southwest Quarter of said Section 30 a distance of 414.00 feet to a 3" iron nail monument;

Thence North $89^{\circ} 44' 02''$ East 320.03 feet to a point on a new tangent curve concave to the Southeast, from which the true point bears South $33^{\circ} 32' 47''$ East, said point being 100 feet West of the Western boundary line of Interstate 19;

Thence along said curve, to the right, having a radius of 23,189.32 feet, a central angle of 37° to a 3" iron nail monument of 320.92 feet to a 3" iron nail L.S. 13117;

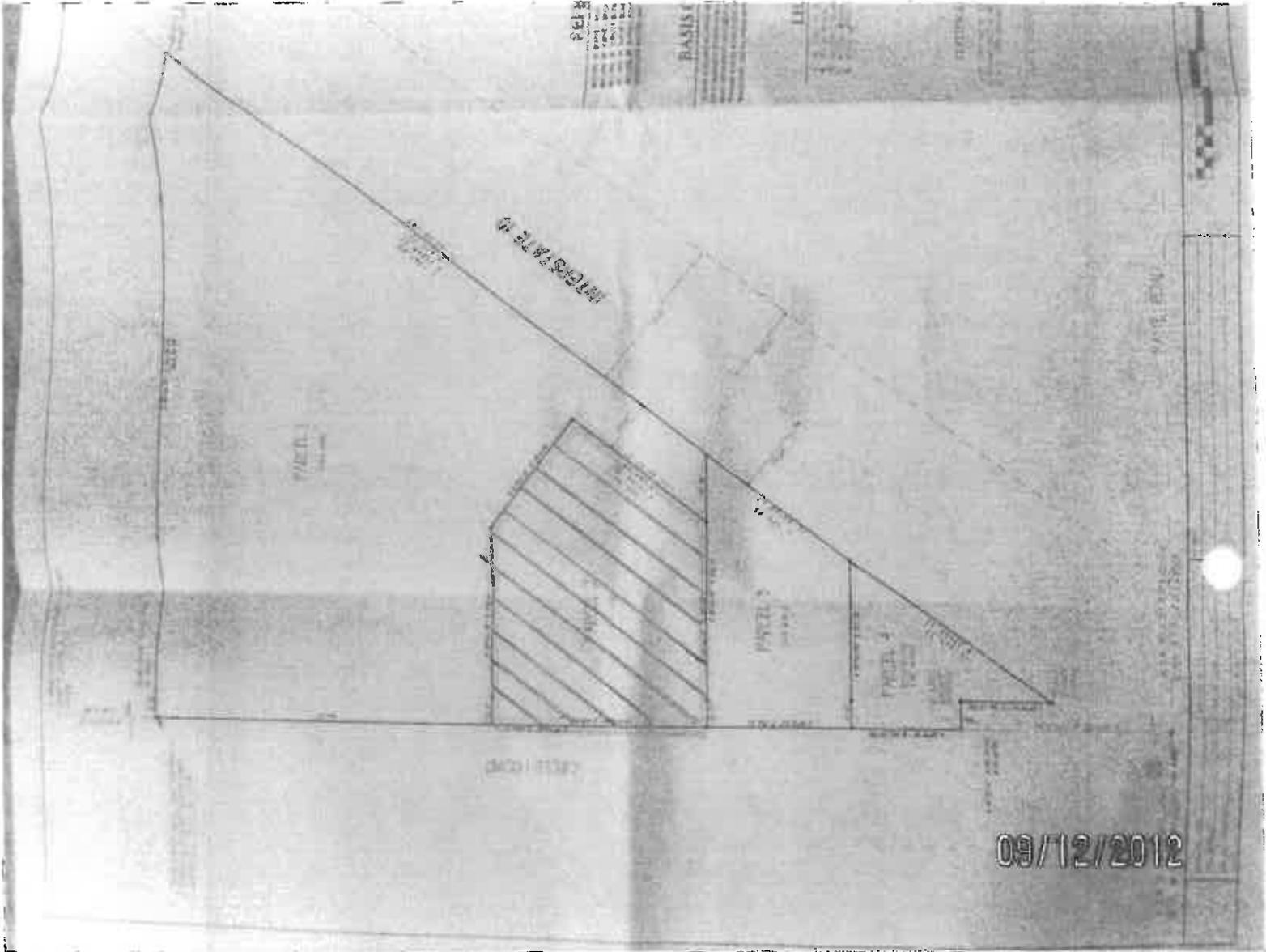
Thence North $82^{\circ} 45' 10''$ West a distance of 233.08 feet to a 3" iron nail L.S. 15118;

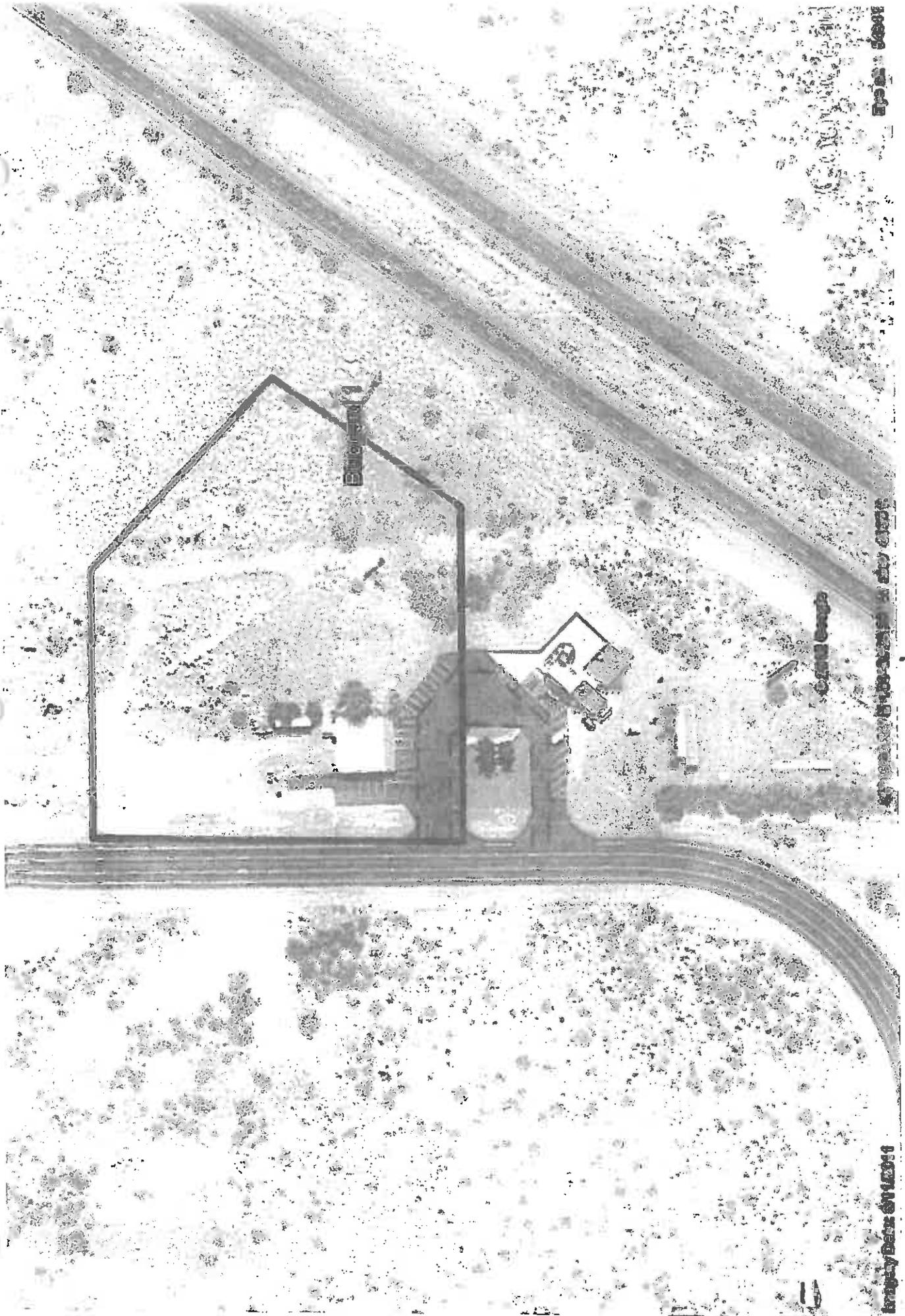
Thence North $89^{\circ} 44' 02''$ West a distance of 320.03 feet to the Point of Beginning;

Containing 5.445 acres, more or less.



License 10347/2013





EUBANK

CITY OF

EUBANK

— Property line
- - - Driveway Easement

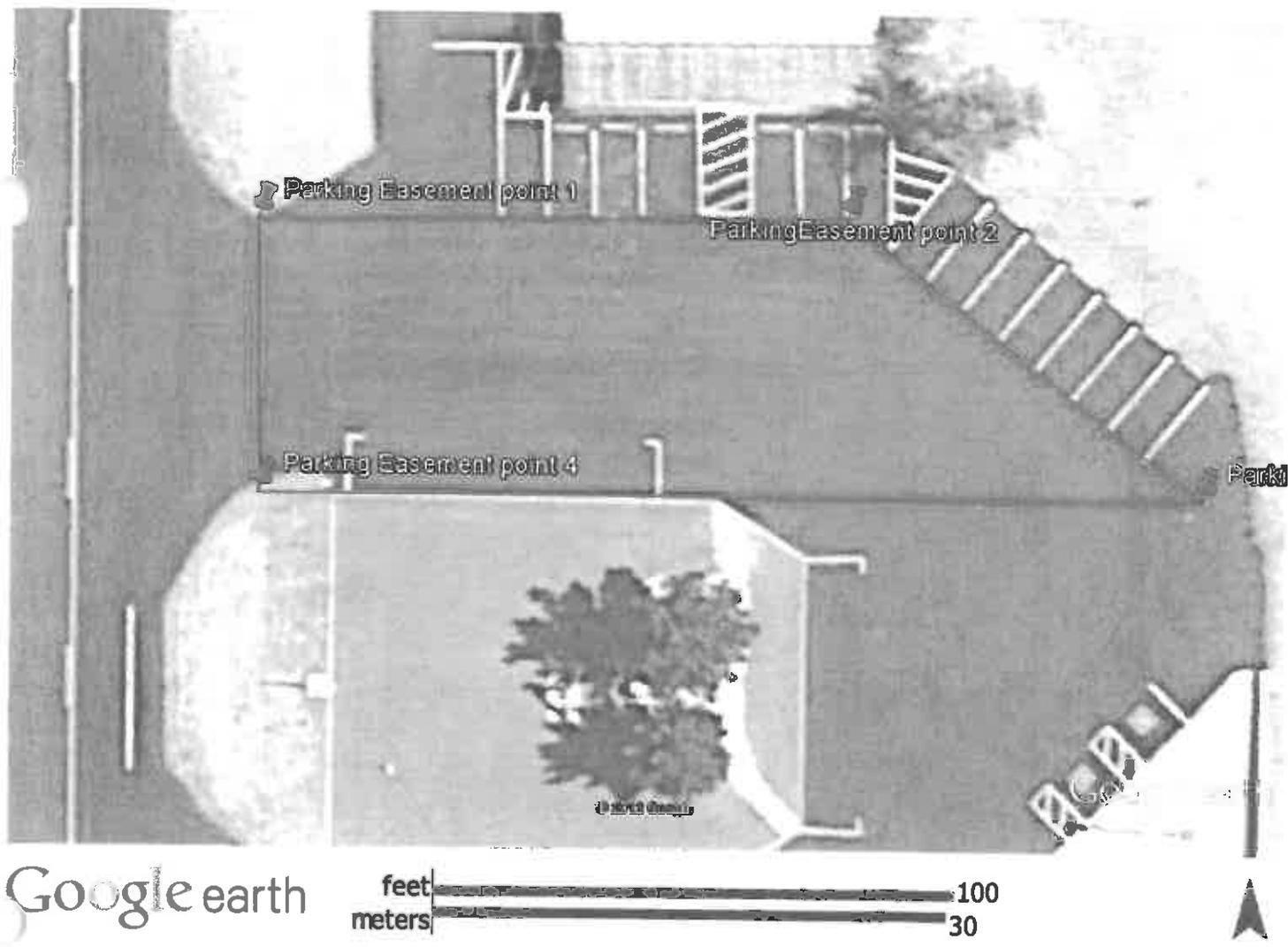
Driveway Easement Description Legal Description

