1. Call to Order

2. Roll Call (one or more members of the Council or Commission may participate by telephone)

3. Motion to adjourn to Executive Session (to be held in the Council Conference Room of the Town Hall Building) for the following purposes:

   A. Discussion and consultation with the Town’s representatives to consider the Town’s position and instruct its representatives regarding the acquisition of real property in the Town Center. A.R.S. 38-431.03(A) (7).

   B. Discussion and consultation with the Town’s attorney for legal advice and with the Town’s representatives to consider the Town’s position and instruct its representatives regarding the possible sale or lease of property in the Town Center and regarding agreements that are the subject of negotiations related to Town Center projects (Thompson Thrift). A.R.S. § 38-431.03(A)(3)(4) and (7).

   C. Discussion and consultation with the Town’s attorney for legal advice and with the Town’s representatives to consider the Town’s position and instruct its representatives regarding a possible development agreement that is the subject of negotiation. A.R.S. § 38-431.03(A)(3) and (4).

   D. Discussion and consultation with the Town’s attorney for legal advice and with the Town’s representatives regarding encroachment on Town property. A.R.S. § 38-431.03(A)(3) and (4).

   E. Discussion and consideration of assignments of Town Manager. A.R.S. 38-431.03(A)(1).

ITEMS FOR DISCUSSION These items are for Council and Commission discussion only and no action will be taken. In general, no public comment will be taken.

4. End of Session Legislative Update. 

   TAB P


7. Discussion on Town Center Visioning project and allocation of Town Center resources. **TAB Q**

8. **Adjournment**
Agenda
Regular and Possible Executive Session
Queen Creek Town Council
Queen Creek Town Hall, 22350 S. Ellsworth Road
Council Chambers
June 18, 2014
7:00 p.m.

1. Call to Order

2. Roll Call (one or more members of the Council may participate by telephone)

3. Pledge of Allegiance:

4. Invocation:

   A. Great Neighbor Awards
   B. Proclamation – Parks and Recreation Month

6. Committee Reports
   A. Council summary reports on meetings and/or conferences attended. This may include but is not limited to Phoenix-Mesa Gateway Airport; MAG; East Valley Partnership; CAG. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.
   B. Partner agencies quarterly or periodic updates to Council. This may include but is not limited to Queen Creek Chamber of Commerce; Queen Creek Performing Arts Center; Boys & Girls Club of East Valley; and Maricopa or Pinal County Board of Supervisors or other governmental agencies. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.

7. Public Comment: Members of the public may address the Town Council on items not on the printed agenda and during Public Hearings. Please complete a "Request to Speak Card", located on the table at the rear of the Council Chambers and turn it in to the Town Clerk prior to the beginning of the meeting. There is a time limit of three minutes for comments.

8. Consent Calendar: Matters listed under the Consent Calendar are considered to be routine and will be enacted by one motion and one vote. Public Hearing items are designated with an asterisk (*). Prior to consideration of the Consent Agenda, the Mayor will ask whether any member of the public wishes to remove a Public Hearing item for
separate consideration. Members of the Council and or staff may remove any item for separate consideration.

A. Consideration and possible approval of the May 7, 2014 Work Study and Regular Session Minutes. **TAB A**

B. Consideration and possible approval of Expenditures over $25,000: *(Items 2-10 budgeted in FY14/15):* **TAB B**
   1. AllChem – water treatment chemicals: $28,776 *(Budgeted in FY13/14)*
   2. Weber Water Resources – well repair services: $300,000
   3. Dana Kepner – meters, meter fittings & services for water: $600,000
   4. HD Supply – water distribution parts: $100,000
   5. AJP Electric, Inc. – traffic signal @ 188th and Germann Rd: $124,308
   6. ESRI – GIS software and training: $29,400
   7. Tyler Technologies – MUNIS annual support: $82,600
   9. United Health Care – Employee/Council Member medical insurance: $1,835,000
   10. Delta Dental Insurance – Employee/Council Member dental insurance: $102,700

C. Consideration and possible approval of **Resolution 990-14** Intention to Order the Purchase of Electricity and **Resolution 991-14** Ordering the Improvements for the purpose of purchasing electricity for Streetlight Improvement District #74 2014-002 Church Farm Parcel A1. **TAB C**

D. Consideration and possible approval of **Resolution 992-14** Intention to Order the Purchase of Electricity and **Resolution 993-14** Ordering the Improvements for the purpose of purchasing electricity for Streetlight Improvement District #75 2014-003 Church Farm Parcel C1. **TAB D**

E. Consideration and possible approval of **Resolution 994-14** Intention to Order the Purchase of Electricity and **Resolution 995-14** Ordering the Improvements for the purpose of purchasing electricity for Streetlight Improvement District #76 2014-004 Ocotillo Heights Phase II. **TAB E**

F. Consideration and possible approval of **Ordinance 550-14** setting the Town’s primary property tax rate and levy for FY14/15. **TAB F**

G. Consideration and possible approval of **Ordinance 551-14** setting the Town’s secondary property tax levy for Street Light Improvement Districts (SLID) for FY14/15. **TAB G**

H. Consideration and possible approval of the “Master Plat” of Fulton Homes @ Queen Creek Station, a request by Fulton Homes Corporation and H&QC, LLC. **TAB H**

I. Consideration and possible approval of the use of SRP (Salt River Project) Aesthetic Funds in the amount of $768,800 for the conversion from overhead to underground of 12kv transmission lines for the Rittenhouse Road project. *(SRP is funding this project)* **TAB I**
J. Consideration and possible approval of a contract with Thin Client, in the amount not to exceed $310,000 for the virtual desktop infrastructure project. *(Budgeted in FY13/14)*

**TAB J**

K. Consideration and possible approval of an Agreement between the Boys & Girls Club of the East Valley and Town in the amount of $50,000 and the use of two rooms at the Founders Park Community Center and the Fire Training Center, for community recreation services for FY14/15. *(Budgeted in FY14/15)*

**TAB K**

L. Consideration and possible approval of an Agreement between the Greater Phoenix Economic Council (GPEC) and the Town in the amount of $13,038 for FY14/15. *(Budgeted in FY14/15)*

**TAB L**

M. Consideration and possible approval of an Agreement between the Queen Creek Cultural Foundation (QCCF) and the Town in the amount of $110,000 for FY14/15. *(Budgeted in FY14/15)*

**TAB M**

N. Consideration and possible approval of an Agreement between Friends of Horseshoe Park (FOHP) and the Town in the amount of $20,000 for the production of the Roots N’ Boots Creek Event 2015. *(Budgeted in FY14/15)*

**TAB N**

PUBLIC HEARINGS: If you wish to speak to the Council on an item listed as a Public Hearing, please complete a Request to Speak Card and turn it in to the Town Clerk. Speakers will be called upon in the order in which their cards are received. Speakers are limited to three (3) minutes each.

None.

FINAL ACTION: If you wish to speak to the Council on an item listed under Final Action, please complete a Request to Speak Card and turn it in to the Town Clerk. Speakers will be called upon in the order in which their cards are received. Speakers are limited to three (3) minutes each.

9. Discussion and possible approval of an Agreement between the Queen Creek Chamber of Commerce and the Town in the amount of $75,000 for FY14/15. *(Budgeted in FY14/15)*

**TAB O**

10. Discussion and possible approval of the appointment of Jeff Brown to serve as Vice Mayor for term ending December 2014.

ITEMS FOR DISCUSSION: These items are for Council discussion only and no action will be taken. In general, no public comment will be taken.

11. End of Session Legislative Update.

**TAB P**


14. Discussion on Town Center Visioning project and allocation of Town Center resources.

15. **Motion to adjourn to Executive Session:** The Council may reconvene the Executive Session for any of the items listed on the Work Study Executive Session Agenda.

16. **Adjournment**
Minutes
Work Study Session
Queen Creek Town Council
Queen Creek Town Hall, 22350 S. Ellsworth Road
Council Chambers
May 7, 2014
5:30p.m.

1. **Call to Order**

The meeting was called to order at 5:30p.m.

2. **Roll Call** (one or more members of the Council or Commission may participate by telephone)

Council Members present: Benning; Brown; Gad; Wheatley (5:40p.m.); Vice Mayor Oliphant (5:35p.m.) and Mayor Barney. Council Member Barnes arrived at during Executive Session.

3. **Motion to adjourn to Executive Session (to be held in the Council Conference Room of the Town Hall Building) for the following purposes:**

   A. Discussion and consultation with the Town’s attorney for legal advice and with the Town’s attorney and representatives to consider the Town’s position and instruct its representatives regarding a reimbursement agreement for water infrastructure improvements at Ironwood Crossing Units 4B & 4C with Fulton Homes that is the subject of negotiation. A.R.S. § 38-431.03(A)(3) and (4).

   B. Discussion and consideration of Town Manager Performance Evaluation and goals. A.R.S. 38-431.03(A)(1).


**Motion to adjourn to Executive Session at 5:31p.m:**

1st: Benning
2nd: Gad
Vote: Unanimous

**ITEMS FOR DISCUSSION** These items are for Council and Commission discussion only and no action will be taken. In general, no public comment will be taken.
None.

5. Presentation on bike lanes within the Town.
None.

6. Update on status of the Ellsworth & Queen Creek Roads intersection.
None.

7. **Adjournment**

The Work Study reconvened and adjourned at 7:00 p.m.
1. Call to Order

The meeting was called to order at 7:00 p.m.

2. Roll Call (one or more members of the Council may participate by telephone)

Council Members present: Barnes; Benning; Brown; Gad; Wheatley; Vice Mayor Oliphant and Mayor Barney.

3. Pledge of Allegiance: Led by Mayor Barney

4. Invocation: A moment of silence was observed for all first responders.


A. Proclamation – National Public Works Week May 18-24

B. Recognition of Ariana Ruof as the Boys & Girls Club of the East Valley Youth of the Year

Eric Rodriquez, Branch Director of the Queen Creek Boys & Girls Club, provided information on the Youth of the Year Award and the work and projects Ariana Ruof did to achieve the award. He then introduced Ms. Ruof, who shared her speech on leadership and volunteering in the community.

6. Committee Reports

A. Council summary reports on meetings and/or conferences attended. This may include but is not limited to Phoenix-Mesa Gateway Airport; MAG; East Valley Partnership; CAG. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.

Vice Mayor Oliphant reported on her attendance at the Earth Day celebration on April 26 and provided an overview of the many activities. She also attended the East Valley Partnership Board of Director’s meeting in Council Member Brown’s absence, on May 1, 2014.
Mayor Barney reported on several meetings and events he attended during the week of April 23 – May 2: Gila River Indian Community (GRIC); Phoenix-Mesa Gateway Airport Board; Maricopa Association of Governments; Queen Creek High School Operation Prom; and Earth Day.

B. Partner agencies quarterly or periodic updates to Council. This may include but is not limited to Queen Creek Chamber of Commerce; Queen Creek Performing Arts Center; Boys & Girls Club of East Valley; and Maricopa or Pinal County Board of Supervisors or other governmental agencies. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.

1. Boys & Girls Club – 3rd Quarter Report: Eric Rodriquez, Queen Creek Branch Director, reported on the membership statistics; academic programs; character/citizenship programs and healthy lifestyle programs. Mr. Rodriquez also presented information on the 4th Quarter summer programs that will include Leader in Training.


D. Budget Committee – April 28, 2014: Vice Mayor Oliphant, Budget Committee Chair, reported on the April 28 & May 5 meetings. The committee reviewed the FY14/15 Town Manager recommended budget including operating funds and capital improvement program funds; not for profit funding requests and the schedule of public hearings for budget and tax levy adoption.

7. Public Comment: Members of the public may address the Town Council on items not on the printed agenda and during Public Hearings. Please complete a “Request to Speak Card", located on the table at the rear of the Council Chambers and turn it in to the Town Clerk prior to the beginning of the meeting. There is a time limit of three minutes for comments.

None.

