

**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 DECEMBER, 2014**

SWEAR IN RECENTLY ELECTED CITY COUNCIL MEMBERS – CITY CLERK VIRGINIA A. MEFFORD

A SHORT CELEBRATION - THANK YOU TO OUTGOING COUNCIL MEMBERS, WELCOME NEWLY ELECTED COUNCIL MEMBERS, AND WELCOME BACK RE-ELECTED COUNCIL MEMBERS.

CALL TO ORDER - Mayor Bob Irvin called the meeting to order at 6:46 p.m.

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

PRESENT

Mayor Robert A. Irvin
Vice Mayor Earl B. Goolsby
Councilman Elwood A. Johnson
Councilman Gerald W. Lindsey
Councilman William "Bill" Nigh
Councilman Timothy A. Bowlby
Councilman Michael J. Laws

STAFF

City Manager Ted Soltis
City Clerk Virginia Mefford
City Attorney Ann P. Roberts
Finance Director Crystal Hadfield
~~Police Chief Glenn Childers~~
Library Director Tom Miner
Public Works Director Kevin Hagerich
Development Services Jeff Stoddard

PLEDGE OF ALLEGIANCE TO THE FLAG - Led by Mayor Irvin

CALL TO THE PUBLIC

DECLARATION ON CONFLICT OF INTEREST - None declared

ADOPTION OF THE AGENDA

MOTION: Councilmember Johnson made a motion to adopt the agenda as presented.

SECONDED: Councilmember Lindsey seconded the motion.

MOTION CARRIED

APPROVAL OF MINUTES OF THE REGULAR MEETING OF NOVEMBER 20, 2014

MOTION: Councilmember Lindsey made a motion to approve the minutes.

SECONDED: Councilmembers Bowlby and Johnson seconded the motion.

MOTION CARRIED

APPROVE PROCESS FOR ELECTION OF MAYOR AND VICE-MAYOR

MOTION: Councilmember Johnson made a motion to approve the process for election of Mayor and Vice Mayor.

SECONDED: Councilmember Goolsby seconded the motion.

DISCUSSION: Councilmember Johnson asked City Manager Soltis to explain the voting process.

MOTION CARRIED: Six (6) AYES - Mayor Irvin, Vice Mayor Goolsby, Councilmembers Lindsey, Johnson, Bowlby, and Laws; One (1) Nay - Councilmember Nigh.

ELECT A MAYOR

Votes were tallied and the results were: (3) votes for Robert "Bob" Irvin; (3) votes for Mike Laws; and (1) vote for Earl Goolsby. A tie occurred and a re-vote was conducted between Robert "Bob" Irvin and Mike Laws. The re-vote tally was 4 votes for Robert "Bob" Irvin and 3 votes for Mike Laws. Robert "Bob" Irvin was re-elected Mayor.

ELECT A VICE-MAYOR

Earl Goolsby received a total of (4) votes; Mike Laws received (2) votes; and Tim Bowlby received (1) vote. Earl Goolsby was re-elected Vice Mayor.

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Councilmember Lindsey welcomed the new officers. He gave a brief update on SEAGO and announced they are in need of an additional person to serve on the Aging committee. Mayor Irvin welcomed the new police officers and expressed his gratitude for having them on board. He thanked the council for their support in re-electing him as Mayor and hopes to have a unified council. He announced his retirement from Rock and Sand after 25 years.

ADJOURN

With no further business before the Mayor and Council, the meeting was adjourned at 7:51 p.m. by Mayor Irvin.

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 December, 2014. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 4th day of December 2014

City Clerk Virginia Mefford

PASSED, APPROVED AND ADOPTED this 18th day of December, 2014.

Mayor Robert A. Irvin

ATTEST:

City Clerk Virginia A. Mefford

CITY OF WILLCOX
Request for Council Action

Agenda Item: 8
Tab Number: 2

Meeting Date:
January 15, 2015

Action:
 Resolution
 Ordinance
 Other

Subject:
AMRRP Policy Renewal

To: Mayor and City Council

From: Finance Director Crystal Hadfield

Discussion: The City participates in the Arizona Municipal Risk Retention Pool (AMRRP or the Pool) for liability and worker's compensation coverage. The liability and excess coverage policies are renewed on a calendar year basis, from January 1st to December 31st.

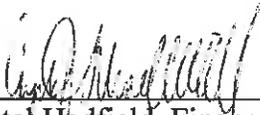
The liability policy includes coverage for property, equipment, valuable papers, general liability, personal/advertising injury, damage to premises rented to City, medical expense, professional liability, and auto liability and physical damage. A copy of the Rated Premium Breakdown is attached, with a total premium of \$147,270.00. After a complete evaluation of inventory with many deletions and a few additions, our premium will actually decrease by \$2,909.00 from last calendar year.

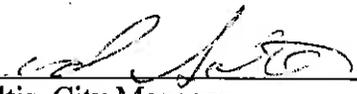
The Municipal Excess Liability coverage includes up to \$3,000,000 in the aggregate and for each wrongful act, as well as other underlying coverage as listed in the attached Appendix A. The coverage date is retroactive to January 1, 1998. The cost of the excess liability coverage is \$11,849.00.

Mr. Ed Bantel from Southwest Risk, the AMRRP administrative agency, will be at the meeting to present information about the policies and the coverage.

Recommendation: Motion to approve the City's 2015 Arizona Municipal Risk Retention Pool Liability policy No. AM40132015, and the Excess Liability Declarations policy No. AE40132015 as presented.

Fiscal Impact: \$159,119.00 for 2015 calendar year which is a decrease of \$2,909.00 from last calendar year.

Submitted by: 
Crystal Hadfield, Finance Director

Approved by: 
Ted Soltis, City Manager

Rated Premium Breakdown

Date: 12/31/2014
Policy:AM40132015

Coverage Period: 01/01/2015 - 01/01/2016

Insured: WILLCOX, CITY OF

<u>COVERAGE</u>	<u>PREMIUM</u>
PROPERTY \$ 12,836,382	<u>\$ 25,351.00</u>
INLAND MARINE	
\$ 873,002 CONTRACTORS EQUIPMENT \$1000 DE	<u>\$ 2,540.00</u>
\$ 4,500 MISCELLANEOUS EQUIPMENT \$250 D	<u>\$ 20.00</u>
\$ 50,000 VALUABLE PAPERS \$1000 DEDUCTIB	<u>\$ 33.00</u>
\$ 65,000 EDP EQUIPMENT EXCLUDES BREAKDO	<u>\$ 335.00</u>
GENERAL LIABILITY	<u>\$ 77,899.00</u>
\$ 2,000,000 GENERAL AGGREGATE	
\$ PRODUCTS/COMPLETED OPERATIONS AGGREGATE	
\$ PERSONAL/ADVERTISING INJURY	
\$ 2,000,000 EACH OCCURRENCE	
\$ DAMAGE TO PREMISES RENTED TO YOU	
\$ MEDICAL EXPENSE	
PROFESSIONAL LIABILITY	<u>\$ 17,233.00</u>
\$ 2,000,000 AGGREGATE	
\$ 2,000,000 EACH CLAIM	
AUTO LIABILITY & PHYSICAL DAMAGE	<u>\$ 17,753.00</u>
\$ 2,000,000 COMBINED SINGLE	
\$ 50,000 UNINSURED MOTORIST/UNDERINSURED MOTORIST	
CRIME	<u>\$ 2,325.00</u>
EQUIPMENT BREAKDOWN	<u>\$ 3,781.00</u>
<u>TOTAL PREMIUM</u>	<u>\$ 147,270.00</u>

Property Schedule

Loc#	Bld#	Covg.	Address	Limit	Premium	Incl Blk
001	001	BLD	501 W. MALEY, WILLCOX, AZ	\$ 283,000	\$ 273.00	
002	001	BLD	312 W. STEWART, WILLCOX, AZ	\$ 2,505,000	\$ 2,446.00	
003	001	BLD	250 N. RAILROAD, WILLCOX, AZ	\$ 430,000	\$ 226.00	
003	002	BLD	250 N. RAILROAD	\$ 1,500	\$ 2.00	
004	001	BLD	1500 CIRCLE I ROAD, WILLCOX, AZ	\$ 653,800	\$ 911.00	
005	001	BLD	LANDFILL	\$ 30,000	\$ 31.00	
005	002	BLD	LANDFILL	\$ 8,500	\$ 53.00	
006	001	BLD	N. FORT GRANT	\$ 11,000	\$ 13.00	
007	001	BLD	MALEY STREET	\$ 12,000	\$ 10.00	
008	001	BLD	ARIZONA AVE & FREMONT	\$ 30,000	\$ 30.00	
009	001	BLD	KOA	\$ 45,000	\$ 31.00	
010	001	BLD	WOOD STREET	\$ 6,195	\$ 4.00	
011	001	BLD	PECALI ROAD	\$ 90,000	\$ 63.00	
012	001	BLD	W. MOUNTAIN AZ AVENUE	\$	\$ 116.00	
012	002	BLD	W. MOUNTAIN AZ, AVENUE	\$ 26,250	\$ 247.00	
014	001	BLD	207 WEST MALEY ST.	\$ 1,434,000	\$ 1,508.00	
015	001	BLD	1003 S. REX ALLEN JR DRIVE	\$ 86,000	\$ 103.00	
015	002	BLD	1003 S. REX ALLEN JR. DRIVE	\$ 20,000	\$ 10.00	
015	003	BLD	1003 S. REX ALLEN JR. DRIVE	\$ 62,000	\$ 80.00	
015	004	BLD	1003 S. REX ALLEN JR. DRIVE	\$ 75,000	\$ 132.00	
016	001	BLD	400 NORTH BIBEE	\$ 119,000	\$ 172.00	
016	002	BLD	400 NORTH BISBEE	\$ 120,000	\$ 84.00	
016	003	BLD	400 NORTH BISBEE	\$ 350,000	\$ 1,130.00	
016	004	BLD	400 NORTH BISBEE	\$ 50,000	\$ 473.00	
016	005	BLD	400 NORTH BISBEE	\$ 1,000,000	\$ 3,229.00	
016	006	BLD	400 NORTH BISBEE	\$ 201,000	\$ 2,510.00	

Property Schedule

Loc#	Bld#	Covg.	Address	Limit	Premium	Incl Blk
016	007	BLD	400 NORTH BISBEE	\$ 23,000	\$ 201.00	
016	008	BLD	400 NORTH BISBEE	\$ 18,000	\$ 158.00	
016	009	BLD	400 NORTH BISBEE	\$ 5,000	\$ 31.00	
016	010	BLD	400 NORTH BISBEE	\$ 5,000	\$ 31.00	
016	011	BLD	400 NORTH BISBEE	\$ 100,000	\$ 625.00	
016	012	BLD	400 NORTH BISBEE	\$ 5,000	\$ 62.00	
017	001	BLD	868 EAST MALEY	\$ 1,000,000	\$ 507.00	
017	002	BLD	868 EAST MALEY	\$ 12,000	\$ 6.00	
017	003	BLD	868 EAST MALEY	\$ 97,000	\$ 48.00	
017	004	BLD	868 EAST MALEY	\$ 61,000	\$ 30.00	
018	001	BLD	101 S. RAILROAD AVE.	\$ 835,000	\$ 1,156.00	
018	002	BLD	101 S. RAILROAD AVE.	\$ 40,000	\$ 70.00	
018	003	BLD	101 S. RAILROAD AVE.	\$ 50,000	\$ 298.00	
019	001	BLD	RODEO GROUNDS, WILLCOX, AZ	\$ 5,500	\$ 34.00	
019	002	BLD	RODEO GROUNDS, WILLCOX, AZ	\$ 50,000	\$ 312.00	
019	003	BLD	RODEO GROUNDS (QUAIL PARK)	\$ 215,000	\$ 1,845.00	
019	004	BLD	RODEO GROUNDS (QUAIL PARK)	\$ 215,000	\$ 1,845.00	
019	005	BLD	RODEO GROUNDS (QUAIL PARK)	\$ 100,000	\$ 625.00	
019	006	BLD	RODEO GROUNDS (QUAIL PARK)	\$ 30,000	\$ 374.00	
019	007	BLD	RODEO GROUNDS (QUAIL PARK)	\$ 9,000	\$ 171.00	
020	001	BLD	VARIOUS LOCATIONS	\$ 200,000	\$ 646.00	
021	001	BLD	390 W. REX ALLEN DR.	\$ 364,000	\$ 253.00	
022	001	BLD	300 & 320 WEST REX ALLEN DRIVE	\$ 1,538,637	\$ 1,141.00	
023	001	BLD	200 WEST DOWNEN STREET	\$ 209,000	\$ 235.00	
500	001		VARIOUS LOCATIONS			
Total Insured Values				\$ 12,836,382	\$ 29,132.00	
Total Non-Blanket Values				\$ 434,000		