Commencing from Point 1(Lat. 32 16'20.72"N, Long. 109 50'28.68"N)
Hence from Point 1 continue East 112.8 feet at 89.66 degrees to Point 2

Hence from Point 2 (Lat. 32 16'20.72"N, Long. 109 50'27.36"W) continue Southeast 86.22
feet at 128.11 degrees to point 3

Hence from Point 3 (Lat. 32 16'20.20"N, Long. 109 50'26.57"W) continue West 181.16 feet at
270.06 degrees to Point 4

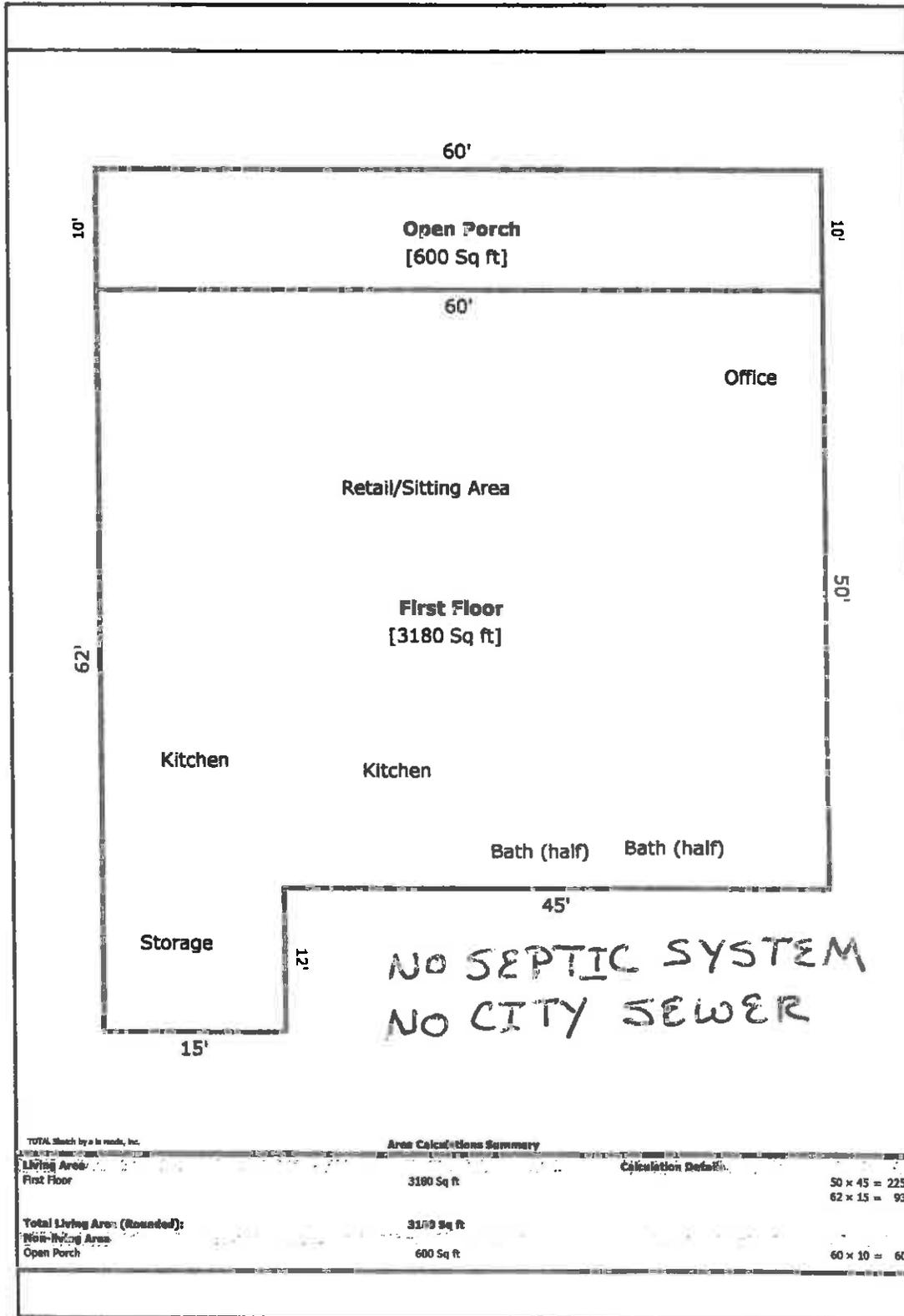
Hence from Point 4 (Lat. 32 16'20.20"N, Long. 109 50'28.68"W) continue North 52.63 feet at
359.52 degrees to Point 1



Driveway Easement

Building Sketch

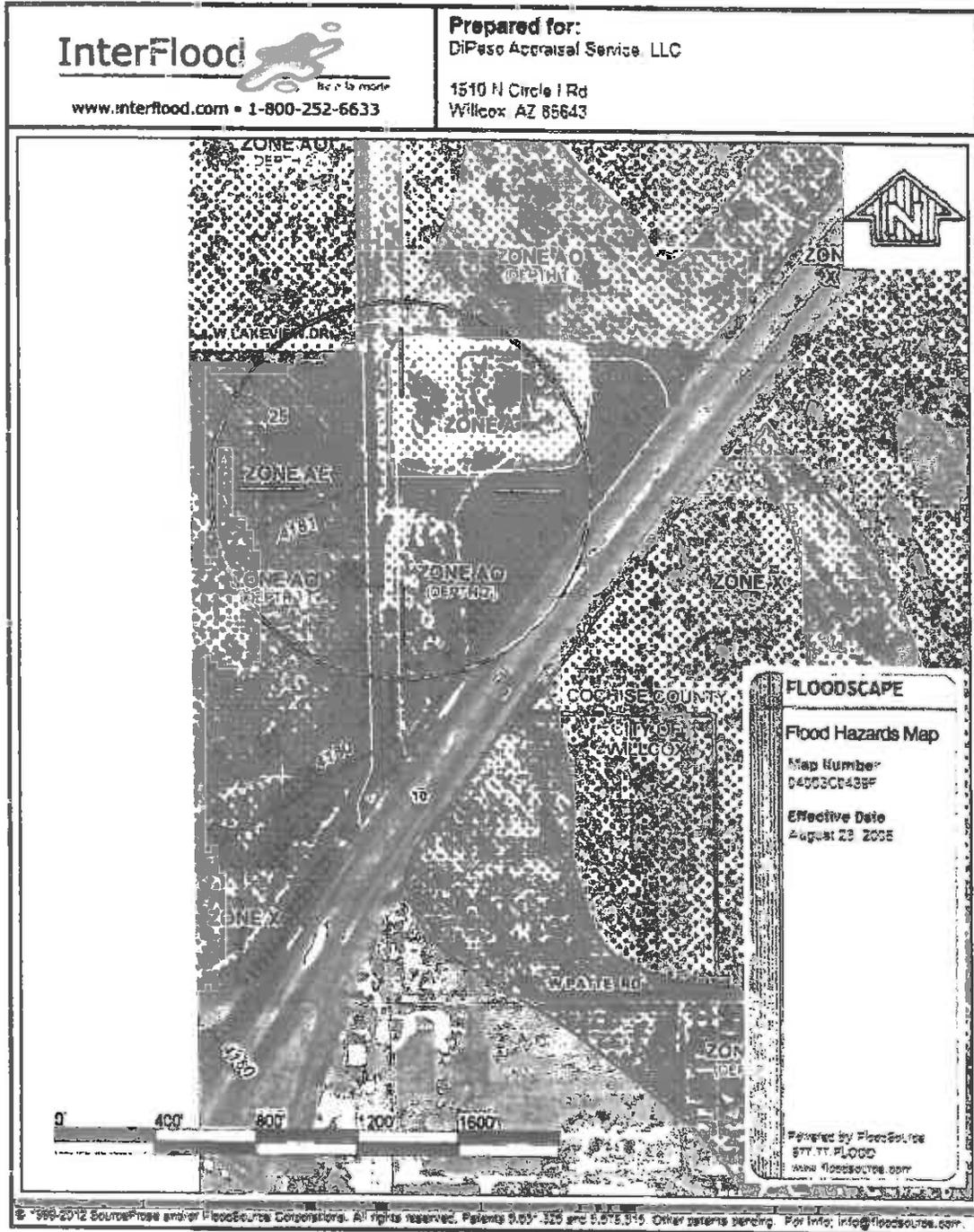
Borrower/Client	City of Willcox		
Property Address	1510 N Circle I Rd		
City	Willcox	County	Cochise
State	AZ	Zip Code	85643
Lender	City of Willcox		



TOTAL Sketch by a la mode, inc.		Area Calculations Summary	Calculation Details
Living Area			
First Floor	3180 Sq ft		50 x 45 = 2250
			62 x 15 = 930
Total Living Area (Rounded):	3179 Sq ft		
Non-Living Area			
Open Porch	600 Sq ft		60 x 10 = 600

Flood Map

Borrower/Client	City of Willcox			
Property Address	1510 N Circle I Rd			
City	Willcox	County	Cochise	State AZ Zip Code 85643
Lender	City of Willcox			



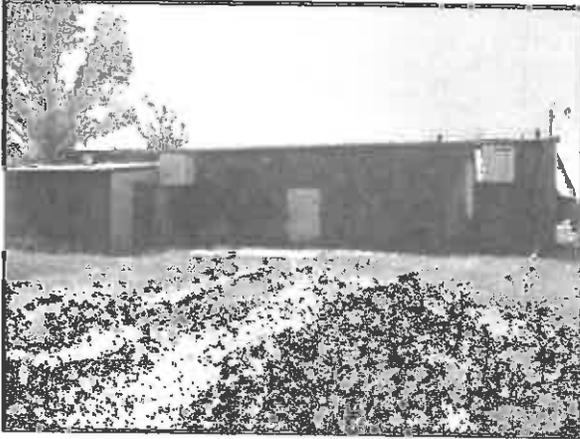
Subject Photo Page

Borrower/Client	City of Willcox				
Property Address	1510 N Circle I Rd				
City	Willcox	County	Cochise	State	AZ
Lender	City of Willcox	Zip Code	85643		



Subject Front

1510 N Circle I Rd
Sales Price 0
Gross Building Area 3,180
Age 1985



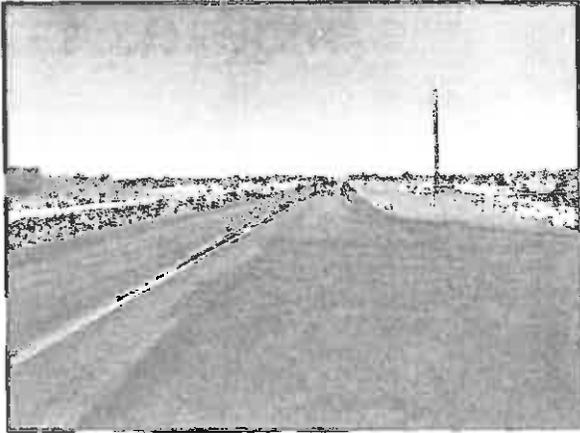
Subject Rear



Subject Street

Subject Photo Page

Borrower/Client	City of Willcox			
Property Address	1510 N Circle I Rd			
City	Willcox	County	Cochise	State AZ Zip Code 85643
Lender	City of Willcox			