8. Consent Calendar: Matters listed under the Consent Calendar are considered to be routine and will be enacted by one motion and one vote. Public Hearing items are designated with an asterisk (*). Prior to consideration of the Consent Agenda, the Mayor will ask whether any member of the public wishes to remove a Public Hearing item for separate consideration. Members of the Council and or staff may remove any item for separate consideration.

A. Consideration and possible approval of the April 2, 2014 Work Study, Special Session & Regular Session Minutes.
B. Consideration and possible approval of Expenditures over $25,000: *(all items budgeted in FY13/14)*:

   Esser Design/Peppertree/LP&G - town-wide graphic design services: $90,000

C. Consideration and possible approval of the appointment of Council Member Jeff Brown to the Budget Committee.

D. Consideration and possible approval of the 2nd Amendment to the Right Away Disposal (RAD) Contract (#2010-005) revising the Performance Bond language and Appendix B to include temporary 6-yard container collection for residential use.

E. Consideration and possible approval of a professional services contract with Center for Public Safety Management, LLC, in an amount not to exceed $41,000 for the development of a study and plan for analysis of Fire/EMS services. *(Budgeted in FY13/14)*

F. Consideration and possible approval of an Temporary Extension of Premises Application submitted by Mark Schnepf on behalf of Schnepf Farms, 22601 E. Cloud Rd., for the Peach Festival event to be held during the month of May 2014. The farm has a current liquor license #07070502.

G. Consideration and possible approval of a Permanent Extension of Premises Application submitted by Mark Schnepf on behalf of Schnepf Farms, 22601 E. Cloud Rd., for festivals and other events held at Schnepf Farms. The farm has a current liquor license #07070502.

H. Consideration and possible approval of Resolution 996-14 and the Reimbursement Agreement with Fulton Homes for water infrastructure improvements to Ironwood Crossing Units 4B & 4C.

**Motion to approve the Consent Calendar as presented:**

1st: Gad  
2nd: Wheatley  
Vote: Unanimous

**PUBLIC HEARINGS:** If you wish to speak to the Council on an item listed as a Public Hearing, please complete a Request to Speak Card and turn it in to the Town Clerk. Speakers will be called upon in the order in which their cards are received. Speakers are limited to three (3) minutes each.

9. Public Hearing and possible adoption of Resolution 997-14 declaring as a public record the 2014 Development Fee Ordinance and Ordinance 547-14 adopting a Development Fee Procedure.

Tracy Corman, Assistant to the Town Manager and Dwayne Guthrie, TischlerBise, discussed the public hearing and adopting requirements for development fees. A brief
history of Queen Creek’s development fees was provided and the proposed new fees were discussed. It was noted that the construction sales tax offset was calculated in the new fees which are reduced from current fees.

The Public Hearing was opened. No one came forth and the Public Hearing was closed.

**Motion to approve Resolution 997-14 declaring as a public record the 2014 Development Fee Ordinance and Ordinance 547-14 adopting a Development Fee Procedure, setting an effective date of August 1, 2014:**

1st: Benning  
2nd: Gad  
Vote: 6-1 (Barnes)  
MOTION PASSED

10. Discussion and possible adoption of Resolution 998-14 establishing the Development Fee Schedule.

The Public Hearing was opened. No one came forth and the Public Hearing was closed.

**Motion to approve Resolution 998-14 establishing the Development Fee Schedule:**

1st: Benning  
2nd: Gad  
Vote: 6-1 (Barnes)  
MOTION PASSED

11. Public Hearing and possible action on RZ13-042/SD13-040 – Ordinance 546-14 “La Jara Farms Phase 2” a request by Lindsay Schube on behalf of VIP Homes, for Planned Area Development (PAD)/Rezoning of approximately 70 acres from R1-43 to PAD/R1-18 and Preliminary Plat approval for an 82-lot residential development. The project is located at the southwest corner of Hawes and Germann Roads.

Principal Planner Brett Burningham reviewed the applicant’s request for PAD R-18 rezoning and preliminary plat approval for Phase 2 of La Jara Farms. Mr. Brittingham also discussed the landscape plan that includes a round-pen in the southeast corner and open spaces throughout; lots sizes ranging from 18,000 – 43,000 sq. ft; and the conditions of approval recommended by the Planning & Zoning Commission. He noted that the project is within the Phoenix-Mesa Gateway Airport Overflight Area 3 and so requires public disclosure and noise attenuation.

Lindsay Schube, representing the applicant, also gave a presentation on the project, thanking the Ellsworth Mini-Farm residents and staff. Ms. Schube stated that all homes would be single-story and the requested deviations for the PAD were for lot depth.

The Public Hearing was opened.
Ray Epps, Queen Creek, submitted written comments in support.

Eric Kerr, Queen Creek, spoke in support, stating that staff support and the applicant’s diligence in working with the neighbors to resolve concerns. Mr. Kerr did state that he had a few concerns with the school location on Germann Road but understood the Town has no control about it.

The Public Hearing was closed.

Council discussed neighborhood involvement; conditions of approval; round-pen maintenance and different uses available within the development. Ms. Schube explained that the round-pen maintenance would be the HOA’s responsibility and be included in the CCR’s for Phase 2. Council followed up with a question on horse privileges. Ms. Schube stated that all lots 35,000 and larger would have horse privileges.

**Motion to approve RZ13-042/SD13-040 – Ordinance 546-14 “La Jara Farms Phase 2” with the Conditions of Approval as recommended by the Planning and Zoning Commission:**

1st: Wheatley  
2nd: Oliphant  
Vote: 6-1 (Barnes)  
MOTION PASSED

**FINAL ACTION:** If you wish to speak to the Council on an item listed under Final Action, please complete a Request to Speak Card and turn it in to the Town Clerk. Speakers will be called upon in the order in which their cards are received. Speakers are limited to three (3) minutes each.

12. Discussion and possible action on DR13-043 “William Lyon Homes at Church Farms Parcels A & F”, a request by Bryan Crazier for design review approval of five (5) standard floor plans with three (3) elevations each to be constructed on 562 lots located on the southeast corner of Ocotillo and Signal Butte Roads.

Planner Sidney Urias showed the preliminary plat for Parcels A & F and highlighted the elevations and layout of the floor plans.

Brian Crazier, representing William Lyons Homes, stated that changes made to the elevations addressed previous concerns regarding garage face plane; lot coverage and window placement and design, and all designs fit within the approved PAD lot sizes.

**Motion to approve DR13-043 “William Lyon Homes at Church Farms Parcels A & F”, a request by Bryan Crazier for design review approval of five (5) standard floor plans with three (3) elevations each to be constructed on 562 lots located on the southeast corner of Ocotillo and Signal Butte Roads:**
13. Discussion and possible action on DR14-007 “William Lyon Homes, Harmony at Meridian Parcels B, G and L”, formerly known as Church Farm, a request by Bryan Crazier of William Lyon Homes for design review approval of six (6) standard floor plans with three (3) elevations each to be constructed on 505 lots located on the southeast corner of Ocotillo and Signal Butte Roads.

Planner Sidney Urias presented highlights of the proposed floor plans and layout.

Brian Crazier, William Lyons Homes, presented a window pop-out designed in-house and showed where additional windows were added on the long walls.

Motion to approve DR14-007 “William Lyon Homes, Harmony at Meridian Parcels B, G and L”, formerly known as Church Farm, a request by Bryan Crazier of William Lyon Homes for design review approval of six (6) standard floor plans with three (3) elevations each to be constructed on 505 lots located on the southeast corner of Ocotillo and Signal Butte Roads:

1st: Benning
2nd: Gad
Vote: 6-1 (Barnes)
MOTION PASSED

14. Discussion and possible action on SD13-035 “Cloud Estates, a request by Cason Tyler Ventures, LLC for Preliminary Plat approval of approximately 16.5 acres for a 14-lot residential development. The project is located on the south side of Cloud Road, approximately 1400 feet east of Power Road.

Principal Planner Brett Burningham gave a brief review of the original rezoning request presented to Council on January 15, 2014 and the history of the legal protest filed and following continuance to the March 19, 2014 Council meeting at which time the application was withdrawn. Subsequently, the applicant revised the subdivision plat consistent with the existing R1-43 Rural Estate zoning, consisting of 14 lots. The applicant also submitted a landscape plan. Mr. Burningham added that additional notice of the new plan was given to residents and those who filed the legal protests.

Council asked if an R1-43 development was required to follow design guidelines. Mr. Burningham explained that garage setbacks are required and that no standard plans or custom designs had been submitted.

Additional questions from Council were in regard to the front yard setbacks and garage locations for the lots located on the cul-de-sac. Troy Peterson and Perry Mathis, representing the applicant, responded to the questions.
Motion to approve SD13-035 “Cloud Estates” with conditions of approval as recommended by the Planning and Zoning Commission:

1st: Wheatley  
2nd: Barnes  
Vote: Unanimous

15. Consideration and possible approval of Ordinance 548-14 amending Town Code Chapter 9 – Offenses, Article 9-1 Offenses, Section 9-1-3 Fireworks and Explosives, by changing the permissible dates for sale and use of fireworks according to recent state legislation (SB1158) and declaring an emergency.

Fire Chief Ron Knight stated the proposed amendments were consistent with SB1158 signed by the Governor.

Town Attorney Bisman explained the purpose of the emergency clause but added that the legislation was pre-emptive and would be in effect anyway.

Motion to approve Ordinance 548-14 amending Town Code Chapter 9 – Offenses, Article 9-1 Offenses, Section 9-1-3 Fireworks and Explosives, by changing the permissible dates for sale and use of fireworks according to recent state legislation (SB1158) and declaring an emergency:

1st: Gad  
2nd: Wheatley  
Vote: 5-2 (Barnes, Brown)  
MOTION PASSED

There was discussion on community outreach and state legislative mandates on local government.

ITEMS FOR DISCUSSION: These items are for Council discussion only and no action will be taken. In general, no public comment will be taken.

16. Update on the Roots N’ Boots 2014 Family Rodeo. (If necessary)

Jon Wootten, representing Friends of Horseshoe Park, provided a financial summary of the event, showing a net profit and ability to repay the Town $20,000 seed money in addition to approximately $2,100 profit share. Mr. Wootten reported that attendance had increased dramatically; sponsorships had increased and the exit surveys results averaged a 4.66 out of 5. He also reported that the majority of attendees were from the Queen Creek/San Tan Valley area and that planning for 2015 was underway.

17. Presentation on bike lanes within the Town. (If necessary)
Traffic Engineer Mohammed Youssef gave a presentation on the national trends and economic benefits of enhanced bike lanes and discussed the possibilities within Queen Creek.

Mr. Youssef and Council discussed the complete street concept with pedestrian/bikes as the focus and the following:
- Strategies to encourage land use to reduce vehicle use
- Bike lane designs – shared, buffered, no-buffer and colored pavement
- Retrofitting streets to achieve goal of being bicycle friendly
- Green bike lanes between subdivisions and schools

18. Update on status of the Ellsworth & Queen Creek Roads intersection. *(If necessary)*

Traffic Engineer Mohammed Youssef presented a traffic analysis and plans to mitigate incidents at the intersection of Ellsworth & Queen Creek Roads. He discussed several findings of the analysis including:
- Ellsworth Road is a major north/south arterial roadway and a main entry/exit for Queen Creek
- Fulton Homes development does not front the intersection
- Traffic counts for 2012 were 34,026 daily trips and continue to increase

Mr. Youssef also discussed the existing speed limits, shoulders, curve, traffic signal and school location.

The accident analysis covering 2011-2014 showed 31 accidents, with the majority due to distracted drivers (inattention) and rear-enders.

Mr. Youssef said strategies to use roads more efficiently and safely were a priority and improvements are included in the FY14/15 Capital Improvement Program budget.

19. Discussion on “Operation Welcome Home”.

Assistant to Town Manager Tracy Corman presented research on the Operation Welcome Home program in Gilbert & Chandler – committee & management of program; fundraising; nominations; event activities; frequency and type of recognition.

Council Member Brown stated that Queen Creek doesn’t have a formal recognition of returning vets and would like to have the American Legion and local businesses support a program through a committee.

Council Member Barnes also stated support for the American Legion to take on the program, in a similar way to the 911 Remembrance event. He also supported forming a community based committee with the Town acting as a liaison/facilitator.

