1. Town Council - Agenda

   Documents:

   2016_09_27_CC_RG_AG.PDF

2. Town Council - Agenda Packet

   Documents:

   2016_09_27_CC_RG_PK.PDF

Town of Chino Valley

MEETING NOTICE
TOWN COUNCIL

REGULAR MEETING
Tuesday, September 27, 2016
6:00 P.M.

Council Chambers
202 N. State Route 89
Chino Valley, Arizona

A majority of the Councilmembers may attend a private invocation in the Council Conference Room immediately prior to the Council meeting. No Town business will be discussed.

AGENDA

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE; ROLL CALL

2. INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a. Yavapai College Community Update, presented by Steve Walker, Vice President for Advancement and Foundation.

b. Quarterly update by Arlene Alen, Executive Director of the Chino Valley Area Chamber of Commerce.

3. CALL TO THE PUBLIC

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is encouraged. Individuals are limited to speak for three (3) minutes. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism.

4. RESPONSE TO THE PUBLIC

Response to the Public is an opportunity for the Mayor to inform the public about how Town officials addressed matters raised during Call to the Public at a previous meeting.

a. Comments regarding desired community activities; school bus replacements; and Williamson Valley/Center Street connector.

5. CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events, or ask a staff member to provide the same. Presentation on information requested by the Mayor and Council will be made and questions answered. No action will be taken.

a. Status reports by Mayor and Council regarding current events.

b. Status report by Town Manager Robert Smith regarding Town accomplishments, and current or upcoming projects.

6. CONSENT AGENDA

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

a. Consideration and possible action to accept the August 31, 2016 special meeting minutes. (Jami Lewis, Town Clerk)

b. Consideration and possible action to accept the September 13, 2016 regular meeting minutes. (Jami Lewis, Town Clerk)

7. ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

a. Consideration and possible action to to approve the ground lease agreement between the Town of Chino Valley and the Chino Valley Equestrian Association for an initial 5 year term, beginning August 9, 2016 through July 31, 2021 for property located at Old Home Manor. (Cecilia Grittman, Assistant Town Manager)

Recommended Action: Approve the ground lease agreement between the Town of Chino Valley and the Chino Valley Equestrian Association for an initial 5 year term, beginning August 9, 2016 through July 31, 2021 for property located at Old Home Manor.

b. Consideration and possible action to adopt Resolution No. 16-1092 authorizing the application for a Clean Water State Revolving Fund (CWSRF) loan from the Water Infrastructure Finance Authority of Arizona (WIFA) for expenses related refinancing the USDA Debt and constructing the Center Street Sewer Line Extension, in an amount not to exceed $640,000.(Joe Duffy, Finance Director)

Recommended Action: Adopt Resolution No. 16-1092 authorizing the loan application.

8. EXECUTIVE SESSION

Council may vote to recess the Regular Meeting and hold an executive session, which will not be open to the public, for the following purposes.

a. An executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding a contract with Prescott Sportsmen's Club related to management of the Chino Valley Shooting Range Facility that is the subject of negotiations. (Mayor and Council)

9. ACTION ITEMS RESUMED

After the Executive Session, Council will reconvene the Regular Meeting.

a. Consideration and possible action regarding a contract with Prescott Sportsmen's Club related to management of the Chino Valley Shooting Range Facility. (Mayor and Council)

10. ADJOURNMENT

Dated this 22nd day of September, 2016.

By: ***Jami C. Lewis, Town Clerk***

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 636-2646 (voice) or 711 (Telecommunications Arizona Relay Service) 48 hours prior to the meeting to request a reasonable accommodation to participate in this meeting.

Supporting documentation and staff reports furnished to the Council with this agenda are available for review on the Town website at http://www.chinoaz.net/agendacenter and in the Public Library and Town Clerk's Office.

CERTIFICATION OF POSTING

The undersigned hereby certifies that a copy of this notice was duly posted at Chino Valley South Campus, Chino Valley Post Office, and Chino Valley North Campus in accordance with the statement filed by the Town Council with the Town Clerk.

Date:_____ Time:_____ By:_____

Jami C. Lewis, Town Clerk

Town of Chino Valley

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Jami C. Lewis, Town Clerk

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 2. a.**

Meeting Date:	09/27/2016
Contact Person:	Jami Lewis, Town Clerk Phone: 928-636-2646 x-1208
Department:	Town Clerk
Estimated length of Staff Presentation:	10 minutes
Physical location of item:	N/A

AGENDA ITEM TITLE:

Yavapai College Community Update, presented by Steve Walker, Vice President for Advancement and Foundation.

SITUATION & ANALYSIS:

N/A

Attachments

YCC Fall Community Update

YAVAPAI COLLEGE
COMMUNITY UPDATE

FROM THE DESK OF DR. PENNY WILLS

Other schools mark fall semester with the turning of leaves or a chill in the air. Here at Yavapai College, I see fall in the arrival of our new students, brimming with energy and anticipation;

I see it in the faces of our returning students, determined and confident. And, I see it in our faculty and staff – reinvigorated and ready to play their role in student success.

This academic year brings challenges, as well. Like many colleges across the country, we are managing constant change in our budgeting and enrollment; in the makeup of our districts, and in the needs of our communities. We will embrace the changes ahead while remaining true to our core purpose. At Yavapai College, our mission is our students' success.

That means focusing on improving outcomes. As an institution, we are exploring ways to increase retention and graduation rates. Our faculty mentorship project is already underway and will offer personalized support for first-time college students. Our Strategic Enrollment Management committee has identified the need to focus on personal enrichment and strengthening ties to high school counselors and teachers.

Keeping pace with our community, and its needs, also requires clear communication. At Yavapai College, we are listening: through our Focus Forum series, key stakeholders from across the district have offered recommendations and insights related to their expectations of the college. We were heartened by positive feedback: YC responds to community priorities with flexible programming, serves as an economic driver, and enhances cultural enrichment opportunities for the district.

At our August convocation ceremony, I challenged our faculty and staff to think about what each of us can do, as individuals, to provide greater support to our students, our college, and our community as a whole. Together we can make the 2016-17 academic year the time to grow Yavapai County's "education capital." A concerted effort will lead us to our vision: Yavapai College makes our community a better place to learn, work and live.

Let's continue the conversation:

If you want to know more about any of our projects at Yavapai College, please reach out. We're always happy to meet with you or your group to answer questions and hear ideas. Just call Karen Jones at 928-776-2307 to invite a Yavapai College rep to one of your meetings.

Yavapai College Nursing Program

Yavapai College Career Fair

Verde Valley Ceramics

QUALITY AFFORDABLE EDUCATION yc.edu

AROUND OUR DISTRICT

PRESCOTT CAMPUS

The campus is alive this fall with classes, events and new services for our community. The art gallery begins the academic year with the Fall Faculty Exhibition; the library offers the Naxos Music Library, a free streaming music database offering nearly 2 million tracks of music; and YC's highly anticipated, inaugural Pokemon Go Invitational Tournament will be held on Sept. 24th. It promises to be a great introduction to the campus for many of the attendees.

Good news for the business community and lifelong learners: building renovations for the Regional Economic Development Center (REDC) and the Osher Lifelong Learning Institute (OLLI) are now complete. The REDC staff can now work more effectively with business professionals, and the OLLI building offers an attractive, comfortable space for its growing ranks of lifelong learners.

Join us on October 21 for an open house event: participants of all ages will have the opportunity to attend college-level sessions hosted by YC faculty and staff. Attendees will learn more about subjects like nursing, viticulture, financial aid, application preparation, and many others. Attendance is limited to the first 200 participants. The online registration form will be available soon at yc.edu.

VERDE VALLEY CAMPUS

Student success was the underlying theme of the summer. Fourteen high school students participated in the early-college LEAD program, earning college credits and getting a preview of campus life. The result: all enrolled at YC for the fall semester, either as full or part-time students. And, the popular College For Kids program hit an all-time high with 485 registrations!

This fall, thanks to a new partnership with the Valley Academy for Career and Technology Education, Verde Valley high school students will be able to earn college credits while taking YC courses in Welding, Fire Science and Media Arts.

Improvements to the campus include new maps, directories, and signs designed to simplify navigating the grounds. Plus, the Mabery Pavilion will launch its fall season with a new paved floor to compliment lighting and landscape work.

SEDONA CENTER

Community teams have shared their ideas for the future of the Sedona Center. Highlights included: adding culinary and pastry kitchens to support the development of a culinary/hospitality program; redesigning classrooms to accommodate lifelong learning, community education, and general education programming; and exploring a partnership with Sedona Red Rock High School to enhance their performing arts program.

CAREER & TECHNICAL EDUCATION CENTER (CTEC)

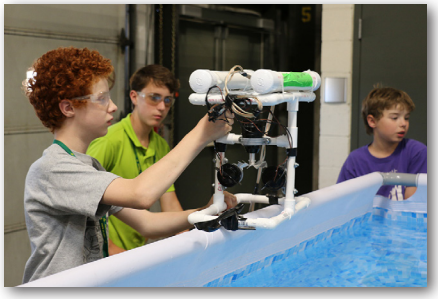
Career & Technical Education (CTE) programs continue to thrive with a robust 90.5% job placement percentage. By pairing high job placement with career coaching assistance, CTE gives our students a competitive edge in Arizona's job market.

With a National Science Foundation grant of $855,350 to fund high-quality engineering technician training, work-based student internships, instructor training and technical equipment enhancements for the next three years, CTEC will continue to remain one of the top facilities of its kind in Arizona.

In an effort to promote increased collaboration and efficient use of public monies, the Mountain Institute Joint Technical Education District administration has relocated to the Yavapai College Career & Technical Education Center. The campus typically hosts more than 200 high school students who attend courses in Pre-Engineering, Welding, Automotive, Auto Body and Paint, and Aviation.

Prescott Campus

Verde Valley Campus



CTEC Robot Camp

CTE Program Highlights

Computer Numerical Control
The Computer Numerical Control (CNC) Machining certificate program provides an introduction to manufacturing technology and allows the student to program and operate a CNC mill and lathe, design a product for CNC machining, reverse engineer a product for 3D replication, and set tools for the CNC machining of a given product.

Industrial Machine Mechanic
The Industrial Machine Mechanic (IMM) program offers six certificates and a degree in the millwright trade and prepares the student for careers in industrial plant and production machinery installation, maintenance, repair, and fabrication. The types of machines taught include pumps, valves, hydraulic/pneumatic, and bulk material handling (e.g., conveyer systems).