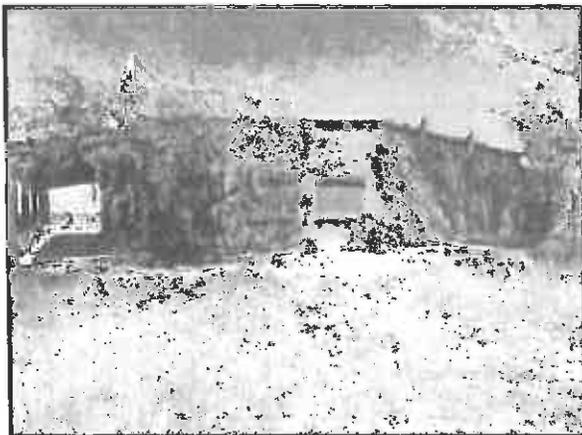


Subject Street

1510 N Circle I Rd
 Sales Price 0
 Gross Building Area 3,180
 Age 1985



Subject Side



Subject Side

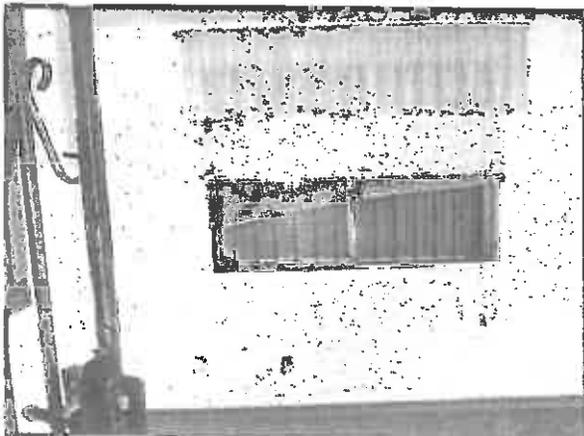
Subject Photo Page

Borrower/Client	City of Willcox				
Property Address	1510 N Circle I Rd				
City	Willcox	County	Cochise	State	AZ
Lender	City of Willcox	Zip Code	85643		



Subject Retail Area

1510 N Circle I Rd
Sales Price 0
Gross Building Area 3,180
Age 1985



Subject Office



Subject 1/2 Bath

Subject Photo Page

Borrower/Client	City of Willcox						
Property Address	1510 N Circle I Rd						
City	Willcox	County	Cochise	State	AZ	Zip Code	85643
Lender	City of Willcox						



Subject 1/2 Bath

1510 N Circle I Rd
Sales Price 0
Gross Building Area 3,180
Age 1985



Subject Kitchen Area



Subject Kitchen Area

Attachment C

APPRAISAL OF REAL PROPERTY

LOCATED AT:
1510 N Circle I Rd
see attached legal
Willcox, AZ 85643

FOR:
City of Willcox
300 W Rex Allen Dr
Willcox, AZ 85643

AS OF:
August 29, 2012

BY:
David DiPesa
DiPesa Appraisal Service, L.L.C.
251 W. 4th Street
Benson, AZ 85602
Arizona Certified General Real Estate Appraiser #31599

David DiPeso
DiPeso Appraisal Service, L.L.C.
251 W. 4th Street
Benson, AZ 85602

Requested by: Jeff Stoddard

City of Willcox
300 W Rex Allen Dr
Willcox, AZ 85643

Re: Property: 1510 N Circle I Rd
Willcox, AZ 85643
Borrower: City of Willcox
File No.: B-2091

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,



David DiPeso
DiPeso Appraisal Service, L.L.C.
State Certification #31599

UNIFORM COMMERCIAL/INDUSTRIAL SUMMARY APPRAISAL REPORT - SMALL PROPERTY

Client City of Willcox File Number City of Willcox
 Property Use Office Commercial Industrial restaurant
 Property Address 1510 N Circle I Rd Map Reference por of 202-72-006
 City Willcox County Cochise State AZ Zip Code 85643
 Building Name vacant Census Tract 0002.01
 Owner/Occupant City of Willcox / vacant APN por of 202-72-006
 Typical Buyer Owner/User Investor
 Property Rights Appraised Fee Simple Leased Fee Leasehold Other
 Purpose of Appraisal Estimate market value of a restaurant in the City of Willcox, AZ.

Intended Use of Report: The intended use is for market information and marketing decisions with City of Willcox as the intended user.

Scope of Work The scope of this appraisal encompassed a thorough search of area data, rental rates, public records, the appraiser's records and files, and comparable sales. Discussions were held with property owners/managers, landlords and tenants, and buyers and sellers when possible. This collected data was then analyzed, the subject property and comparable sales inspected and a value for the subject derived through analysis of the data and its relationship to the subject.

Complete Appraisal Limited Appraisal due to the following departures from Standard 1 No departure was used.

Summary Appraisal Report

THREE YEAR OWNERSHIP HISTORY

Owner	Recording Reference	Date	Price Paid	Terms of Sale
Most Recent: <u>City of Willcox</u>	<u>1807/252</u>	<u>10/29/1984</u>	<u>\$ 32,250</u>	<u>Warranty Deed</u>
Previous			\$	
Previous			\$	
Previous			\$	
Current Contract <input type="checkbox"/> Option <input type="checkbox"/>		Listing Price	\$ <u>N/A</u>	
Buyer		Contract Price	\$ <u>N/A</u>	
Seller <u>City of Willcox</u>		Closing Date	<u>N/A</u>	

Analysis/Comments: The property is not under contract nor has it been listed for sale in the last 12 months according to the local MLS. The City of Willcox has owned the property since October 29, 1984.

NEIGHBORHOOD DESCRIPTION

Boundaries: Stewart Rd to the north, Lewis Street to the south, Ironwood Lane to the west, and Stewart Street to the east.

Neighborhood Built Up <u>80</u> %	Location <input checked="" type="checkbox"/> Rural <input type="checkbox"/> Suburb <input type="checkbox"/> Urban
Land Use: Single Family <u>50</u> % Office <u>5</u> % Multifamily <u>3</u> %	Development Trend <input type="checkbox"/> Up <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Down
Industrial <u>2</u> % Retail <u>10</u> % Vacant <u>30</u> %	Value Trend <input type="checkbox"/> Up <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Down
Undersupply Balanced Oversupply Vacancy	Vacancy Trend <input checked="" type="checkbox"/> Up <input type="checkbox"/> Stable <input type="checkbox"/> Down
Single Family <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> %	Rental Demand <input type="checkbox"/> Up <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Down
Multifamily <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> %	Change in Land Use:
Office <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> %	<input checked="" type="checkbox"/> Unlikely <input type="checkbox"/> Likely <input type="checkbox"/> Taking Place
Retail <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> %	From _____ To _____
Industrial <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> %	Rental Rate Range (Exclude Extremes) for Subject Property Type:
Distance-CBD <u>5</u> Miles	From \$ <u>2.80</u> /SF/Year To \$ <u>7.00</u> /SF/Year
Distance-Freeway <u>.5</u> Miles	Age Range (Exclude Extremes) for Subject Property Type:
Distance-Public Transportation <u>.5</u> Miles	From <u>10</u> To <u>100</u>

Neighboring Property Use: The property is located on the northwest side of the City of Willcox.

Analysis/Comments: Willcox is a small community of 3,800 population. Services include a hospital, doctors and chiropractor, dentist, schools k-12, parks, swimming pool, library, police and fire protection. Several motels and restaurants are available as the town is along I-10 and attracts freeway traffic.

SITE DESCRIPTION

Legal Description see attached legal See Addenda
 Environmental Problems Known or Suspected Yes No
 Site Size .65 ac Usable Land Area 4.445 acres 15% Excess Land Area 3.80 ac 0
 Site Dimensions 410' x 377.08' x 320.92' x 253.08' x 370'
 Street Frontage 410' along Circle I Rd.

SITE DESCRIPTION (continued)

Access	<input checked="" type="checkbox"/> Gd	<input type="checkbox"/> Av	<input type="checkbox"/> Fr	Utility:	Provided By:	Topography:
Street Frontage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Electricity	SSVEC	Level <input checked="" type="checkbox"/> Mod Slope <input type="checkbox"/> Steep Slope <input type="checkbox"/>
Shape	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Gas	Willcox	At Grade <input type="checkbox"/> Above Grade <input type="checkbox"/> Below Grade <input type="checkbox"/>
Functional Utility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	Willcox	
Visibility	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sewer	none	
Landscaping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Telephone	Valley Telephone	
Drainage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Street Improvements:	Describe:	Corner Lot
Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Street Width	100'	Underground Utilities
Traffic Pattern	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Street Paving	asphalt	Railroad Access
Traffic Volume	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Sidewalks	no	Earthquake Zone
				Curbs & Gutters	no	Flood Hazard Area
				Storm Sewers	no	Map # 04003C0439F Date 08/28/2008
				Lighting	yes	

Soil Conditions Soil conditions are stable in the Stewart Loam type of soils in this area of town.

Easements Standard utility observed

Encroachments none observed

Current Zoning _____ Legally Conforming Yes No

Zoning Change: Likely Not Likely To _____

Uses Allowed Under Current Zoning Retail & service establishments & allied uses in the central city area.

Analysis/Comments: The site is on the residential street and is located in a primarily commercial area, with good visibility from a I-10. The zoning does allow for commercial uses. Uses would include, restaurant, retail, or office. The property appears to be in flood zone AO which is in the 100 year flood plain.

ASSESSMENT AND TAXES

Assessment Year	2012	APN	por of 202-72-006	Tax Rate	Year	Taxes
Total	\$	37,773	Total	Current Taxes	2011	\$ 0
Land	\$	37,773	County	Estimated Taxes		\$
Building(s)	\$	0	City	Tax Assessment		\$ 0 /SF
Other	\$		Other	Year Of Next Reassessment	2012	

Special Assessments: none

Reassessment Issues: none known

Analyst/Comments: Cochise County has a primary and secondary tax structure. The land is owned by the City of Willcox and they do not pay any taxes. The buildings are assessed separately as the buildings belonged to another party and the land was leased from the City.

IMPROVEMENTS DESCRIPTION

Property Type	Restaurant	Construction Type	brick/cement block/hardbd.	# Buildings	1	# Stories	1
Building	Floor	Gross SF	*Net SF	Use Type	Net SF	Use %	
1	1	3,180	3,180	Office			
				Retail		100	
				Warehouse			
				Manufacturing			
				Distribution			
				Research/Development			
Total		3,180	3,180				
*Usable Area	<input checked="" type="checkbox"/>	Rentable Area	<input type="checkbox"/>				
Year Built		1985		Parking	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Industrial Only	
Building Efficiency Ratio		100 %		On Site	<input checked="" type="checkbox"/>	# Overhead Doors	
Effective Age		15		Adequacy	<input checked="" type="checkbox"/>	Floor Height	FT
Total Economic Life		60		Covered	<input type="checkbox"/>	Ceiling Height	FT
Remaining Economic Life		45		Parking Garage	<input type="checkbox"/>	Column Spacing	FT x FT
Floor Area Ratio		100 %		Paved	<input checked="" type="checkbox"/>		
Ground Coverage Ratio		1.6 %		Number of Spaces	20	Railroad Spur	
				Spaces/1000 SFBA	6.29	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

Analysis/Comments: The building is a metal building with the rear storage area being frame and hardboard siding. The front porch is wood.