Council Member Brown volunteered to facilitate a meeting with the Small Business Alliance and American Legion.
Town Manager Kross stated that a more defined proposal/program would be presented to Council at a future meeting.

**20. Discussion on annexation of northeast planning area lands.**

This item was presented at the request of Council Members Barnes and Gad to consider the Town’s position for annexing state land to the north of current Town boundaries & planning area (eastern and northern boundary – Germann Rd/Queen Creek Rd alignment/Meridian Rd alignment/Ironwood Rd) and the future SR24.

Town Manager John Kross reviewed prior Council presentations and discussions on fiscal impacts, timelines and annexation policy guidelines.

Discussion included considering the square mile south of the state land (area that includes Ironwood Crossing subdivision); road improvement responsibility; the difficult annexation process in Arizona; fiscal costs to annex roof tops (net deficit); and an existing agreement with Fulton Homes in regard to not annexing into the Town.

Town Manager Kross stated all of these issues need to be considered in a fiscal analysis and outlined the Town’s policy on public outreach prior to initiating an annexation; statutory requirements of annexations including petitions, recordings, value assessments and property owner signatures.

Council discussed focusing on the one square mile north of current planning area (eastern and northern boundary) and costs to annex – including existing residents. Mr. Kross responded that staff will bring back at a future meeting options for both areas discussed.

**21. Motion to adjourn to Executive Session:** The Council may reconvene the Executive Session for any of the items listed on the Work Study Executive Session Agenda.

None.

**22. Adjournment**

The meeting was adjourned at 9:50 p.m.
TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, TOWN MANAGER

FROM: MYRNA QUIHUIS, PURCHASING OFFICE

RE: CONSIDERATION AND POSSIBLE APPROVAL OF EXPENDITURES $25,000 AND OVER

DATE: 06/18/2014

Staff Recommendation:
Staff recommends approval of expenditures $25,000 and over.

Relevant Council Goal(s): N/A

Proposed Motion:
Move to approve Town expenditures $25,000 and over, pursuant to Town purchasing policy.

Discussion:
The following items being requested are:

**Fiscal Year 2014**
1. Chlorine Tablets for Water Disinfection and Treatment

**Fiscal Year 2015**
2. Well Repair Services
3. Meters, Meter Fittings and Services
4. Water Distribution Parts
5. Traffic Signal Improvements
6. ESRI/ARC GIS Agreement
7. MUNIS Financial System Annual Support
8. Copier and Printer Lease/Purchase and Service
9. Medical Insurance Coverage
10. Dental Insurance Coverage

See attachment for additional explanation on the above expenditures.
**Fiscal Impact:**
The fiscal impact of the requested spending authority for the above expenditures is $3,275,984.00. Funds have been identified within their line item budgets as approved in the FY 2014 and 2015 budgets.

**Alternatives:**

1. The Town is required under state and federal laws to provide clean and safe water supply. The Town is mandated to provide a minimum of .2 ppm of chlorine residual for water disinfection. Due to a situation that left the Town in between contracts for water chemicals, and a higher than estimated usage due to the earlier high temperatures, we are in need of a shipment of Trichlor chlorine from AllChem. The Town participated in an up-front cooperative contract with the City of Mesa for Water Treatment Chemicals, however the contract doesn’t take effect until July 1, 2014. AllChem is honoring contract pricing for this emergency purchase. No other suitable alternative is available.

2. There is no alternative to this item due to the necessity of having to repair and maintain Town of Queen Creek potable water production wells. The Town currently utilizes a cooperative agreement through the City of Scottsdale with Weber Water Resources who is currently completing repair and maintenance on existing wells. Well work is very unpredictable until the necessary assessments are completed to determine ultimate costs and repairs needed. Any delays to procure a solicitation for services would risk delays in having adequate water production facilities under operation to meet unpredictable customer demands due to the unusually dry winter and warmer than usual weather patterns, in addition, would not guarantee lower rates.

3. There is no alternative to this item due to Dana Kepner being the sole source supplier of Sensus meters and meter reading equipment in the Western region of the United States. The equipment the Town procures from Dana Kepner is compatible with existing meter reading infrastructure and is exclusively used in the Town of Queen Creek’s water system. The Utility Services Department procures meters, meter fittings, MXU’s, meter testing services and meter accessories for the installation, repair and maintenance of the Town’s residential and commercial water meters. Wear on water meters is an expected normal operating condition that can lead to a loss of revenue, inefficient operation conditions, and an increase in lost and unaccounted water reporting to the Arizona Department of Water Resources (ADWR), if left unaddressed. The Town of Queen Creek Water Division maintains a testing and repair program to minimize such occurrences. The Town of Queen Creek Water Division has explored possible cooperative purchasing arrangements with other Cities; however, at this time no other viable procurement alternatives exist.

4. Council could choose not to approve the expenditure; however, the impact of this action would result in going through the solicitation process delaying the interconnections of the Town of Queen Creek Water System and the former H2O
Water Systems. The Town currently utilizes a cooperative agreement through the City of Chandler to purchase water distribution parts. The Town would not be guaranteed better pricing if a new contract is solicited. Delaying the interconnection could impact available potable water for construction and HOA landscaping during the high summer usage.

5. Should Council not approve this expenditure, the traffic signal improvements at the intersection of 188th St. and Germann Rd. would not be constructed at this time.

6. Council could choose not to approve the agreement with ESRI, however, this would mean that the staff would have to outright purchase the software and online services being used (approximately $74,000) and there is not enough money budgeted to cover this purchase for FY15. In addition, staff would not have access to free online training or free registrations to user conferences placing further stress on the budget.

7. MUNIS is a proprietary software that supports the Town’s Financial Software system. The only alternative would be to discontinue the support, which would no longer maintain the system through needed updates, software patches and support.

8. Arizona Office Technologies (AOT) provides lease/purchases, service and supplies for printers and copiers which will go unfulfilled if Council chooses not to approve this expenditure. The alternative would be to have services based on time and materials calls, which would increase costs due to machines being outdated, increase repair time, and decrease the level of support the Town staff needs in order to complete assignments. The Town utilizes a cooperative agreement through the City of Mesa for these services.

9. Council could choose not to approve the medical insurance contract with UHC for FY 2014 – 2015. However, as an employer, the Town is obligated to comply with the Affordable Care Act provisions. As an alternative, the Town could choose to pay the fines according to the ACA’s guidelines. While the Town may save money by paying the fines, the preferred decision is to continue to offer medical insurance benefit as it is a vital part of the Town’s total compensation strategy to attract and retain employees as well as improve motivation and productivity.

10. Council could choose not to approve the expenditure for dental insurance for FY 2014 - 2015. An alternative is stop offering dental insurance for the employees and Council Members. However, dental health is an important aspect of employee health and wellness. Similar to medical insurance, dental insurance is an important factor in people’s employment decision making and overall job satisfaction.

Attachments:
A detailed list of requested expenditures.
## Attachment: Expenditures $25,000 and over

### For Fiscal Year 2014 and 2015

**June 18, 2014**

<table>
<thead>
<tr>
<th>Item #</th>
<th>Vendor</th>
<th>Description</th>
<th>Purpose</th>
<th>Requesting Dept</th>
<th>Fiscal Impact $</th>
<th>Procurement Method</th>
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<td>1</td>
<td>AllChem</td>
<td>Water Quality and Safety</td>
<td>Contract spending authority for the purchase of Trichlor Acid Tablets for water disinfection and treatment.</td>
<td>Utility Services</td>
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<td>Emergency Purchase</td>
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<td>Weber Water Resources</td>
<td>Well Repair Services</td>
<td>Contract spending authority for well repair services as needed. (Contract term through 4/30/15)</td>
<td>Utility Services</td>
<td>$300,000</td>
<td>Town Contract 2014-057 (City of Scottsdale Contract #14RP021)</td>
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<td>Dana Kepner</td>
<td>Meters, Meter Fittings and Services for Water</td>
<td>Contract spending authority for purchase of meters, meter fittings, MXU’s, meter testing services, and meter accessories for the installation, repair, and maintenance of the Town’s residential and commercial water meters.</td>
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<td>HD Supply</td>
<td>Water Distribution Parts</td>
<td>Contract spending authority for water distribution parts as needed for the interconnection of the Town of Queen Creek Water System and the former H2O Water System. (Contract term through 4/30/15)</td>
<td>Utility Services</td>
<td>$100,000</td>
<td>Town Contract 2013-092 (City of Chandler Contract #WH3-890-3218)</td>
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<td>Company</td>
<td>Description</td>
<td>Contract Details</td>
<td>Category</td>
<td>Amount</td>
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<td>5</td>
<td>AJP Electric, Inc.</td>
<td>Construction of traffic signal improvements at the intersection of 188th St. and Germann Rd.</td>
<td>Award a job order contract work order to AJP Electric, Inc. for construction of traffic signal improvements at 188th St. and Germann Rd.</td>
<td>Dev. Svcs.</td>
<td>$124,308 ($113,008+10% Contingency=$124,308)</td>
<td>Town Contract 2013-027 (MCDOT Contract #2012-047)</td>
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<td>ESRI</td>
<td>ESRI / ARC Agreement</td>
<td>Agreement provides aid to municipalities in GIS development. Grant the community to access unlimited copies of software, and GIS training</td>
<td>Information Technology</td>
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<td>Tyler Technologies</td>
<td>MUNIS Financial System</td>
<td>Annual support costs for the Town’s financial system</td>
<td>Information Technology</td>
<td>$82,600</td>
<td>Sole Source</td>
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<td>Arizona Office Technologies</td>
<td>Copier and printer lease / purchase and service</td>
<td>For the lease/purchase of a variety of printers and copiers and the maintenance service and supply of those machines for a five year (FY14-FY18) period. Year 2 of 5</td>
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<td>United Health Care</td>
<td>Medical Insurance Coverage for Town Employees and Council Members</td>
<td>To cover medical Insurance premium payments, Opt-Out incentive and HSA contribution funding for Town employees and Town Council members</td>
<td>Workforce &amp; Technology</td>
<td>$1,835,000</td>
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<td>Delta Dental Insurance</td>
<td>Dental Insurance Coverage for Town Employees and Council Members</td>
<td>To cover dental insurance premium payments for Town employees and Council members.</td>
<td>Workforce &amp; Technology</td>
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TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, TOWN MANAGER

FROM: CHRIS ANARADIAN, DEVELOPMENT SERVICES DIRECTOR; CHRIS DOVEL, TOWN ENGINEER; MARC PALICHUK, ENGINEER

RE: CONSIDERATION AND POSSIBLE APPROVAL OF RESOLUTION 990-14 INTENTION TO ORDER THE PURCHASE OF ELECTRICITY AND RESOLUTION 991-14 ORDERING THE IMPROVEMENTS FOR THE PURPOSE OF PURCHASING ELECTRICITY FOR A STREETLIGHT IMPROVEMENT DISTRICT (DISTRICT #74, No. 2014-002) FOR CHURCH FARM PARCEL A1

DATE: JUNE 18, 2014

Staff Recommendation:
Staff recommends approval of Resolution 990-14 Intention to Order the Purchase of Electricity and Resolution 991-14 Ordering the Improvements for the Purpose of Purchasing Electricity for a Streetlight Improvement District (District #74, No. 2014-002) for Church Farm Parcel A1.

Relevant Council Goal(s):
Continue to provide for a safe community in the Town of Queen Creek.

Proposed Motion:
Move to approve Resolution 990-14 Intention to Order the Purchase of Electricity and Resolution 991-14 Ordering the Improvements for the Purpose of Purchasing Electricity for a Streetlight Improvement District (District #74, No. 2014-002) for Church Farm Parcel A1.

Discussion:
The developer (William Lyon Homes) has requested the Council consider these resolutions as the necessary steps in the creation of the district. Currently the developer owns 100% of the land within the proposed district. The developer has also signed the Petition, Waiver and Consent to Formation of a Municipal Improvement District form. Since all property owners have signed this form, they
have agreed to waive the requirements of posting the property for 30 days and publishing the resolution in the Tribune.