CHINO VALLEY AGRIBUSINESS CENTER

Through two successful summer horticulture classes, students prepared the tomato bay for fall students, built a straw-bale garden, planted the pumpkin patch, cleaned up the outdoor gardens and erected a trellis for the grape vines. Meanwhile, canine students tested their handling skills while learning about canine sports such as barn hunt, flyball and agility.

Among the community activities on tap at the center this fall is an all-breed, multi-discipline horse show on Saturday, Oct. 8. The event is in partnership with the Arizona Agribusiness & Equine Center.

The Electrical Utility Lineworker program is in full swing with its third cohort. Students are learning the basics of electricity and line skills in preparation for well-paying careers in the energy industry. If you stop by the campus, you may see our students at the top of 40' poles installing equipment, operating utility trucks, or conducting mock rescues.

Chino Valley Agribusiness Center

PRESCOTT VALLEY CENTER

The center will undergo renovations and expansion over the next year. Many YC allied health and JTED programs will relocate to the campus once construction is complete. The renovations will provide dedicated classrooms and labs, which will contribute to student learning and success.

Prescott Valley Campus

FINANCIAL AID

Parents and students, take note. Financial aid may be awarded earlier this year. The 2017-18 Free Application Form for Student Aid (FAFSA) will be available starting Oct. 1,2016 -- three months early! YC financial aid staff will present several workshops at area high schools this fall to ensure that college-bound students are aware of the latest FASFA filing information.

Financial Aid Support

YAVAPAI COLLEGE PERFORMING ARTS CENTER (YCPAC)

It's hard to imagine a more exciting fall/winter season of entertainment. The Yavapai College Music Department will follow up its September production of "Little Women: The Musical" with the holiday classic "It's a Wonderful Life" in December. Celebrated artists appearing live at the YCPAC include Art Garfunkel and Rita Rudner. Plus, the center will continue to offer satellite broadcasts of the Metropolitan Opera, National Theatre Live, the Bolshoi Ballet performances, and others.

In the Verde Valley, the YCPAC will present Australian jazz sensation Matt Baker & the Trio at the Phillip England Center on Oct. 22 and Windham Hill: Winter Solstice will usher in the holidays at the Sedona Performing Arts Center, Nov. 20. The Broadway favorite Golden Dragon Acrobats will amaze in the final winter season performance at the Sedona Performing Arts Center in March, 2017.

As always, for the full season schedule and ticket information, visit the Yavapai College Performing Arts Center website at www.ycpac.com.

Yavapai College Performing Arts Center

REGIONAL ECONOMIC DEVELOPMENT CENTER (REDC)

Fostering employer/job-seeker connections, the REDC has been a principal collaborator in a series of career fairs around the district. The next scheduled event will be held at the Prescott Valley Event Center, Sept. 27, 9 a.m. - 1 p.m.

"Mobile Small Business Counseling for Rural Yavapai County" is now available thanks to a $68,000 grant. The funding will expand small business technical assistance including personalized counseling services through the Small Business Development Center (SBDC). The geographic areas of focus for the grant include Yarnell, Black Canyon City, and the Town of Chino Valley.

In addition, the SBDC will continue to offer a variety of low-cost entrepreneurship workshops, as well as free one-on-one small business counseling. For workshop schedules and information, visit the SBDC web page at www.yc.edu/sbdc.

REDC Workshop

ATHLETICS

The Roughrider baseball and softball teams this spring were the pride of the county. Baseball capped a stellar season by winning the National Junior College World Series. Softball capped an outstanding season with a fourth-place finish in the NJCAA national championship tournament.

Academics were also a source of pride for YC athletes. Five student athletes earned a perfect 4.0 GPA. Seventeen student-athletes earned NJCAA academic awards and 45 of 78 student athletes were named to the Athletic Director's Honor Roll for earning a 3.0 GPA or higher.

The Roughrider soccer and volleyball fall seasons are now underway and both teams are off to a solid start and on their way to post-season appearances. Visit www.goroughriders.com for game schedules.

National Junior College World Series Champions

YC Softball

IN CLOSING

I hope this letter brings you up to date on just some of YC's recent and upcoming activity. I'd like to leave you with an infographic (below) that reminds us why Yavapai College is the best place to receive a high-quality education through both credit and non-credit programming.

If there's anything you'd like to know more about, please call Karen Jones at (928) 776-2307. We look forward to hearing from you.

Dr. Penny Wills
President
Yavapai College

YC By the Numbers

$10,146	**Average tuition cost for 15 credit hours (typical for one semester) among the four largest Arizona universities.**
$1,185	**Tuition cost for 15 credit hours (typical for one semester) at Yavapai College.**
$13.8M	**Tuition assistance provided to Yavapai College students in 2015-16 through grants, loans, scholarships and other sources.**
2,849	**Number of Yavapai College students that received financial aid in 2015-16.**
18,917	**Number of students served in the Lifelong Learning Programs at Yavapai College (OLLI, Community Education, EDventures and College for Kids), 2011-16.**

FOLLOW US TODAY.

Monthly YC e-Newsletter

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 2. b.**

Meeting Date:	09/27/2016
Contact Person:	Cecilia Grittman, Assistant Town Manager Phone: 928-636-2646 x-1202
Department:	General Services
Estimated length of Staff Presentation:	15 minutes
Physical location of item:	N/A

AGENDA ITEM TITLE:

Quarterly update by Arlene Alen, Executive Director of the Chino Valley Area Chamber of Commerce.

Attachments

No file(s) attached.

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 6. a.**

Meeting Date: 09/27/2016

Contact Person: Jami Lewis, Town Clerk
Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to accept the August 31, 2016 special meeting minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Accept the August 31, 2016 special meeting minutes.

Attachments

August 31, 2016 minutes

D R A F T

MINUTES OF THE SPECIAL MEETING
OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY

WEDNESDAY, AUGUST 31, 2016
6:00 P.M.

The Town Council of the Town of Chino Valley, Arizona, met for a Special Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Wednesday, August 31, 2016.

Present:	Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Susie Cuka; Councilmember Jack Miller; Councilmember Corey Mendoza; Councilmember Lon Turner
Staff Present:	Town Manager Robert Smith; Town Clerk Jami Lewis (recorder)

1) CALL TO ORDER; ROLL CALL

Mayor Marley called the meeting to order at 6:00 p.m.

2) An executive session pursuant to A.R.S. § 38-431.03(A)(1) for discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of Town Manager, Robert Smith. (Councilmember Corey Mendoza; Councilmember Lon Turner)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Susie Cuka to adjourn into executive session at 6:01 p.m.

Vote: 7 - 0 PASSED - Unanimously

Mayor Marley reconvened the meeting at 7:39 p.m.

3) Consideration and possible action regarding employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of Town Manager, Robert Smith. (Councilmember Corey Mendoza; Councilmember Lon Turner)

Vice-Mayor Croft reported that Council made no decisions in executive session. Council took no action on this item.

4) ADJOURNMENT

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adjourn the meeting at 7:40 p.m.

Vote: 7 - 0 PASSED - Unanimously

_____
Chris Marley, Mayor

ATTEST:

_____
Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 31st day of August, 2016. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 27th day of September, 2016.

_____
Jami C. Lewis, Town Clerk

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 6. b.**

Meeting Date: 09/27/2016

Contact Person: Jami Lewis, Town Clerk
Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to accept the September 13, 2016 regular meeting minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Accept the September 13, 2016 regular meeting minutes.

Attachments

September 13, 2016 minutes

D R A F T

MINUTES OF THE REGULAR MEETING
OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY

TUESDAY, SEPTEMBER 13, 2016
6:00 P.M.

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, September 13, 2016.

Present:	Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Susie Cuka; Councilmember Jack Miller; Councilmember Corey Mendoza; Councilmember Lon Turner
Staff Present:	Town Manager Robert Smith; Assistant Town Manager Cecilia Grittman; Town Attorney Phyllis Smiley (via Skype); Finance Director Joe Duffy; Public Works Director/Town Engineer Michael Lopez; Development Services Director Ruth Mayday; GIS/CAD/Web Technician Jan Mazy; Town Clerk Assistant Amy Pyeatt-Lansa; Town Clerk Jami Lewis (recorder)

1) CALL TO ORDER, PLEDGE OF ALLEGIANCE; ROLL CALL

Mayor Marley called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

3) CALL TO THE PUBLIC

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Lillian Morales, resident, spoke about the recent election results and topics of community interest that she had heard from citizens during her campaign, including more recreational and community activities; better buses for the school district; and the Chino Valley-Williamson Valley connector. Mayor Marley asked Ms. Morales to provide her list of recreational ideas to the town manager.

4) RESPONSE TO THE PUBLIC

Response to the Public is an opportunity for the Mayor to inform the public about how Town officials addressed matters raised during Call to the Public at a previous meeting.

5) CURRENT EVENT SUMMARIES AND REPORTS

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a) Status reports by Mayor and Council regarding current events.

Councilmember Best reported on the recent Territorial Days events.

Vice-Mayor Croft reported on the recent League of Arizona Cities and Towns Conference.

b) Status report by Town Manager Robert Smith regarding Town accomplishments, and current or upcoming projects.

6) CONSENT AGENDA

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Corey Mendoza to approve consent agenda items a, b, c and d.

Vote: 7 - 0 PASSED - Unanimously

a) Consideration and possible action to accept the July 26, 2016 regular meeting minutes. (Jami Lewis, Town Clerk)

b) Consideration and possible action to accept the August 9, 2016 regular meeting minutes. (Jami Lewis, Town Clerk)

c) Consideration and possible action to accept the August 16, 2016 special meeting minutes. (Jami Lewis, Town Clerk)

d) Consideration and possible action to accept the August 16, 2016 study session minutes. (Jami Lewis, Town Clerk)

7) ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

a) Consideration and possible action to approve the intergovernmental agreement (IGA) between the Town of Chino Valley and Yavapai County authorizing payment for General Drainage Improvements within the Town of Chino Valley. (Michael Lopez, Public Works Director/Town Engineer)

Recommended Action: Approve the intergovernmental agreement (IGA) between the Town of Chino Valley and Yavapai County for General Drainage Improvements within the Town of Chino Valley.