Inland Marine Schedule

Loc#	Bld#	Coverage	Limit	Premium
001	002	007 CONTRACTOR'S EQUIPMENT AS PER SCHEDULE ON FILE WITH POOL	873,002	\$ 2,540.00
001	005	008 MISC EQUIPMENT AS PER SCHEDULE ON FILE WITH POOL	\$ 4,500	\$ 20.00
001	010	009 VALUABLE PAPERS (CITY HALL)	\$ 50,000	\$ 33.00
001	003	011 EDP EQUIPMENT PER SCHEDULE ON FILE WITH POOL	\$ 65,000	\$ 335.00
INLAND MARINE TOTAL			\$ 992,502	\$ 2,928.00

General Liability Schedule

Loc#	Item#	Hazard	Rate	Cls	Rating Basis	Premium
001	001	OP EXPEND/TERR 2/POP 2501-1000	\$		3,891,377	\$ 46,179.00
001	002	WATERWORKS PAYROLL	\$		125,000	\$ 5,767.00
001	003	WATERWORKS - 1 MILLION GAL	\$		200	\$ 409.00
001	006	GAS UTILITY-PAYROLL	\$		105,000	\$ 17,345.00
001	008	MILES STREETS-PER MILE	\$		37	\$ 1,212.00
001	011	REC CTR/ARENA/COMM CTR	\$		4,200	\$ 568.00
001	016	INDEPENDENT CONTRACTORS	\$		500,000	\$ 315.00
001	025	POOLS SEAS W/DIV.LT 4'UND.1000	\$		2	\$ 1,779.00
001	032	EMP.BEN.LIAB GE 30 EMPLOYEES	\$		61	\$ 300.00
001	033	ATTORNEY	\$		1	\$ 445.00
001	034	SKATE BOARD PARKS	\$		1	\$ 1,577.00
LIABILITY TOTAL						\$ 75,896.00

Professional liability Schedule

Loc#	Item#	Hazard	Rate	Cls	Rating Basis	Premium
001	099	E&O OTHER/1 MIL TO 2 MIL EXP	\$		8,914,682	\$ 17,233.00
PROFESSIONAL LIABILITY TOTAL						\$ 17,233.00

Automobile Schedule

VEh#	YR#	Make	VIN	Comp. Ded.	Coll. Ded.	Rental	Towing	Premium
HNO				0	0	[]	[]	\$ 93.00
001	1984	FORD	9900	250	500	[]	[]	\$ 459.00
002	1970	BOX	6076	0	0	[]	[]	\$ 38.00
003	1964	HM 4 WHEEL	7175	0	0	[]	[]	\$ 38.00

Automobile Schedule

VEh#	YR#	Make	VIN	Comp. Coll.		Rental	Towing		Premiu
				Ded.	Ded.				
004	2000	SRECO	5402	0	0	[]	[]	\$	38.
005	1991	PETERBILT	5978	0	0	[]	[]	\$	255.
006	1984	GMC	7701	0	0	[]	[]	\$	263.
007	1986	HOMEMADE	6861	0	0	[]	[]	\$	38.
008	1987	CHEV	6261	0	0	[]	[]	\$	194.
009	1985	FORD	8415	0	0	[]	[]	\$	194.
010	1977	CHEV	4898	0	0	[]	[]	\$	194.
011	1967	CEMSO	1110	0	0	[]	[]	\$	38.
012	1986	HOMEMADE	2826	0	0	[]	[]	\$	38.
013	1998	CHEVROLET	4162	0	0	[]	[]	\$	194.
014	1999	CHEVROLET	4535	0	0	[]	[]	\$	194.
015	1999	CHEVROLET	4652	0	0	[]	[]	\$	194.
016	1979	FORD	8527	0	0	[]	[]	\$	299.
017	1989	CHEVY	8445	0	0	[]	[]	\$	201.
018	2000	HOMEMADE	5120	0	0	[]	[]	\$	38.
019	1997	FORD	0670	0	0	[]	[]	\$	194.
020	1981	FORD	3158	0	0	[]	[]	\$	194.
021	1987	AMER	0461	0	0	[]	[]	\$	255.
022	1997	FORD	9494	0	0	[]	[]	\$	255.
023	1997	INT'L TYMC	5952	0	0	[]	[]	\$	255.
024	1979	INTERNATIO	6765	0	0	[]	[]	\$	255.
025	2001	ISUZU	1739	0	0	[]	[]	\$	201.
026	1999	FORD	2851	0	0	[]	[]	\$	194.
027	2001	FORD	5730	0	0	[]	[]	\$	201.
028	1986	CHEVY	2603	0	0	[]	[]	\$	194.
029	2002	MERCURY	3967	0	0	[]	[]	\$	183.
030	1998	FORD	4357	0	0	[]	[]	\$	263.
031	2000	FORD	4818	0	0	[]	[]	\$	263.
032	2004	CHEVY	1886	250	500	[]	[]	\$	328.
033	1984	HAHN	3584	0	0	[]	[]	\$	383.
034	1984	AUTO CAR	4723	0	0	[]	[]	\$	255.
035	1990	LINCOLN	9929	0	0	[]	[]	\$	38.
036	2006	CHEVY	5987	250	500	[]	[]	\$	280.
037	2006	CHEVY	9613	250	500	[]	[]	\$	280.
038	2006	CHEVY	0578	250	500	[]	[]	\$	280.
039	2006	CHEVY	9894	250	500	[]	[]	\$	280.
040	2006	DODGE	5996	250	500	[]	[]	\$	477.
041	2006	CHEVY	1696	250	500	[]	[]	\$	477.
042	2007	FORD	5334	250	500	[]	[]	\$	477.
043	2007	FORD	5335	250	500	[]	[]	\$	477.
044	2007	FORD	5336	250	500	[]	[]	\$	477.
045	2007	FORD	5337	250	500	[]	[]	\$	477.
046	2007	FORD	7931	250	500	[]	[]	\$	477.
047	2007	FORD	7644	0	0	[]	[]	\$	263.
048	2009	FORD BRUSH	2963	250	500	[]	[]	\$	459.
049	1999	FORD	4472	0	0	[]	[]	\$	197.
050	1989	FORD	0846	250	500	[]	[]	\$	501.
051	2004	CHEVY	6233	0	0	[]	[]	\$	216.
052	1994	FORD	7715	0	0	[]	[]	\$	275.
053	XXXX	PARKER	2141	0	0	[]	[]	\$	38.
054	1988	FORD	7037	0	0	[]	[]	\$	263.

Automobile Schedule

VEh#	YR#	Make	VIN	Comp. Ded.	Coll. Ded.	Rental	Towing	Premiu
055	1994	FORD	3559	0	0	[]	[]	\$ 197.
056	1996	FORD	6844	0	0	[]	[]	\$ 197.
057	1994	FORD	2886	0	0	[]	[]	\$ 197.
058	2000	CHEVY	9565	0	0	[]	[]	\$ 208.
059	2004	CHEVY	8894	250	500	[]	[]	\$ 342.
060	1992	GMC	9907	0	0	[]	[]	\$ 263.
061	2011	FORD	5657	250	500	[]	[]	\$ 477.
062	2011	FORD	5658	250	500	[]	[]	\$ 477.
063	2012	FORD	4967	250	500	[]	[]	\$ 386.
064	2012	FORD	4966	250	500	[]	[]	\$ 386.
065	1997	CHEVY	9918	0	0	[]	[]	\$ 64.
066	2007	FORD	9503	250	500	[]	[]	\$ 109.
067	2001	DODGE	5388	0	0	[]	[]	\$ 62.
068	0000	AM GENRAL	0419	250	500	[]	[]	\$ 62.
069	2001	DODGE	3242	0	0	[]	[]	\$ 44.
070	2012	FORD	3242	250	500	[]	[]	\$ 67.
071	1997	CHEV	7591	0	0	[]	[]	\$ 44.
072	2015	FORD	8792	250	500	[]	[]	\$ 91.
073	2015	CHEVY	6864	250	500	[]	[]	\$ 498.
AUTOMOBILE TOTAL								\$ 17,753.

Crime Schedule

Coverage	Limit	Deductible	Premiu
EMPLOYEE DISHONESTY	\$ 100,000	\$	\$ 597.
FORGERY	\$ 100,000	\$	\$ 687.
CRIME LOSS INSIDE-MSBF	\$ 20,000	\$ 250	\$ 203.
CRIME/LOSS OUTSIDE (MSBF)	\$ 20,000	\$ 250	\$ 150.
BOND	\$ 100,000	\$	\$ 597.
INSIDE ROBBERY	\$ 20,000	\$ 250	\$ 91.
CRIME TOTAL			\$ 2,325.

**APPENDIX A
ARIZONA MUNICIPAL RISK RETENTION POOL
MUNICIPAL EXCESS LIABILITY DECLARATIONS**

Coverage Agreement Number: **AE40132015**
 Previous Coverage Agreement Number: **AE40132014**

Item 1. **MEMBER AND MAILING ADDRESS:**
 WILLCOX, CITY OF
 101 SOUTH RAILROAD AVENUE, SUITE B
 WILLCOX, AZ 85643

Item 2. **ORIGINAL COVERAGE DATE:** 01/01/98
RATING PERIOD FROM: 01/01/15 12:01 AM at the Mailing Address on the Common Declarations
TO: 01/01/16

Item 3. **DESCRIPTION OF MEMBER:** Municipality
IN RETURN FOR THE PAYMENT OF MEMBERSHIP FEES, AND SUBJECT TO ALL THE TERMS OF THE POOL'S INTERGOVERNMENTAL AGREEMENT AND THIS COVERAGE AGREEMENT, THE POOL AGREES TO PROVIDE THE MEMBER WITH THE COVERAGES AS STATED IN THIS COVERAGE PART.

Item 4. **SCHEDULE OF COVERAGES:**

<u>Description</u>	<u>Limit Of Coverage</u>
Aggregate	\$ 3,000,000
Each Wrongful Act	\$ 3,000,000

Item 5. **RETROACTIVE DATE:** 01/01/98

Item 6. **SCHEDULE OF UNDERLYING COVERAGES:**
Excess coverage applies only to coverages for which underlying Limits Of Coverage are shown.

Underlying Municipal Liability Coverage and Municipal Auto Liability Coverage provided by:

Underlying Carrier	Arizona Municipal Risk Retention Pool
Coverage Agreement Number	AM40132015
Rating Period	From: 01/01/15 To: 01/01/16
Municipal Liability Products – Completed Operations Aggregate Limit	\$ 2,000,000
Municipal Liability Each Wrongful Act Limit	\$ 2,000,000
Municipal Liability Retroactive Date	07/01/87
Municipal Auto Liability Each Accident Limit	\$ 2,000,000

Underlying Employers Liability Coverage provided by:

Underlying Carrier	Arizona Municipal Risk Retention Pool
Coverage Agreement or Policy Number	AZWC012218
Rating Period or Policy Period	From: 07/01/14 To: 07/01/15
Bodily Injury By Accident Limit	\$ 1,000,000
Bodily Injury By Disease – Each Employee Limit	\$ 1,000,000
Bodily Injury By Disease – Policy Limit	\$ 1,000,000

Item 7. **FORMS AND ENDORSEMENTS ATTACHED TO THIS COVERAGE PART:**
AZXSC (10-03) AZXSE6 (07-14)

Item 8. **MEMBERSHIP FEE:** \$11,849

THESE DECLARATIONS, TOGETHER WITH THE COMMON CONDITIONS AND THE MUNICIPAL EXCESS LIABILITY COVERAGE FORM(S) AND ENDORSEMENTS COMPLETE THE MUNICIPAL EXCESS LIABILITY COVERAGE PART. PLEASE READ THEM CAREFULLY.

CITY OF WILLCOX
Request for Council Action

Agenda Item: 9
Tab Number: 3

Meeting Date:
January 15, 2014

Action:
 Resolution
 Ordinance
 Other

Subject:
Staff recommendation for
FY15 CDBG funds.

To: Mayor and City Council

From: Kevin T. Hagerich, Public Works Director

Discussion: The City of Willcox will be eligible for CDBG funding in fiscal year 2015. Projects discussed at the public meeting on September 18th were: Main Street commercial property improvements; sidewalk improvements; street improvements; demolition of blighted buildings located on Haskell Avenue; west end of city beautification; rehabilitate commercial area on Haskell Avenue; and fixing up of parks. During the meeting requirements and priorities were discussed. The majority of the requests will require future maintenance and we have fiscal limitations. The demolition of blighted property along Haskell would require no future maintenance and would make this vital travel corridor more appealing and may entice future development.

Recommendation: Choose demolition of blighted properties located on Haskell Avenue. Pass applicable CDBG resolutions.

Fiscal Impact: Approximately \$198,000 in CDBG funds.