**Fiscal Impact:**
Resolution 990-14 and 991-14 will cost the Town staff time in order to prepare the required exhibits and correspondence with the State and County Departments of Revenue to establish the improvement district. The developer has paid the $500 processing fee for this service.

**Alternatives:**
Council could deny the creation of the Church Farm Parcel A1 Streetlight Improvement District #74, No. 2014-002 by not approving Resolution 990-14 and 991-14. However, this would result in additional costs to the Town or the lack of streetlights in this area.

**Attachments:**
Resolution 990-14
Resolution 991-14
Assessment Diagram
Legal Description
Parcel Number Table
Notice of Proposed Improvement
RESOLUTION 990-14


BE IT RESOLVED, BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, AS FOLLOWS:

Section 1. The public interest or convenience require and it is the intention of the Mayor and Council of the Town of Queen Creek, Arizona to order the purchase of electricity for lighting the streets and public parks within the proposed district.

The estimate of the cost and expenses for the purchase of electricity for the operation of the streetlights is on file with the Town Engineer and the Town Clerk, and is approved and adopted by the Mayor and Council of the Town.

Section 2. The streetlights and the electricity, therefore, in the opinion of the Mayor and Council of the Town, are of more than local or ordinary public benefit, and are of special benefit to the respective lots, pieces and parcels of land within the real property described herein. The Mayor and Council of the Town make and order that the cost and expense for the purchase of electricity be chargeable upon a district to be known and designated as Church Farm Parcel A1 Streetlight Improvement District #74, No. 2014-002, and as described and bounded as set forth on attached hereto and incorporated by reference, and declare that the district in the Town, benefited by the purchase of electricity for streetlights be assessed to pay the costs and expenses thereof in proportion to the benefits derived therefrom.

The Town shall not assess the costs and expenses for the purchase of electricity for streetlights which are for the general public benefit against the respective lots, pieces and parcels of land located within the boundaries of Church Farm Parcel A1 Streetlight Improvement District #74, No. 2014-002, and if a portion of the costs and expenses for the purchase of electricity for streetlights is for the general public benefit, the Town shall assess the boundaries of Church Farm Parcel A1 Streetlight Improvement District #74, No. 2014-002, only that portion of such costs and expenses which benefits the lots, pieces
and parcels of land located within the boundaries of Church Farm Parcel A1 Streetlight Improvement District #74, No. 2014-002.

Section 3. The cost and expense for the purchase of electricity for streetlights shall be made and all proceedings therein taken; that the Town Engineer shall post or cause to be posted notices thereof; that the Town Clerk shall certify to the passage of this Resolution of Intention; that the engineer shall prepare duplicate diagrams of Church Farm Parcel A1 Streetlight Improvement District #74, No. 2014-002, described in Section 2 of this Resolution to be addressed to pay the costs and expenses thereof, under and in accordance with the provisions of Title 48, Chapter 4, Article 2, Arizona Revised Statutes, as amended.

Section 4. Any Resolution or parts of Resolutions in conflict with the provisions of this Resolution are hereby repealed.

PASSED AND ADOPTED BY the Mayor and Common Council of the Town of Queen Creek, Arizona, this 18th day of June, 2014

FOR THE TOWN OF QUEEN CREEK: ATTESTED TO:

Mayor

Town Clerk

REVIEWED BY: APPROVED AS TO FORM:

Town Manager

Town Attorney
RESOLUTION 991-14


WHEREAS, on the 18th day of June, 2014, the Mayor and Common Council of the Town of Queen Creek, Arizona, passed and adopted Resolution No. 990-14 declaring its intention to order the purchase of electricity for lighting the streets and public parks within the proposed district and that the cost of the purchase of electricity for lighting the streets and public parks be assessed upon a certain improvement district, to be known as Church Farm Parcel A1 Streetlight Improvement District #74, No. 2014-002; providing that the cost of the electricity required to operate the system be assessed under the provisions of Title 48, Chapter 4, Article 2, Arizona Revised Statutes, as amended; and

WHEREAS, pursuant to ARS 48-617 (A), the Mayor and Common Council of the Town of Queen Creek have acquired immediate jurisdiction to order the improvements upon filing of a petition and waiver by 100% of the property owners within Church Farm Parcel A1 Streetlight Improvement District #74, No. 2014-002; and

WHEREAS, the Town Engineer has presented to the Mayor and Common Council of the Town of Queen Creek a diagram and legal description of the property contained within the District ("the Diagram") a copy of which is attached hereto.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, AS FOLLOWS:

Section 1. By virtue of the authority vested in the Mayor and Common Council of the Town of Queen Creek by Title 48, Chapter 4, Article 2, Arizona Revised Statutes and all amendments thereto, the Mayor and Common Council of the Town of Queen Creek hereby orders the work or improvement done as described in Resolution No. 991-14 and in accordance with the Plans and Specifications approved and adopted by the Mayor and Common Council of the Town of Queen Creek, Arizona.
Section 2. The Town Engineer is hereby authorized and directed to prepare and execute the notice of the passage of this Resolution. Such notice shall be posted and published as provided by law.

Section 3. That the Diagram and legal description, as presented to the Mayor and Common Council of the Town of Queen Creek are hereby approved.

Section 4. That the Town Clerk is hereby authorized and directed to certify that the Diagram and legal description were approved by the Mayor and Common Council of the Town of Queen Creek on the 18th day of June, 2014, and after such certification, the Clerk of the Town is hereby authorized and directed to deliver the Diagram and legal description to the Town Engineer. Further, the Town Engineer is hereby authorized and directed to record certified copies of Resolution No. 990-14 and Resolution No. 991-14 and all attachments thereto.

Section 5. That the Town Clerk is hereby directed to prepare and deliver a letter to the Arizona Department of Revenue along with certified copies of Resolution No. 990-14, Resolution No. 991-14 and the assessment diagram and legal description.

Section 6. That the Town Clerk is hereby directed to prepare and deliver a letter to the Maricopa County Assessor along with certified copies of Resolution No. 990-14, Resolution No. 991-14, and the assessment diagram and legal description.

PASSED AND ADOPTED BY the Mayor and Common Council of the Town of Queen Creek, Arizona, this 18th day of June, 2014.

FOR THE TOWN OF QUEEN CREEK: ATTESTED TO:

Mayor Town Clerk

REVIEWED BY: APPROVED AS TO FORM:

Town Manager Town Attorney
Legal Description
Church Farm
Parcel A1

BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, TOWN OF QUEEN CREEK, MARICOPA COUNTY, ARIZONA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND MARICOPA COUNTY DEPARTMENT OF TRANSPORTATION BRASS CAP IN HANDBOKE AT THE NORTHWEST CORNER OF SAID SECTION 24 FROM WHICH A FOUND MARICOPA COUNTY DEPARTMENT OF TRANSPORTATION BRASS CAP ACCEPTED AS THE WEST QUARTER CORNER OF SAID SECTION BEARS SOUTH 00°23'13" EAST AT 2625.99 FEET;

THENCE SOUTH 00°23'13" EAST, 455.01 FEET;

THENCE SOUTH 89°57'52" EAST, 155.00 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 89°57'52" EAST, 1,159.16 FEET;

THENCE SOUTH 00°05'51" EAST, 96.13 FEET;

THENCE SOUTH 04°05'52" EAST, 133.87 FEET;

THENCE SOUTH 42°54'08" WEST, 27.28 FEET;

THENCE SOUTH 00°44'37" WEST, 50.01 FEET;

THENCE SOUTH 45°05'51" EAST, 28.28 FEET;

THENCE SOUTH 00°05'51" EAST, 751.12 FEET;

THENCE SOUTH 44°45'28" WEST, 28.36 FEET;

THENCE SOUTH 00°05'51" EAST, 50.00 FEET;

THENCE SOUTH 89°36'47" WEST, 176.66 FEET;

THENCE NORTH 00°23'13" WEST, 20.00 FEET;

THENCE SOUTH 89°36'47" WEST, 843.71 FEET;

THENCE NORTH 00°23'13" WEST, 10.00 FEET;

THENCE SOUTH 89°36'47" WEST, 138.00 FEET;

THENCE NORTH 00°23'13" WEST, 414.43 FEET;
THENCE CONTINUING ALONG SAID LINE NORTH 00°23'13" WEST, 50.00 FEET;

THENCE CONTINUING ALONG SAID LINE NORTH 00°23'13" WEST, 98.18 FEET;

THENCE NORTH 02°37'46" EAST, 285.05 FEET;

THENCE NORTH 00°23'13" WEST, 272.07 FEET TO THE POINT OF BEGINNING.

The above described parcel contains a computed area of 1,321,152 square feet or 30.329 acres, more or less and is subject to any easements, restrictions, or rights of way of record or otherwise.

The description shown hereon is not to be used to violate any subdivision regulation of the State, County and/or Municipality or any other land division restrictions.

Prepared by: Atwell, LLC
4700 E. Southern Ave
Mesa, AZ 85206
Project No. 09002605
July, 2013
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NOTICE
OF PROPOSED
IMPROVEMENT


This notice is given pursuant to the provisions of Title 48, Chapter 4, Article 2, Sections 48-571 to 48-619, both inclusive, Arizona Revised Statutes, as amended.

On the 18th day of June, 2014, the Mayor and Town Council of the Town of Queen Creek adopted Resolution 991-14 ordering the improvements of certain streets and rights-of-way within the corporate limits of the Town and creating an Improvement District known as Church Farm Parcel A1 Street Lighting Improvement District #74, No. 2014-002, pursuant to Title 48, Chapter 4, Arizona Revised Statutes, and amendments thereto for the purpose of purchasing electricity, which includes a charge for the using of lighting facilities and other related items, together with all appurtenant structures as shown on the plans.

Any owner, or other person having an interest in a lot, piece, or parcel of land situated within the above described assessment district who claims that any of the provisions, acts, or proceedings relative to the above described improvements are irregular, defective, illegal, erroneous or faulty, may file with the Town Clerk, 22358 S. Ellsworth Road, within fifteen (15) days after the date of completion of the posting of this notice by the Town Engineer, a written notice specifying in what way said acts or proceedings are irregular, defective, illegal, erroneous or faulty.

Further information concerning Church Farm Parcel A1 Street Lighting Improvement District #74, No. 2014-002, may be obtained by contacting Mr. Chris Dovel, Town Engineer, Town of Queen Creek, 22358 S. Ellsworth Road, Queen Creek, Arizona 85142-9311, (480) 358-3003.

DATED AND SIGNED this 18th day of JUNE, 2014.

Chris Dovel, Town Engineer
TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, TOWN MANAGER

FROM: CHRIS ANARADIAN, DEVELOPMENT SERVICES DIRECTOR;
    CHRIS DOVEL, TOWN ENGINEER; MARC PALICHUK,
    ENGINEER

RE: CONSIDERATION AND POSSIBLE APPROVAL OF
RESOLUTION 992-14 INTENTION TO ORDER THE PURCHASE
OF ELECTRICITY AND RESOLUTION 993-14 ORDERING THE
IMPROVEMENTS FOR THE PURPOSE OF PURCHASING
ELECTRICITY FOR A STREETLIGHT IMPROVEMENT DISTRICT
(DISTRICT #75, No. 2014-003) FOR CHURCH FARM PARCEL C

DATE: JUNE 18, 2014

Staff Recommendation:
Staff recommends approval of Resolution 992-14 Intention to Order the Purchase of Electricity and Resolution 993-14 Ordering the Improvements for the Purpose of Purchasing Electricity for a Streetlight Improvement District (District #75, No. 2014-003) for Church Farm Parcel C.

Relevant Council Goal(s):
Continue to provide for a safe community in the Town of Queen Creek.

Proposed Motion:
Move to approve Resolution 992-14 Intention to Order the Purchase of Electricity and Resolution 993-14 Ordering the Improvements for the Purpose of Purchasing Electricity for a Streetlight Improvement District (District #75, No. 2014-003) for Church Farm Parcel C.