Mr. Lopez presented on this item:

- Funding in the amount of $110,000 was available from Yavapai County for local drainage improvements and materials. The Town had received much more last year, so staff will also explore grant match options to increase funding.
- Per the 2014 drainage study, which identified several needed projects in the Town, staff had developed a priority list for the projects, some of which had already been completed. The next project in line was too costly to tackle this year, but the IGA included general drainage materials and three improvement projects: Road 2 South at SR 89, Juniper Drive, and the Road 1 East at Road 3 South low water crossing.
- The IGA was written for general drainage improvements to provide flexibility for staff to use the money where it was most needed.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to approve the intergovernmental agreement (IGA) between the Town of Chino Valley and Yavapai County for General Drainage Improvements within the Town of Chino Valley.

Vote: 7 - 0 PASSED - Unanimously

b) Consideration and possible action to adopt Resolution No.16-1091 authorizing the acquisition of certain real property for right-of-way (ROW) and temporary construction easement purposes for re-construction of the intersection of Road 1 West and Road 2 North, authorizing the Mayor, Town Manager and Town Attorney to acquire title to such real property on behalf of the Town by dedication and to obtain the temporary construction easement by purchase for an amount not to exceed $3,500.00, plus acquisition and closing costs; and to authorize the Mayor, Town Manager, and Town Attorney to perform all acts necessary to acquire the property, all as set forth in the Resolution. (Michael Lopez, Public Works Director/Town Engineer)

Recommended Action: Adopt Resolution No. 16-1091, authorizing the acquisition of certain real property.

Mr. Lopez presented on this item:

- The Town and School District entered into an intergovernmental agreement (IGA) in 2014 for project funding using the District's Adjacent Ways funding. Per the IGA, the Town managed construction projects for the District, and the District reimbursed the Town. The District currently had about $200,000 available.
- This project would expand the southwest corner of Road 2 North and Road 1 West to improve bus movement. Two future items will address improvements to the northwest corner of this intersection, as well as a portion of land in the back of the school, where school officials intended the majority of buses to use.
- Affected private property owners had been gracious in offering the right-of-way for a good price.
- School Superintendent Scholl preferred that the project be done in late June/early July.

Councilmember Cuka affirmed that that corner was very difficult for bus turning, and the corner could not be shaved due to utility poles and an irrigation system.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adopt Resolution No. 16-1091, authorizing the acquisition of certain real property.

Vote: 7 - 0 PASSED - Unanimously

c) Consideration and possible action to adopt Resolution No. 16-1090, declaring and adopting the results of the primary election held on August 30, 2016. (Jami Lewis, Town Clerk)

Recommended Action: Adopt Resolution No. 16-1090, declaring and adopting the results of the primary election held on August 30, 2016.

Ms. Lewis affirmed that under consolidated elections, the final election results took somewhat longer and no general election was needed.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Jack Miller to adopt Resolution No. 16-1090, declaring and adopting the results of the primary election held on August 30, 2016.

Vote: 7 - 0 PASSED - Unanimously

d) Consideration and possible action to approve Ordinance No. 16-825 amending the Town of Chino Valley Town Code, Title XI Business Regulations by repealing Chapter 114 Cable Television in its entirety and adopting new Chapter 114 Cable Television, including new Sections 114.01 through 114.61, setting forth definitions, licensing requirements and procedures, and regulations related thereto and requirements related to access channels and subscriber services for cable television providers within the Town of Chino Valley. (Cecilia Grittman, Assistant Town Manager)

Recommended Action: Approve Ordinance No. 16-825 declaring that document entitled "Town of Chino Valley Cable Television Regulations, dated September 13, 2016" to be a public record, and amending the Town of Chino Valley Town Code,Title XI Business Regulations, by repealing Chapter 114 Cable Television in its entirety and adopting by reference new Chapter 114 Cable Television, as set forth in that document entitled "Town of Chino Valley Cable Television Regulations, dated September 13, 2016".

Ms. Grittman reported that this item was vetted through a study session and Town Attorney Smiley could answer any questions. Council had no questions.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Ordinance No. 16-825 declaring that document entitled "Town of Chino Valley Cable Television Regulations, dated September 13, 2016" to be a public record, and amending the Town of Chino Valley Town Code,Title XI Business Regulations, by repealing Chapter 114 Cable Television in its entirety and adopting by reference new Chapter 114 Cable Television, as set forth in that document entitled "Town of Chino Valley Cable Television Regulations, dated September 13, 2016."

Vote: 7 - 0 PASSED - Unanimously

e) Consideration and possible action to approve the 2016 Strategic Plan. (Ruth Mayday, Development Services Director)

Recommended Action: Approve the 2016 Strategic Plan as presented.

Ms. Mayday reported that no changes had been made to the document since it was last before Council, except to add some graphics.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to approve the 2016 Strategic Plan as presented.

Vote: 7 - 0 PASSED - Unanimously

8) EXECUTIVE SESSION

Council may vote to recess the Regular Meeting and hold an executive session, which will not be open to the public, for the following purposes.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Jack Miller to adjourn to executive session at 6:33 p.m.

Vote: 7 - 0 PASSED - Unanimously

a) An executive session pursuant to A.R.S. § 38-431.03(A)(1) for discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of Town Manager, Robert Smith. (Councilmember Corey Mendoza; Councilmember Lon Turner)

b) An executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding a contract with Prescott Sportsmen's Club related to management of the Chino Valley Shooting Range Facility that is the subject of negotiations. (Mayor and Council)

9) ACTION ITEMS RESUMED

After the Executive Session, Council will reconvene the Regular Meeting.

Mayor Marley reconvened the regular meeting at 10:03 p.m.

a) Consideration and possible action regarding employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of Town Manager, Robert Smith. (Councilmember Corey Mendoza; Councilmember Lon Turner)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Jack Miller to direct town attorney to prepare a letter to the town manager setting forth assignment pursuant to his employment agreement.

Vote: 7 - 0 PASSED - Unanimously

10) ADJOURNMENT

MOVED by Councilmember Jack Miller, seconded by Councilmember Mike Best to adjourn the meeting at 10:04.

Vote: 7 - 0 PASSED - Unanimously

_____
Chris Marley, Mayor

ATTEST:

_____
Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 13th day of September, 2016. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 27th day of September, 2016.

_____
Jami C. Lewis, Town Clerk

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 7. a.**

Meeting Date:	09/27/2016
Contact Person:	Cecilia Grittman, Assistant Town Manager Phone: 928-636-2646 x-1202
Department:	General Services
Item Type:	Action Item
Estimated length of staff presentation:	None
Physical location of item:	Old Home Manor

AGENDA ITEM TITLE:

Consideration and possible action to approve the ground lease agreement between the Town of Chino Valley and the Chino Valley Equestrian Association for an initial 5 year term, beginning August 9, 2016 through July 31, 2021 for property located at Old Home Manor. (Cecilia Grittman, Assistant Town Manager)

RECOMMENDED ACTION:

Move to approve the ground lease agreement between the Town of Chino Valley and the Chino Valley Equestrian Association for an initial 5 year term, beginning October 1, 2016 through September 30, 2021 for an approximately 80 acre property located at Old Home Manor.

SITUATION AND ANALYSIS:

Town Council heard an initial presentation from the Chino Valley Equestrian Association, ("Association"), an Arizona Corporation, on 3/8/2016. The Association has been working with the Mayor's Old Home Manor Land Use Committee, and requested the opportunity to develop acreage at Old Home Manor at the intersection of Rodeo Drive and Old Home Manor Drive, in Section 12, for an equestrian and events center. At this meeting the Town Council directed staff to prepare a ground lease agreement with the Association.

The Association later came before the Council on 6/28/2016 to discuss the language of the ground lease agreement. They were still working with the Mayor's Land Use Committee to establish an exact location for their proposed facility at Old Home Manor. Through feasibility work with the Public Works and Development Services departments, and the Mayor's committee, a site has been established and a survey has been performed as demonstrated in Exhibit A of the Agreement.

The location has moved from the original presentation to Council, and the area the Association intends to lease contains some Town buildings, specifically a modular office building and a Quonset hut, as well as the Town's maintenance yard. The Association, as spelled out in the Lease Agreement, will be utilizing one-half of the modular office building at the outset of the Lease Agreement (Section 1.1.1) and at the end of the initial term (5 years, will vacate sooner if able) the Town will vacate the Quonset

hut, the other half of the modular office building, and the maintenance yard and the Association will lease them (Section 1.1.2).

Fiscal Impact

Fiscal Impact?: No
If Yes, Budget Code:
Available:
Funding Source:

Attachments

Lease Agreement, TOCV and CVEA

EQUESTRIAN FACILITY LEASE
BETWEEN THE TOWN OF CHINO VALLEY, ARIZONA,
and
CHINO VALLEY EQUESTRIAN ASSOCIATION

This Equestrian Facility Lease ("Lease") is entered into as of the 27th day of September, 2016, by and between the Town of Chino Valley, Arizona, a political subdivision of the State of Arizona ("Landlord") and Chino Valley Equestrian Association, a _____corporation ("Tenant").

RECITALS

1. Landlord warrants and represents that it owns that certain real property consisting of approximately eighty (80) acres of real property, which is legally described on Exhibit A (the "Property"), which is attached hereto and incorporated herein by this reference.

2. Landlord desires to lease the Property to Tenant and Tenant desires to lease the Property and certain buildings and other structures on the Property ("Facilities") from Landlord. The Property and the Facilities may be collectively referred to herein as the "Premises".

3. Landlord and Tenant acknowledge that Landlord currently uses certain facilities at the Property for Town purposes and that such use may continue for some time until Landlord, in its discretion, constructs additional facilities to accommodate these purposes. To that end, certain facilities may be shared by Landlord and Tenant as set forth in this Lease Agreement.

4. Tenant intends to use and develop the Premises primarily for equestrian and other related purposes.

5. The Chino Valley Town Council believes that the use and development of the Premises by Tenant will provide community recreational and quality of life benefits and will be of economic benefit to the Town and the community by attracting people to the community for equestrian events, creating demands for services, including restaurant and lodging facilities, and potentially creating new jobs and increased sales tax revenues.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, Landlord and Tenant agree to the following terms and conditions:

1. LEASE

1.1 The Premises. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises, as described and shown on the preliminary site plan in Exhibit B, which is attached hereto and incorporated herein by this reference.

1.1.1 Initial Premises. The Initial Premises shall consist of the Property and Facilities except the Quonset hut, maintenance yard (fenced area), and one-half of the modular

office building, all located on the Rodeo Grounds parcel. Landlord's use shall be separate from and shall not interfere with Tenant's use of the Premises.