IMPROVEMENTS DESCRIPTION (continued)

Building Description		Improvement Rating			
		Gd	Av	Fr	N/A
Foundation	cement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Frame	metal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floor/Cover	vinyl tile/concrete	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ceiling	tape & texture/open	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Exterior Walls	metal & hardboard	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Interior Partitions	dry wall / wood	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Roof Cover	metal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plumbing	Avg	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Heating	FWA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Air Conditioning	evaporative	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Electrical	copper	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Elevators	none	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parking	20 parking spaces	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Insulation	unknown	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sprinkler	none	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Roof Support	metal truss	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Site Improvements: The only site improvements are the paved parking with curbs.

Personal Property or Other Non-Realty Interests Included in Valuation: No Yes No personal property was included in this appraisal.

Analysis/Comments: The building is typical of other buildings in the Willcox area.

HIGHEST AND BEST USE

HIGHEST AND BEST USE AS IF VACANT

Legally Permissible Uses: H-1 Zoning allows for retail and service establishments, allied uses along Interstate 10.

Physically Possible Uses: Most uses of a commercial retail operation are very possible.

Financially Feasible Uses: Just about any commercial retail use is feasible

Maximally Productive Use: The maximally productive use of the property is for a retail type operation.

Analysis/Comments: As vacant, the highest and best use of the property would be to develop into retail, or service establishment.

HIGHEST AND BEST USE AS IMPROVED

Legally Permissible Uses: The zoning allows for retail and service establishments, such as restaurants, office space, retail outlets, or allied uses.

Physically Possible Uses: Physically the building is best suited for a restaurant, it could be remodeled for retail or office space, but would not be financially feasible at this time.

Financially Feasible Uses: All uses other than a restaurant would require considerable capital investment

Maximally Productive Use: The maximally productive vacant use would be as a restaurant.

Analysis/Comments: The current restaurant use in my opinion is the highest and best use for the property.

VALUATION METHODS SELECTED

Cost Approach Income Approach Direct Sales Comparison Approach
 Reasons for Excluding an Approach: _____

MARKET VALUE ESTIMATE OF NON-REALTY ITEMS

Market Value of Personal Property \$ 0
 Market value of Other Non-Realty Interests \$ 0
 Total Market Value of Non-Realty Interests \$ 0

Analysis/Comments: No non-realty items are included at direction of the client, including but not limited to fixtures, and restaurant equipment.

COMPARABLE SITE ANALYSIS

Data Sheets Ait <input type="checkbox"/>	Subject	Comparable #1	Comparable #2	Comparable #3
Location/Address	1510 N Circle I Rd	Virginia Ave	501 S. Cochise	711 N Arizona Avenue
Proximity to Subject	N/A	3 blocks	16 blocks	3 blocks
Map Reference	par of 202-72-006	202-43-007J	203-34-096B	203-29-190A,191A,19
Deed Reference	1807/252	80408/907	201001/264	0000024305
Date of Sale	N/A	03/26/2008	01/19/2010	10/13/2009
Exposure Time	N/A	501 days	219 days	12 days
Data Source	Assessor	Assessor/mls	Assessor / mls	Assessor / mls
Site Size SF <input checked="" type="checkbox"/> Acres <input type="checkbox"/>	28,314 sf	42,253 sf	14,000 sf	21420 sf
Frontage	0' Circle I Rd	183' Virginia Ave	100' Cochise Ave	185' Arizona Ave.
Zoning	H-1	CG-1	R-3-A	R-2
Utilities	elec, gas, water	elec, gas, water	elec, gas, water	elec, gas, water
Site Improvements	none	none	none	none

Unit of Comparison	acre			
Sales Price		\$ 100,000	\$ 40,000	\$ 45,000
Price Per Unit		\$ 2.37	\$ 2.86	\$ 2.10
Property Rights Conveyed		Fee Simple	Fee Simple	Fee Simple
Adjustment				
Financing		cash to seller	cash to seller	cash to seller
Adjustment				
Conditions of Sale		arms length	arms length	arms length
Adjustment				
Market Conditions		equal	equal	equal
Adjustment				
Other Adjustments:				
Location				
Topography				
Shape/Utility				
Utilities				
Site Improvements				
Total Adjustments				
Indicated Value Per Unit		\$ 2.37	\$ 2.86	\$ 2.1

Analysis/Comments: There was only one commercial lot that has sold within the last several years, however sales of commercial property are very slow and the market for residential is higher due to demand for residential exceeding that of commercial. Therefore it was felt that the price for residential and commercial is very close and did not warrant any adjustments. Sale 1 is close to the subject and was considered the best available sale.

Total Site Units: square feet 28314
 Unit Value \$ 2.30
 Estimated Site Value \$ 65,122

EXCESS LAND

Excess Land Area Units: 3.80 ac 3.80
 Unit Value \$ 1,500
 Estimated Excess Land Value \$ 5,700

COST APPROACH

Cost Source Marshall & Swift Cost Handbook and local contractors and builders.

Component	No.	Size	Unit Cost	Cost
Restaurant building	1	3,180	\$ 62.88	\$ 199,958
porch	1	600	\$ 15.94	\$ 9,564
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
Reproduction <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Cost New of Improvements				\$ 209,522
Plus: Indirect (Soft Costs)				\$
Plus: Entrepreneurial Profit			%	\$
Total Cost New				\$ 209,522
Less: Physical Deterioration		25 %	52,381	
Less: Functional Obsolescence		34 %	60,425	
Less: External Obsolescence				
Total Accrued Depreciation (Deterioration & Obsolescence)				(\$ 112,806)
Depreciated Value of Building(s)				\$ 96,716
Plus: Contributing Value of Site Improvements				\$
Depreciated Value of Improvements				\$ 96,716

Analysis/Comments: The Marshal and Swift Cost handbook was used to estimate the cost of replacement along with estimates from local contractors and builders. The building is average quality construction and the replacement cost data is all current and is considered very accurate with today's cost and materials. The subject is very large in square footage and the cost to construct a larger building is generally less expensive than a smaller building of equal style and construction. The functional obsolescence is for the septic system. The system is not functional and needs to be replaced with a new system with a grease trap the estimated cost for a new septic system is \$60,425.

Estimated Site Value	\$ 65,122
Plus: Estimated Excess Land Value	5,700
Plus: Depreciated Value of Improvements	96,716
Plus: Market Value of Personal Property and Other Non-Realty Interests	0
Indicated Value Before Adjustment for Interest Appraised	\$ 167,538
Less: Adjustment for Interest Appraised	0
Value Indication - Cost Approach	\$ 167,538
Rounded	\$ 168,000

INCOME APPROACH/RENTAL COMPARABLE BUILDING ANALYSIS

Data Sheets Att <input checked="" type="checkbox"/>	Subject	Comparable #1	Comparable #2	Comparable #3
Address	1510 N Circle I Rd	916 W Rex Allen Dr	145 N Curtis Ave	600 S Curtis Ave
Proximity to Subject	N/A	0.67 miles S	1.48 miles SE	1.84 miles S
Map Reference	por of 202-72-006	203-26-013	203-28-204	203-35-061/061B
Year Built	1985	1975	1974	1981
Gross Building Area	3,180	2,720	1,500	2,238
Number of Stories	1	1	1	1
Current Vacancy %	0	0	100%	0
Construction Type	metal	metal	masonry	metal
Construction Quality	average	average	average	average
Condition	average	average	average	average
Parking	20 parking spaces	average	street	street
Date of Rent Survey	N/A	1/19/12	1/19/12	1/19/12
Asking Rent	N/A	\$7,740	\$7,200	\$14,400
Lease Period	N/A	1yr renewable	1yr renewable	1yr renewable
Tenant Improvement Allowance				
Concessions				
Tenant Name	N/A	Willcox Real Estate Co	vacant	Sure Clean Carpet
Beginning Date	none	1/1/12	1/1/12	1/1/12
Term	none	1yr renewable	1 yr renewable	1 yr renewable
Lease Type*	none	gross	triple net	triple net
Tenant Size (SF)	3180	2,720 sf	1,500	2,238
Rent Per SF	\$ 0	\$ 2.85	\$ 4.80	\$ 6.43
Rent Concessions Adj.				
Adjusted Rent Per SF	\$ 0	\$ 2.85	\$ 4.8	\$ 6.43
Adjustment for Market Conditions	location			
Adjusted Rent Per SF	\$	\$ 2.85	\$ 4.8	\$ 6.43

PAGE 6							
INCOME APPROACH/RENTAL COMPARABLE BUILDING ANALYSIS (continued)							
Location	average						
Quality	average						
Condition	average						
Total Adjustments							
Indicated Market Rent	\$	\$ 2.85	\$ 4.8	\$ 6.43			
*Lease Types: Gross Lease (G), Net Lease (N), Triple Net Lease (TN), Modified Gross (MG), Expense Passthroughs (P), Sales Overage Rents (O), Common Area Maintenance (C), Renewal Options (R)							
Analysis/Comments: <u>Based on above, the subject rent of \$5.00 s.f./yr or \$.42/s.f./month is market rent. Commercial rentals are few due to the small amount available in Willcox. None of the subject rents were restaurants which would be a specialized building however this appraisal is on the real estate only. Still the income approach is considered a poor indicator of value due to lack of comparable rentals.</u>							
SUMMARY OF SUBJECT LEASES							
Tenant Name	Rented Area (SF)	Beginning Date	Term	Lease Types	Current Rent	Effective Rent/SF	Estimated Market Rent/SF
not leased							5.00
Analysis/Comments: <u>Based on the current market rent above the estimated market rent to be \$5.00 s.f./yr.</u>							
INCOME AND EXPENSE HISTORY AND FORECAST							
Income:	Actual	Comments and Calculations			Stabilized		
From 1/1/12	to 12/31/12						
Gross Potential Income	\$				\$ 15,900		
Vacancy and Collection					\$		
Loss O %	(\$)				(\$ 0)		
Other Income	\$				\$		
Effective Gross Income	\$				\$ 15,900		
Expenses:							
Property Taxes	\$				\$ 1,500		
Insurance	\$				\$ 800		
Property Management	\$	10% of the gross potential income			\$ 1,590		
Utilities	\$				\$		
Janitorial	\$				\$		
Maintenance	\$				\$ 600		
Reserves	\$				\$		
Total Expenses	\$				\$ 4,490		
Net Operating Income (NOI)	\$	Expense/SF \$ 1.41 Expense Ratio 28 %			\$ 11,410		
Analysis/Comments: <u>Standard management and maintenance fees are 10%. Property is currently vacant.</u>							
DIRECT CAPITALIZATION							
Overall Rate Range	.0538	to	.0280	Equity Dividend Rate Range		to	
Overall Rate (RO)	=	.0538		Mortgage	0.80	x	0.05 = 0.04
				Equity	0.20	x	0.05 = 0.01
				Overall Rate (RO)			= 0.05
NOI	(Ro)	Estimated Value		NOI	(Ro)	Estimated Value	
\$ 11,410	/	.0538	= \$ 212,082	\$ 11,410	/	0.05	= \$ 228,200
Analysis/Comments: <u>None of the sales in the Sales Comparison Approach were rented at sale so capitalization rates could not be extracted from these sales, therefore a proforma cap rate was developed using income and expense estimates for the sales. Equity dividend rate assumes a 80% loan to value with a required investor return of 5% on the equity. The assumed mortgage is 30 years at 5% for a mortgage constant of .05. Equity dividend rate is based on hypothetical assumptions and is not very applicable on properties like the subject. Value by income capitalization approach reconciled at \$228,200. The NOI approach was \$212,082 and the effective gross income approach was \$221,805 reconciled at \$220,000 less the cost of the septic system would be \$160,000</u>							