Discussion:
The developer (William Lyon Homes) has requested the Council consider these resolutions as the necessary steps in the creation of the district. Currently the developer owns 100% of the land within the proposed district. The developer has also signed the Petition, Waiver and Consent to Formation of a Municipal Improvement District form. Since all property owners have signed this form, they have agreed to waive the requirements of posting the property for 30 days and
publishing the resolution in the Tribune.

**Fiscal Impact:**
Resolution 992-14 and 993-14 will cost the Town staff time in order to prepare the required exhibits and correspondence with the State and County Departments of Revenue to establish the improvement district. The developer has paid the $500 processing fee for this service.

**Alternatives:**
Council could deny the creation of the Church Farm Parcel C Streetlight Improvement District #75, No. 2014-003 by not approving Resolution 992-14 and 993-14. However, this would result in additional costs to the Town or the lack of streetlights in this area.

**Attachments:**
Resolution 992-14  
Resolution 993-14  
Assessment Diagram  
Legal Description  
Parcel Number Table  
Notice of Proposed Improvement
RESOLUTION 992-14


BE IT RESOLVED, BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, AS follows:

Section 1. The public interest or convenience require and it is the intention of the Mayor and Council of the Town of Queen Creek, Arizona to order the purchase of electricity for lighting the streets and public parks within the proposed district.

The estimate of the cost and expenses for the purchase of electricity for the operation of the streetlights is on file with the Town Engineer and the Town Clerk, and is approved and adopted by the Mayor and Council of the Town.

Section 2. The streetlights and the electricity, therefore, in the opinion of the Mayor and Council of the Town, are of more than local or ordinary public benefit, and are of special benefit to the respective lots, pieces and parcels of land within the real property described herein. The Mayor and Council of the Town make and order that the cost and expense for the purchase of electricity be chargeable upon a district to be known and designated as Church Farm Parcel C1 Streetlight Improvement District #75, No. 2014-003, and as described and bounded as set forth on attached hereto and incorporated by reference, and declare that the district in the Town, benefited by the purchase of electricity for streetlights be assessed to pay the costs and expenses thereof in proportion to the benefits derived therefrom.

The Town shall not assess the costs and expenses for the purchase of electricity for streetlights which are for the general public benefit against the respective lots, pieces and parcels of land located within the boundaries of Church Farm Parcel C1 Streetlight Improvement District #75, No. 2014-003, and if a portion of the costs and expenses for the purchase of electricity for streetlights is for the general public benefit, the Town shall assess the boundaries of Church Farm Parcel C1 Streetlight Improvement District #75, No. 2014-003, only that portion of such costs and expenses which benefits the lots, pieces
and parcels of land located within the boundaries of Church Farm Parcel C1 Streetlight Improvement District #75, No. 2014-003.

Section 3. The cost and expense for the purchase of electricity for streetlights shall be made and all proceedings therein taken; that the Town Engineer shall post or cause to be posted notices thereof; that the Town Clerk shall certify to the passage of this Resolution of Intention; that the engineer shall prepare duplicate diagrams of Church Farm Parcel C1 Streetlight Improvement District #75, No. 2014-003, described in Section 2 of this Resolution to be addressed to pay the costs and expenses thereof, under and in accordance with the provisions of Title 48, Chapter 4, Article 2, Arizona Revised Statutes, as amended.

Section 4. Any Resolution or parts of Resolutions in conflict with the provisions of this Resolution are hereby repealed.

PASSED AND ADOPTED BY the Mayor and Common Council of the Town of Queen Creek, Arizona, this 18th day of June, 2014

FOR THE TOWN OF QUEEN CREEK: ATTESTED TO:

Mayor

Town Clerk

REVIEWED BY: APPROVED AS TO FORM:

Town Manager

Town Attorney
RESOLUTION 993-14

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, ORDERING THE IMPROVEMENTS OF CERTAIN STREETS AND RIGHTS-OF-WAY WITHIN THE CORPORATE LIMITS OF THE TOWN AND CREATING AN IMPROVEMENT DISTRICT KNOWN AS CHURCH FARM PARCEL C1 STREET LIGHTING IMPROVEMENT DISTRICT #75, NO. 2014-003, PURSUANT TO TITLE 48, CHAPTER 4, ARIZONA REVISED STATUTES AND AMENDMENTS THERETO, FOR THE PURPOSE OF PURCHASING ELECTRICITY, WHICH INCLUDES A CHARGE FOR THE USE OF LIGHTING FACILITIES AND OTHER RELATED ITEMS TOGETHER WITH ALL APPURTEAN STRUCTURES AS SHOWN ON THE PLANS.

WHEREAS, on the 18th day of June, 2014, the Mayor and Common Council of the Town of Queen Creek, Arizona, passed and adopted Resolution No. 992-14 declaring its intention to order the purchase of electricity for lighting the streets and public parks within the proposed district and that the cost of the purchase of electricity for lighting the streets and public parks be assessed upon a certain improvement district, to be known as Church Farm Parcel C1 Streetlight Improvement District #75, No. 2014-003; providing that the cost of the electricity required to operate the system be assessed under the provisions of Title 48, Chapter 4, Article 2, Arizona Revised Statutes, as amended; and

WHEREAS, pursuant to ARS 48-617 (A), the Mayor and Common Council of the Town of Queen Creek have acquired immediate jurisdiction to order the improvements upon filing of a petition and waiver by 100% of the property owners within Church Farm Parcel C1 Streetlight Improvement District #75, No. 2014-003; and

WHEREAS, the Town Engineer has presented to the Mayor and Common Council of the Town of Queen Creek a diagram and legal description of the property contained within the District ("the Diagram") a copy of which is attached hereto.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, AS FOLLOWS:

Section 1. By virtue of the authority vested in the Mayor and Common Council of the Town of Queen Creek by Title 48, Chapter 4, Article 2, Arizona Revised Statutes and all amendments thereto, the Mayor and Common Council of the Town of Queen Creek hereby orders the work or improvement done as described in Resolution No. 993-14 and in accordance with the Plans and Specifications approved and adopted by the Mayor and Common Council of the Town of Queen Creek, Arizona.
Section 2. The Town Engineer is hereby authorized and directed to prepare and execute the notice of the passage of this Resolution. Such notice shall be posted and published as provided by law.

Section 3. That the Diagram and legal description, as presented to the Mayor and Common Council of the Town of Queen Creek are hereby approved.

Section 4. That the Town Clerk is hereby authorized and directed to certify that the Diagram and legal description were approved by the Mayor and Common Council of the Town of Queen Creek on the 18th day of June, 2014, and after such certification, the Clerk of the Town is hereby authorized and directed to deliver the Diagram and legal description to the Town Engineer. Further, the Town Engineer is hereby authorized and directed to record certified copies of Resolution No. 992-14 and Resolution No. 993-14 and all attachments thereto.

Section 5. That the Town Clerk is hereby directed to prepare and deliver a letter to the Arizona Department of Revenue along with certified copies of Resolution No. 992-14, Resolution No. 993-14 and the assessment diagram and legal description.

Section 6. That the Town Clerk is hereby directed to prepare and deliver a letter to the Maricopa County Assessor along with certified copies of Resolution No. 992-14, Resolution No. 993-14, and the assessment diagram and legal description.

PASSED AND ADOPTED BY the Mayor and Common Council of the Town of Queen Creek, Arizona, this 18th day of June, 2014.

FOR THE TOWN OF QUEEN CREEK:

__________________________
Mayor

__________________________
Town Manager

ATTESTED TO:

__________________________
Town Clerk

APPROVED AS TO FORM:

__________________________
Town Attorney
CHURCH FARM PARCEL C1 STREET LIGHT IMPROVEMENT DISTRICT

N. LINE, NE1/4, SEC. 27, T2S, R7E
S 89°57'52" E OCOTILLO RD
2622.36'

N.1/4 CORNER SEC. 24, T2S, R7E
NW CORNER SEC. 24 T2S, R7E

OCOTILLO ROAD
SIGNAL BUTTE ROAD

PARCEL C1
CHANDLER HEIGHTS
(ALIGNMENT)

VICINITY MAP
N.T.S.

DESERT HILLS DR
PARKSIDE DR

E-W MID-SECTION LINE, SEC. 24, T2S, R7E
CENTER OF SEC. 24, T2S, R7E

Scale: 1"=400'

ASSOCIATION DIAGRAM OF CHURCH FARM (PARCEL C1)
STREET LIGHT IMPROVEMENT DISTRICT:
No. 2014-003

6 100W SRP
ARCHITECTURAL
STREET LIGHT

LEGEND

53304
JASON M.
PENROD

APPROVAL
TOWN ENGINEER
DATE

CHURCH FARM PARCEL C1
QUEEN CREEK, ARIZONA
NOTE: SEE FINAL PLAT RECORDED

ATWELL
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Power & Energy
Telecommunications
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Environmental & Solid Waste
Water & Natural Resources

JOB# 09002605
08-14-13

BK PG
Legal Description
Church Farm
Parcel C1

A PORTION OF SECTION 24, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER
MERIDIAN, MARICOPA COUNTY ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND 3" MCDOT BRASS CAP IN HANDHOLE ACCEPTED AS THE NORTH QUARTER
CORNER OF SAID SECTION 24 FROM WHICH A FOUND BRASS CAP IN HANDHOLE ACCEPTED AS THE
NORTHWEST CORNER THEREOF BEARS NORTH 89°57'52" WEST, 2622.36 FEET;

THENCE SOUTH 00°27'02" EAST, 2468.58 FEET ALONG THE NORTH-SOUTH MIDSECTION LINE TO THE
POINT OF BEGINNING;

THENCE LEAVING SAID MIDSECTION LINE, SOUTH 88°20'06" EAST, 137.39 FEET TO A NON TANGENT
CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 825.00 FEET, THE CENTER OF WHICH BEARS NORTH
88°20'06" WEST;

THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 04°14'49", AN ARC LENGTH
OF 61.15 FEET;

THENCE NORTH 89°49'32" EAST, 741.65 FEET;

THENCE SOUTH 00°10'28" EAST, 30.00 FEET;

THENCE NORTH 89°49'32" EAST, 170.00 FEET;

THENCE SOUTH 00°10'28" EAST, 577.62 FEET TO A NON TANGENT CURVE CONCAVE NORTHERLY,
HAVING A RADIUS OF 2,960.00 FEET, THE CENTER OF WHICH BEARS NORTH 04°13'16" WEST;

THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 04°02'48", AN ARC LENGTH OF
209.05 FEET;

THENCE SOUTH 89°49'32" WEST, 134.47 FEET TO THE BEGINNING OF A CURVE CONCAVE
NORTHEASTERLY, HAVING A RADIUS OF 65.00 FEET, THE CENTER OF WHICH BEARS NORTH 00°10'28" WEST;

THENCE NORTHWesterLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90°00'00", A ARC
LENGTH OF 102.10 FEET;

THENCE NORTH 00°10'28" WEST, 8.01 FEET;

THENCE SOUTH 89°49'32" WEST, 50.00 FEET;

THENCE SOUTH 00°10'28" EAST, 8.01 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHWESTERLY,
HAVING A RADIUS OF 65.00 FEET, THE CENTER OF WHICH BEARS SOUTH 89°49'32" WEST;
THENCE SOUTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90°00'00", A ARC LENGTH OF 102.10 FEET;

THENCE SOUTH 89°49'32" WEST, 351.74 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 1,160.00 FEET, THE CENTER OF WHICH BEARS NORTH 00°10'28" WEST;

THENCE WESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 28°05'02", A ARC LENGTH OF 568.58 FEET;

Thence North 62°05'26" West, 29.41 feet;

Thence North 17°05'26" West, 28.28 feet;

Thence North 62°05'26" West, 60.00 feet;

Thence South 72°54'34" West, 28.28 feet;

Thence North 62°05'26" West, 646.99 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 1,940.00 FEET, THE CENTER OF WHICH BEARS SOUTH 27°54'34" WEST;

THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 05°39'33", A ARC LENGTH OF 191.62 FEET;

THENCE NORTH 68°01'00" WEST, 18.08 FEET TO A NON TANGENT CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 65.00 FEET, THE CENTER OF WHICH BEARS NORTH 21°42'59" EAST;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 83°55'01", AN ARC LENGTH OF 95.20 FEET TO A REVERSE CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 1,030.00 FEET, THE CENTER OF WHICH BEARS NORTH 74°22'00" WEST;

THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 14°56'52", AN ARC LENGTH OF 268.71 FEET;

THENCE NORTH 45°00'57" EAST, 28.34 FEET;

THENCE NORTH 89°54'09" EAST, 79.83 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 775.00 FEET, THE CENTER OF WHICH BEARS SOUTH 00°05'51" EAST;

THENCE EASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 12°16'05", A ARC LENGTH OF 165.94 FEET;

THENCE NORTH 12°10'13" EAST, 50.00 FEET TO A NON TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 825.00 FEET, THE CENTER OF WHICH BEARS SOUTH 12°10'13" WEST;

THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 15°44'21", AN ARC LENGTH OF 226.63 FEET;
THENCE SOUTH 62°05'26" EAST, 120.58 FEET;
THENCE NORTH 27°54'34" EAST, 120.00 FEET;
THENCE SOUTH 62°05'26" EAST, 490.00 FEET;
THENCE SOUTH 89°53'47" EAST, 136.01 FEET;
THENCE SOUTH 00°06'13" WEST, 42.81 FEET;
THENCE SOUTH 88°20'06" EAST, 32.61 FEET TO THE POINT OF BEGINNING.