1.1.2 Premises after Landlord Relocation and Abandonment of Use. At the discretion and timing of Landlord, but no later than the end of the Initial Term, Landlord shall vacate the Quonset hut, maintenance yard (fenced area) and one-half of the modular office building, at which time the Lease terms and conditions as set forth herein shall apply to all of the Premises.

1.2 Permitted Uses.

1.2.1 Tenant may use and occupy the Premises and approved improvements thereon primarily for the following purposes: equestrian events and equestrian-related activities, including but not limited to equestrian-related education, recreational, entertainment, artistic, cultural, or convention activities and events, including related concessions ("Permitted Uses"). Subject to the provisions of Section 4 (Hazards), below, and further subject to applicable law, ordinance, regulation, and required approvals and permitting, the construction, maintenance and demolition of improvements upon the Premises to facilities the Permitted Uses shall be considered allowed pursuant to this Lease. Tenant's use of the Premises for any unrelated purpose without prior written approval from Landlord may, at Landlord's discretion, constitute a breach. Tenant shall not allow the Premises to be used for any improper, immoral, unlawful, or unsafe purpose. Landlord makes no representation regarding the suitability of the Premises for the Permitted Uses.

1.2.2 Tenant may, from time to time, allow use of the Premises by other private or public entities for an event or limited purposes but only after providing prior written notice to Landlord. Any entity using the Premises shall be required to comply with the insurance and indemnification provisions of this Lease, naming the Town of Chino Valley as an additional insured. For rodeos with rough stock activities and other potentially hazardous events, Tenant and any third party provider shall also comply with the requirements set forth below in Sections 4 (Hazardous Material) and 6 (Indemnification and Insurance), below.

1.2.3 Intoxicating Beverages and Liquor: Use and sale of alcoholic beverages on the Premises shall not be permitted unless approved in writing by Landlord. Tenant, its agents, employees or representatives may keep, handle, sell, use or give away intoxicating beverages and liquors of any kind on the Premises only in compliance with Arizona Revised Statutes, Title 4, as permitted by the Arizona Department of Liquor Licenses and Control, and as permitted in writing by Landlord. Nothing in this Agreement shall prohibit Tenant or its agents, employees, or representatives from obtaining a Special Event Liquor License. Private individuals authorized in writing by Tenant to use the Premises for private parties may serve alcohol on the Premises, so long as prior written approval has been obtained from Landlord.

1.3 Term.

1.3.1 Initial Term. The term of this lease shall be for five (5) years, commencing on October 1, 2016 and ending on September 30th, 2021 ("Initial Term") or until said term is sooner terminated or extended pursuant to the provisions of this Lease.

1.3.2 Extended Term. Tenant may elect to extend the Initial Term of this Lease for four (4) additional five-year terms following the expiration of the Initial Term ("Extended Term"), upon the terms, covenants, conditions, conditional limitations, and agreements herein contained, in accordance with and subject to the following conditions: (1) Within thirty (30) days of receipt of a notice of election, Landlord shall have provided its written consent to the Extended Term; (2) The election for the Extended Term (the "Election") shall comply with the requirements of Section 2.3 (Required Improvements and Alterations) herein or such election shall be null and void; (3) The Election shall be exercised, if at all, by Tenant giving Landlord written notice at least sixty (60) days prior to the expiration of the Initial Term (or Extended Term, as appropriate); (4) During each Extended Term, all of the terms and conditions of this Lease shall continue in full force and effect. A notice of election to extend the term of this Lease shall have no effect, and the extension period shall not become effective, if at the time such notice is given, or at any time thereafter until the expiration of the Initial Term, Landlord has delivered to Tenant a written notice of default under the terms of this Lease, and such default is not timely cured pursuant to Section 14 (Remedies), below.

1.3.3 Any reference hereinafter in this Lease to the "Term" shall be deemed to refer to the Initial Term plus, as applicable, any Extended Term.

1.4 Rent and Other Financial Responsibilities.

1.4.1 Rent. The rental amount shall be Ten Dollars ($10.00) per year, payable to the Town of Chino Valley, 202 North State Route 89, Chino Valley, Arizona, 86323. The rent from the effective date of this Lease through December 31, 2016 shall be prorated for such period of time. Thereafter, rent for each year shall be due on January 1 of each year of this Lease. Such rent shall be exclusive of all other amounts payable by Tenant pursuant to this Lease.

1.4.2 Security Deposit. No security deposit shall be required.

1.4.3 Utilities. Except as to the utilities to the modular office building prior to the Town vacating that building, Tenant shall be responsible for and shall promptly pay all gas, electric, water, and utility fees and charges occasioned by its use of the Premises. For additional facilities constructed or installed by Tenant, Tenant shall pay for and Town shall install any required metering devices for said utilities and shall maintain a separate account for utility purposes. Tenant shall be responsible for all utility extensions required for its use and for obtaining any necessary access easements to the Premises. Prior to installation of any utility extensions, Tenant shall obtain all permits and approvals required by the Town. At the time the Town vacates the modular office building, all utility accounts for services to that building will be transferred to Tenant.

1.4.4 Large Events. Tenant shall be responsible for providing traffic control for large events. Tenant shall work in conjunction with the Town's Police Department, and shall bear all costs associated with traffic control for large events per the Town's recommendation for controlling such traffic.

1.5 Possession. Landlord covenants to provide Tenant with peaceful possession of the Premises, and Tenant, by taking possession of the Premises, acknowledges that the Premises are in satisfactory and acceptable condition for its use.

1.6 Use by Landlord. Tenant shall permit Landlord to use the Premises for a scheduled event free of charge for a minimum of at least one time per quarter per calendar year. Such permission by Tenant shall not be unreasonably withheld.

2. IMPROVEMENTS AND ALTERATIONS

2.1 The Premises shall be in compliance with the Town of Chino Valley Unified Development Ordinance ("UDO") at all times during the Term, including but not limited to requirements for screening, perimeter landscaping, setbacks and similar provisions required for the Permitted Uses in the Public Lands zoning district.

2.2 Tenant shall not make any structural or exterior alterations to the Premises without the prior written consent of Landlord, which shall not be unreasonably withheld; provided that any such alteration or improvement shall comply with applicable requirements and procedures set forth in the UDO and other applicable Town Codes.

2.3 Required Improvements and Alterations. Tenant shall obtain required approvals for and shall construct and obtain a certificate of occupancy for the improvements set forth on the Site Plan, attached hereto as Exhibit C, and incorporated herein by this reference, in compliance with the following schedule:

2.2.1 Within two years of the effective date of this Lease, Tenant shall submit to the Town Development Services Department a completed application for and shall obtain required Town approval of the Site Plan and a phased development plan substantially similar to the Site Plan set forth in Exhibit B.

2.2.2 All of the improvements that are designated as Phase I improvements ("Phase I Improvements") on the Site Plan shall be constructed and a certificate of occupancy obtained therefor by no later than the end of the Initial Term of this Lease.

2.2.3 Tenant shall construct the remainder of the improvements pursuant to the phased development plan and the Site Plan on a schedule to be determined and agreed upon by Tenant and Landlord during the remainder of the Lease Term.

2.2.4 To the extent that at the time Tenant provides notice of its election of the Extended Term pursuant to Section 1.3.2, (i) Tenant has in good faith submitted to Landlord for

approval any necessary plans to comply with such requirements and Landlord's approval remains pending; or (ii) Tenant has in good faith commenced and is diligently working to complete improvements previously approved by Landlord and such improvements are not yet completed, then Tenant's right to the Extended Term shall be conditioned upon completion of required improvements in a manner and within such period of time as Landlord may reasonably require. Should Tenant fail to meet either of the foregoing conditions at the time that it provides notice of its election of the Extended Term, such notice shall not be effective.

2.4 Non-required Improvements and Alterations. Tenant, at its sole cost, shall have the right to make, without Landlord's consent, non-structural alterations to the interior of the Facilities that Tenant requires in order to conduct its business on the Premises. In making any alterations that Tenant has a right to make, Tenant shall comply with the following:

2.4.1 Tenant shall submit reasonably detailed final plans and specifications and working drawings of the proposed alterations and the name of its contractor at least thirty (30) days before the date it intends to commence the alterations.

2.4.2 The alterations shall not be commenced until two days after Landlord has received notice from Tenant stating the date of the installation of the alterations is to commence so that Landlord can post and record an appropriate notice of non-responsibility.

2.4.3 The alterations shall be approved by all appropriate government agencies, and all applicable permits and authorizations shall be obtained before commencement of the alterations.

2.4.4 All alterations shall be completed with due diligence in compliance with the plans and specifications and working drawings and all applicable laws.

2.5 Any alterations made shall remain on and be surrendered with the Premises on expiration or termination of the Lease, except that Landlord may elect within thirty (30) days before the expiration of the Lease, or within five (5) days after termination of the Lease, to require Tenant to remove any alterations that Tenant has made to the Premises. If Landlord so elects, Tenant at its cost shall restore the Premises to the condition designated by Landlord in its election, before the last day of the term, or within thirty (30) days after notice of election is given, whichever is later.

2.6 If Tenant is not then in default of any provisions of this Lease, Tenant shall have the right to remove from the Premises immediately before the expiration of the term, nor within thirty (30) days after termination of the term, any alterations Tenant has made to the premises, as long as the removal will not cause any structural damage to the Premises, and Tenant at its cost promptly restores any damage cause by the removal.

3. REQUIRED ANNUAL REPORTS

3.1 On or before December 15 of each year during which the Lease is in effect, Tenant shall make a report to the Chino Valley Town Council which shall, at a minimum, include the following information:

3.1.1 Activities held by Tenant during the past year, including a breakdown of how many were member-only and how many were open to the public in general;

3.1.2 Level of membership;

3.1.3 Type and frequency of use of facilities by members;

3.1.4 As to events held by other parties: type, attendance, sponsorship and any additional information relevant to the Town;

3.1.5 Progress on improvements planned, constructed, and built during the year;

3.1.6 Financial report of the 501(c)3;

3.1.7 Progress on improvements planned for the next year.

3.1.8 Exchange contact information for point of contact for the Equestrian Association, and for the Town.

4. HAZARDS

4.1 Tenant shall not use the Premises, nor permit them to be used, for any purpose which shall cause an increase in the existing insurance rates under Landlord's policies for the Premises, or cause the cancellation of any insurance policy of Landlord's covering the Premises, without providing contemporaneous and reasonably equivalent replacement coverage; nor shall Tenant sell or permit to be kept, used, or sold in or about the Premises, any item that may be prohibited by Landlord's insurance policies, unless the insurance policy is transferred to Tenant by prior written consent of Landlord.