Submitted by: 
Kevin T. Hagerich, Public Works Director

Approved by: 
Ted Soltis, City Manager

City of Willcox
Public Hearing Regarding Use of CDBG Funds

The City of Willcox is expected to receive approximately \$198,000 in FY15 Community Development Block Grant (CDBG) federal funds from the Arizona Department of Housing Regional Account (RA). CDBG funds must be used to benefit low-income persons and areas, alleviate slum and blight or address urgent need. Based on citizen input as well as local and state planning objectives a project will be selected to be forwarded to the State of Arizona with a request for funding. A public meeting will be held at the regular City Council meeting at City Council Chambers, 300 W. Rex Allen Drive on January 15, 2015 at 6:30 p.m. to choose a project. It is expected that the City Council will select a project and adopt applicable resolutions. A project will be selected from the following list of potential projects suggested at a public hearing held on September 18, 2014:

- Main Street commercial property improvements.
- Sidewalk improvements.
- Street improvements.
- Demolition of blighted buildings located on Haskell Avenue.
- West end of city beautification.
- Rehabilitate commercial area on Haskell Avenue.
- Fix up parks.

To review the project proposal, file grievances or learn more about the CDBG program contact the following:

Kevin T. Hagerich
Director of Public Works
250 N. Railroad Avenue
Willcox, AZ 85642
W: (520) 384-6447

Persons with disabilities who require special accommodations may contact Virginia Mefford at (520) 766-4203 at least 48 hours before the meeting.

RESOLUTION 2015-01

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX AUTHORIZING THE SUBMISSION OF AN APPLICATION FOR FY 2015 STATE COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS, CERTIFYING THAT SAID APPLICATION MEETS 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 this application address the community's identified housing and community development needs, including the needs of low and moderate income persons; and

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

NOW, THEREFORE, BE IT RESOLVED BY the Mayor and Council of the City of Willcox authorize application to be made to the State of Arizona, Department of Housing for FY2015 CDBG funds, and authorize the Mayor to sign application and contract or grant documents for receipt and use of these funds, to be administered by SEAGO, for demolition of blighted buildings located on Haskell Avenue, and to take all actions necessary to implement and complete the activities submitted in said application(s); and

THAT, this application 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 the application.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA, this 15th day of January, 2015.

ROBERT A. IRVIN, Mayor

ATTEST:

VIRGINIA A. MEFFORD, City Clerk

APPROVED AS TO FORM:

ANN P. ROBERTS, City Attorney

RESOLUTION 2015-02

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX COMMITTING LOCAL FUNDS AS LEVERAGE FOR A FY15 COMMUNITY DEVELOPMENT BLOCK GRANT.

WHEREAS, the City of Willcox has adopted Resolution 2015-01 which authorizes submission of an application(s) to the State of Arizona, Department of Housing (ADOH) for Community Development Block Grant (CDBG) funds for FY15; and

WHEREAS, that application indicates that \$79,025 in the form of in-kind equipment and personnel will be committed by the City of Willcox as leveraged funds, in the form of resources to be used to demolish blighted buildings on Haskell Avenue; and

WHEREAS, the CDBG Program requires that all local leveraged funds/resources be committed in the form of a resolution by the governing body, and that such a commitment contain an opinion by the applicant's legal counsel that the leveraged funds represent a binding commitment, legally enforceable under State laws.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Council of the City of Willcox hereby commits equipment and personnel to the CDBG Program, to be used for the following: demolition of blighted buildings on Haskell Avenue, contingent upon the receipt of the FY15 CDBG assistance; and

THAT, the Mayor and City Council of the City of Willcox hereby state that this commitment is legally binding based on the legal opinion of the City attorney; and

THAT, that such funds will be available for an audit at the termination of the grant, if so required by ADOH.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA, this 15th day of January, 2015.

ROBERT A. IRVIN, Mayor

APPROVED AS TO FORM:

ATTEST:

VIRGINIA A. MEFFORD, City Clerk

ANN P. ROBERTS, City Attorney

RESOLUTION 2015-03

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX
ADOPTING A RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION
ASSISTANCE PLAN FOR FY 15, AS REQUIRED UNDER SECTION 104 (d) OF THE
HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974 AS AMENDED.**

WHEREAS, Section 104 (d) of the Housing and Community Development Act of 1974 (ACT), as amended, and implementing regulations require that each applicant for Community Development Block Grant funds must adopt, make public and certify that it is following a residential antidisplacement and relocation assistance plan; and

WHEREAS, the City of Willcox is submitting an application to the State of Arizona Department of Housing for Community Development Block Grant funds.

NOW, THEREFORE BE IT RESOLVED, that the Mayor and Council of the City of Willcox, do hereby adopt the residential antidisplacement and relocation assistance plan as described below.

RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN

The City of Willcox will replace all occupied and vacant occupiable low/moderate income dwelling units demolished or converted to a use other than as low/moderate income housing as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974 (ACT) as amended.

All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion.

Before obligating or expending funds that will directly result in such demolition or conversion, the City of Willcox will make public and submit to the ADOH CDBG Program the following information in writing:

1. A description of the proposed activity;
2. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use than as LM dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;

5. The source of funding and a time schedule for the provision of replacement dwelling units; and
6. The basis for concluding that each replacement dwelling unit will remain a LM dwelling unit for at least 10 years from the date of initial occupancy.
7. Information demonstrating that any proposal replacement of housing units with smaller dwelling units (e.g., a 2 bedroom unit with two 1-bedroom units), or any proposed replacement of efficiency or single-room occupancy (SRO) units with units of a different size, is appropriate and consistent with the housing needs and priorities identified in the State of Arizona's approved Consolidated Plan (CP).

The City of Willcox will provide relocation assistance, as described in the ACT and implementing regulations, to each LM household displaced by demolition of housing or by the conversion of a LM dwelling unit to another use as a direct result of assisted activities.

Consistent with the goals and objectives of activities assisted under the ACT, the City of Willcox will take the following steps to minimize displacement of persons from their homes:

1. Coordinate code of enforcement with rehabilitation and housing assistance programs.
2. Evaluate housing codes and rehabilitation standards in reinvestment areas to prevent undue financial burden on established owners and tenants.
3. Stage rehabilitation of apartment units to allow tenants to remain in the building/complex during and after the rehabilitation, working with empty units first.
4. Arrange for facilities to house persons who must be relocated temporarily during rehabilitation.
5. Adopt policies to identify and mitigate displacement resulting from intensive public investment neighborhoods.
6. Adopt policies which provide reasonable protections for tenants faced with conversion to a condominium or cooperative.
7. Adopt tax assessment policies, such as deferred tax payment plans, to reduce impact of increasing property tax assessments on lower income owner-occupants or tenants in revitalizing areas.

8. Establish counseling centers to provide homeowners and tenants with information on assistance available to help them remain in their neighborhood in the face of revitalization pressures.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA, this 15th day of January, 2015.

ROBERT A. IRVIN, Mayor

ATTEST:

APPROVED AS TO FORM:

VIRGINIA A. MEFFORD, City Clerk

ANN P. ROBERTS, City Attorney

Resolution 2015-03

CITY OF WILLCOX
Request for Council Action

Agenda Item: 13
Tab Number: 7

Meeting Date:

January 15, 2015

Action:

Resolution
 Ordinance
 Other

Subject:

**Intergovernmental
Agreement between
the State of Arizona
and the City of
Willcox**

To: Mayor and City Council

From: Finance Director Crystal Hadfield

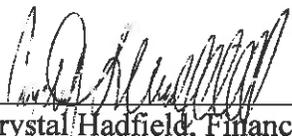
Discussion: Currently the City participates as a non-program city under the Model City Tax Code for purposes of the collection of City sales tax. Under the presented Intergovernmental Agreement (IGA), the Arizona Department of Revenue (ADOR) will collect City transaction privilege (sales) taxes on our behalf. Last year, ADOR under House Bill (HB) 2111, the state will make it mandatory to become a program city. This change was scheduled to take effect on January 1, 2015, however; the state pushed the deadline forward to January 1st, 2016. Willcox, along with two other non-program cities have decided to switch one year prior to the deadline due to budgetary constraints. Currently, we are paying RDS 1.5% of all collections which equals roughly \$30,000 annually.

The current Intergovernmental Agreement presented will not only give the state the authority to collect on our behalf, but also allow city staff members, once trained, to perform tax audits with the guidance and assistance of the state. This agreement overall will allow the state to administer, collect, audit, and license of transaction privilege tax, use tax, severance tax, jet fuel excise and use tax and rental occupancy taxes imposed by the state or city.

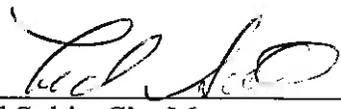
Recommendation: Motion to approve Resolution No. 2015-04 authorizing the Mayor to sign the Intergovernmental Agreement between the State of Arizona and the City of Willcox.

Fiscal Impact: The collection of Transaction Privilege taxes through RDS cost about \$30,000 annually. Once we are a program city, there will be no cost to the city for collections. Therefore, we will save roughly \$30,000 annually.

Submitted by:


Crystal Hadfield, Finance Director

Approved by:


Ted Soltis, City Manager

RESOLUTION 2015-04

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY ARIZONA APPROVING AND ADOPTING THE INTERGOVERNMENTAL AGREEMENT (IGA) BETWEEN THE CITY OF WILLCOX AND ARIZONA DEPARTMENT OF REVENUE FOR THE COLLECTION AND ADMINISTRATION OF THE CITY TRANSACTION PRIVILEGE TAX

WHEREAS, A.R.S. 42-6001 provides that the Arizona Department of Revenue may collect and administer any transaction privilege license or use tax imposed by any city or town; and

WHEREAS, the Arizona Department of Revenue may enter into intergovernmental contracts or agreements to provide a uniform method of administration, collection, audit, and licensing of transaction privilege taxes imposed by cities and towns; and

WHEREAS, the Mayor and Council of the City of Willcox have determined that it is in the best interest of the City and its residents to enter into an Intergovernmental Agreement with the Arizona Department of Revenue.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Willcox, Cochise County, Arizona, as follows:

SECTION 1: Approves and adopts the Intergovernmental Agreement (IGA) between the City of Willcox and the Arizona Department of Revenue, presented herewith as Exhibit "A."

SECTION 2: The Mayor is authorized and empowered to execute this resolution.

SECTION 3: The City Manager is authorized to execute and implement the provisions of the Agreement on behalf of the City of Willcox.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA, this 15th day of January, 2015.

APPROVED/EXECUTED:

ROBERT A. IRVIN, Mayor

ATTEST:

APPROVED AS TO FORM:

VIRGINIA A. MEFFORD, City Clerk

ANN P. ROBERTS, City Attorney

**Exhibit
"A"**

**INTERGOVERNMENTAL AGREEMENT BETWEEN
THE STATE OF ARIZONA AND A PROGRAM CITY**

THIS AGREEMENT is entered into this 1st day of January, 2015, by and between the ARIZONA DEPARTMENT OF REVENUE, hereinafter referred to as DEPARTMENT OF REVENUE, and the CITY/TOWN OF Willcox, hereinafter referred to as CITY/TOWN. This Agreement shall supersede and replace all previous intergovernmental agreements entered into by the DEPARTMENT OF REVENUE and CITY/TOWN regarding taxpayer joint audits and the uniform method of administration, collection, audit and licensing of transaction privilege tax, use tax, severance tax, jet fuel excise and use tax and rental occupancy taxes imposed by the State or Cities or Towns.

WHEREAS, Title 11, Chapter 7, Article 3 (A.R.S. § 11-952) authorizes two or more public agencies to enter into intergovernmental agreements to contract for services, if authorized by their legislative or governing bodies, and

WHEREAS, A.R.S. § 42-6001 et seq. provides that the DEPARTMENT OF REVENUE may collect and administer any transaction privilege license tax or use tax imposed by any city or town; and provides for uniform audit functions including joint audits of a taxpayer by the DEPARTMENT OF REVENUE and cities or towns where the taxpayer conducts business; and provides that the DEPARTMENT OF REVENUE and any CITY/TOWN may enter into intergovernmental contracts or agreements to provide a uniform method of administration, collection, audit and licensing of transaction privilege and use taxes imposed by the State or Cities or Towns, and

WHEREAS, the CITY/TOWN has taken appropriate action by ordinance, resolution or otherwise, pursuant to the laws applicable to the governing body of CITY/TOWN, approving this Agreement, and

WHEREAS, the DEPARTMENT OF REVENUE and the CITY/TOWN now desire to enter into such an intergovernmental agreement:

The parties agree to the following:

1. Disclosure of Information Furnished by CITY/TOWN

- (a) **Statutory Authority:** The disclosure (by any means) of confidential CITY/TOWN tax information is governed by Model City Tax Code section 510.
- (b) **Scope:** In accordance with Model City Tax Code section 510(h), the CITY/TOWN may disclose to the DEPARTMENT OF REVENUE'S tax officials any information regarding the enforcement and collection of privilege or use taxes by the CITY/TOWN. Any taxpayer information released by the CITY/TOWN to the DEPARTMENT OF REVENUE may only be used for internal purposes and may not be disclosed to the public in any manner that does not comply with the Model City Tax Code or other confidentiality standards established by the CITY/TOWN. The DEPARTMENT OF REVENUE hereby agrees that any release or use of confidential information contrary to

the terms of this Agreement will result in the immediate suspension of any rights of the DEPARTMENT OF REVENUE to receive taxpayer information.