YIELD CAPITALIZATION

Cash Flow Analysis in Addenda Forecast Holding Period Beginning NOI NOI Pattern Reversion Assumption Yield Rate Value Estimate	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Market Rate Scenario \$ _____ \$ _____	Contract Rent Scenario \$ _____ \$ _____
--------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------	----------------------------------------------	------------------------------------------------

Analysis/Comments: _____

ADJUSTMENT FOR INTEREST APPRAISED

Value Estimate - Market Rent Scenario	\$ _____
Value Estimate - Contract Rent Scenario	\$ _____
Difference (Adjustment for Interest Appraised)	\$ _____

Analysis/Comments: _____

Value Indicated by Direct Capitalization/Yield Analysis (excluding excess land)	\$ 160,000
Plus: Estimated Excess Land Value	\$ 5,700
Value Indication - Income Approach	\$ 165,820
Rounded	\$ 166,000

DIRECT SALES COMPARISON APPROACH/COMPARABLE BUILDING ANALYSIS

Comp Sheets Att <input type="checkbox"/>	Subject	Comparable # 1	Comparable # 2	Comparable # 3
Address	1510 N Circle I Rd	701 N Virginia Ave	651 N Blsbee Ave	370 W Rex Allen Dr
Proximity to Subject	N/A	0.64 miles SW	0.74 miles S	0.89 miles SE
Map Reference	por of 202-72-006	202-43-005C	203-26-002A	203-27-016F
Data Source	Assessor / owner	Assessor / mls	Assessor / mls	Assessor / owner
Gross Building Area	3,180	4,480	3,041	972
Net Building Area	3,180	4,480	3,041	972
Site Size: SF <input checked="" type="checkbox"/> Acres <input type="checkbox"/>	28,314	60,113	17,424	64,033
Land-to-Building Ratio	17	7	17	2
Year Built	1985	1997	1997	1986
Construction Type	metal	metal	metal	frame/stucco
Construction Quality	average	average	average	average
Condition	average	average	average	average
Parking	20 parking spaces	5 parking spaces	5 parking spaces	20 + parking spaces
Other	none	none	none	none
Sale Price	\$ 0	\$ 299,900	\$ 220,000	\$ 125,000
Date of Sale	NA	12/30/2010	06/01/2010	07/10/2012
Exposure Time		183	388	80
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment				
Financing	NA	conv.	SBA loan	cash / scb
Adjustment				
Conditions of Sale	none	none	none	none
Adjustment				
Excess Land	none	none	none	none
Adjustment				
Non-Realty Interests	none	none	none	none
Adjustment				
CE/Terms Adjusted Price	\$ _____	\$ 299,900	\$ 220,000	\$ 125,000
Other Adjustments:				
Market Conditions	average	average	average	average
Adjustment				
Location	average	average	average	average
Adjustment				
Quality	average	average	average	average
Adjustment				
Condition	average /septic sys	average	average	average
Adjustment				
building size	3180 s.f.	4480 s.f.	3041 s.f.	972 s.f.
Adjustment		-60,000	-60,000	-60,000
Total Other Adjustments		-19,500	2,085	55,200
Indicated Value		-79,500	-57,915	-4,800
Per total	\$ _____	\$ 220,400	\$ 162,085	\$ 120,200

DIRECT SALES COMPARISON APPROACH/COMPARABLE BUILDING ANALYSIS (continued)

Analysis/Comments: Square footage adjustment is based on \$15/s.f. The condition adjustments were based on the condition of the buildings at the time of sale. The \$60,000 adjustment is for the septic system.

FEE SIMPLE OR LEASED FEE OPERATING DATA AND RATIOS

	Comparable # 1 Fee simple	Comparable # 2 Fee simple	Comparable # 3 Fee simple
Fee Simple or Leased Fee			
Gross Potential Income	\$ 22,400	\$ 15,205	\$ 4,860
Vacancy and Collection Loss%	0	0	0
Effective Gross Income	\$ 22,400	\$ 15,205	\$ 4,860
Operating Expenses	\$ 6,272	\$ 4,257	\$ 1,361
Expenses/SF Gross Building Area	\$ 1.40	\$ 0.95	\$ 1.40
Expense Ratio	0.28	0.28	0.28
Net Operating Income	\$ 16,128	\$ 10,948	\$ 3,499
EGIM	13.39	14.47	25.72
Overall Rate	0.538	0.498	0.280
Equity Dividend Rate			

Analysis/Comments: Based on the above data a cap rate of 5.38% and a EGIM of 13.39 is concluded.

Building Units 1 1
Value Per Unit \$ /Unit
Value Estimate \$

Effective Gross Income \$ 15,900
Effective Gross Income Multiplier (EGIM) x 13.95
Value Estimate \$ 221,805

Analysis/Comments: The EGIM is a very poor method of estimating value in this small market.

Value Indicated by Direct Sales Comparison Approach (excluding excess land) \$ 168,000
Plus: Estimated Excess Land Value \$ 5,700
Plus: Adjustment for Interest Appraised \$ 0
Value Indication - Direct Sales Comparison Approach \$ 173,820
Rounded \$ 174,000

RECONCILIATION AND FINAL VALUE ESTIMATES

Cost Approach Indication \$ 168,000
Income Approach Indication \$ 168,000
Direct Sales Comparison Approach Indication \$ 174,000

Reconciliation: The Cost Approach sets the upper limit of the range. The only market driven portion of this approach is the land. A dollar in cost to construct is not always equal to a dollar in value. Additionally, depreciation is difficult to estimate and is much an educated estimate made by the appraiser based on years of experience. The Cost Approach is more accurate in estimating value where the buildings are new. The estimated value for the cost approach was based on today's cost of replacement and the cost of material have increased in the past year. The Sales Comparison & Income Approaches on the other hand are totally market orientated. The Sales Comparison approach is most often relied upon in established properties like the subject. The Income Approach is not a good indicator of value for small commercial buildings. The value estimate is based on the Sales Comparison and the Cost Approach.

Estimated Exposure Time: Based on the sales and conversations with brokers, the estimated exposure is four to six months before sale.

Extraordinary Assumptions and Limiting Conditions: none

Estimated Market Value "As Is" \$ 168,000
Effective Date of Valuation 08/29/2012
Market Value of Personal Property Included in Appraisal \$ 0
Market Value of Other Non-Realty Interests Included in Appraisal \$ 0

RECONCILIATION AND FINAL VALUE ESTIMATES (continued)

Appraiser # 1	David DiPeseo	Date	September 06, 2012	Property Inspected	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Signature					
Name	David DiPeseo				
Certification No.:	31599				
State:	Arizona	Exp. Date:	01/31/2014		
Appraiser # 2				Yes <input type="checkbox"/> No <input type="checkbox"/>	
Signature					
Name					
Certification No.:					
State:		Exp. Date:			

CONTENTS OF APPENDA

Legal Description	<input type="checkbox"/>	Land Lease	<input type="checkbox"/>	Support for Non-Realty Interest Valuation	<input type="checkbox"/>
Subject Photographs	<input checked="" type="checkbox"/>	Segregated Cost Sheet	<input type="checkbox"/>	Support for Adjustment for Interest Appraised	<input type="checkbox"/>
Area Map	<input checked="" type="checkbox"/>	Soils Survey Map	<input type="checkbox"/>	Copy of Easement	<input type="checkbox"/>
Neighborhood Map	<input type="checkbox"/>	Subject Leases	<input type="checkbox"/>	Appraiser Qualifications	<input type="checkbox"/>
Zoning Map	<input type="checkbox"/>	Rental Comparable Data Sheets	<input type="checkbox"/>		<input type="checkbox"/>
Flood Zone Map	<input checked="" type="checkbox"/>	Rent Location Map	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Topographic Map	<input type="checkbox"/>	DCF Analysis	<input type="checkbox"/>		<input type="checkbox"/>
Site Sketch	<input checked="" type="checkbox"/>	Improved Property Sales Data Sheets	<input type="checkbox"/>		<input type="checkbox"/>
Site Plan	<input type="checkbox"/>	Building Sales Location Map	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Building Plans	<input type="checkbox"/>	Copy of Deed	<input type="checkbox"/>		<input type="checkbox"/>
Tax Assessment Card	<input type="checkbox"/>	Contract of Sale	<input type="checkbox"/>		<input type="checkbox"/>
Land Sales Data Sheets	<input type="checkbox"/>	Construction Cost Contract	<input type="checkbox"/>		<input type="checkbox"/>
Land Sales Map	<input type="checkbox"/>	Support for Personal Property Valuation	<input type="checkbox"/>		<input type="checkbox"/>

DEFINITION OF MARKET VALUE

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and acting in what they consider their best interests; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

ASSUMPTIONS AND LIMITING CONDITIONS

- As agreed upon with the client prior to the preparation of this appraisal, unless otherwise indicated, this is a Limited Appraisal because it invokes the Departure Provision of the Uniform Standards of Professional Appraisal Practice. As such, information pertinent to the valuation has not been considered and/or the full valuation process has not been applied. Depending on the type and degree of limitations, the reliability of the value conclusion provided herein may be reduced.
- Unless otherwise indicated, this is a Summary Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Summary Appraisal Report. As such, it might not include full discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.
- No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.
- The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.
- Responsible ownership and competent property management are assumed unless otherwise stated in this report.
- The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
- All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
- It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
- It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.
- It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.
- It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
- Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.
- It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.

(Continued)

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgement.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower, the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: 1510 N Circle I Rd, Willcox, AZ 85643

APPRAISER:

Signature: 
 Name: David D'Peco
 Date Signed: _____
 State Certification #: 31599
 or State License #: _____
 State: Arizona
 Expiration Date of Certification or License: 01/31/2014

SUPERVISORY APPRAISER (only if required):

Signature: _____
 Name: _____
 Date Signed: _____
 State Certification #: _____
 or State License #: _____
 State: _____
 Expiration Date of Certification or License: _____

Did Did Not Inspect Property

Comparable Photo Page

Borrower/Client	City of Willcox						
Property Address	1510 N Circle I Rd						
City	Willcox	County	Cochise	State	AZ	Zip Code	85643
Lender	City of Willcox						

**Comparable 1**

701 N Virginia Ave
 Prox. to Subject 0.84 miles SW
 Sales Price 299,900
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location average
 View
 Site
 Quality average
 Age 1997

**Comparable 2**

651 N Bisbee Ave
 Prox. to Subject 0.74 miles S
 Sales Price 220,000
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location average
 View
 Site
 Quality average
 Age 1997

**Comparable 3**

370 W Rex Allen Dr
 Prox. to Subject 0.89 miles SE
 Sales Price 125,000
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location average
 View
 Site
 Quality average
 Age 1986

Rental Photo Page

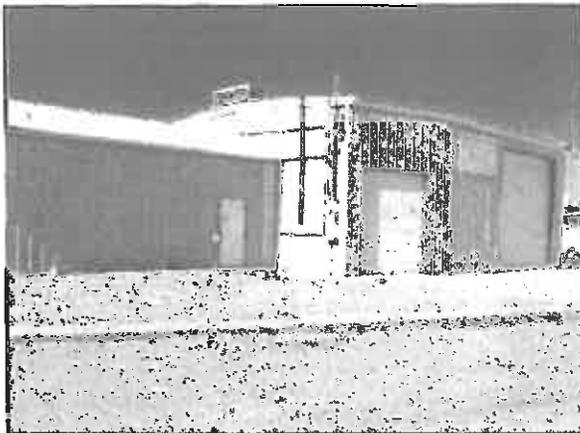
Borrower/Client	City of Willcox		
Property Address	1510 N Circle I Rd		
City	Willcox	County	Cochise
Lender	City of Willcox	State	AZ
		Zip Code	85643