4.1.1 Tenant shall not commit any waste upon the Premises, nor cause any public or private nuisance or other act that may disturb the quiet enjoyment of any other tenant or adjacent property owner or tenant.

4.1.2 Tenant shall not allow the Premises to be used for any improper, immoral, unlawful, or unsafe purpose, including, but not limited to, the storage of any flammable materials or hazardous waste other than those listed on the attached Exhibit C.

4.1.3 Tenant shall not use any machinery or device on the Premises that may make noise or vibration that can be detected by other tenants, or that shall in any way be detrimental to the premises, except for purposes of constructing improvements, maintaining the property, or by written agreement between Parties.

4.1.4 Tenant shall not hold or allow others to hold rough stock or similar hazardous events on the Premises unless Tenant or the sponsoring party has obtained insurance coverage for such event naming the Town of Chino Valley as an additional insured and such policy is primary and non-contributory, waiving subrogation. Tenant shall provide Landlord with endorsements to prove that Tenant's insurance carrier has agreed to these terms and has so endorsed the policy. In the event that Tenant has contracted with or otherwise engaged a third party vendor to conduct such an event, the vendor shall provide the same insurance, endorsements, and assurances as stated above.

4.2 Hazardous Material. There shall be no use or storage of flammable materials, hazardous waste or a Regulated Substance on the Premises. Use or storage of such materials on the Premises shall constitute a material breach of this Lease. Regulated Substances include, but are not limited to, any and all substances, materials or wastes regulated under the Resource Conservation and Recovery Act, 43 U.S.C. § 8909, *et seq.*; the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601, *et seq.*; the Toxic Substances Control Act, 15 U.S.C. § 2601, *et seq.*; the Arizona Hazardous Waste Management Act, A.R.S. § 49-921, *et seq.*; the Arizona Underground Storage Tank Regulation Act, A.R.S. § 49-101, *et seq.*; and the rules and regulations adopted and guidelines promulgated pursuant to the applicable laws.

4.3 Tenant shall not release, discharge, leak or emit, or permit to be released, discharged, leaked or emitted into the atmosphere, ground, soil, sewer system, surface water or groundwater any substance if such substance (as reasonably determined by Landlord, or any governmental authority) does or may pollute or contaminate the same, or may adversely affect (a) the environment, (b) the health, welfare or safety of persons whether located on the Premises or elsewhere, or (c) the condition, value, use or enjoyment of the Premises or any other real or personal property. Tenant has or will timely obtain, maintain and comply with all provisions of all permits, licenses and other authorizations which are required under the applicable laws (hereinafter referred to as the "Permits").

4.4 Tenant shall immediately notify Landlord, orally and in writing, of any allegations by any governmental authority or other person or entity of any event of non-compliance with the applicable laws or permits of this section. Tenant shall also immediately notify Landlord orally and in writing, of any allegations by any governmental authority or other person or entity, of any events, conditions, circumstances, activities, practices, incidents, actions or plans which may interfere with or prevent continued compliance with applicable laws, Permits or the provisions of this section, or which may give rise to any common law or legal liability, or otherwise form the basis of any claim, action, suit, proceeding, hearing or investigation, based on or related to the generation, manufacture, distribution, use, treatment, storage, disposal, transport, or handling, or the emission, discharge, release or threatened release into the environment, of any pollutant, contaminant or Regulated Substance.

4.5. Landlord, or its authorized representative, agent or contractor, shall have the right, upon reasonable notice, to inspect the Premises and to review and copy documents, records, and data maintained by Tenant relating to substances used and stored on the Premises or disposed of,

released or otherwise removed from the Premises, in order to assure itself that Tenant is in compliance with the provisions of this Section 3.

4.6. Landlord shall have the right, at its expense, to perform periodic environmental inspections as Landlord deems necessary using the services of a qualified and duly licensed environmental engineers approved by Tenant whose approval thereof shall not be unreasonably withheld. The said engineers shall conduct such sampling and testing of soils, water, substances and emissions as Landlord deems necessary to assure itself that Tenant is in compliance with the provisions of this Section 3. In the event the results of the inspection indicate a need for further testing and/or remediation as a result of Tenant's use of the Premises in order to comply with ADEQ or EPA remediation standards or guidelines, then Tenant hereby agrees to reimburse Landlord for its reasonable inspection costs and to pay for such additional testing and remediation as will be required as a consequence of Tenant's use of the Premises. Should remediation be required as a consequence of Tenant's use of Premises, Tenant shall immediately undertake such remediation as is necessary to restore the condition of the Premises and shall diligently pursue such work to completion. Tenant's failure to timely perform its obligations set forth herein shall be considered a material breach of this Lease, and Tenant's obligations under this Section 3 shall continue beyond the expiration or termination hereof. Nothing in this Section 3 shall constitute a waiver of any right of Tenant, including without limitation, the right to receive contribution from any individual or entity responsible for contamination of any part of the Premises.

4.7. To the fullest extent permitted by law, Tenant agrees to indemnify, defend and hold Landlord harmless for any costs of legally required remediation of environmental contamination and from any claims, demands, actions, suits, proceedings, hearings, investigations, responsibility, liability, orders, injunctions, judgments, fines, damages and losses of any nature whatsoever, arising out of or relating in any way to Tenant's present or future use of, or activities or operations on or at, the Premises, or arising from or relating to any breach of the provisions of this Section 3. Tenant also agrees to indemnify and hold Landlord harmless any costs and expenses incurred in connection therewith, including without limitation, any attorneys' and expert witness fees, investigation, clean up, removal, disposal, remedial, corrective, or mitigating action costs, fines and penalties related in any way to Tenant's use of the Premises. These indemnities shall survive the termination of this Lease.

5. ENTRY BY LANDLORD.

5.1 Landlord reserves the right to enter upon or have its agent enter the Premises for purposes of inspection and to verify compliance with this Lease. Landlord shall notify Tenant at least twenty-four hours prior to any inspection, except when circumstances require immediate action. Landlord shall endeavor to schedule all inspections at such times that would have minimal impact on the operations of the business of Tenant.

5.2 Tenant hereby waives any claim for damage for any injury or inconvenience to, or interference with, Tenant's business, any loss of occupancy or quiet enjoyment of the Premises, or any other loss occasioned by Landlord's entry unless such claim is a direct result of Landlord's willful misconduct.

5.3 Landlord shall have the right to use any and all means which Landlord deems proper to open any doors or gates in an emergency in order to obtain entry to the Premises and any entry into the Premises obtained by Landlord by any of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible, unlawful, negligent entry into, and shall not be construed or deemed as conduct intended to cause damage or injury, or a detainer of the Premises or an eviction of Tenant from the Premises or any portion thereof.

6. INDEMNIFICATION AND INSURANCE.

6.1 Disclaimer of Liability. Landlord shall not at any time be liable for injury or damage occurring to any person or property from any cause whatsoever arising out of Tenant's use of the Premises.

6.2 Indemnification.

6.2.1 Tenant shall indemnify and hold harmless Landlord, its agents, employees, councilmembers, boards and assignees, from and against any and all liability, claims, damages, penalties, costs, charges, losses and expenses for attorneys, expert witnesses and consultants, for any bodily injury, loss or damage to any person or property arising out of or occasioned by the use or occupancy of the Premises by Tenant and from and against all bodily injury, loss, claim, or damage to any person or property anywhere occasioned by any act or omission of Tenant.

6.2.2 If Landlord shall, without fault of Landlord, be made a party to any litigation commenced by or against Tenant for any of the above reasons, then Tenant shall protect, defend and hold Landlord harmless and pay all costs, penalties, charges, damages, expenses, and reasonable attorney's fees incurred or paid by Landlord.

6.2.3 Tenant shall assume all risks of loss injury or damage of any kind or nature whatsoever to any fixture or other structure belonging to Tenant which may be now or hereafter placed upon or in the Premises and all risks of loss, injury or damage of any kind or nature whatsoever to the contents of such structures or to any goods, merchandise, chattels or any other property now or that may hereafter be upon said leased premises whether belonging to Tenant or others. If there is such loss, injury or damage resulting from fire or other agency, and whether the same be caused by the negligence of Landlord or any of its employees or agents or otherwise and to save and keep harmless Landlord from all claims and suits growing out of any such loss, injury or damage.

6.2.4 As used herein, the term "person" means any person, firm, corporation, association, partnership, trust, joint venture, or other entity.

6.3 Insurance. Tenant shall, at Tenant's expense, obtain and keep in force during the term of this Lease a policy of Comprehensive General Liability insurance insuring Landlord and Tenant against any liability arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Minimum coverage for Comprehensive General Liability insurance is $1,000,000 per occurrence and $2,000,000 aggregate. The limit of said

insurance shall not, however, limit the liability of the Tenant hereunder. Tenant may carry said insurance under a blanket policy, providing, however, said insurance by Tenant shall have a Landlord's protective liability endorsement attached thereto. If Tenant shall fail to procure and maintain said insurance, Landlord may, but shall not be required to, procure and maintain same, but at the expense of Tenant. Insurance required hereunder, shall be in companies rated A+, AAA or better in "Best's Insurance Guide". Tenant shall deliver to Landlord prior to occupancy of the Premises copies of policies of liability insurance required herein or certificates evidencing the existence and amounts of such insurance with loss payable clauses satisfactory to Landlord. No policy shall be cancelable or subject to reduction of coverage except after ten (10) days' prior written notice to Landlord. All policies shall name the Town of Chino Valley as an additional insured and shall not provide "members only" coverage.

6.4 Waiver of Subrogation.

6.4.1 The parties release each other, and their respective authorized representatives from any claims for damage to any person or to the Premises and the Building and other improvements in which the Premises are located, and to the fixtures, personal property, Tenant's improvements and alterations of either Landlord or Tenant in or on the Premises and the Building and other improvements in which the Premises are located that are caused by or result from risks insured against under any insurance policies carried by the parties and in force at the time of any such damage.