2. Information Furnished by CITY/TOWN.

- (a) Within ten (10) days after the execution of this Agreement, the CITY/TOWN shall provide the DEPARTMENT OF REVENUE with a copy of its ordinance imposing the taxes to be collected hereunder, as then amended. If information has already been provided to the DEPARTMENT OF REVENUE by the CITY/TOWN, it is not necessary for the CITY/TOWN to provide the same information until said ordinance is again amended.
- (b) Within fifteen (15) days following the adoption of an annexation ordinance, one copy of the ordinance and notification of the effective date of such ordinance shall be sent to the DEPARTMENT OF REVENUE.
- (c) If the CITY/TOWN fails to notify the DEPARTMENT OF REVENUE at least sixty (60) days before the effective date of any change or amendment to its ordinance pertaining to the taxes to be collected under this Agreement, then it is understood that the DEPARTMENT OF REVENUE shall not be obligated hereunder to begin collection of said taxes as modified any sooner than 60 days after notice of said change or amendment.
- (d) Within the constraints outlined in section 1 above, the CITY/TOWN shall provide to the DEPARTMENT OF REVENUE, on a monthly basis, a list of the business licenses that it has issued to each new taxpayer who is or may be taxable by the DEPARTMENT OF REVENUE. The list will include information such as the new taxpayers' legal business name, DBA's, physical address, mailing address, owners' first and second names, phone number for the contact person or business, NAICS codes, and identification numbers such as state TPT license number, EIN and Social Security number.
- (e) Upon request, the CITY/TOWN shall provide to the DEPARTMENT OF REVENUE any data processing lists of accounts, by geographical areas, activity classification or other breakdowns for which data processing programs have been developed.
- (f) Upon request, the CITY/TOWN shall provide to the DEPARTMENT OF REVENUE any information regarding development and impact fees to assist the DEPARTMENT OF REVENUE with the auditing of taxpayers and billing and collection of taxes.
- (g) Upon request by the DEPARTMENT OF REVENUE, the CITY/TOWN shall allow inspections of any CITY/TOWN tax audits by DEPARTMENT OF REVENUE tax officials during regular CITY/TOWN business hours.
- (h) Upon request by the DEPARTMENT OF REVENUE, the CITY/TOWN shall provide the DEPARTMENT OF REVENUE with a listing of all audits performed by the CITY/TOWN, including the taxpayer's name, city license number, address, audit period,

classification, and amount assessed, if the audits relate to a taxpayer who is or may be taxable by the DEPARTMENT OF REVENUE.

3. Disclosure of Information Furnished by DEPARTMENT OF REVENUE.

- (a) **Statutory Authority:** The disclosure (by any means) of confidential Arizona tax information is governed by A.R.S. § 42-2001 et seq. which strictly controls the accessibility and use of this information. Individuals who receive confidential tax information from the DEPARTMENT OF REVENUE are subject to the criminal penalties imposed by A.R.S. § 42-2004 if they misuse or improperly disclose this information to unauthorized individuals.
- (b) **Scope:** Pursuant to A.R.S. § 42-2003(H), the DEPARTMENT OF REVENUE may disclose to the CITY/TOWN's tax officials only transaction privilege tax, use tax, severance tax, jet fuel excise and use tax, and rental occupancy tax information relating to a taxpayer who is or may be taxable by the CITY/TOWN. Furthermore, any taxpayer information released by the DEPARTMENT OF REVENUE to the CITY/TOWN may only be used for internal purposes and may not be disclosed to the public in any manner that does not comply with confidentiality standards established by the DEPARTMENT OF REVENUE. (See Appendix A.) The CITY/TOWN hereby agrees that any release or use of confidential information contrary to the terms of this Agreement will result in the immediate suspension of any rights of the CITY/TOWN to receive taxpayer information hereunder. A notice of suspension will be sent to the CITY/TOWN requesting response to the allegation within 15 days and a review will occur to determine the length of the suspension. The CITY/TOWN shall provide a list of the names and job titles of employees authorized to receive confidential tax information. This list shall include any independent auditors who must agree to be bound by the provisions of A.R.S. § 42-2001 et seq. The CITY/TOWN shall promptly inform the DEPARTMENT OF REVENUE of any additions, deletions or changes to this list within fifteen (15) business days.

4. Additional Disclosure of Information by Department of Revenue to City/Town.

In additional to the information set forth in the IGA, and subject to the same constraints outlined in the IGA, the Department of Revenue shall provide to the City/Town information relating to transaction privilege tax, use tax, severance tax, jet fuel excise, and use tax and any other tax collected by the Department of Revenue on behalf of any jurisdiction if the information relates to a taxpayer who is or may be taxable by a county, city or town or who may be subject to audit by the Department of Revenue pursuant to A.R.S. § 42-6002.

5. Information Furnished By DEPARTMENT OF REVENUE.

Within the restrictions outlined in section 3 above, the DEPARTMENT OF REVENUE shall provide the following information to the CITY/TOWN:

- (a) On a monthly basis, a record of tax payments which shall include the account name, account number, account status, the taxable activity and the amount collected. Delinquency information also shall be furnished with respect to all taxpayers who are or may be taxable by the CITY/TOWN for which no return is received.
- (b) On a monthly basis, a list of the licenses that it has issued to each new taxpayer who is or may be taxable by the CITY/TOWN. The DEPARTMENT OF REVENUE shall issue licenses to taxpayers as the CITY/TOWN ordinances require.
- (c) Upon request by the CITY/TOWN, the DEPARTMENT OF REVENUE shall allow inspections all information or audits relating to transaction privilege tax, use tax, severance tax, jet fuel excise and use tax, and rental occupancy tax if the information or audits relate to taxpayers who are or may be taxable by the CITY/TOWN. Such inspections shall take place during regular DEPARTMENT OF REVENUE business hours.
- (d) Upon request by the CITY/TOWN, the DEPARTMENT OF REVENUE shall provide the CITY/TOWN with a listing of all audits performed by the DEPARTMENT OF REVENUE, including the taxpayer's name, license number, address, audit period, classification, and amount assessed, if the audits relate to a taxpayer who is or may be taxable by the CITY/TOWN.
- (e) In addition, the DEPARTMENT OF REVENUE shall provide the CITY/TOWN with a copy of its statutes imposing the taxes to be collected hereunder, as then amended, within ten (10) days after the execution of the Agreement. If the information has been provided by the DEPARTMENT OF REVENUE, it is not necessary for the DEPARTMENT OF REVENUE to provide the same information again until said statutes are again amended.

6. Storage and Destruction of Confidential Information.

The DEPARTMENT OF REVENUE has promulgated confidentiality requirements which are attached to this Agreement as Appendix A. All confidential information provided by the DEPARTMENT OF REVENUE or CITY/TOWN shall be stored in accordance with these requirements so as to maintain the confidentiality of this information. Prior to discarding, the confidential information shall be destroyed in the following manner, in conformity with 26 USC. § 6103(p)(4)(F) (Internal Revenue Code § 6103(p)(4)(F)):

- (a) Confidential information furnished to the user and any material generated therefrom, such as extra copies, photo impressions, computer printouts, carbon paper, notes, stenographic notes, and work papers should be destroyed by burning, mulching, pulping, shredding, or disintegrating.
- (b) The following precautions should be observed when destroying confidential information:
 - (1) Burning precautions: The material is to be burned in either an incinerator that produces enough heat to burn the entire bundle or the bundle should be separated to ensure that all pages are consumed.

- (2) Shredding precautions: To make reconstruction more difficult, the paper should be inserted so that lines of print are perpendicular to the cutting line and not maintain small amounts of shredded paper. The paper should be shredded to effect 5/16-inch wide or smaller strips; microfilm should be shredded to effect 1/35-inch by 3/8-inch strips. If shredding is part of the overall destruction of DEPARTMENT OF REVENUE data, strips can in effect be set at the industry standard (currently 1/2"). However, when deviating from DEPARTMENT OF REVENUE'S 5/16" requirement, DEPARTMENT OF REVENUE data, as long as it is in this condition (i.e., strips larger than 5/16"), must be safeguarded until it reaches the stage where it is rendered unreadable.
- (3) Pulping should be accomplished so that all material is reduced to particles one inch or smaller.
- (4) Magnetic tape containing confidential information must not be made available for reuse by other offices or released for destruction without first being subjected to electromagnetic erasing. If reuse is not intended, the tape should be destroyed by cutting into lengths of 18 inches or less or by burning to effect complete incineration.
- (5) Whenever disk media leaves the physical or systemic control of the agency for maintenance, exchange, or other servicing, any confidential information on it must be destroyed by:
 - (i) Completely overwriting all data tracks a minimum of three times, using maximum current that will not damage or impair the recording equipment; or
 - (ii) Running a magnetic strip, of sufficient length to reach all areas of the disk over and under each surface a minimum of three times. If the information cannot be destroyed as suggested, the disk will be damaged in an obvious manner to prevent use in any disk drive unit and discarded.
 - (iii) Note: Hand tearing, recycling, or burying information in a landfill are unacceptable methods of disposal.

7. Audits.

The Department of Revenue shall administer the audit functions for the City/Town's taxpayers in accordance with the following provisions.

7.1 Standards: All audits shall be conducted in accordance with standard audit procedures defined in the Department of Revenue audit manual.

7.2 Training: All auditors shall be trained in accordance with the policies of the Department of Revenue.

7.3 Conflict of Interest: An auditor that is trained and authorized to conduct an audit may not represent any taxpayer in any tax matter.

7.4 Single City or Town Audits: City/Town may conduct an audit of a taxpayer that is engaged in business only in City/Town. Before commencing such audit, City/Town shall notify the Department of Revenue.

7.5 Other Audits: The Department of Revenue shall conduct all audits of taxpayers that have locations in two or more cities or towns unless the Department of Revenue expressly authorizes City/Town to conduct such an audit.

7.6 Jurisdictions Included in Audit: All audits shall include all taxing jurisdictions in this State regardless of which jurisdiction conducts the audit.

7.7 Assessments: The Department of Revenue shall issue all audit assessments on behalf of all taxing jurisdictions in a single notice to the taxpayer.

7.8 Appeals: Appeals of audit assessments shall be directed to the Department of Revenue and shall be administered pursuant to A.R.S. 42-1251 § et seq.

7.9 Notice: The Department of Revenue shall notify City/Town before entering into any compromise, closing, settlement or other agreement with a person related to the tax levied and imposed by the City/Town.

8. Collection of Taxes.

- (a) The DEPARTMENT OF REVENUE shall collect any transaction privilege tax, use tax, severance tax, jet fuel excise and use tax, and rental occupancy taxes imposed by the CITY/TOWN, under the provisions of their ordinances prior to adoption of the Model City Tax Code, or provisions of the Code after adoption, commencing on the 1st day of January, 2015, and continuing until this Agreement is terminated as hereinafter provided.
- (b) Taxpayers who are subject to the CITY/TOWN taxes shall pay those taxes to the DEPARTMENT OF REVENUE as provided in A.R.S. § 42-5014(A). Tax payments shall be accompanied by a return prepared by the taxpayer on a form prescribed by the DEPARTMENT OF REVENUE.

9. Financing Collection of Taxes.

The costs incurred by the DEPARTMENT OF REVENUE in administering this Agreement shall be financed through the State general fund appropriation to the DEPARTMENT OF REVENUE.

10. Remittance of Collected Taxes to CITY/TOWN.

- (a) Funds collected by the DEPARTMENT OF REVENUE under this Agreement shall be remitted to the CITY/TOWN weekly on the basis of actual collections. Remittances shall be made by noon of the Monday after the end of the week in which the collections were made.
- (b) When the DEPARTMENT OF REVENUE collects taxes due to the CITY/TOWN and the State, the CITY/TOWN shall be remitted its share of the taxes collected.
- (c) Delinquent accounts shall be collected by the DEPARTMENT OF REVENUE. In the event that this Agreement is terminated, net amounts collected after the termination date shall be forwarded to the CITY/TOWN weekly on the basis of actual collections.

11. Term of Agreement and Termination.

- (a) The initial term of this Agreement shall be through June 30th following the date of execution. This Agreement shall automatically be renewed for successive one year terms thereafter unless either party shall terminate this Agreement by notice, in writing, to the other not later than ninety (90) days prior to the expiration of the term then in effect. The notice of termination shall be mailed and served on the other party in accordance with Provision 17 of this Agreement.
- (b) If any CITY/TOWN ordinance or state legislation enacted subsequent to the date of this Agreement substantially affects the performance of this Agreement by either party or substantially diminishes the benefits that either party would receive under this Agreement, either party may then terminate the Agreement, by giving at least a 30 day written notice to the other party. The termination will become effective immediately upon the expiration of the notice period.
- (c) The DEPARTMENT OF REVENUE, or the CITY/TOWN may, within three years after its execution, cancel this Agreement without penalty or further obligation pursuant to A.R.S. § 38-511 if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of the DEPARTMENT OF REVENUE or CITY/TOWN is, or becomes, at any time while the Agreement or any extension of the Agreement is in effect, an employee or agent of any other party to this Agreement in any capacity or a consultant to any other party of the contract with respect to the subject matter of the Agreement. Such cancellation shall be effective when written notice from the Governor or the Chief Executive Officer of the CITY/TOWN is received by other parties to this Agreement, unless the notice specifies a later time.
- (d) Notwithstanding any provision to the contrary herein, both parties may by mutual agreement provide for the termination of this Agreement upon such terms and at such time as is mutually agreeable to them.