The above described parcel contains a computed area of 1,388,948 square feet or 31.866 acres, more or less and is subject to any easements, restrictions, or rights of way of record or otherwise.

The description shown hereon is not to be used to violate any subdivision regulation of the State, County and/or Municipality or any other land division restrictions.

Prepared by: Atwell, LLC
4700 E. Southern Ave
Mesa, AZ 85206
Project No. 09002605
August, 2013

[Handwritten signature]

[Stamp: EVerification No. 8281]

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NOTICE
OF PROPOSED
IMPROVEMENT


This notice is given pursuant to the provisions of Title 48, Chapter 4, Article 2, Sections 48-571 to 48-619, both inclusive, Arizona Revised Statutes, as amended.

On the 18th day of June, 2014, the Mayor and Town Council of the Town of Queen Creek adopted Resolution 993-14 ordering the improvements of certain streets and rights-of-way within the corporate limits of the Town and creating an Improvement District known as Church Farm Parcel C Street Lighting Improvement District #75, No. 2014-003, pursuant to Title 48, Chapter 4, Arizona Revised Statutes, and amendments thereto for the purpose of purchasing electricity, which includes a charge for the using of lighting facilities and other related items, together with all appurtenant structures as shown on the plans.

Any owner, or other person having an interest in a lot, piece, or parcel of land situated within the above described assessment district who claims that any of the provisions, acts, or proceedings relative to the above described improvements are irregular, defective, illegal, erroneous or faulty, may file with the Town Clerk, 22358 S. Ellsworth Road, within fifteen (15) days after the date of completion of the posting of this notice by the Town Engineer, a written notice specifying in what way said acts or proceedings are irregular, defective, illegal, erroneous or faulty.

Further information concerning Church Farm Parcel C Street Lighting Improvement District #75, No. 2014-003, may be obtained by contacting Mr. Chris Dovel, Town Engineer, Town of Queen Creek, 22358 S. Ellsworth Road, Queen Creek, Arizona 85142-9311, (480) 358-3003.

DATED AND SIGNED this 18 day of JUNE, 2014.

Chris Dovel, Town Engineer
TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, TOWN MANAGER

FROM: CHRIS ANARADIAN, DEVELOPMENT SERVICES DIRECTOR; CHRIS DOVEL, TOWN ENGINEER; SALAMATULLAH SAYEED, ENGINEERING TECHNICIAN

RE: CONSIDERATION AND POSSIBLE APPROVAL OF RESOLUTION 994-14 INTENTION TO ORDER THE PURCHASE OF ELECTRICITY AND RESOLUTION 995-14 ORDERING THE IMPROVEMENTS FOR THE PURPOSE OF PURCHASING ELECTRICITY FOR A STREETLIGHT IMPROVEMENT DISTRICT (DISTRICT #76, No. 2014-004) FOR OCOTILLO HEIGHTS PHASE II

DATE: JUNE 18, 2014

Staff Recommendation:
Staff recommends approval of Resolution 994-14 Intention to Order the Purchase of Electricity and Resolution 995-14 Ordering the Improvements for the Purpose of Purchasing Electricity for a Streetlight Improvement District (District #76, No. 2014-004) for Ocotillo Heights Phase II.

Relevant Council Goal(s):
Continue to provide for a safe community in the Town of Queen Creek.

Proposed Motion:
Move to approve Resolution 994-14 Intention to Order the Purchase of Electricity and Resolution 995-14 Ordering the Improvements for the Purpose of Purchasing Electricity for a Streetlight Improvement District (District #76, No. 2014-004) for Ocotillo Heights Phase II.

Discussion:
The developer (DR Horton) has requested the Council consider these resolutions as the necessary steps in the creation of the district. Currently the developer owns 100% of the land within the proposed district. The developer has also signed the Petition, Waiver and Consent to Formation of a Municipal Improvement District form. Since all property owners have signed this form, they
have agreed to waive the requirements of posting the property for 30 days and publishing the resolution in the Tribune.

**Fiscal Impact:**
Resolution 994-14 and 995-14 will cost the Town staff time in order to prepare the required exhibits and correspondence with the State and County Departments of Revenue to establish the improvement district. The developer has paid the $500 processing fee for this service.

**Alternatives:**
Council could deny the creation of the Ocotillo Heights Phase II Streetlight Improvement District #76, No. 2014-004 by not approving Resolution 994-14 and 995-14. However, this would result in additional costs to the Town or the lack of streetlights in this area.

**Attachments:**
Resolution 994-14
Resolution 995-14
Assessment Diagram
Legal Description
Parcel Number Table
Notice of Proposed Improvement
RESOLUTION 994-14


BE IT RESOLVED, BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, AS FOLLOWS:

Section 1. The public interest or convenience require and it is the intention of the Mayor and Council of the Town of Queen Creek, Arizona to order the purchase of electricity for lighting the streets and public parks within the proposed district.

The estimate of the cost and expenses for the purchase of electricity for the operation of the streetlights is on file with the Town Engineer and the Town Clerk, and is approved and adopted by the Mayor and Council of the Town.

Section 2. The streetlights and the electricity, therefore, in the opinion of the Mayor and Council of the Town, are of more than local or ordinary public benefit, and are of special benefit to the respective lots, pieces and parcels of land within the real property described herein. The Mayor and Council of the Town make and order that the cost and expense for the purchase of electricity be chargeable upon a district to be known and designated as Ocotillo Heights Phase II Streetlight Improvement District #76, No. 2014-004, and as described and bounded as set forth on attached hereto and incorporated by reference, and declare that the district in the Town, benefited by the purchase of electricity for streetlights be assessed to pay the costs and expenses thereof in proportion to the benefits derived therefrom.

The Town shall not assess the costs and expenses for the purchase of electricity for streetlights which are for the general public benefit against the respective lots, pieces and parcels of land located within the boundaries of Ocotillo Heights Phase II Streetlight Improvement District #76, No. 2014-004, and if a portion of the costs and expenses for the purchase of electricity for streetlights is for the general public benefit, the Town shall assess the boundaries of Ocotillo Heights Phase II Streetlight Improvement District #76, No. 2014-004, only that portion of such costs and expenses which benefits the lots, pieces
and parcels of land located within the boundaries of Ocotillo Heights Phase II Streetlight Improvement District #76, No. 2014-004.

Section 3. The cost and expense for the purchase of electricity for streetlights shall be made and all proceedings therein taken; that the Town Engineer shall post or cause to be posted notices thereof; that the Town Clerk shall certify to the passage of this Resolution of Intention; that the engineer shall prepare duplicate diagrams of Ocotillo Heights Phase II Streetlight Improvement District #76, No. 2014-004, described in Section 2 of this Resolution to be addressed to pay the costs and expenses thereof, under and in accordance with the provisions of Title 48, Chapter 4, Article 2, Arizona Revised Statutes, as amended.

Section 4. Any Resolution or parts of Resolutions in conflict with the provisions of this Resolution are hereby repealed.

PASSED AND ADOPTED BY the Mayor and Common Council of the Town of Queen Creek, Arizona, this 18th day of June, 2014

FOR THE TOWN OF QUEEN CREEK: ATTESTED TO:

Mayor

REVIEWED BY: APPROVED AS TO FORM:

Town Manager

Town Clerk

Town Attorney
RESOLUTION 995-14


WHEREAS, on the 18th day of June, 2014, the Mayor and Common Council of the Town of Queen Creek, Arizona, passed and adopted Resolution No. 994-14 declaring its intention to order the purchase of electricity for lighting the streets and public parks within the proposed district and that the cost of the purchase of electricity for lighting the streets and public parks be assessed upon a certain improvement district, to be known as Ocotillo Heights Phase II Streetlight Improvement District #76, No. 2014-004; providing that the cost of the electricity required to operate the system be assessed under the provisions of Title 48, Chapter 4, Article 2, Arizona Revised Statutes, as amended; and

WHEREAS, pursuant to ARS 48-617 (A), the Mayor and Common Council of the Town of Queen Creek have acquired immediate jurisdiction to order the improvements upon filing of a petition and waiver by 100% of the property owners within Ocotillo Heights Phase II Streetlight Improvement District #76, No. 2014-004; and

WHEREAS, the Town Engineer has presented to the Mayor and Common Council of the Town of Queen Creek a diagram and legal description of the property contained within the District ("the Diagram") a copy of which is attached hereto.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, AS FOLLOWS:

Section 1. By virtue of the authority vested in the Mayor and Common Council of the Town of Queen Creek by Title 48, Chapter 4, Article 2, Arizona Revised Statutes and all amendments thereto, the Mayor and Common Council of the Town of Queen Creek hereby orders the work or improvement done as described in Resolution No. 995-14 and in accordance with the Plans and Specifications approved and adopted by the Mayor and Common Council of the Town of Queen Creek, Arizona.
Section 2. The Town Engineer is hereby authorized and directed to prepare and execute the notice of the passage of this Resolution. Such notice shall be posted and published as provided by law.

Section 3. That the Diagram and legal description, as presented to the Mayor and Common Council of the Town of Queen Creek are hereby approved.

Section 4. That the Town Clerk is hereby authorized and directed to certify that the Diagram and legal description were approved by the Mayor and Common Council of the Town of Queen Creek on the 18th day of June, 2014, and after such certification, the Clerk of the Town is hereby authorized and directed to deliver the Diagram and legal description to the Town Engineer. Further, the Town Engineer is hereby authorized and directed to record certified copies of Resolution No. 994-14 and Resolution No. 995-14 and all attachments thereto.

Section 5. That the Town Clerk is hereby directed to prepare and deliver a letter to the Arizona Department of Revenue along with certified copies of Resolution No. 994-14, Resolution No. 995-14 and the assessment diagram and legal description.

Section 6. That the Town Clerk is hereby directed to prepare and deliver a letter to the Maricopa County Assessor along with certified copies of Resolution No. 994-14, Resolution No. 995-14, and the assessment diagram and legal description.

PASSED AND ADOPTED BY the Mayor and Common Council of the Town of Queen Creek, Arizona, this 18th day of June, 2014.