6.4.2 Each party shall cause each insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against either party in connection with any damage covered by any policy. Neither party shall be liable to the other for any damage caused by fire or any of the risks insured against under any insurance policy required by this Lease. If any insurance policy cannot be obtained with a waiver of subrogation, or is obtainable only by the payment of an additional premium charge above that charged by insurance companies issuing policies without waiver of subrogation, the party undertaking to obtain the insurance shall notify the other party of this fact. The other party shall have a period of ten (10) days after receiving the notice either to place the insurance with a company that is reasonably satisfactory to the other party and that will carry the insurance with a waiver of subrogation, or to agree to pay the additional cost. If the insurance cannot be obtained or the party in whose favor a waiver of subrogation is desired refuses to pay the additional premium charged, the other party is relieved of the obligation to obtain a waiver of subrogation rights with respect to that particular insurance involved.

7. REPAIRS AND MAINTENANCE.

7.1 Tenant shall repair any damage caused to the Premises by Tenant, its employees, agents, invitees, licensees, or visitors. If Tenant fails to make any such repairs or replacements promptly, Landlord may, in its sole discretion, make such repairs after providing at least thirty (30) days' prior written notice to Tenant, and Tenant shall repay the reasonable cost of such repairs to Landlord upon demand.

7.2 Tenant shall be responsible for removal of manure and other animal waste and for mitigating environmental effects thereof, including making reasonable efforts to control odors and flies.

7.3 Tenant shall ensure that events held on the Premises are contained within the Premises and do not overflow to adjacent properties without the written consent of the property owners and advance notice to Landlord. Tenant shall be responsible for cleaning up within a reasonable amount of time after every event to restore the Premises to pre-event conditions. If there is overflow to other Tenant shall be wholly liable and responsible for any and all encroachments and damages that are incurred due to such overflow and shall fully indemnify and defend Landlord as set forth in Section 6, above.

8. FIXTURES AND PERSONAL PROPERTY.

8.1 Landlord's Property. The fixtures and personal property listed in Exhibit D ("Landlord's Fixtures"), attached hereto and incorporated herein by this reference, are owned by Landlord and shall remain Landlord's personal property. Tenant may use and enjoy Landlord's Fixtures provided that Tenant maintains and repairs said fixtures as reasonably required.

8.2 Any trade fixtures, equipment, or personal property permanently installed in or permanently attached to the Premises by or at the expense of Tenant shall be and shall remain the property of Tenant, except as otherwise agreed in writing by Tenant and Landlord. Tenant shall have the right to remove any and all of such property prior to the expiration or termination of this Lease Agreement, so long as no default exists under this Lease. Tenant shall, at its expense, repair any damage caused to the Premises by reason of the removal of any of its trade fixtures, equipment, or other permanently affixed personal property as described above.

9. COMPLIANCE WITH THE LAW. Tenant shall not use the Premises or allow any use or permit anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, and with the requirements of any board of fire insurance underwriters or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Premises, excluding structural changes not related to or affected by Tenant's improvements or acts. The judgment of any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord is a party thereto or not, that Tenant has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as between Landlord and Tenant.

10. TAXES.

10.1 Together with and in addition to any payment of rent or any other sums payable to or for the benefit of Landlord pursuant to this Lease, Tenant shall pay to Landlord any excise, sales, occupancy, franchise, privilege, rental or transaction privilege tax levied by any governmental authority upon Landlord as a result and to the extent of such payments hereunder

or as a result of Tenant's use or occupancy of the Premises, and any taxes assessed or imposed in lieu of or in substitution for any of the foregoing taxes whether now existing or hereafter enacted.

10.2 Tenant understands and agrees that in the event the Premises becomes subject to a government property lease excise tax pursuant to Arizona Revised Statutes, title 42, chapter 6, article 5, Tenant shall pay such excise tax and Landlord shall have no responsibility whatsoever for such excise tax.

11. EMINENT DOMAIN. Either party may terminate this Lease if the whole or any material part of the Premises shall be taken or condemned for any public or quasi-public use under Law, by eminent domain or private purchase, in lieu thereof (a "Taking"). Landlord shall also have the right to terminate this Lease if there is a Taking of any portion of the Property which would leave the remainder of the property unsuitable for use. In order to exercise its right to terminate the Lease, Landlord or Tenant, as the case may be, must provide written notice of termination to the other within 45 days after the terminating party first receives notice of the Taking. Any such termination shall be effective as of the date the physical taking of the Premises or the portion of the Property occurs. If this Lease is not terminated, the acreage leased by the Tenant and the Tenant's Pro Rata Share shall, if applicable, be appropriately adjusted. In addition, Rent for any portion of the Premises taken or condemned shall be abated during the unexpired Term of this Lease effective when the physical taking of the portion of the Premises occurs. All compensation awarded for a Taking, or sale proceeds (other than any compensation which may be separately awarded to Tenant pursuant to the terms of the next succeeding sentence), shall be the property of Landlord, any right to receive compensation or proceeds being expressly waived by Tenant. However, Tenant may file a separate claim at its sole cost and expense in connection with such Taking for Tenant's property and Tenant's reasonable relocation expenses, provided the filing of the claim does not diminish the award which would otherwise be receivable by Landlord. As used in this section, the word "condemned" shall include (a) receipt of written notice of the intent to condemn from an entity having the power of eminent domain, (b) the filing of any action or proceeding for condemnation by any such entity, and (c) the conveyance of any interest in the Premises by the Landlord or the Tenant to a public or quasi public authority having the power of eminent domain with respect to the Premises as a result of the authority's express written intent to condemn.

12. ASSIGNMENT AND SUBLETTING. Tenant shall not assign, transfer, mortgage, pledge, encumber, sublet or part with the possession of the whole or any part of the Premises without first obtaining the written consent of Landlord. Such consent shall not be unreasonably withheld, but may be conditioned upon Tenant remaining liable for the performance of all obligations under this Lease through the remainder of the Term, together will all extensions, expansions, and renewals that may have been executed by Tenant and Landlord prior to any such assignment.

13. DEFAULT.

13.1 Tenant's Default. Tenant shall be considered to be in default of this Lease upon the occurrence of any of the following events of default:

13.1.1 Tenant's failure to pay when due all or any portion of the Rent, if the failure continues for ten (10) business days after written notice to Tenant ("Monetary Default").

13.1.2 Tenant's material breach (other than a Monetary Default) of any other term, provision, or covenant of this Lease, if such breach is not cured within ten (10) business days after written notice to Tenant. However, if Tenant's breach cannot reasonably be cured within 10 business days, Tenant shall be allowed additional time (not to exceed 75 days) as is reasonably necessary to cure the breach so long as: (1) Tenant commences to cure the breach within 10 business days, and (2) Tenant diligently pursues a course of action that will cure the breach and bring Tenant back into compliance with the Lease. However, if Tenant's breach creates a hazardous condition, including but not limited to any breach of the provisions of Section 4, above, the breach must be cured immediately upon notice to Tenant. In addition, if Landlord provides Tenant with notice of Tenant's failure to comply with any particular term, provision or covenant of the Lease on three (3) occasions during any twelve (12) month period, any subsequent violation of such term, provision or covenant shall, at Landlord's option, be an incurable event of default by Tenant.

13.1.3 Tenant is unable to pay its debts when due or admits in writing its inability to pay its debts when due, makes a transfer in fraud of creditors or makes an assignment for the benefit of creditors.

13.1.4 Tenant is in default beyond any notice and cure period under any other lease or agreement with Landlord.

13.2 Landlord Default. It shall be a default if Landlord fails to perform any of its obligations as set forth in this Lease and does not cure such default within thirty (30) days after written notice form Tenant describing the alleged default.

14. REMEDIES.

14.1 Event of Default by Tenant. Upon the occurrence of any Event of Default under this Lease, regardless of whether specifically enumerated in Section 12, Landlord shall have the option to terminate this Lease and Tenant's right of possession, in addition to any relief allowed at law or in equity.

14.2 Event of Default by Landlord. In the event of default by Landlord, Tenant shall have the right, at its option, to terminate this Lease in addition to any other remedy Tenant may have by operation of law, without any further demand or notice.

14.3 Litigation. If litigation for breach of this Lease is brought, the prevailing party shall be awarded its reasonable attorney's fees and costs.

15. TERMINATION. Either party shall have the right to terminate this Lease as set forth in this Section, by providing written notice to the other party at least ninety (90) days in advance of the

date of termination. Termination shall be permitted by mutual written agreement of the Parties. If Tenant terminates the Lease, all rents paid in advance to Landlord become non-refundable.

16. REDELIVERY OF PREMISES. Tenant agrees to redeliver to Landlord the physical possession of the Premises at the end of the Term of this Lease, in substantially similar or better condition as delivered to Tenant at the commencement of this Lease. All Improvements placed on the Premises during the Term of this Lease shall be removed at Landlord's request, and at the cost of Tenant. If Tenant fails to remove the Improvements within thirty (30) days of written notice by Landlord to do so, Landlord may remove the Improvements and charge the cost to the Tenant. Tenant shall pay such costs within ten (10) business days of the date of the invoice for such removal.

17. HOLDING OVER. Any holding over after the expiration of the Term of this Lease shall be deemed to constitute a tenancy from month to month only, and shall be on the same terms and conditions as specified in this Lease, so far as applicable, and at a monthly rental equal to that for the last month of the Term of the Lease.

18. DISPUTE RESOLUTION.

18.1 Arizona Law. This Lease shall be governed by and all disputes resolved pursuant to the laws of the State of Arizona.

18.2 Mediation. Any disputes that arise out of this Lease shall first be submitted to mediation using a professional, independent mediator, as agreed to by the Parties. No litigation may be filed by either Party unless one party fails to mediate in good faith or good faith mediation by both Parties fails to resolve the dispute.

18.3 Attorney's Fees. If either party institutes a lawsuit against the other to construe, enforce, or for breach of this Lease, or if either party intervenes in any suit in which the other is a party to enforce or protect its interest or rights pursuant to the Lease, the prevailing party shall be entitled to all of its costs and expenses, including, without limitation, reasonable attorneys' fees.

19. DEFINITION OF "LANDLORD". At any relevant point in time, the term "Landlord" shall mean the present owner of the Premises, and in the event of any transfer of ownership, the prior owner shall be released and discharged from future performance of the covenants and obligations of Landlord pursuant to this Lease, but such covenants and obligations shall be binding during the Lease Term on each new owner, and their successors and assigns for the duration of this Lease.