12. Non-availability of Funds.

Every payment obligation of the State 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 the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

13. Notice.

- (a) When any Notice to the CITY/TOWN is required under the terms of this Agreement, such Notice shall be mailed to the CITY/TOWN at the following address, directed to the attention of:

City of Willcox
Attn: Finance Director
101 S Railroad Ave Ste B
Willcox, Arizona 85643

- (b) When any Notice to the DEPARTMENT OF REVENUE is required under the terms of this Agreement, such Notice shall be mailed to:

ARIZONA DEPARTMENT OF REVENUE
Attn: Director
1600 W. Monroe
Phoenix, AZ 85007

14. Non-discrimination.

- (a) The DEPARTMENT OF REVENUE and CITY/TOWN shall comply with Executive Order 99-4, which mandates that all persons, regardless of race, color, religion, sex, age, national origin or political affiliation, shall have equal access to employment opportunities, and all other applicable State and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. The DEPARTMENT OF REVENUE and CITY/TOWN shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.
- (c) The DEPARTMENT OF REVENUE and CITY/TOWN shall also comply with all state and federal laws concerning Immigration and with Executive Order 2005-30 Ensuring Compliance with Federal Immigration Laws by State Employers and Contractors. (See <http://www.azsos.gov/aar/2005/44/governor.pdf>)

15. Third Party Antitrust Violations.

The CITY/TOWN assigns to the DEPARTMENT OF REVENUE any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to the CITY/TOWN toward fulfillment of this Agreement.

16. Audit of Records.

The CITY/TOWN shall retain all data, books, and other records ("Records") relating to this Agreement for at least five (5) years (a) after termination of this Agreement, and (b) following each annual renewal thereof. All Records shall be subject to inspection by audit by the State at reasonable times. Upon request, the CITY/TOWN shall produce the original of any or all such records. This Agreement is subject to A.R.S. § 35-215.

17. Amendments.

Any amendments to or modification of this Agreement must be executed in writing in accordance with the provisions of this Agreement.

18. Mutual Cooperation.

In the event of a disagreement between the parties with regard to the terms, provisions and requirements of this Agreement or in the event of the occurrence of any circumstances bearing upon or affecting this Agreement, parties hereby agree to mutually cooperate in order to resolve the said disagreement or deal with the said circumstance.

19. Arbitration.

To the extent required by A.R.S. §§ 12-1518(B) and 12-133, the parties agree to resolve any dispute arising out of this Agreement by arbitration.

20. Implementation.

The implementation and execution of the provisions of this Agreement shall be the responsibility of the Director of the DEPARTMENT OF REVENUE or his representative and the Mayor or his/her designee on behalf of the CITY/TOWN.

21. Limitations.

Nothing in this Agreement shall be construed as limiting or expanding the statutory responsibilities of the parties in performing functions beyond those granted to them by law, or as requiring the parties to expend any sum in excess of their appropriations.

22. Signature Authority.

- (a) This Agreement is entered into and is effective as of the date filed with the Secretary of State.
- (b) By signing below, the signer certifies that he or she has the authority to enter into this Agreement and has read the foregoing and agrees to accept the provisions herein.
- (c) This Intergovernmental Agreement may be executed in counterpart.

Signature _____ Date <u>01/15/15</u>	Signature _____ Date _____
Typed Name and Title Robert A. Irvin, Mayor	Typed Name and Title _____
Entity Name City of Willcox	Entity Name _____
Address 101 S. Railroad Ave. Ste B	Address _____
City State Zip Willcox AZ 85643	City State Zip _____
RESERVED FOR THE ATTORNEY GENERAL:	RESERVED FOR CITY/TOWN ATTORNEY:
Attorney General no. _____, which is an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952 by the undersigned Assistant Attorney General who has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the Arizona Department of Revenue represented by the Attorney General. <p style="text-align: center;">TOM HORNE The Attorney General</p> <hr style="width: 30%; margin-left: auto; margin-right: auto;"/> Signature Assistant Attorney General	APPROVED AS TO FORM AND AUTHORITY: BY: _____ CITY/TOWN ATTORNEY Date: <u>01/15/15</u>
Date: _____	RESERVED FOR SECRETARY OF STATE:

APPENDIX A

ARIZONA DEPARTMENT OF REVENUE CONFIDENTIALITY REQUIREMENTS

General

- 1.1 All state tax returns are confidential. All information related to the filing, processing, examining, or auditing of a state tax return is confidential. The Arizona Revised Statutes, Title 42, Sections 2001 through 2004 are the laws governing confidentiality.
- 1.2 Data reported on license applications for transaction privilege tax, luxury tax, use tax, and withholding tax is confidential.
- 1.3 Confidential information shall not be disclosed if the Arizona Department of Revenue determines that disclosure would seriously impair any civil or criminal tax investigation. Confidential information shall not be disclosed if the disclosure is contrary to the United States Internal Revenue Code.
- 1.4 Confidential information may be used for legitimate tax administration activities only. Tax administration includes the following:
 - a. Assessment activities
 - b. Collection activities
 - c. Enforcement activities
 - d. Computer processing
 - e. Computer storage
 - f. Statistical gathering functions
 - g. Policy making functions
 - h. Management of all of the above
- 1.5 Only the Arizona Department of Revenue may respond to a request for information concerning the Department's confidential information. Refer any request for Department of Revenue information to the Department's Disclosure Officer.
- 1.6 All Department of Revenue materials, including paper, tape, microfilm, and microfiche, must be secured for confidentiality. Place all Department of Revenue materials in a locked drawer or cabinet when you leave the work area. Keep these materials away from the eye of the public. This includes cleaning people and security guards.
- 1.7 Statistical information derived from confidential information may be disclosed if it does not reveal confidential facts attributable to any one taxpayer. On a statewide basis, no statistical information may be released that contains information from fewer than three taxpayers in a grouping. For an area that is less than state level (county or city), data from at least ten taxpayers must be in a grouping.

- 1.9 All confidential materials must be returned to the Department of Revenue or shredded when no longer needed. Do not place confidential materials in the garbage or recycle bins.

Precautionary Notes

- 2.1 A third party can easily view confidential information on the screen of a computer terminal visible to the public. Terminals should be placed in such a manner that prohibits public viewing.
- 2.2 Employees assisting the public must ensure that information concerning other taxpayers is not visible to the taxpayer they are assisting. For example, if there is a stack of returns on your desk that you were working on prior to assisting someone, cover the top return with a blank sheet of paper while the taxpayer is sitting by your desk. Always secure information when the area is unsupervised.
- 2.3 Do not leave confidential printouts in public areas such as hallways. When transporting confidential materials you should make sure to cover the materials so that wandering eyes cannot see the information.
- 2.4 Do not discuss confidential information in elevators, restrooms, the cafeteria, or other public areas. Do not discuss confidential information with family members.

CITY OF WILLCOX
Request for Council Action

Agenda Item: 14
Tab Number: 8

Meeting Date:

January 15, 2015

Action:

Resolution
 Ordinance
 Other

Subject:

Alleyway Easement Agreement
with Family Dollar

To: Mayor and City Council

From: Jeff Stoddard, Development Services

Discussion:

Due to constraints of the building site, Family Dollar had to create a truck delivery route that requires use of the adjacent alley. Delivery trucks will enter from Rex Allen Drive into the alley between Arizona Avenue and Mesa Avenue and exit onto Arizona Avenue.

For this to work, Family Dollar had to request a waiver of the requirement to install screening/fence between their property and the alley per City Municipal Code 17.14.060. (Residential fencing on the opposite side of the alley will remain.) If the screening/fence were installed, delivery trucks would not be unable to make the turn. Following a public hearing with no objections, the Planning and Zoning Commission voted unanimously to waive the screening/fence requirement.

The next step was to meet the requirements of the Arizona Department of Transportation (ADOT), as Rex Allen Drive is a State highway. ADOT is requiring Family Dollar to pave a portion of the alley between Arizona Avenue and Mesa Avenue. Per the Alleyway Easement Agreement, Family Dollar is responsible for paving and maintaining the alley.

Recommendation: Approve Easement Agreement.

Fiscal Impact: N/A

Submitted by:


Administrator of Development Services

Approved by:


City Manager

RESOLUTION 2015-05

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX,
COCHISE COUNTY ARIZONA APPROVING AND AUTHORIZING AN EASEMENT
AGREEMENT WITH FAMILY DOLLAR FOR USE OF AN ALLEYWAY**

WHEREAS, the Mayor and Council of the City of Willcox are empowered to exercise exclusive control over the streets, alleys and avenues; and

WHEREAS, Family Dollar would like to pave and use the alley adjacent to their proposed business site.

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

SECTION 1: Approves and adopts the Alleyway Easement Agreement between the City of Willcox and FD Willcox Arizona North Avenue LLC, presented herewith as Exhibit "1."

SECTION 2: The Mayor is authorized and empowered to execute this resolution.

SECTION 3: The City Manager is authorized to execute and implement the provisions of the Agreement on behalf of the City of Willcox.

**PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE
CITY OF WILLCOX, ARIZONA, this 15th day of January, 2015.**

APPROVED/EXECUTED:

ROBERT A. IRVIN, Mayor

ATTEST:

VIRGINIA A. MEFFORD, City Clerk

APPROVED AS TO FORM:

ANN P. ROBERTS, City Attorney

EXHIBIT "1"

This instrument prepared by and
After recording please return to:

Dubin Singer P.C.
Attn: Kalisa Gary, Esq.
123 North Wacker Drive
Suite 1600
Chicago, Illinois 60606

STATE OF ARIZONA)
)
COUNTY OF COCHISE) ss

ALLEYWAY EASEMENT AGREEMENT

THIS ALLEYWAY EASEMENT AGREEMENT (the "Agreement") is made and entered into as of January 15, 2015 by and between City of Willcox, Arizona ("Grantor") and FD Willcox Arizona North Arizona Avenue LLC, an Arizona limited liability company ("Grantee").

STATEMENT OF PURPOSE

WHEREAS, Grantor holds for the benefit of the public that certain public alleyway legally described on Exhibit A (the "Alleyway"); and

WHEREAS, Grantee is, or will be, the owner of that parcel of land described on the Exhibit B attached hereto and incorporated herein by this reference (the "Family Dollar Parcel"; the Family Dollar Parcel and the Alleyway Parcel (defined hereinbelow) are herein collectively referred to as the "Parcels"), and intends to develop the Family Dollar Parcel to be used for a Family Dollar discount retail store; and

WHEREAS, the Arizona Department of Transportation has requested that Grantee pave that portion of the Alleyway legally described on the Exhibit C-1 (the "Alleyway Parcel") and depicted on Exhibit C-2, which exhibits are attached hereto and incorporated herein by this reference; and

WHEREAS, the parties hereto have agreed to grant and receive that an easement over the Alleyway Parcel to pave and maintain the pavement on the Alleyway Parcel in a good state of repair.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual grants and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties (sometimes referred to herein individually as an "Owner" and collectively as the "Owners") hereby agree as follows:

1. Recitals. The above recitals are incorporated herein and made a part hereof by reference.
2. Grant of Easement. Grantor hereby grants, bargains, sells and conveys to Grantee a non-exclusive and perpetual easement (the "Easement") to pave and maintain the pavement on the Alleyway Parcel in a good state of repair, to have and to hold, together with all and singular rights as provided for herein, unto Grantee, its successors and assigns. No barriers will be erected, built or placed on the Alleyway Parcel that would impede or hinder the free flow of traffic between the Parcels, except as may be reasonably necessary from time to time for the sole purpose of paving and maintaining the pavement on the Alleyway Parcel.
3. Maintenance of Alleyway Parcel. Grantee will pave and maintain the pavement on the Alleyway Parcel in a good state of repair; provided if the Grantor damages the Alleyway Parcel, Grantor will be responsible for repairing the damage at its sole cost and expense. As of the date of this Agreement, the Family Dollar Parcel is a vacant, unimproved parcel. Grantee will have no obligation to reimburse Grantor for any maintenance required under this Section 3 until the date that Grantee commences to pave the Alleyway Parcel. Should Grantee fail to maintain the pavement on the Alleyway Parcel in a good state of repair, Grantor may, upon thirty (30) days written notice to both Grantee and to Family Dollar, Inc., a North Carolina corporation (for so long as Family Dollar, Inc. is a tenant on or otherwise occupies the Family Dollar Parcel), make or perform any maintenance required under this Section 3, and Grantee shall promptly reimburse Grantor for all reasonable and verifiable sums expended for such work performed.
4. Third Party Beneficiary. Family Dollar, Inc. shall be deemed a third party beneficiary of the rights granted by or to Grantor under this Agreement for so long as Family Dollar, Inc. is a tenant of or otherwise occupies the Family Dollar Parcel and may take such action as Grantor could to enforce and interpret such rights if Grantor fails to do so.
5. Remedies; No Termination For Breach. Any breach of this Agreement shall entitle the non-breaching Owner to all remedies available at law or in equity, including, without limitation, the right of specific performance and temporary injunction. All rights, powers and privileges incurred hereunder shall be cumulative and in addition to and not the exclusion of those provided by law or equity. However, it is agreed that no breach or default, whether or not material, of the provisions of this Agreement, shall entitle either Owner to cancel, rescind or otherwise terminate this Agreement, but such limitation shall not affect, in any manner, any other rights or remedies which either Owner may have at law, in equity or otherwise by reason of any breach of any provision of this Agreement. Grantor acknowledges that the

easement set forth herein is vital to the use and enjoyment of the Family Dollar Parcel by Grantee, its successors and assigns.