**Rental 1**

916 W Rex Allen Dr
 Proximity to Subject 0.87 miles S
 Gross Building Area 2,720
 Age 1975

**Rental 2**

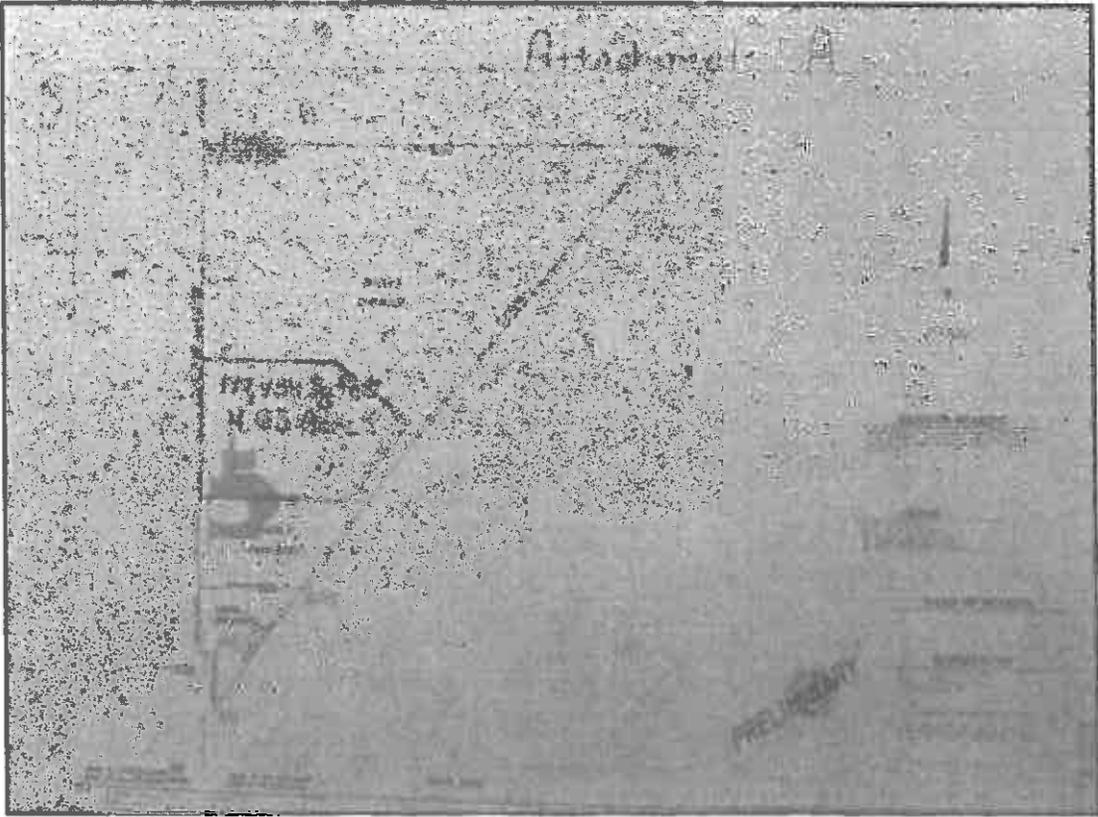
145 N Curtis Ave
 Proximity to Subject 1.46 miles SE
 Gross Building Area 1,500
 Age 1974

**Rental 3**

600 S Curtis Ave
 Proximity to Subject 1.84 miles S
 Gross Building Area 2,238
 Age 1981

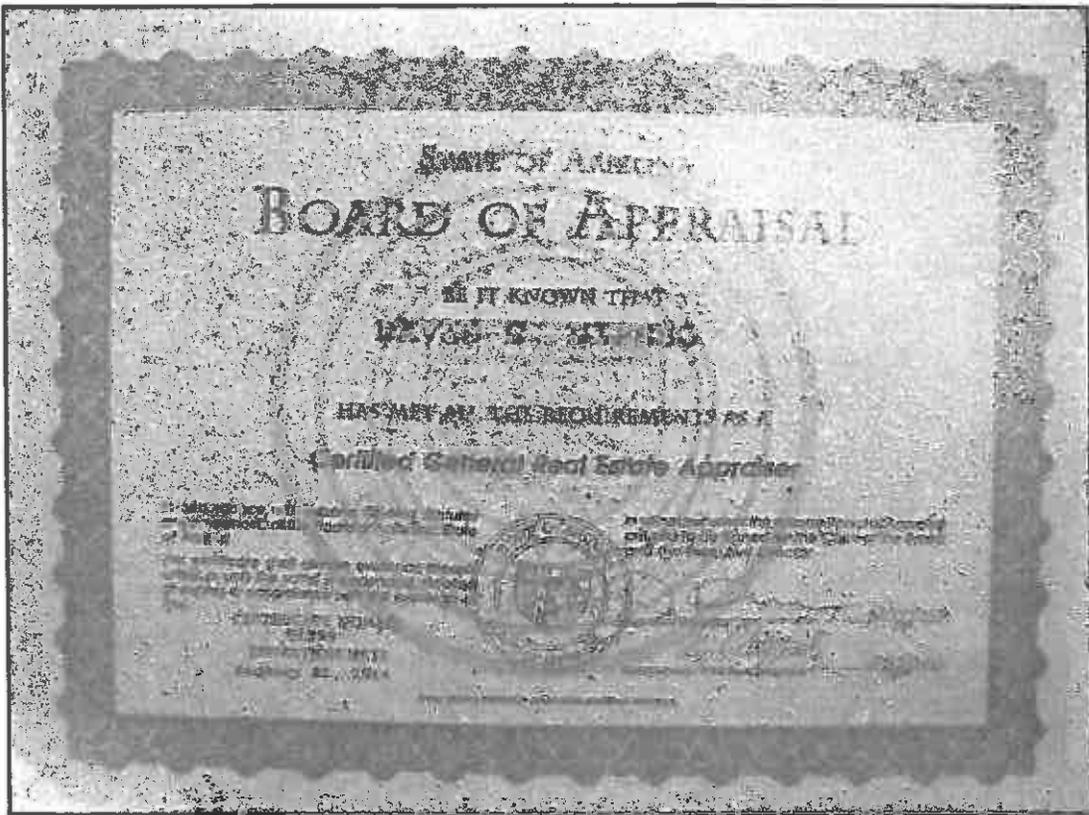
Plat Map

Borrower/Client	City of Willcox				
Property Address	1510 N Circle I Rd				
City	Willcox	County	Cochise	State	AZ Zip Code 85643
Lender	City of Willcox				



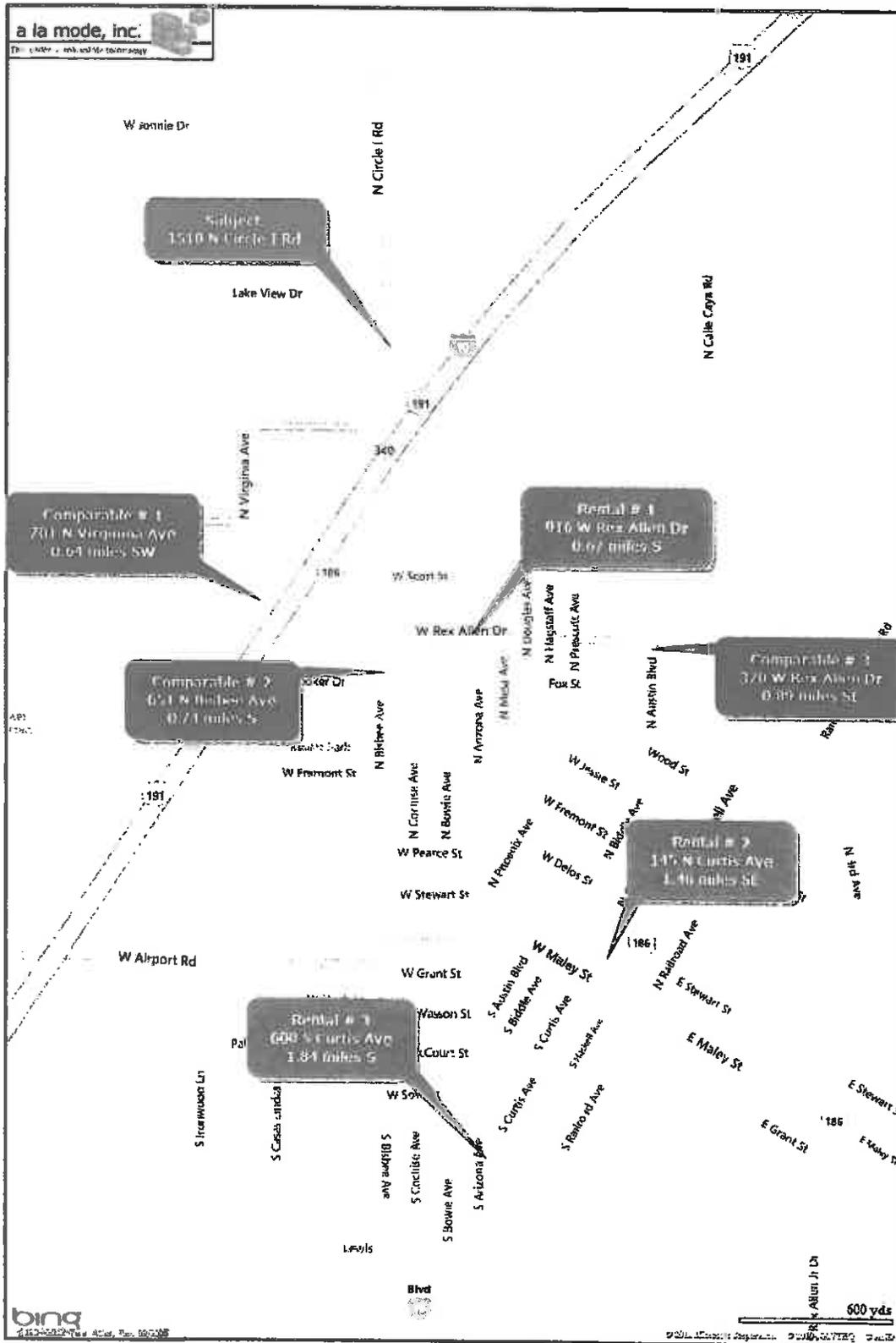
Appraisal License

Borrower/Client	City of Willcox				
Property Address	1510 N Circle 1 Rd				
City	Willcox	County	Cochise	State	AZ Zip Code 85643
Lender	City of Willcox				



Location Map

Borrower/Client	City of Willcox		
Property Address	1510 N Circle I Rd		
City	Willcox	County	Cochise
Lender	City of Willcox	State	AZ
		Zip Code	85643