FOR THE TOWN OF QUEEN CREEK: ATTESTED TO:

Mayor

Town Clerk

REVIEWED BY: APPROVED AS TO FORM:

Town Manager Town Attorney
July 2, 2013

LEGAL DESCRIPTION FOR
OCOTILLO HEIGHTS PHASE II
STREET LIGHT IMPROVEMENT DISTRICT

That part of the Southeast Quarter of Section 23, Township 2 South, Range 7 East, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at the 2" Iron Pipe marking the East Quarter Corner of said Section 23, from which the G.L.O. Brass Cap marking the Southeast Corner of said Section 23 bears South 00°04'56" East, a distance of 2,625.88 feet;

Thence South 00°04'56" East, along the East line of the Southeast Quarter of said Section 23, a distance of 610.70 feet to the True Point of Beginning;

Thence continuing South 00°04'56" East, along said East line of the Southeast Quarter of said Section 23, a distance of 1,616.89 feet to a point on the Northerly Right of Way for the Union Pacific Railroad;

Thence North 53°17'55" West, along said Northerly Right of Way, a distance of 2,798.06 feet to a point on the Easterly line of the Final Plat for Ash Creek Estates recorded in Book 789 of Maps, Page 39, Maricopa County Records;

Thence North 36°42'21" East, along said Easterly line of said Ash Creek Estates, a distance of 1,101.15 feet to a point on the Westerly prolongation of the Southerly line of a Final Plat for Ocotillo Heights Phase I recorded in Book 832 of Maps, Page 36, Maricopa County Records;

Thence South 59°20'43" East, along said Westerly prolongation of said Southerly line of Ocotillo Heights Phase I, a distance of 1,840.03 feet to the True Point of Beginning.

Containing 64.718 Acres, more or less.
**************** OCOTILLO HTS - SLID CLOSURE
The date and time is
Tue Jul 02 05:34:46 2013
and you are logged into job [TMOCOHTS]

* FILENAME = CO-BNDRY

BOUNDARY
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N53-17-55W  2798.061
N36-42-21E  1101.147
S59-20-43E  1840.029

Closing course : S46-55-18W  0.003

Misclosure: One part in  2732887

North error =  0.002
East error =  0.002

Area =  2,819,131  64.718 AC

*** END OF RUN

[Signature]
Expires: 6/30/2016
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NOTICE
OF PROPOSED
IMPROVEMENT


This notice is given pursuant to the provisions of Title 48, Chapter 4, Article 2, Sections 48-571 to 48-619, both inclusive, Arizona Revised Statutes, as amended.

On the 18th day of June, 2014, the Mayor and Town Council of the Town of Queen Creek adopted Resolution 995-14 ordering the improvements of certain streets and rights-of-way within the corporate limits of the Town and creating an Improvement District known as Ocotillo Heights Phase II Street Lighting Improvement District #76, No. 2014-004, pursuant to Title 48, Chapter 4, Arizona Revised Statutes, and amendments thereto for the purpose of purchasing electricity, which includes a charge for the using of lighting facilities and other related items, together with all appurtenant structures as shown on the plans.

Any owner, or other person having an interest in a lot, piece, or parcel of land situated within the above described assessment district who claims that any of the provisions, acts, or proceedings relative to the above described improvements are irregular, defective, illegal, erroneous or faulty, may file with the Town Clerk, 22358 S. Ellsworth Road, within fifteen (15) days after the date of completion of the posting of this notice by the Town Engineer, a written notice specifying in what way said acts or proceedings are irregular, defective, illegal, erroneous or faulty.

Further information concerning Ocotillo Heights Phase II Street Lighting Improvement District #76, No. 2014-004, may be obtained by contacting Mr. Chris Dovel, Town Engineer, Town of Queen Creek, 22358 S. Ellsworth Road, Queen Creek, Arizona 85142-9311, (480) 358-3003.

DATED AND SIGNED this 18th day of JUNE, 2014.

[Signature]

Chris Dovel, Town Engineer
TO: HONORABLE MAYOR AND TOWN COUNCIL

FROM: PATRICK FLYNN, ASSISTANT TOWN MANAGER

RE: CONSIDERATION AND POSSIBLE ACTION OF ORDINANCE 550-14
SETTING THE PRIMARY PROPERTY TAX RATE AND LEVY FOR
FY 2014-15

DATE: JUNE 18, 2014

Staff Recommendation:
Staff recommends Town Council approve Ordinance 550-14 setting the primary property tax rate and levy for the Town for FY 2014-15.

Relevant Council Goal:
KRA 5 Objective 1
Maintain long-term financial sustainability for local government operations.

Proposed Motion:
Motion to approve Ordinance 550-14 as outlined in the staff recommendation above.

Discussion:
In May 2007, Town voters approved a property tax measure in the community for public safety purposes. The ballot language indicated that the property tax rate would not exceed $1.95 of assessed valuation for this purpose.

On June 4, 2014, the Town Council conducted a public hearing on the Town’s primary property tax, as required by State Law. No comments from the public were made during the public hearing.

At a rate of $1.95 on the Town’s current assessed value, we anticipate generating $4,404,000 of primary property tax for public safety purposes in FY 2014-15. Achieving this levy is paramount to balancing the Town’s FY2014-15 Emergency Services budget program. Approval of Ordinance 550-14 is recommended.

Fiscal Impact:
The Town’s Emergency Services Fund will receive an estimated $4,404,000 of primary property tax levy in order to help fund the Town’s public safety programs.

Alternatives:
Council could choose to delay this approval until a council meeting in July or early August; however, the respective counties need the information for tax billing purposes no later than the third week in August.
Attachments:
Ordinance 550-14 for possible adoption
AN ORDINANCE OF THE MAYOR AND COUNCIL FOR THE TOWN OF QUEEN CREEK, MARICOPA COUNTY, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE TOWN OF QUEEN CREEK, SUBJECT TO PRIMARY AND SECONDARY TAXATION A CERTAIN SUM ON EACH ONE HUNDRED DOLLARS ($100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET FOR THE PURPOSE OF PAYING FOR PUBLIC SAFETY OPERATIONS FOR FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2015.

WHEREAS, the Town of Queen Creek Council adopted the FY2014-15 Final Budget on June 4, 2014, and

WHEREAS, the County of Maricopa and the County of Pinal are now an assessing and collecting authority for the Town of Queen Creek, the Town Clerk is hereby directed to transmit a certified copy of this Ordinance to the Assessor and Board of Supervisors of Maricopa County, Arizona.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE TOWN OF QUEEN CREEK, MARICOPA COUNTY, ARIZONA, as follows:

Section 1:  Primary Taxation:  There is hereby levied a primary property tax rate of $1.95 on each one hundred dollars ($100.00) of assessed value of all property, both real and personal, within the corporate limits of the Town of Queen Creek, except such property as may be by law exempt from taxation. Such property tax rate should raise an estimated $4,338,586 tax levy from Queen Creek residents located in Maricopa County and another $65,414 of estimated levy for Queen Creek residents located in Pinal County. The property tax levy is earmarked for paying public safety expenditures in the Town including expenditure in Fire, Sheriff and EMS area of the Town budget. In all cases, the primary property tax rate shall not exceed $1.95 per $100 assessed value.

Section 2:  No failure by the County Officials of Maricopa County, Arizona, or Pinal County, Arizona, to properly return the delinquent list and no irregularity in the assessment or omission in the same, or irregularity of any kind in any proceedings shall invalidate such proceedings or invalidate any title conveyed by any tax deed; nor shall any failure or neglect of any officer or officers to perform any of the duties assigned to him or to them on the day within time specified work an invalidation of any proceedings or of any such deed or sale or affect the validity of the assessment and levy of taxes or of the judgment or sale by which the collection of the same may be enforced or in any manner affect the lien of the Town upon such property for the delinquent taxes unpaid thereon, and no overcharge as to part of the taxes or of costs shall invalidate any proceedings for collection of taxes or the foreclosure, and all acts of officer de facto shall valid as if performed by officers de jure.
Section 3: All ordinances and parts of ordinances in conflict are hereby repealed.

PASSED AND ADOPTED by the Mayor and Council of the Town of Queen Creek, Arizona, this ___ th day of _________________, 2014.

______________________________
Mayor

ATTEST:

___________________________
Town Clerk

APPROVED AS TO FORM:

___________________________
Town Attorney
TO: HONORABLE MAYOR AND TOWN COUNCIL
FROM: PATRICK FLYNN, ASSITANT TOWN MANAGER
RE: CONSIDERATION AND POSSIBLE ACTION OF ORDINANCE 551-14 SETTING THE SECONDARY PROPERTY TAX LEVY FOR STREET LIGHTING IMPROVEMENT DISTRICTS (SLID) FOR FY 2014-15
DATE: JUNE 18, 2014

Staff Recommendation:
Staff recommends Town Council approve Ordinance 551-14 setting the secondary property tax levy for the Street Lighting Improvement Districts for FY 2014-15.

Relevant Council Goal:
KRA 5 Objective 1
Maintain long-term financial sustainability for local government operations.

Proposed Motion:
Motion to approve Ordinance 551-14 as outlined in the staff recommendation above.

Discussion:
Street Light Improvement Districts (SLIDs) are established to allow taxpayers residing in the benefitting area to pay for the operation of the streetlights. The Town currently has 72 street light districts formed for the sole purpose of purchasing electricity for lighting streets within those districts. Arizona Revised Statute §48-616 requires that the Town Council annually fix, levy and assess a Special Taxing District secondary property tax in an amount sufficient to pay the electrical expense for each of the street light districts located throughout the Town. The ordinance doing so is then transmitted to the County Assessor who will add the required amounts to the property taxes in each district. The County remits the collected levies to the Town. These levies serve to reimburse the Town for the street light district utility bills paid by the Town. The street light property tax levy for FY 2014-15 is $437,444, up slightly from the FY 2013-14 levy mainly as the result of the formation of new SLIDs.

As development continues to increase in the Town, the formation of new SLIDs will continue to occur. The average street light in a district continues to run approximately $26.70 a month. This is based on the most recent price structure from Salt River Project established in November 2012.
**Fiscal Impact:**
The Town’s Street Light Improvement Fund will receive an estimated $437,444 of secondary property tax levy in order to reimburse the Town for electrical expenditures anticipated for FY 2014-15. The ordinance approved for the previous fiscal year (FY2013-14) was $425,512.

The difference between the FY 2014-15 levy of $437,444 and the adopted budget of $546,960 is attributed to anticipating new SLIDs for which a levy cannot yet be assessed, but expenditure authority may be necessary to purchase electricity.

**Alternatives:**
Council could choose to delay this approval until first council meeting in August; however, the respective counties need the information for tax billing purposes no later than the third week in August.

**Attachments:**
Ordinance 551-14 for possible adoption
ORDINANCE 551-14

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF QUEEN CREEK, MARICOPA COUNTY, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE TOWN OF QUEEN CREEK, SUBJECT TO SECONDARY TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS ($100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM THE PROPERTY WITHIN THE VARIOUS STREET LIGHTING IMPROVEMENT DISTRICTS FOR FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2015.

WHEREAS, the Town of Queen Creek Council adopted the fiscal year 2014-15 Final Budget on June 4, 2014, and

WHEREAS, the County of Maricopa is now an assessing and collecting authority for the Town of Queen Creek, the Town Clerk is hereby directed to transmit a certified copy of this Ordinance to the Assessor and Board of Supervisors of Maricopa County, Arizona.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE TOWN OF QUEEN CREEK, MARICOPA COUNTY, ARIZONA, as follows:

Section 1: Secondary Taxation: There is hereby levied on each one hundred dollars ($100.00) of the assessed value of all property, both real and personal, within the corporate limits of the Town of Queen Creek, except such property as may be by law exempt from taxation, a secondary property tax rate sufficient to raise the sum of four hundred thirty-seven thousand, four hundred, and forty-four dollars ($437,444) for the annual expenses of the Street Lighting Improvement Districts for the purpose of providing payment for annual expenses of the Street Lighting Improvement Districts for the fiscal year ending June 30, 2015.

Section 2: No failure by the County Officials of Maricopa County, Arizona, or Pinal County, Arizona, to properly return the delinquent list and no irregularity in the assessment or omission in the same, or irregularity of any kind in any proceedings shall invalidate such proceedings or invalidate any title conveyed by any tax deed; nor shall any failure or neglect of any officer or officers to perform any of the duties assigned to him or to them on the day within time specified work an invalidation of any proceedings or of any such deed or sale or affect the validity of the assessment and levy of taxes or of the judgment or sale by which the collection of the same may be enforced or in any manner affect the lien of the Town upon such property for the delinquent taxes unpaid thereon, and no overcharge as to part of the taxes or of costs shall invalidate any proceedings for collection of taxes or the foreclosure, and all acts of officer de facto shall valid as if performed by officers de jure.