6. Binding Nature of Covenants. The easement herein granted is appurtenant to and runs with the title to the land and shall be perpetual (unless designated as temporary herein), and the Owners hereby bind themselves, their successors and assigns to warrant and forever defend the easement granted herein unto each other, their successors and assigns, and against every person whomsoever lawfully claiming or to claim the same or any part thereof.

7. No Waiver. No delay or omission of either Owner in the exercise of any right accruing upon default shall impair any such right or be construed to be a waiver thereof, and every such right may be exercised at any time during the continuance of such default. A waiver by either Owner of a breach or a default of any of the terms and conditions of this Agreement shall not be construed to be a waiver of any subsequent breach or default of the same or any other provision of this Agreement or a waiver by any other Owner.

8. Term of Agreement. If any consent, grant of easement or other provision of this Agreement shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

9. Headings. The article and section headings in this Agreement are for convenience only, shall in no way define or limit the scope or content of this Agreement and shall not be considered in any construction or interpretation of this Agreement or any part thereof.

10. No Partnership. Nothing in this Agreement shall be construed to deem the Owners to be partners or to be participating in a joint-venture or to otherwise render either Owner liable for the debts or obligations of the other.

11. Force Majeure. Each Owner shall be excused from performing any obligation or undertaking provided in this Agreement (except for any obligation to pay sums of money) in the event, but only so long as, the performance of such obligation is prevented or delayed by strikes, lockouts, inability to procure materials or permits, power failure, acts of God, governmental restrictions, civil commotion, fire or other causes beyond the control of such Owner, provided that such Owner notifies the other Owner of such delay within fifteen (15) days after such Force Majeure event.

12. Notices. Any notices, requests, or other communications required or permitted to be given by this Agreement shall be in writing and shall be either (i) delivered by hand, (ii) mailed by United States registered mail, return receipt requested, postage prepaid, or (iii) sent by a reputable, national overnight delivery service (e.g., Federal Express, UPS, etc.) and addressed to each Owner at the applicable address set forth below. Any such notice, request, or other communication shall be considered given or delivered, as the case may be, on the date of hand delivery (if delivered by hand), on the third (3rd) day following deposit in the United States mail (if sent by United States registered mail), on the next business day following deposit with an overnight delivery service with instructions to deliver

on the next day or on the next business day (if sent by overnight delivery service. However, the time period within which a response to any notice or request must be given, if any, shall commence to run from the date of actual receipt of such notice, request, or other communication by the addressee thereof. Rejection or other refusal to accept or inability to deliver because of a changed address of which no notice was given shall be deemed to be receipt of the notice, request, or other communication. By giving at least ten (10) days prior written notice thereof, any Owner may, from time to time and at any time, change its notice address hereunder.

As to Grantor: Willcox City Hall
101 South Railroad Avenue, Suite B
Willcox, Arizona 85643

As to Grantee: FD Willcox Arizona North Arizona Avenue LLC
19 South LaSalle Street, Suite 1007
Chicago, Illinois 60603
Telephone: 312-332-0690
Fax: 312-332-0698

with a copy to Dubin Singer P.C.
123 North Wacker Dr., Suite 1600
Chicago, Illinois 60606
Attn: Richard Dubin and Kalisa Gary
Telephone: 312-801-8745
Fax: 312-801-8767

As to Family Dollar: Lease Administration Department
FAMILY DOLLAR, INC.
10301 Monroe Road
Matthews, North Carolina 28105
Fax No.: 704-846-2096

For US Mail: Lease Administration Department
FAMILY DOLLAR, INC.
Post Office Box 1017
Charlotte, North Carolina 28201-1017

13. Title Warranties. Each Owner covenants with the other that it is the owner in fee simple of the Parcel over which it herein conveys any easement or other right, has the right to grant the easement and other rights it conveys above, and that the title to the same is marketable and free and clear of all encumbrances except for all other easements, covenants, restrictions and conditions of record.

14. Estoppel. From and after the date hereof, the parties agree to execute and deliver promptly such further assignments, certificates, instruments and other documents and to take all such further actions as may from time to time be reasonably requested to effectuate the

agreements contemplated hereby and the intentions of the parties with respect thereto. Within ten (10) days of receiving a written request of either party, the other party shall deliver a certificate to the requesting party stating: (a) that there are no known defaults under this Agreement or the particulars of any such default; and (b) that there is no set-off or defense to the enforcement of the conditions, covenants and provisions of this Agreement or the particulars of any such set-off or defense.

15. Attorneys' Fees. In the event of litigation between the Owners, the prevailing party will be entitled to recover from the losing party reasonable attorneys' fees and reasonable out-of-pocket litigation expenses and court costs all as awarded by the Court. In addition, the Court may decide that there is no true prevailing party and that neither party is entitled to its attorneys' fees or litigation expenses.

16. Severability. If any term or provision of this Agreement (or the application of any term or provision of this Agreement to any person or circumstances) shall to any extent be invalid or unenforceable, the remainder of this Agreement (or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable) shall not be affected and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

17. No Dedication to Public or Other Third Party Benefit. Nothing contained in this Agreement shall ever be deemed to create a gift or dedication of all or any portion of the Parcels to the general public or for any public use or public purpose whatsoever. It is the intention of Owners that this Agreement shall be for the exclusive benefit of the Parcels, or any portion thereof, and themselves and their respective Permittees, successors and assigns. Nothing contained herein, express or implied, shall confer upon any person or entity other than Owners and their respective Permittees, successors and assigns any rights or remedies under or by reason of this Agreement.

18. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be and shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by authority duly given effective as of the day and year first above written.

CITY OF WILLCOX, ARIZONA

By: _____
Robert A. Irvin, Mayor

Witnesses as to Grantor:

Ann P. Roberts, City Attorney

STATE OF ARIZONA
COUNTY OF COCHISE

The foregoing instrument was acknowledged before me this 15th day of January, 2015, by Robert A. Irvin, as Mayor of the City of Willcox, Arizona.

Witness my hand and official stamp or seal this 15th day of January, 2015.

Notary Public

Print Name: Virginia A. Mefford

My Commission Expires: _____

☞ [NOTARY SEAL] (MUST BE FULLY LEGIBLE)

FD WILLCOX ARIZONA NORTH ARIZONA
AVENUE LLC, an Arizona limited liability company

By: _____
Nicholas G. Stratigakes, its Manager

Witnesses as to Grantee:

Print Name: _____

Print Name: _____

STATE OF ILLINOIS

COUNTY OF COOK

The foregoing instrument was acknowledged before me this ____ day of January, 2015,
by Nicholas G. Stratigakes, Manager of FD Willcox Arizona North Arizona Avenue LLC, an
Arizona limited liability company.

Witness my hand and official stamp or seal this ____ day of January, 2015.

Notary Public
Print Name: _____
My Commission Expires: _____

☞ [NOTARY SEAL] (MUST BE FULLY LEGIBLE)

EXHIBIT A

Legal Description – Public Alleyway

A 16.00 FOOT WIDE ALLEY AS SHOWN IN SCHWERTNER ADDITION, A SUBDIVISION RECORDED IN BOOK 3 OF MAPS AT PAGE 176 IN THE RECORDS OF THE COCHISE COUNTY RECORDER, SITUATE IN THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 31, TOWNSHIP 13 SOUTH, RANGE 25 EAST, GILA AND SALT RIVER MERIDIAN, COCHISE COUNTY ARIZONA.

EXHIBIT B

Legal Description – Family Dollar Parcel

Lots 3 thru 7, Block C, SCHWERTNER ADDITION, according to Book 3 of Maps, page 176, records of Cochise County, Arizona; EXCEPT that part of Lot 7, described as follows:

BEGINNING at the Northeasterly corner of said Lot 7 on the existing Southerly right of way line of Rex Allen Drive; thence South 89° 35' 38" West along the Northerly line of said Lot 7, coincident with said right of way line, a distance of 77.00 feet; thence continuing along said Lot line, along the arc of a curve to the left having a radius of 25.00 feet, a distance of 39.27 feet; thence South 00° 24' 22" East along the Westerly line of said Lot 7 coincident with the existing Easterly right of way line of Arizona Avenue, a distance of 10.68 feet; thence from a local tangent bearing of North 00° 24' 22" West along the arc of a curve to the right having a radius of 25.00 feet, a distance of 38.98 feet; thence from a local tangent bearing of North 88° 56' 05" East along the arc of a curve to the left having a radius of 927.81 feet, a distance of 77.42 feet to the Easterly line of said Lot 7; thence North 00° 24' 22" West along said Easterly Lot line, a distance of 6.56 feet to the POINT OF BEGINNING; EXCEPT 7/8 of the oil and gas as reserved in Deed recorded in Book 126, Deeds of Real Estate, page 546, records of Cochise County, Arizona.

Common Address: Vacant land at the southeast corner of the intersection of Arizona Avenue and Rex Allen Drive, Willcox, Arizona

Tax Parcel Numbers: 203-29-203, 203-29-204, 203-29-205, 203-29-206, 203-29-207

EXHIBIT C-1

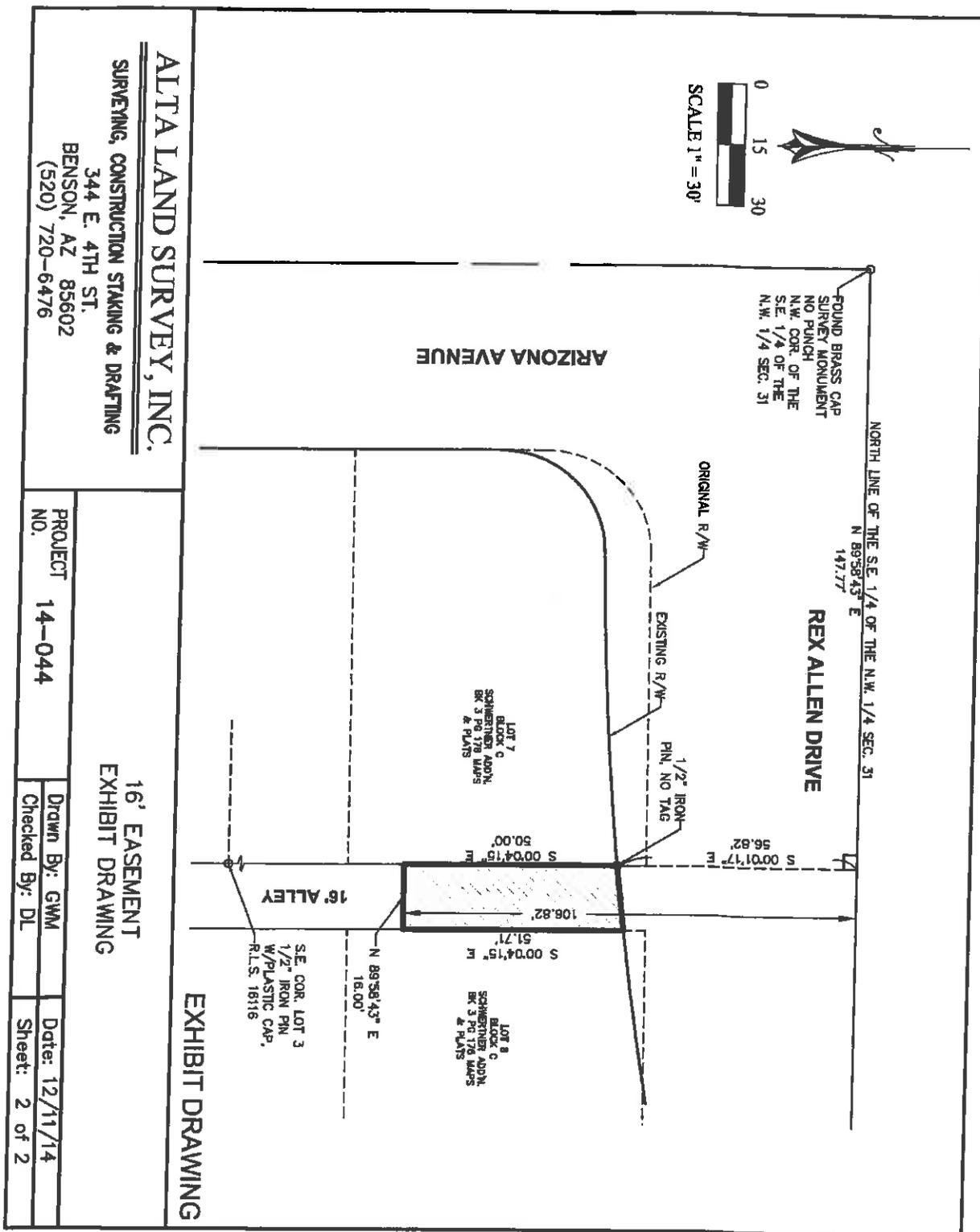
Legal Description – Alleyway Parcel

ALL THAT PORTION OF A 16.00 FOOT WIDE ALLEY AS SHOWN IN SCHWERTNER ADDITION, A SUBDIVISION RECORDED IN BOOK 3 OF MAPS AT PAGE 176 IN THE RECORDS OF THE COCHISE COUNTY RECORDER, SITUATE IN THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 31, TOWNSHIP 13 SOUTH, RANGE 25 EAST, GILA AND SALT RIVER MERIDIAN, COCHISE COUNTY ARIZONA, LYING NORTHERLY OF A LINE THAT LIES 106.82 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 31.