20. LANDLORD'S LIEN.

20.1 Landlord shall have at all times a valid lien for all rentals and other sums of money becoming due under this Lease from Tenant, subject to any purchase money liens or security interests outstanding from time to time to third parties, on all goods, wares, equipment, fixtures, furniture, and other personal property of Tenant situated on and in the Premises. After notice of default is given by Landlord, such property shall not be removed from the premises

without the consent of Landlord which shall be given when all rent in arrears as well as any and all other sums of money then due to Landlord under this Lease have been paid.

20.2 Tenant hereby grants a security interest, subject to any purchase money liens or security interests executed by Tenant outstanding from time to time to third parties, in such personal property described in this Section. The lien hereby granted may be foreclosed on in the manner and form provided for under Arizona law or in any other manner and form provided by law.

21. ENTIRE AGREEMENT. This Lease constitutes the entire agreement between the parties and supersedes all prior agreements and understandings related to the Premises, including all lease proposals, letters of intent and other documents.

22. NOTICE. All notices, requests, demands, and other communications hereunder shall be in writing and shall be deemed given if personally delivered with receipt, or mailed, certified mail, return receipt requested, to the following addresses:

To Landlord: Town Manager
Town of Chino Valley
202 North State Route 89
Chino Valley, AZ 86323

To Tenant: Susan Cuka, President
Chino Valley Equestrian Association
P.O. Box 381
Chino Valley, Arizona 86323

23. SEVERABILITY. The inability or unenforceability of any covenant, term or condition of this Lease shall not affect the validity or enforceability of any other covenant, term or condition of this Lease and such other covenants, terms and conditions shall remain in full force and effect.

IN WITNESS WHEREOF, each of Landlord and Tenant have executed this Lease on the dates indicated below.

Entered into this 27th day of September, 2016 by Tenant:

TENANT, CHINO VALLEY EQUESTRIAN ASSOCIATION

_____

By: _____
Its: _____

LANDLORD, TOWN OF CHINO VALLEY, ARIZONA

_____
Chris Marley, Mayor

ATTEST:

_____
Jami Lewis, Town Clerk

Approved as to Form:

_____
Phyllis L.N. Smiley, Town Attorney

EXHIBIT

EXHIBIT "A"

LAND DESCRIPTION

TOWN OF CHINO VALLEY

THAT PORTION OF TRACT 44, LOCATED IN SECTION 12, TOWNSHIP 16 NORTH, RANGE 2 WEST, GILA AND SALT RIVER BASE AND MERIDIAN, IN THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, STATE OF ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS.....

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 12;

THENCE ALONG THE EASTERLY LINE OF SAID SECTION 12 SOUTH 00° 34' 57" WEST A DISTANCE OF 2,764.96 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 12;

THENCE ALONG THE QUARTER SECTION LINE OF SAID SECTION 12 NORTH 89° 46' 43" WEST A DISTANCE OF 55.40 FEET;

THENCE NORTH 00° 13' 17" EAST A DISTANCE OF 25.00 FEET TO A POINT ON A LINE WHICH IS PARALLEL TO AND 25.00 FEET NORTHERLY OF SAID QUARTER SECTION LINE;

THENCE ALONG SAID PARALLEL LINE NORTH 89° 46' 43" WEST A DISTANCE OF 2,562.15 FEET TO A POINT ON A LINE WHICH IS PARALLEL TO AND 25.00 FEET EASTERLY OF THE EASTERLY LINE OF TRACT 42 OF SAID SECTION 12;

THENCE ALONG SAID PARALLEL LINE NORTH 00° 05' 24" EAST A DISTANCE OF 2,656.48 FEET TO A POINT ON A LINE WHICH IS PARALLEL TO AND 25.00 SOUTHERLY OF THE NORTHERLY LINE OF SAID SECTION 12;

REGISTERED LAND SURVEYOR
CERTIFICATE NO.
51524
KENNETH R.
DAVIDSON
DATE SIGNED 9-6-16
ARIZONA U.S.A.

EXPIRES 09/30/2019

A

Legal Description of Property

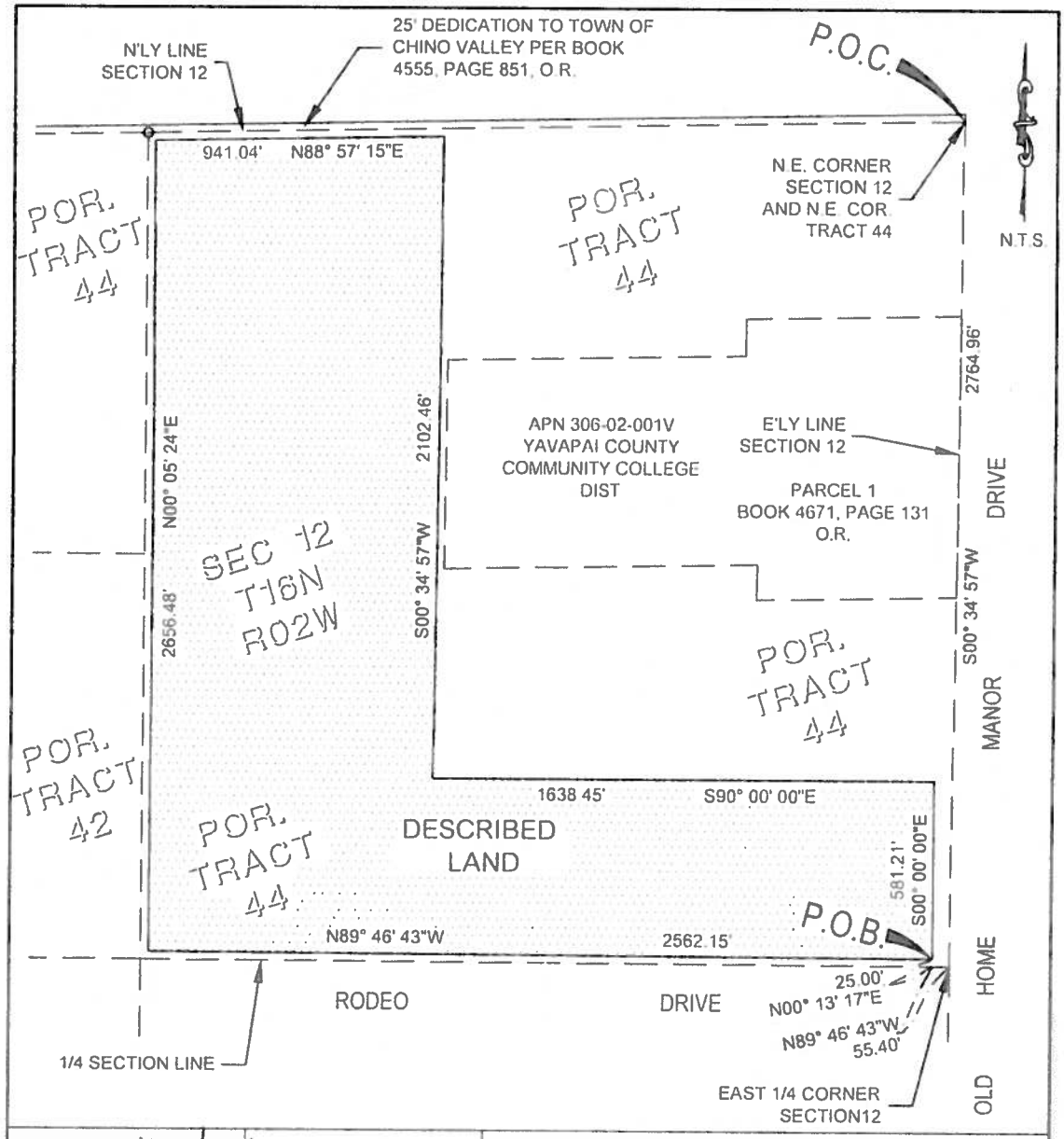
THENCE ALONG SAID PARALLEL LINE NORTH 88° 57' 15" EAST A DISTANCE OF 941.04 FEET TO A POINT ON A LINE WHICH IS PARALLEL TO AND 25.00 WESTERLY OF THE PROLONGATION OF THE WESTERLY LINE OF THE LAND DESCRIBED IN DEED TO YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT RECORDED IN BOOK 4671, PAGE 131 OF OFFICIAL RECORDS OF SAID COUNTY;

THENCE ALONG SAID PARALLEL LINE SOUTH 00° 34' 57" WEST A DISTANCE OF 2,102.46 FEET;

THENCE SOUTH 90° 00' 00" EAST A DISTANCE OF 1,638.45 FEET;

THENCE SOUTH 00° 00' 00" EAST A DISTANCE OF 581.21 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 3,427,105 SQUARE FEET, OR 78.676 ACRES, MORE OR LESS.



REGISTERED LAND SURVEYOR
51524
KENNETH R. DAVIDSON
DATE SIGNED 9.6.16
ARIZONA U.S.A.
EXPIRES 09/30/2019

CIVITEC engineering inc.
Civil, Water, Wastewater, Drainage, and Transportation Engineering
Construction Management • Surveying
California • Arizona

CHINO VALLEY, AZ

TOWN OF CHINO VALLEY
SECTION 12 LEGAL DESCRIPTION
EXHIBIT B

DE: KRD	CH: BT	DR: KRD	JN: 2016717.00	SHEET 1 OF 1

EXHIBIT B

Site Plan

EXHIBIT C

Permitted Hazardous Substances

EXHIBIT D

Landlord's Fixtures

Rodeo Grounds OHM

Amount	Description
70	12' Corral Panels
18	8 ½' Gates with "Ride-Thru"
6	Bucking Chutes
8	Lead-up Alley's
2	7' Lead-up Alley's
55	6' Connector Posts
5	12' Panels with 4' Gates
28	10' Panels
3	4' Gates
5	2' Gates
1	12' "Walk-Thru" with two 4' Gates

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 7. b.**

Meeting Date:	09/27/2016
Contact Person:	Joe Duffy, Finance Director Phone: 928-636-2646 x-1211
Department:	Finance
Item Type:	Action
Estimated length of staff presentation:	5 minutes
Physical location of item:	N/A

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 16-1092 authorizing the application for a Clean Water State Revolving Fund (CWSRF) loan from the Water Infrastructure Finance Authority of Arizona (WIFA) for expenses related refinancing the USDA Debt and constructing the Center Street Sewer Line Extension, in an amount not to exceed $640,000. (Joe Duffy, Finance Director)

RECOMMENDED ACTION:

Adopt Resolution No. 16-1092 authorizing the loan application.