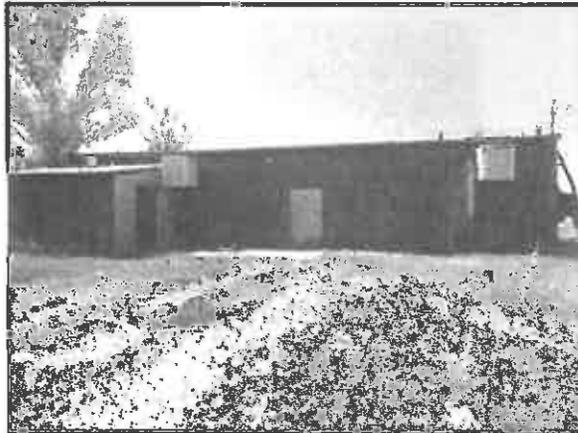
Subject Photo Page

Borrower/Client	City of Willcox						
Property Address	1510 N Circle I Rd						
City	Willcox	County	Cochise	State	AZ	Zip Code	85643
Lender	City of Willcox						

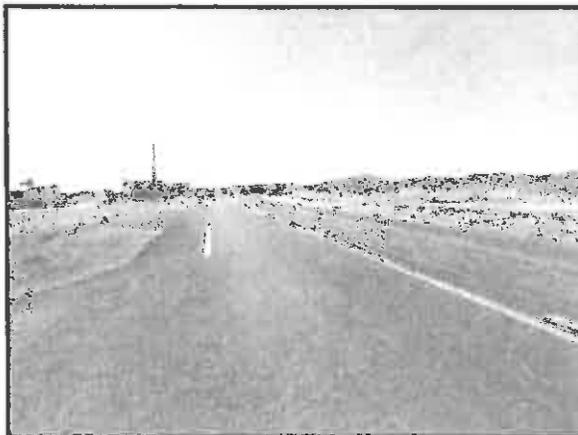


Subject Front

1510 N Circle I Rd
Sales Price 0
Gross Building Area 3,180
Age 1985



Subject Rear



Subject Street

Subject Photo Page

Borrower/Client	City of Willcox				
Property Address	1510 N Circle I Rd				
City	Willcox	County	Cochise	State	AZ Zip Code 85643
Lender	City of Willcox				



Subject Street

1510 N Circle I Rd
Sales Price 0
Gross Building Area 3,180
Age 1985



Subject Side



Subject Side

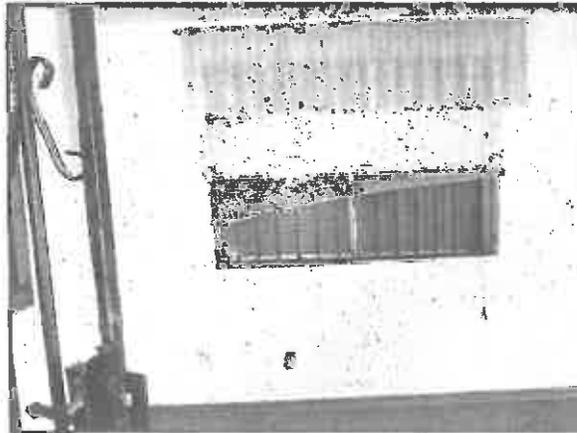
Subject Photo Page

Borrower/Client	City of Willcox				
Property Address	1510 N Circle I Rd				
City	Willcox	County	Cochise	State	AZ Zip Code 85643
Lender	City of Willcox				



Subject Retail Area

1510 N Circle I Rd
Sales Price 0
Gross Building Area 3,180
Age 1985



Subject Office



Subject 1/2 Bath

Subject Photo Page

Borrower/Client	City of Willcox				
Property Address	1510 N Circle I Rd				
City	Willcox	County	Cochise	State	AZ Zip Code 85643
Lender	City of Willcox				



Subject 1/2 Bath

1510 N Circle I Rd
Sales Price 0
Gross Building Area 3,180
Age 1985



Subject Kitchen Area



Subject Kitchen Area

Legal Description Map

Borrower/Client	City of Willcox		
Property Address	1510 N Circle I Rd		
City	Willcox	County Cochise	State AZ Zip Code 85643
Lender	City of Willcox		

LEGAL DESCRIPTION PARCEL 2

That portion of the Southwest Quarter of Section 30, Township 13 South, Range 29 East of the Gila and Salt River Meridian, Cochise County, Arizona, more particularly described as follows:

Commencing at a 3" aluminum disc monument stamped R.L.S. 16116 at the West Quarter corner of said Section 30.

Thence South 00° 15' 58" East along the West line of the Southwest Quarter of said Section 30 a distance of 644.07 feet to the Point of Beginning.

Thence continue South 00° 15' 58" East along the West line of the Southwest Quarter of said Section 30 a distance of 414.00 feet to a #4 rebar tagged R.L.S. 13187.

Thence North 89° 44' 02" East 370.00 feet to a point on a non-tangent curve concave to the Southeast, from which the center point bears South 33° 32' 47" East, said point being 100 feet West of the Westside right-of-way line of Interstates 10;

Thence along said curve, to the right, having a radius of 23,168.33 feet, a central angle of 00° 47' 37" an arc distance of 220.92 feet to a #4 rebar LS 13187.

Thence North 52° 45' 10" West a distance of 253.08 feet to a #4 rebar LS 13187.

Thence South 89° 44' 02" West a distance of 370.00 feet to the Point of Beginning.

Containing 4.445 acres, more or less.



Expires 10/2013

Flood Map

Borrower/Client	City of Willcox		
Property Address	1510 N Circle I Rd		
City	Willcox	County	Cochise
Lender	City of Willcox	State	AZ
		Zip Code	85643

InterFlood

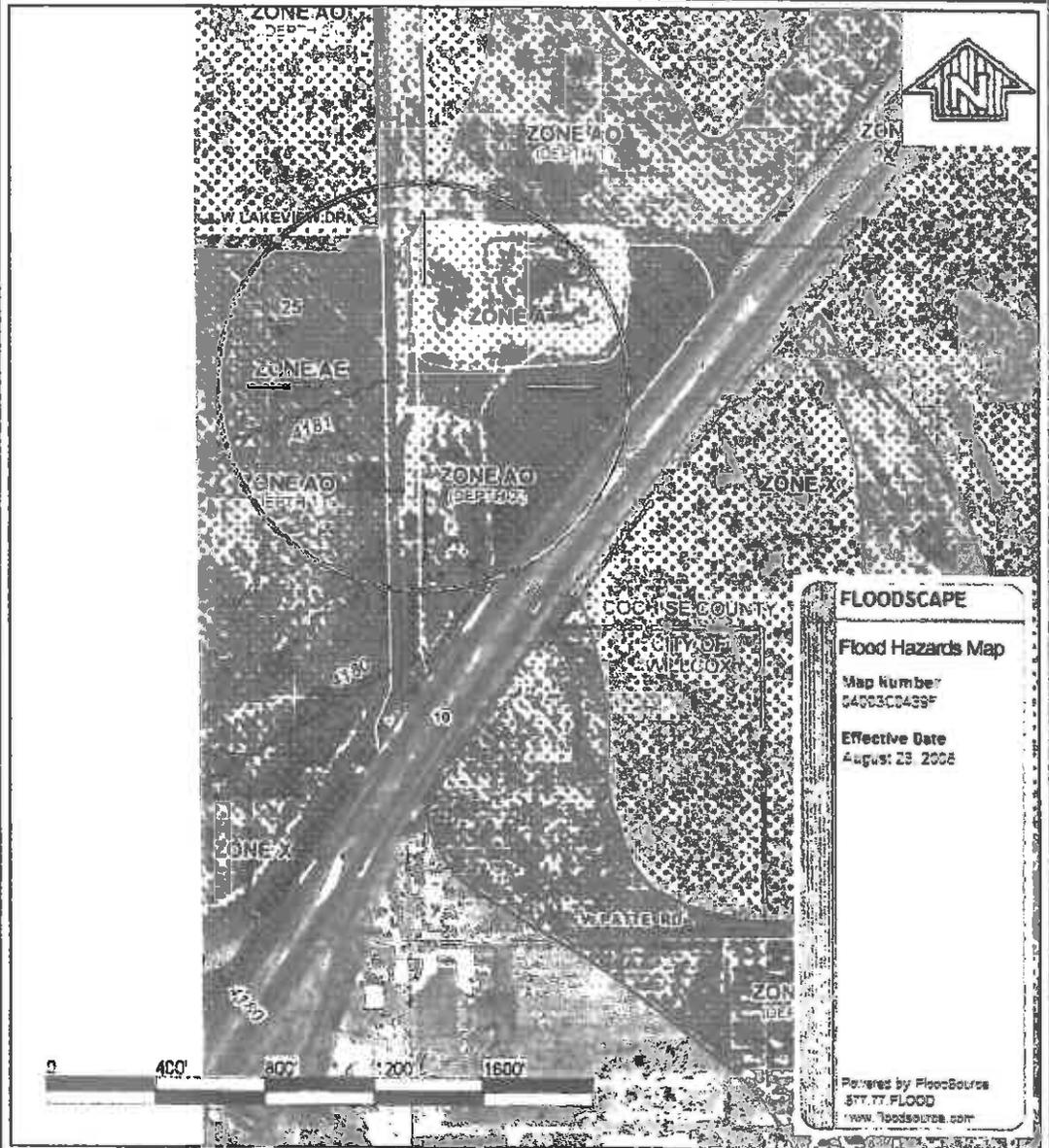


www.interflood.com • 1-800-252-6633

Prepared for:

DiPaso Appraisal Service, LLC

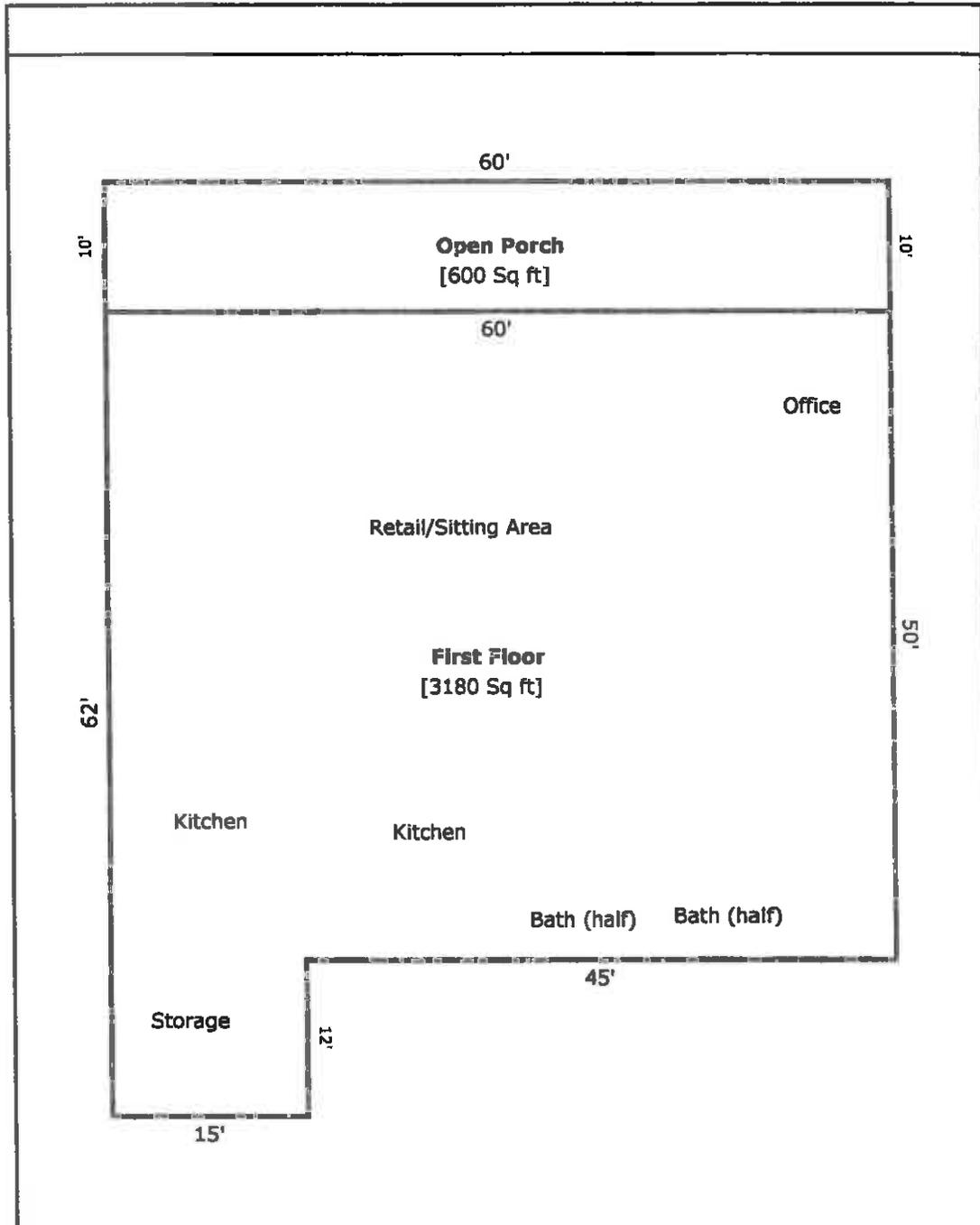
1510 N Circle I Rd
Willcox, AZ 85643



© 1998-2012 SourceProse and/or FloodSource Corporations. All rights reserved. Patents 5,931,329 and 5,978,514. Other patents pending. For info: info@floodsource.com.