SAID PARCEL CONTAINS 813 SQUARE FEET, MORE OR LESS.

EXHIBIT C-2

Depiction – Alleyway Parcel



ALTA LAND SURVEY, INC.
 SURVEYING, CONSTRUCTION STAKING & DRAFTING
 344 E. 4TH ST.
 BENSON, AZ 85602
 (520) 720-6476

16' EASEMENT
EXHIBIT DRAWING

PROJECT NO.	14-044	Drawn By: GMM	Date: 12/11/14
		Checked By: DL	Sheet: 2 of 2

EXHIBIT DRAWING

CITY OF WILLCOX
Request for Council Action

Agenda Item: 15
Tab Number: 9

Meeting Date:

January 15, 2015

Action:

Resolution
 Ordinance
 Other

Subject:

Abandonment of three (3) right-of-ways and dedication of sixty-five (65) feet of right-of-way to the City

To: Mayor and City Council

From: Jeff Stoddard, Development Services

Discussion:

The Community Food Bank of Southern Arizona (CFBSA) has recently purchased parcel 203-25-002J for the purpose of building a Distribution Center. This parcel is separated by three (3) City right-of-ways which create four non-contiguous lots. The CFBSA is asking the City to abandon these three (3) right-of-ways. The CFBSA would also like to dedicate sixty-five (65) feet of the west side of parcel 203-25-002J to the City for public utilities that are presently located on the property.

On December 10, 2014 the CFBSA asked the Planning and Zoning Commission to approve the abandonment of the three (3) City right-of-ways and to approve the dedication of sixty-five (65) feet of the west side of parcel 203-25-002J to the City. The Planning and Zoning Commission voted unanimously to abandon the three (3) City right-of-ways and to accept the sixty-five foot dedication to the City.

See attached Exhibit "A".

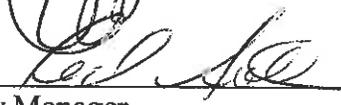
Recommendation: Approve the dedication of sixty-five feet to the City (Resolution 2015-06) and the abandonment of the three (3) City right-of-ways (Resolution 2015-07).

Fiscal Impact: N/A

Submitted by:


Administrator of Development Services

Approved by:


City Manager

RESOLUTION 2015-06

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY ARIZONA ["CITY"] ACCEPTING A DEED OF DEDICATION GRANTING TO CITY A PUBLIC RIGHT-OF-WAY FROM COMMUNITY FOOD BANK, INC.

WHEREAS, the Community Food Bank, Inc., who operates under the trade name of the Community Food Bank of Southern Arizona has recently purchased property in the CITY for the purpose of locating a distribution center; and

WHEREAS, the Community Food Bank of Southern Arizona has determined it would be in the best interest of the CITY to dedicate to the CITY a right-of-way for public utilities that are presently located on said property; and

WHEREAS, the Mayor and Council of the City of Willcox have determined that it is in the best interest of the City, its residents and the property owner to accept the Deed of Dedication granting such right-of-way from Community Food Bank, Inc.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Willcox, Cochise County, Arizona, as follows:

SECTION 1: The CITY hereby accepts from Community Food Bank, Inc. the Deed of Dedication granting the right-of-way from Community Food Bank, Inc.

SECTION 2: The City Manager and City Attorney are authorized and directed to perform all acts necessary or desirable to give effect and to carry out all the acts authorized under this Ordinance.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA, this 15th day of January, 2015.

APPROVED/EXECUTED:

ROBERT A. IRVIN, Mayor

ATTEST:

APPROVED AS TO FORM:

VIRGINIA A. MEFFORD, City Clerk

ANN P. ROBERTS, City Attorney

STATE OF ARIZONA)
)
COUNTY OF COCHISE)
For Tax Purposes:)
City of Willcox)
101 S. Railroad Avenue, Suite B)
Willcox, Arizona 85643)
When recorded, mail to:)
Virginia F. Mefford, City Clerk)
101 S. Railroad Avenue, Suite B)
Willcox, Arizona 85643)

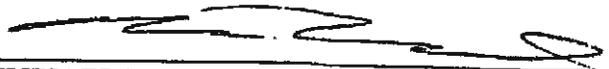
Affidavit Fee Exempt: A.R.S. § 11-1134(A)7
I hereby certify that the within
instrument was filed and recorded:

DEED OF DEDICATION OF PUBLIC ROADWAY

MICHAEL McDONALD, acting in his capacity as Chief Executive Officer of Community Food Bank, Inc., an Arizona Nonprofit Corporation, doing business under the trade name of Community Food Bank of Southern Arizona, does hereby convey to the City of Willcox, an Arizona body politic, for use by the public as a public roadway, the following described real property:

SEE ATTACHED EXHIBIT "A" DESCRIBING THE LEGAL DESCRIPTION FOR
THE 65 FOOT WIDE PUBLIC ROAD DEDICATION.

DATED this 6th day of January, 2015.

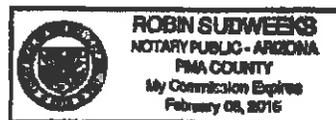

MICHAEL McDONALD, Chief Executive Officer
Community Food Bank, Inc.

STATE OF ARIZONA)
)
COUNTY OF Pima) ss:
)

This instrument was subscribed, sworn to and acknowledged before me this 6th day of January, by MICHAEL McDONALD, acting in his capacity as Chief Executive Officer of Community Food Bank, Inc., an Arizona Nonprofit Corporation, doing business under the trade name of Community Food Bank of Southern Arizona,


Notary Public

My commission Expires: 2-8-15



LEGAL DESCRIPTION – 65' WIDE PUBLIC ROAD DEDICATION

The West 65 feet of the following described parcel of land;

A portion of Lot 1, Section 31, Township 13 South, Range 25 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, and more particularly described as follows:

Beginning at the Northwest corner of said Lot 1, Section 31, Township 13 South, Range 25 East being a GLO Brass disk;
thence South 89°54'39" East, along the North line of said Lot 1, a distance of 581.69 feet to a 1/2" aluminum capped pin stamped "SANCHEZ ASSOCIATES – RLS 12536";
thence South 00°02'15" West, a distance of 642.82 feet to its intersection with the Northerly right-of-way line of Scott street, a dedicated road, described in the deed recorded in Docket 503, page 463, records of Cochise County, Arizona, further being a 1/2" aluminum capped pin stamped "SANCHEZ ASSOCIATES – RLS 12536";
thence North 89°45'21" West, along said Northerly right-of-way of Scott Street, a distance of 581.27 feet to its intersection with the West line of aforementioned Lot 1, Section 31, Township 13 South, Range 25 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, being a 1/2" aluminum capped pin stamped "SANCHEZ ASSOCIATES – RLS 12536";
thence North, along said West line of Lot 1, a distance of 641.24 feet to the **Point of Beginning**;

EXCEPT 7/8th of all oil and gas as reserved in Deed recorded in Book 126, Deeds of Real Estate, page 546, records of Cochise County, Arizona;



Expires 3/31/2017

RESOLUTION 2015-07

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA [“CITY”] DECLARING A CERTAIN PORTION OF COCHISE AVENUE AND TWO UNNAMED DEDICATED ROADWAYS AS UNNECESSARY ROADWAYS, APPROVING AND AUTHORIZING THE ABANDONMENT OF THAT CERTAIN PORTION OF COCHISE AVENUE AND THE TWO UNNAMED DEDICATED ROADWAYS AND FURTHER ABANDONING THE CITY SEWER LINE LYING WITHIN THOSE AREAS OF ABANDONMENT.

WHEREAS, Community Food Bank, Inc., operating under the trade name of the Community Food Bank of Southern Arizona has recently purchased property in the CITY for the purpose of locating a distribution center; and

WHEREAS, the Community Food Bank of Southern Arizona has requested the abandonment of certain dedicated roadways, which are presently not being used, to provide for the “greater ability to develop the site in a thoughtful and holistic manner;” and

WHEREAS, the CITY is empowered pursuant to A.R.S. Section 9-240(B)(3) to exercise exclusive control over the streets and avenues and to abandon same; and

WHEREAS, the Mayor and Council of the City of Willcox have determined that it is in the best interest of the City, its residents and the property owner to grant the requested abandonment.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Willcox, Cochise County, Arizona, as follows:

SECTION 1: That the following described areas shall be abandoned and in accordance with the provisions of A.R.S. Section 28-7205 the title to said lands shall, upon recording of this Resolution, vest in the owner of the abutting property, Community Food Bank, Inc.:

See attached Exhibit “A”, attached hereto incorporated herein by reference.

SECTION 2: That the City sewer line presently lying within those areas of abandonment shall also be abandoned beginning at that certain point lying North of the intersection of Scott Street and Cochise Avenue at the property line of Community Food Bank, Inc., and said sewer line from that point shall be the property of Community Food Bank, Inc., and the City of Willcox shall not be responsible for any maintenance and/or care of said abandoned sewer line.

SECTION 3: The City Manager and City Attorney are authorized and directed to perform all acts necessary or desirable to give effect and to carry out all the acts authorized under this Resolution.

SECTION 4: The City Clerk is authorized and directed to arrange for the recording of this Resolution with the County Recorder of Cochise County, State of Arizona.

**PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE
CITY OF WILLCOX, ARIZONA, this 15th day of January, 2015.**

APPROVED/EXECUTED:

ROBERT A. IRVIN, Mayor

ATTEST:

APPROVED AS TO FORM:

VIRGINIA A. MEFFORD, City Clerk

ANN P. ROBERTS, City Attorney

RESOLUTION 2015-07

**Exhibit
"A"**

LEGAL DESCRIPTION – ABANDONMENT OF STREETS

Portions of those streets described in Docket 503, page 468 of official records of Cochise County, Arizona, lying in portion of Lot 1, Section 31, Township 13 South, Range 25 East of the Gila and Salt River Meridian, Cochise County, Arizona, and more particularly described as follows:

A) Commencing at the Northwest corner of Lot 1, Section 31, Township 13 South, Range 25 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona; thence Easterly, along the North line of said lot 1, a distance of 240.00 feet to the **True Point of Beginning**;

Thence Southerly on a line parallel with the West line of said Lot 1, a distance of 500.00 feet; thence Westerly along a line parallel to the North line of said Lot 1, a distance of 30.00 feet; thence Northerly, along a line parallel to the West line of said Lot 1, a distance of 500.00 feet to the point on the North line of said Lot 1; thence Easterly along the North line of said Lot 1, a distance of 30.00 feet to the **True Point of Beginning**.

B) Commencing at the Northwest corner of Lot 1, Section 31, Township 13 South, Range 25 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona; thence Southerly, along the West line of said Lot 1, a distance of 500.00 feet to the **True Point of Beginning**;

Thence Easterly and parallel with the North line of said Lot 1, 581.32 feet; thence South 00°02'15" West, 20.00 feet; thence Westerly and parallel to the North line of said Lot 1, 581.31 feet more or less to the point of intersection with the West line of said Lot 1; thence Northerly, along the West line of said Lot 1, a distance of 20.00 feet to the **True Point of Beginning**.

C) Commencing at the Southwest corner of Lot 1, Section 31, Township 13 South, Range 25 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona; thence Easterly, along the South line of said Lot 1, a distance of 363.45; thence Northerly and parallel to the West line of said Lot 1, 656.03 feet to the **True Point of Beginning**;

Thence Northerly and parallel to the West line of said Lot 1, 122.07 feet, more or less to the South line of a dedicated street as described in docket 503, page 468; thence Easterly along said South line, and parallel to the North line of said Lot 1, 70.00 feet; thence Southerly and parallel to the West line of said Lot 1, 122.23 feet more or less to the North Right-of-Way line of Scott Street, a dedicated street per Docket 503, page 463; thence Westerly along said Right-of-Way line, 70.00 feet to the **True Point of Beginning**.