SITUATION AND ANALYSIS:

On November 15, 2015 the Town of Chino Valley closed a loan with WIFA to refinance existing USDA debt and finance the construction of the Center Street Sewer Line. The original cost estimate of the project was $565,000. The Town contracted with Lyon Engineering to design the project. Lyon's preliminary engineering estimate is $1,200,000 plus $60,000 for design. The Town underestimated the project cost by $695,000.

The Town took out a loan of $50,000 to pay for the design and second loan of $515,000 for construction. WIFA gave the Town $250,000 in forgivable principle so the total the Town will pay back only $265,000 on the second loan.

The Town will need to take out an additional loan with WIFA for $640,000 to complete the project.

The Town of Chino Valley has submitted details of the Center Street Sewer Line Extension to the Water Infrastructure Authority of Arizona (WIFA). WIFA has scored the project and determined the Town of Chino Valley is a disadvantaged community. This status will allow the Town to receive a subsidized interest rate which includes a 20% discount off the WIFA interest rate for the waste water project.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code:
Available:
Funding Source:
The Town will be incurring an additional $640,000 in debt to complete the project.

Attachments

Resolution 16-1092
Center Street Projection
Center Street Analysis
Lyon Preliminary Estimate

RESOLUTION NO. 16-1092

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, A MUNICIPAL CORPORATION OF ARIZONA, TO AUTHORIZE THE APPLICATION FOR A CLEAN WATER STATE REVOLVING FUND LOAN FROM THE WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA; PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS; AND PROVIDING FOR SEVERABILITY

WHEREAS, the Town of Chino Valley, Arizona ("Town"), has identified a need for a wastewater capital improvement project; and

WHEREAS, pursuant to Arizona Revised Statues § 9-571, Town may obligate the revenues generated by its utility system to repay a loan from the Water Infrastructure Finance Authority of Arizona ("WIFA"); and

WHEREAS, Town certifies that its population is fewer than 50,000 persons as of the most recent U.S. Census Date, satisfying the requirements set forth in A.R.S. § 9-571; and

WHEREAS, the Mayor and Town Council have determined it is in the best interest of Town to pursue and apply for financial assistance from WIFA of an amount not to exceed $640,000 for such wastewater project; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, as follows:

1. The Town Finance Director is hereby authorized to apply for Clean Water State Revolving Fund ("CWSRF") financial assistance from WIFA and to take such actions as are necessary to apply for financial assistance from CWSRF in an amount not to exceed $640,000 payable from revenues received from the Town's utility system and/or revenues from transaction privilege (sales) taxes and State shared revenues.

2. All actions of the officers and agents of the Town which conform to the purposes and intent of this resolution and which further the completion of the application as contemplated by this resolution, whether heretofore or hereafter taken are hereby ratified, confirmed and approved. The proper officers and agents of Town are hereby authorized and directed to do all such acts and things and to execute and deliver all such application documents on behalf of the Town as may be necessary to carry out the terms and intent of this resolution.

BE IT FURTHER RESOLVED that all resolutions or parts of resolutions in conflict with the provisions of this resolution are hereby repealed.

BE IT FURTHER RESOLVED that if any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of

Chino Valley, Arizona this 27th day of September, 2016.

_____
Chris Marley, Mayor

ATTEST:

_____
Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

_____
Phyllis L. N. Smiley, town Attorney

I hereby certify the above foregoing Resolution No. 16-1092 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on September 27, 2016, and that a quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

_____
Jami C. Lewis, Town Clerk

Center Street Sewer Project
Revised Projection September 2016

	Original Projection	Actual 1st WIFA Loan	Revised Project Projeciton
Design	$50,000		$60,000
Construction	$510,000		$1,200,000
Closing Costs	$5,000		
Total Project	**$565,000**	**$575,332**	**$1,260,000**
Design Paid by Town/Wifa Loan	**-$50,000**	-$50,000	-$50,000
WIFA Grant Forgivable Principal	**-$250,000**	-$250,000	-$250,000
Funds Available From First WIFA Loan			-$325,000
Total Loan	**$265,000**	**$275,332**	**$635,000**
New WIFA Loan Amount			**640,000**

Molly Rae Subdivision
Revised Projection September 2016

				Total Original Estimate					Revised Project Projeciton	
Total Project Cost					$	575,332			$	1,260,000
Less Forgivable Principal					$	(250,000)			$	(250,000)
Total Loans to Complete Project					**$**	**325,332**			**$**	**1,010,000**
Total Impact Fees to be collected										
Total Lots	106									
Total Homes to date	4									
Number of Homes Remaining	102	$	6,000		**$**	**612,000**	$	88	**$**	**528,000**
Total Future Annual Sewer Fees	102	$	64		$	78,336	$	88	$	67,584
Debt Service Requirements										
Engineering Loan - 5 Yrs					$	10,389			$	10,389
WIFA 1st Loan					$	19,915			$	19,915
WIFA 2nd Loan									$	39,178
Total Debt Service					$	30,304			$	69,482
Other homes along Center	28	$	6,000		$	168,000				
Incentive for homes along Center	28	$	3,000		$	84,000				

PRELIMINARY - NOT FOR BIDDING PURPOSES

LYON ENGINEERING
Civil Engineers • Land Surveyors

Center Street Sewer Main Extention Project

Line No.	Item	ITEM DESCRIPTION	UNIT	UNIT COST	Est. Quantity	TOTAL ITEM COST
1		Remove Existing 24" CMP	LF	$ 5.00	288.00	$ 1,440.00
2		Remove Existing 18" CMP	LF	$ 5.00	97	$ 485.00
3		Double Chip Seal	SY	$ 3.51	15744.00	$ 55,261.44
4		6" Aggregate Base Course	CY	$ 35.00	874.67	$ 30,613.33
5		Subgrade Preparation	SY	$ 2.50	15988.00	$ 39,970.00
6		Asphaltic Concrete, Type C 3/4", Match Ex.Thickness	SY	$ 17.00	244	$ 4,148.00
7		24" CMP	LF	$ 30.00	288.00	$ 8,640.00
8		18" CMP	LF	$ 25.00	97.00	$ 2,425.00
9		Aluminum End Section	EA	$ 500.00	12.00	$ 6,000.00
10		60" Precast Concrete Sewer Manhole	EA	$ 7,500.00	7	$ 52,500.00
11		48" Prescott Concrete Sewer Manhole	EA	$ 5,000.00	8	$ 40,000.00
12		30" Water Proof Bolted Manhole Lid	EA	$ 750.00	3	$ 2,250.00
		Adjust Existing Manhole Lid	EA	$ 500.00	2	$ 1,000.00
13		12" PVC SDR 35	LF	$ 90.00	2720	$ 244,800.00
14		12" PVC, C900, DR 18	LF	$ 130.00	3314	$ 430,820.00
15		4" PVC Sewer Service, C900, DR 18	EA	$ 800.00	31	$ 24,800.00
16		Tracer Wire Station	EA	$ 450.00	15	$ 6,750.00
17		Concrete Encasement	LF	$ 50.00	44	$ 2,200.00
18		Stormwater Pollution Prevention Plan	LS	$ 2,500.00	1	$ 2,500.00
19		Replace Existing Aluminum Cap	EA	$ 500.00	2	$ 1,000.00
20		Replace Existing Striping	LS	$ 2,500.00	1	$ 2,500.00
21		Traffic Control	LS	$ 25,000.00	1	$ 25,000.00
				TOTAL=		**$ 985,102.77**
22		Construction Staking	LS		1	$ 17,700.00
23		As-Built Survey & Plans	LS		1	$ 6,000.00
24		Inspection	LS		1	$ 10,000.00
25		Engineers Certificate of Completion	LS		1	$ 3,600.00
26		Mobilization (8% of Total)	LS		1	$ 78,808.22
27		Contract Allowance (10% of Total)	LS		1	$ 98,510.28
				GRAND TOTAL=		**$ 1,199,721.27**

LYON ENGINEERING
Civil Engineers • Land Surveyors

Center Street Sewer Main Project

Item Number	Pay Item	Item Description	Unit	Quantity	Unit Cost	Total Item Cost
1	105.8	Construction Staking	LS	1	$ 17,700.00	$ 17,700.00
2	107.15	Storm Water Pollution Prevention Plan	LS	1		
3	109.1	Mobilization	LS	1		
4	109.11	Contract Allowance	LS	1		
4	301.8	Sub Grade Preparation	SY	15,744		
4	310.5	Aggregate Base Course	CY	875		
5	321	Asphalt Concrete	SY	246		
5	330-1	Asphalt Chip Seal	SY			
6	401	Traffic Control	LS	1		
8	402.2	Thermoplastic Striping	LS	1		
9	402.4	Permanent Striping	LS	1		
10	405	Survey Monument	EA	2		
11	601.2.11	Rock Removal (trench)	CY	1,000		
12	615.1	Sewer Main 12" PVC, SDR 35	LF	2,720		
13	615.2	Sewer Main 12" PVC, C900, DR18	LF	3,314		
14	615.7	Sewer Service 4" PVC, C900, DR18	EA	31		
17	618.1	Storm Pipe 18" CMP	LF	97		
18	618.2	Storm Pipe 24" CMP	LF	288		
18	625-1a	Sanitary Manhole 60" Diameter	EA	7		
19	625-1b	Sanitary Manhole 48" Diameter	EA	8		
				GRAND TOTAL=		

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 8. a.**

Meeting Date:	09/27/2016
Contact Person:	Jami Lewis, Town Clerk Phone: 928-636-2646 x-1208
Department:	Council
Estimated length of Staff Presentation:	None
Physical location of item:	N/A

AGENDA ITEM TITLE:

An executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding a contract with Prescott Sportsmen's Club related to management of the Chino Valley Shooting Range Facility that is the subject of negotiations. (Mayor and Council)

SITUATION & ANALYSIS:

To reduce paper consumption, executive session attendees should bring with them the handouts from the last executive session on this topic. If you no longer have the handouts, let the Clerk's Office know.

Attachments

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 9. a.**

Meeting Date:	09/27/2016
Contact Person:	Jami Lewis, Town Clerk Phone: 928-636-2646 x-1208
Department:	Council
Estimated length of Staff Presentation:	None
Physical location of item:	N/A

AGENDA ITEM TITLE:

Consideration and possible action regarding a contract with Prescott Sportsmen's Club related to management of the Chino Valley Shooting Range Facility. (Mayor and Council)

Attachments