Building Sketch

Borrower/Client	City of Willcox		
Property Address	1510 N Circle 1 Rd		
City	Willcox	County	Cochise
		State	AZ
Lender	City of Willcox	Zip Code	85643



TOTAL Sketch by a la mode, inc.		Area Calculations Summary	
Living Area		Calculation Details	
First Floor	3180 Sq ft	$50 \times 45 = 2250$	
		$62 \times 15 = 930$	
Total Living Area (Rounded):	3180 Sq ft		
Non-Living Area			
Open Porch	600 Sq ft	$60 \times 10 = 600$	

John A. Holcomb
Anne M. Holcomb
Amanda D. Kirkendall
2081 W. Hardy Rd.
Willcox, AZ 85643

RECEIVED

NOV 05 2012

OFFICE OF CITY

WML 3:55 P.M.

Bid Document for:
Purchase of Municipal Commercial Property
to be opened on Friday, November 9, 2012
at 3:00 P.M.

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA

RESOLUTION 2012-94

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF WILLCOX, ARIZONA, FOR THE PURPOSE OF ACCEPTING THE BID FOR PURCHASE OF REAL PROPERTY FROM JOHN A. HOLCOMB, MARY M. HOLCOMB AND AMANDA D. KIRKENDALL IN THE AMOUNT OF \$175,111.00, FOR THE SALE OF CITY PROPERTY LOCATED AT 1510 N. CIRCLE I. ROAD, WILLCOX, ARIZONA; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.

WHEREAS, the City of Willcox is authorized and empowered pursuant to Title 9, A.R.S. §9-241, to purchase, receive, hold, lease and convey property, real and personal, necessary or proper to carry out the purposes of the corporation, within or without its limits; and,

WHEREAS, pursuant to Title 9, A.R.S. §9-402, on September 17, 2012, the Mayor and City Council approved the proposed sale of the real property located at 1510 N. Circle I. Road, Willcox, Arizona, subject to invitation to bid which was published in accordance with A.R.S. §39-204, and was posted in three or more public places within the CITY;

WHEREAS, the deadline for bid submission was November 9, 2012, at 3:00 pm, and at that time, the CITY opened the only bid which was received, from John A. Holcomb, Mary M. Holcomb and Amanda D. Kirkendall in the amount of \$175.111.00; and,

WHEREAS, the Mayor and City Council have determined that approving the sale of the real property located at 1510 Circle I. Road, Willcox, Arizona, is in the best interest of the City, its employees and the citizens of this City, and they desire to have this Resolution presented at its November 19, 2012, Council Meeting; and,

WHEREAS, it is necessary for the perservation of the peace, health and safety of the City of Willcox, Arizona, that an emergency be declared to exist, and this Resolution be effective immediately upon its passage and adoption.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, as follows:

SECTION 1: The Mayor and City Council of the City of Willcox, hereby approve and accept the bid for sale of the real property located at 1510 Circle I. Road, Willcox, Arizona, submitted by John A. Holcomb, Mary M. Holcomb and Amanda D. Kirkendall in the amount of \$175.111.00; and,

SECTION 2: The appropriate officers and officials of the City are hereby authorized and directed to take all actions necessary or reasonably required to carry out the intent of this Resolution; and,

SECTION 3: The Mayor is authorized and empowered to execute this Resolution and all other documents necessary to close the transaction to reflect that the real property is conveyed from the name of the corporation; and,

SECTION 4: The immediate operation of this Resolution is necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, and this Resolution shall be in full force and effect from and after its passage by the City of Willcox, Cochise County, Arizona.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, this 19th day of November, 2012.

APPROVED/EXECUTED

ROBERT A. IRVIN, MAYOR

Dated: _____

ATTEST:

VIRGINIA A. MEFFORD, City Clerk

APPROVED AS TO FORM:

ANN P. ROBERTS, City Attorney

RESOLUTION 2012-94

**CITY OF WILLCOX, COCHISE COUNTY, ARIZONA
RESOLUTION 2012-95**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF
THE CITY OF WILLCOX, ARIZONA, CANVASSING,
DECLARING AND ADOPTING THE RESULTS OF THE
GENERAL ELECTION HELD ON NOVEMBER 6, 2012.**

WHEREAS, on the 6th day of November, 2012, a general election of the qualified electors of the City of Benson, Arizona, was held for the purpose of presenting to the voters a Proposition _____, a Franchise Agreement between the City of Willcox and Sulphur Springs Valley Electric Cooperative, Inc.; and,

WHEREAS, the election returns, attached hereto as Exhibit "A" and incorporated herein by this reference, have been presented to and have been canvassed by the Mayor and City Council; and,

WHEREAS, the election returns as canvassed show that there were _____ ballots cast; and,

WHEREAS, the votes cast were as follows:

PROPOSITION XXX:

VOTES RECEIVED:

YES

NO

WHEREAS, Proposition _____ received a higher number of "yes" votes approving the Franchise Agreement between the City of Willcox and Sulphur Springs Valley Electric Cooperative, Inc.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, as follows:

SECTION 1: The total number of ballots cast at the general election was _____; and,

SECTION 2: Proposition _____ passed, approving and ratifying the Franchise Agreement between the City of Willcox and Sulphur Springs Valley Electric Cooperative, Inc.; and,

Election numbers not available from Cochise County Recorder will provide a new completed copy at the meeting on Monday Nov 19, 2012.

SECTION 3: The Mayor is authorized and empowered to execute this Resolution as presented.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, this 19th day of November, 2012.

APPROVED/EXECUTED

ROBERT A. IRVIN, MAYOR

Dated: _____

ATTEST:

VIRGINIA A. MEFFORD, City Clerk

APPROVED AS TO FORM:

ANN P. ROBERTS, City Attorney

RESOLUTION 2012-95

EXHIBIT "A"

OFFICIAL RESULTS

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA

RESOLUCIÓN 2012-95

UNA RESOLUCIÓN DEL ALCALDE Y CONSEJO DE LA CIUDAD DE WILLCOX, ARIZONA, PROTEGERLES, DECLARAR Y ADOPTAR LOS RESULTADOS DE LA ELECCIÓN GENERAL CELEBRADAS EL 6 DE NOVIEMBRE DE 2012

POR CUANTO, el día 6 de Noviembre de 2012, una elección general de los electores calificados de la ciudad de Willcox, Arizona se celebró a los efectos de la presentación para los votantes de proposición _____, un acuerdo de franquicia entre la ciudad de Willcox y Sulphur Springs Valley Electric Cooperative, Inc.; y

POR CUANTO, los resultados de la elección, adjunta como anexo a y incorporados aquí por esta referencia, hayan sido presentados y han sido examinado por el Consejo de la ciudad y el Alcalde; y

POR CUANTO, las elecciones se devuelven como describieron muestran que allí fueron _____ votos emitidos; y

POR CUANTO, el número de votos es el siguiente:

PROPOSICIÓN XXX:

VOTOS RECIBIDOS:

SÍ
NO

POR CUANTO, la proposición _____ recibió un mayor número de "sí" votos aprobar un acuerdo de franquicia entre la ciudad de Benson y Sulphur Springs Valley Electric Cooperative, Inc.

AHORA, POR CONSIGUIENTE, YA SEA RESUELTO POR EL ALCALDE Y EL CONSEJO DE LA CIUDAD DE WILLCOX, ARIZONA, como sigue:

SECCIÓN 1. El número total de votos en la elección general fue _____; y

SECCIÓN 2. La proposición _____ había pasado aprobar el acuerdo de franquicia entre la ciudad de Benson y Sulphur Springs Valley Electric Cooperative, Inc; y

SECCIÓN 3. El Alcalde es autorizado y facultado para ejecutar esta resolución presentado.

PASADO Y ADOPTADO POR EL ALCALDE Y EL CONSEJO DE CIUDAD DE BENSON, ARIZONA, este día 19 de Noviembre de 2012.

AUTORIZADO:

ROBERT A. IRVIN, ALCALDE

CONFIRMAR:

VIRGINIA A. MEFFORD, Vendedor de la Ciudad

APROBADO EN CUANTO A FORMA:

ANN P. ROBERTS, Abogado de la Ciudad

RESOLUCIÓN 2012-95

ANEXO A

RESULTADOS OFICIALES



NOTICE OF EXECUTIVE SESSION

CITY COUNCIL

In accordance with Resolution No. 370 of the City of Willcox, and Section 38-431.01 of the Arizona Revised Statutes **NOTICE IS HEREBY GIVEN** that the **MAYOR AND COUNCIL** of the City of Willcox, County of Cochise, Arizona, will hold an **EXECUTIVE SESSION**, if approved, during the **REGULAR** meeting on **MONDAY**, the **19th** day of **November 2012** at **7:00 p.m.**, in the **CITY COUNCIL CHAMBERS, 300 W. REX ALLEN DRIVE, Willcox, AZ**

Item for Consideration and Discussion are:

A.R.S. §38.431.03A(3) DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE ATTORNEY OR ATTORNEYS OF THE PUBLIC BODY,

Consideration and/or discussion regarding consultation for legal advice with the Attorney or Attorney's of the public body regarding the purchase, sale, or lease of real property.

DATED AND POSTED this 15th day of November 2012, at 3:00 P.M.

CITY OF WILLCOX, ARIZONA

/s/ Virginia A. Mefford

City Clerk Virginia A. Mefford

"Mine, Yours, Ours"

**CITY OF WILLCOX
EXECUTIVE SESSION**

AGENDA

MONDAY, NOVEMBER 19, 2012

7:00 p.m.

300 W. REX ALLEN DRIVE

Willcox, Arizona

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. CONSIDERATION PURSUANT TO ARIZONA REVISED STATUTES §38-431.03A(3) DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE ATTORNEY OR ATTORNEYS OF THE PUBLIC BODY REGARDING THE PURCHASE, SALE, OR LEASE OF REAL PROPERTY**
Consideration and/or discussion pursuant to Arizona Revised Statutes §38-431.03(A)(3), as stated relating to consultation for legal advice with the attorney(s) of the public.
- 4. ADJOURN**

"Mine, Yours, Ours"