CITY OF WILLCOX
Request for Council Action

Agenda Item: 17
Tab Number: 11

Meeting Date:

January 15, 2015

Action:

Resolution
 Ordinance
 Other

Subject:

Technical Support - Valley
Connections, L.L.C.

To: Mayor and City Council

From: Ted Soltis, City Manager

Discussion: For 2014, the School District provided technical support for the City. Unfortunately, due to personnel cuts, they will not be able to continue providing technical support.

Valley Connections, L.L.C. had previously provided technical support for the City and has agreed to once again provide support.

Valley Connections, L.L.C. will provide technical support at \$850/month slightly more than the School District which was \$800/month.

Recommendation: Approve contract with Valley Connections, L.L.C.

Fiscal Impact: \$9,350

Submitted by: _____
Ted Soltis, City Manager

RESOLUTION 2015-08

A RESOLUTION OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, APPROVING AND ADOPTING THE CONTRACT BETWEEN THE CITY OF WILLCOX [“CITY”] AND VALLEY CONNECTIONS, L.L.C., TO PERFORM TECHNICAL SERVICES RELATED TO THE COMPUTER NETWORK AND THE TELEPHONE SYSTEM

WHEREAS, the CITY is authorized pursuant to A.R.S. 9-240, et seq. to exercise control of the finances and property of the corporation and to appropriate money for the payment of its debts and expenses; and

WHEREAS, the CITY is in need of and is agreeable to contract with Valley Connections, L.L.C. for the purpose of performing the technical services; and

WHEREAS, the Mayor and Council have determined that approval of the Valley Connections, L.L.C. contract is in the best interest of the CITY and its residents.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Willcox, Cochise County, Arizona, as follows:

SECTION 1: The CITY approves and adopts the contract between Valley Connections, L.L.C. the terms and conditions of said agreement are set forth in Exhibit “A” attached hereto and by reference incorporated herein.

SECTION 2: The City Manager is authorized to execute and implement the provisions of the contract on behalf of the CITY.

SECTION 3: The Mayor is authorized and empowered to execute this resolution.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA, this 15th day of January, 2015.

APPROVED/EXECUTED:

ROBERT A. IRVIN, Mayor

ATTEST:

APPROVED AS TO FORM:

VIRGINIA A. MEFFORD, City Clerk

ANN P. ROBERTS, City Attorney

CONSULTING AND MAINTENANCE AGREEMENT (Information Technology Systems Management)

BY THIS CONSULTING AGREEMENT, effective as of the 1st day of February, 2015, by and between **VALLEY CONNECTIONS, L.L.C.**, whose address is PO Box 970, Willcox, AZ 85644 ("**Consultant**"), and the **CITY OF WILLCOX**, whose address is 101 S Railroad Ave, Willcox, AZ 85643 ("**City**"), the City has agreed to retain Consultant, and Consultant has agreed to perform certain services for the City under the following terms and conditions:

1. **RETAINER AND TERM.** The City hereby retains the services of Consultant for a term of eleven (11) months, which term shall automatically renew for additional twelve (12) month periods unless terminated under the provision of Section 6 hereof.

2. **RELATIONSHIP OF PARTIES.** The Consultant's relationship with the City in performing this Agreement shall be that of an independent contractor. The personnel performing services under this Agreement shall at all times be under the exclusive control and supervision of the Consultant and shall be employees of the Consultant and not the City. Consultant's employees shall not be considered employees of the City for any reason and shall not be entitled to any of the City's fringe or employee benefits, and Consultant shall be responsible for all federal and state payroll taxes for the services rendered pursuant to this Agreement.

3. **PAYMENT OF CONSULTANT.**
 - a. **Fees.**
 - (1) **Fee for Services.** The City shall pay Consultant the sum of \$850.00 per month for the services described in the Scope of Work. This base fee covers the first 20 hours of Service for each month. Hours of Service will be billed in quarter hour increments. After each service call City will receive an Acknowledgement of Work Performed indicating the number of hours charged for that service call. The fee for services will be renegotiated on an annual basis.

 - (2) **Additional Labor.** Additional services beyond the base of 20 hours will be billed at the hourly rate of \$100.00.

 - (3) **Overtime.** If overtime for non-exempt personnel is required, an hourly premium of \$50.00 will be charged. Except in cases of emergency, Consultant shall seek prior approval for any overtime work from the City Manager.

 - (4) **Equipment Purchases.** Consultant shall recommend equipment replacement and upgrades when necessary to maintain the system in good working order and City will handle purchasing of such replacements and upgrades subject to approval of the City Manager or designee.

- (5) Other Equipment Purchases. Any service on equipment purchased by the City will be included as hours charged under "Fees for Services" as described in Section 3.a.(1)-(2). If City now has or purchases equipment that does not conform to the recommendation as specified in Section 3.a.(4) herein and Consultant is required to perform additional research or investigation in order to perform maintenance, such time will be chargeable to City under this agreement. Consultant reserves the right to refuse to work on any Equipment that does not conform to the recommendation as discussed in Section 3.a.(4) herein.
- (6) Extension of Term. If this Agreement is extended beyond its initial eleven (11) month term, the agreed monthly fee for the term of the extension shall be negotiated by the parties and agreed upon no less than sixty (60) days before the end of the initial term or any extension thereafter.
- (7) Reimbursement of Expenses. Any monies Consultant is required to expend for the performance of the Consultant's activities hereunder shall be reimbursed at actual costs; provided, however, that Consultant shall advise the City in advance of the nature and approximate cost of any materials required hereunder.
- (8) Invoices. Consultant shall invoice the City once per month for services performed and materials provided hereunder, and shall present receipts for all reimbursable costs. Payment shall be due to Consultant within thirty (30) days of the presentment of each invoice.

4. ACTIVITIES OF CONSULTANT.

- a. Representations. Consultant represents and warrants that Consultant is familiar with (1) the Scope of Work and Services required by the terms of this Agreement, and (2) the provision of information technology (IT) management services.
- b. Scope of Work. The Services provided in return for the fee set for in Section 3.a.(1) of this Agreement shall include only the technician time and labor in providing technical support as set forth in Section 4.b.(1)-(3) below ("Services"). The Services specifically exclude the cost of any materials or equipment and labor in excess of the base 20 hours per month necessary for repairs to the City's computer network or telephone systems.
- (1) Computer Network. Consultant will provide technical support for City's computer network; including all work stations, printers, switches and routers, as well as all network servers and backup systems.
- (2) Telephone Key System. Consultant will support the City's telephone key system, including administrative duties such as adds, moves and changes of extension.

(3) Support Procedures. Each call for technical support must be placed to the designated support phone number, which is (520)766-1614. All calls made by City to Consultant for technical support will be made by the City Manager or department designees. A list of department designees will be presented to Consultant and may be updated by the City periodically. Each individual included on the list of department designees shall be deemed to be empowered to authorize Consultant to perform the requested services. Consultant will respond to any calls for a complete network outage within one (1) hour if the call is received at least one hour before the close of normal business hours. All other calls will be dealt with in the order received.

c. Insurance. Consultant shall maintain automobile and public liability insurance in an amount acceptable to the City, and shall furnish the City with reasonable evidence of the existence of such insurance.

5. NOTICE. Any notice required or permitted by this Agreement shall be given in writing and sent by mail, facsimile or e-mail transmission to the addresses, telephone facsimile numbers, or e-mail addresses specified in the recitals at the foot of this Agreement. Delivery of U. S. mail shall be presumed within five (5) days after mailing as evidenced by the postmark on the envelope. Receipt of any notice sent by facsimile or e-mail shall effect upon receipt as acknowledged by the recipient or otherwise verified by the sender. Each of the parties may change its mailing or e-mail addresses by notice given as set forth above.

6. TERMINATION AND EXPIRATION.

a. Termination by Mutual Agreement. This Agreement may be terminated by written mutual agreement at any time. In such event, the City shall have no further obligation to Consultant except to make any payments which have theretofore become due under Section (3) hereof, and Consultant shall have no further obligation to furnish Services to the City.

b. Termination by Notice. Either party may choose not to allow this agreement to automatically renew by providing written notice to the other party at least sixty (60) days prior to the end of the applicable term.

c. Return of Information. If this Agreement expires or is terminated, Consultant shall return to City all originals and any copies of records, notes, data, memoranda, models, software, and equipment of any nature that are in Consultant's possession or control that are the property of the City or relate to the City's business. In like manner, the City will return all originals and any copies of records, notes, data, memoranda, models, software, and equipment of any nature that are in possession or control that are the property of the Consultant or relate to the Consultant's business.

7. ASSIGNMENT OR SUBCONTRACTING. Consultant shall not assign or subcontract, in whole or in part, any of the services to be furnished under this Agreement without the prior

written consent of the City unless such assignment or subcontract is to an affiliate of the Valley Connections, L.L.C.

8. INTERPRETATION AND ENFORCEMENT.

- a. Governing Law. The parties understand and agree that the Agreement shall be governed, interpreted and enforced solely in accordance with the laws of the State of Arizona without reference to the principles of conflicts of laws.
- b. Modifications. This Agreement shall not be modified except by a written instrument signed by both Consultant and the City.
- c. Attorney's Fees and Costs. If either party hereto shall employ legal counsel or bring an action at law or other proceeding against the other party to enforce any of the terms, covenants, or conditions hereof, the party prevailing in any such action or other proceeding shall be paid all reasonable attorney's fees and the cost of expert testimony, reports or exhibits by the other party, and if any judgment is secured by such prevailing party, all such attorney's fees shall be included in such judgment.

The parties hereto signed this Agreement the 15th day of January, 2015, effective on the date set forth above.

CONSULTANT:
Valley Connections, L.L.C.

CITY:
City of Willcox

Steve Metts, CEO

Robert A. Irvin, Mayor

Attest:

Approved as to Form:

Virginia A. Mefford, City Clerk

Ann P. Roberts, City Attorney

Contact Information:

Consultant
Telephone: (520) 384-2231
Facsimile: (520) 826-1064
E-mail: Steven.Lee@vtc.net
Kristi.Lee@vtc.net

City
(520) 384-4271
(520) 384-2590
tsoltis@willcoxcity.org

CITY OF WILLCOX
Request for Council Action

Agenda Item: 18
Tab Number: 12

Meeting Date:

January 15, 2015

Action:

- Resolution
- Ordinance
- Other

Subject:

Employee Handbook update

To: Mayor and City Council

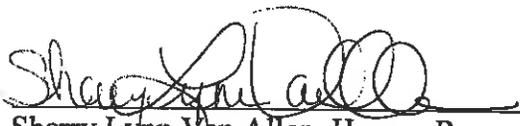
From: Sherry Lynn Van Allen, Human Resources

Discussion: The City recently consulted with Southwest Risk Services (SWR) on updating our Employee Handbook to address the various changes made recently by the Federal Government and the State of Arizona. The previous Employee Handbook was approved in its entirety on May 23, 2007 by Resolution 2007-10.

The City was directed by SWR to a national website called HR Sentry that provided a policy template that covers all areas of employment law. Following their outline, we have updated our Employee Handbook to meet current industry standards. The template has been used across the country and has been vetted by numerous attorneys. The City's completed Employee Handbook was then sent to SWR for review by their employment attorney - Jackson Lewis through AMRRP PAL (Arizona Municipal Risk Retention Pool - Personnel Assistant Lifeline) and was approved with modification.

Recommendation: Approve the updated Employee Handbook as submitted to bring the City into compliance with all Federal and State law changes.

Fiscal Impact: -0-

Submitted by: 
Sherry Lynn Van Allen, Human Resources

Approved by: 
Ted Soltis, City Manager

RESOLUTION 2015-09

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA ADOPTING THE CITY OF WILLCOX EMPLOYEE HANDBOOK

WHEREAS, the City of Willcox, in extending services to its citizens, acknowledges that the well-being of its employees is essential for maintaining a high standard of operations and services to the citizens of this City; and

WHEREAS, a sound employee-management working relationship makes it possible for the city manager, department directors, and the employees to cooperatively develop an efficient, fair and functional personnel system to best serve the citizens of this City; and

WHEREAS, the City of Willcox Employee Handbook incorporates policies and procedures setting forth the principles and procedures which will be followed by the City of Willcox in the administration of its personnel system; and

WHEREAS, the Mayor and City Council have determined that adopting of the Employee Handbook is in the best interest of the City, its employees and the citizens of this City.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Willcox, Cochise County, Arizona, as follows:

SECTION 1: Approves and adopts the Employee Handbook attached as Exhibit "A."

SECTION 2: All previous employee handbooks, amendments and addendums are repealed and rescinded.

SECTION 3: 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.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA, this 15th day of January, 2015.

APPROVED/EXECUTED:

ROBERT A. IRVIN, Mayor

ATTEST:

APPROVED AS TO FORM:

VIRGINIA A. MEFFORD, City Clerk

ANN P. ROBERTS, City Attorney

**Exhibit
“A”**

Due to length of the document, copies of the Employee Handbook are available for inspection at the City Clerk’s office in City Hall located at 101 S. Railroad Ave., Suite B, Willcox, Arizona.