Section 3: All ordinances and parts of ordinances in conflict are hereby repealed.
PASSED AND ADOPTED by the Mayor and Council of the Town of Queen Creek, Arizona, this ___ th day of __________________, 2014.

______________________________________
Mayor

ATTEST:

______________________________________
Town Clerk

APPROVED AS TO FORM:

______________________________________
Town Attorney
## Street Light Improvement Districts

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* Indicates a SLID that had capital investment for poles. These SLID’s have a lower average cost due to the initial capital outlay for installation.

** These are active SLID’s without energized lights. Lights are not anticipated to be active in FY 2014-15.
TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, TOWN MANAGER

FROM: CHRIS ANARADIAN, DEVELOPMENT SERVICES DIRECTOR; CHRIS DOVEL, TOWN ENGINEER; MARC PALICHUK, ENGINEER

RE: CONSIDERATION AND POSSIBLE APPROVAL OF THE "MASTER PLAT" OF FULTON HOMES @ QUEEN CREEK STATION, A REQUEST BY FULTON HOMES CORPORATION AND H&QC LLC.

DATE: JUNE 18, 2014

Staff Recommendation:
Staff recommends approval of the "Master Plat" of Fulton Homes @ Queen Creek Station. A request by Fulton Homes Corporation and H&QC LLC.

Relevant Council Goal(s):
General Plan – Land Use Element - Goal Number 3: Develop Superior Residential Neighborhoods

Town of Queen Creek Corporate Strategic Plan - Key Result Area 1 - Objective 1 Monitor, time, and sequence the Town’s Capital Improvement Program (CIP) so that it is implemented when needed, but matched with available revenues to construct and maintain the assets over time.

Proposed Motion:
Move to approve the "Master Plat" of Fulton Homes @ Queen Creek Station. A request by Fulton Homes Corporation and H&QC LLC.

History:
December 5, 2007 Council approves Resolution 702-07 approving GP07-119 Queen Creek Station.

September, 2008 Current General Plan was adopted incorporating the Queen Creek Station plan
December 17, 2012  The Planning and Zoning Commission recommended approval of Major General Plan Amendment GPA12-049

December 19, 2012  Council continued GPA12-049 until February 20, 2013 and directed staff to work with the applicant to process their rezoning request “at risk” on the assumption the Council will approve the request on February 20 in some form. As a result, the rezoning request was scheduled for the February 13, 2013 Planning and Zoning Commission meeting.

February 13, 2013  Planning and Zoning Commission recommended approval of Queen Creek Station Rezoning, Preliminary Plat, Design Review, and Minor General Plan Amendment (RZ12-099/SD12-101/DR12-102/GPA12-100).

March 6, 2013  Town Council approved Queen Creek Station Rezoning, Preliminary Plat, Design Review, and Minor General Plan Amendment (RZ12-099/SD12-101/DR12-102/GPA12-100).

Discussion:
The applicants are requesting approval of a Master Plat for a 7 Parcel, 677 lot residential subdivision and a 36 acre commercial parcel, on approximately 288 total acres. The main entrance into the subdivision is located on the west side of Ellsworth Road between Queen Creek Road and Ryan Road. The commercial parcel is located at the south east corner of the property and is labeled Parcel 7 on the Master Plat.

This Master Plat is the first step in the platting of Fulton Homes @ Queen Creek Station master planned community. The Master Plat outlines the Parcel boundaries and defines the Rights-of-Way for Ellsworth Road and interior Collector Roads. Following the approval and recording of the Master Plat, Fulton Homes will request Final Plat approval of 6 individual residential Parcels that outline the lots and roadways within the parcel boundaries.

Fiscal Impact:
The Master Plat will allow Fulton Homes to plat the individual residential Parcels that will generate building permit fees for the Town. Fulton Homes will complete offsite improvements that will require future maintenance costs by the Town.
Alternatives:
Not to accept the “Master Plat” of Fulton Homes @ Queen Creek Station. If the Town does not accept the Master Plat, the individual Parcels will not be able to be platted, the subdivision will not be developed, and the Town will not collect building permit fees.

Attachments:
Master Plat
TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, TOWN MANAGER

FROM: CHRIS ANARADIAN, DEVELOPMENT SERVICES DIRECTOR
TROY WHITE, PUBLIC WORKS DIVISION MANAGER

RE: CONSIDERATION AND POSSIBLE APPROVAL OF THE USE OF SRP AESTHETICS FUNDS IN AN AMOUNT OF $768,800 FOR RITTENHOUSE ROAD 12KV CONVERSION FROM OVERHEAD TO UNDERGROUND. THIS IS FUNDED BY SRP.

DATE: JUNE 18, 2014

Recommendation:
Staff recommends approval of the use of SRP Aesthetic Funds in an amount of $768,800 for the Rittenhouse Road 12KV conversion from overhead to underground.

Proposed Motion:
Motion to approve the use of SRP Aesthetic Funds in an amount of $768,800 for the Rittenhouse Road 12KV conversion from overhead to underground

Discussion:
The use of these Aesthetic Funds will be to underground the existing overhead 12KV power lines along the north side of Rittenhouse Road from the Queen Creek Market Place to approximately Sossaman Road. Aesthetic Funds can only be used on SRP facilities for aesthetic improvements. The Town has no other projects pending at this time for use of Aesthetic Funds.

The remaining balance of Aesthetic funds should Council approve this project will by $152,000.

Fiscal Impact:
This will reduce the Town’s SRP Aesthetic Fund balance by $768,800.

Alternatives:
Council could choose not to use Aesthetic Funds for undergrounding the 12kv lines and direct staff to relocate the existing poles.

Attachments:
A. Site Map
B. SRP Aesthetic Funding Agreement
May 29, 2014

Troy White
Town of Queen Creek
22350 S Ellsworth Rd
Queen Creek, AZ 85132

SUBJECT: RITTENHOUSE ROAD CONVERSION – AESTHETICS CONCEPTUAL COST ESTIMATE

Dear Troy,

Per your request SRP has prepared an Aesthetics Conceptual Cost Estimate to bury the existing 12kV facilities along Rittenhouse Road from Sossaman Road south to just west of Ellsworth Road as part of Queen Creek’s “Rittenhouse Road” Project No. A0301.

JOB SCOPE:

T1964365 Underground Conversion: Convert existing 12kV overhead facilities along the east side of Rittenhouse Road to the west side of Rittenhouse Road from Sossaman Road south to just west of Ellsworth Road. Install eight (8) pad-mounted switch cabinets, two (2) pad-mounted fuse cabinets, one (1) three-phase transformer, three (3) single-phase transformers, and approximately 23,496 lineal feet of feeder conductor. These costs do not include the new streetlight system which will be the responsibility of the Town to pay. Town of Queen Creek to provide all trench and conduit.

T1964369 Overhead Removal: SRP to remove approximately thirty (30) wood poles, one (1) three-phase transformer bank, two (2) switches, three (3) risers, and approximately 22,989 feet of feeder conductor along with approximately 7,633 feet of neutral conductor.

COSTS:

Conceptual cost estimates are prepared under the following assumptions:

1) Town of Queen Creek provided trench and conduit;
2) Restoration of area where civil work in road is complete;
3) One Police Officer for duration of construction;
4) Does not include the costs for Joint Trench, which are not fundable through Aesthetics;
5) Does not include after-hours construction for commercial outages;
6) Does not include private lighting or new streetlights/system costs.

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<th>Cost</th>
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<td>TOTAL CONCEPTUAL ESTIMATE</td>
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</table>

This Conceptual Cost Estimate is valid through September 26, 2014. A Definitive Cost Estimate based on final design will be prepared upon design completion.

Please sign and return the attached Funding Agreement indicating whether you approve or decline the use of Queen Creek’s Municipal Aesthetics funds for this project.

SRP’s Distribution Design Consultant for this project is Tim Rinn. For questions about the design and costs, contact him at (602) 236-8694 or Tim.Rinn@srpnet.com.
Please contact me at (602) 236-3735 or at Janice.Cacioppo@srpnet.com if you have any questions specific to Aesthetics funding.

Sincerely,

Janice Cacioppo
Municipal Aesthetics Program Administrator

Sent via Email

c: Tom Narva, Queen Creek
   R Earwood
   T Rinn
   File
MUNICIPAL AESTHETICS PROGRAM
FUNDING AGREEMENT

☐ CONCEPTUAL ESTIMATE  ☐ DEFINITIVE COSTS  ☐ REVISED COSTS

PROJECT NAME: RITTENHOUSE ROAD CONVERSION
TOWN PROJECT #: A0301
VALID THROUGH: 09/26/14

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CONDITIONS:

- This estimate is valid for 120 days from the date of this agreement after which a revised cost may be determined.
- A Definitive Cost will be sent to the Municipality upon design completion.
- SRP reserves the right to adjust the estimate to reflect current costs.
- The Municipality's SRP Municipal Aesthetics allocation exposure for this project will not exceed actual costs incurred by SRP.
- Any future relocation of the facilities associated with this project will be at the cost of those other than SRP, including use of SRP Municipal Aesthetics funds.
- Construction will be done during normal SRP work hours unless otherwise agreed to.
- Lane closures that do not impede the normal workflow of traffic will be allowed unless otherwise agreed to.

Power Projects:

- As a condition of the use of SRP Aesthetics funds the Municipality is required to provide SRP with a land right that is acceptable to SRP for all relocated and new facilities installed on Aesthetics projects.
- If the Municipality requires any additional conduits be placed in the trench an agreement must be in place with SRP prior to the start of construction.
- If applicable, Telco and CATV will be offered a joint trench opportunity per existing agreements. Joint trench costs for other utilities are not fundable through the SRP Municipal Aesthetics Program.
- Municipality streetlight requirements, if applicable, will be provided early in the design process. Streetlight pole installation and connection costs are the responsibility of the Municipality.

Trench Provider: SRP  N/A  Municipality  ________ (please initial choice of provider)

Municipality: TOWN OF QUEEN CREEK

Print Name: ___________________________ Title: ___________________________

Approved: ___________________________ Date: ___________________________

Declined: ___________________________ Date: ___________________________

Signature: ___________________________ Signature: ___________________________

Please sign and return this Funding Agreement to:

Janice Cacioppo, XCT400
Municipal Aesthetics Program Administrator
SRP Project Services
P O Box 52025
Phoenix, AZ 85072-2025

Janice.Cacioppo@srpnet.com
Office: 602-236-3735
Fax: 602-629-8390
TO:             HONORABLE MAYOR AND TOWN COUNCIL

THROUGH:        JOHN KROSS, TOWN MANAGER

FROM:           BRUCE GARDNER, WORKFORCE & TECHNOLOGY DIRECTOR
                MICHAEL BLACK, TECHNOLOGY SUPERVISOR
                TERRY DIAMOND, SENIOR INFORMATION TECHNOLOGY
                PROJECT MANAGER

RE:             CONSIDERATION AND POSSIBLE APPROVAL OF THE
                DESKTOP VIRTUALIZATION INFRASTRUCTURE PROJECT
                CONTRACT WITH THIN CLIENT COMPUTING $310,000

DATE:           June 18, 2014

Staff Recommendation:
Staff recommends the approval of an equipment and software purchase in the
amount not to exceed $310,000 for desktop virtualization, hardware, and software
licensing.

Relevant Council Goal(s):
KRA 10: Technology, Queen Creek will continuously analyze opportunities to
improve performance, efficiency and service through technology. Resources will
be allocated for updating and implementing new technologies in the best interests
of the community.

Proposed Motion:
Move to approve an equipment and software purchase in the amount not to exceed
$310,000 for desktop virtualization, hardware, and software licensing.

Discussion:
Currently the Town of Queen Creek utilizes desktop and laptop computers
comprised of 130 running on Windows XP, 65 running on Windows Vista, 30
running on Windows 7, 19 running on Windows 8 and 3 running Mac OS/10. With such a wide variety of Operating Systems, system administration becomes a strain on resources in attempting to keep up with system updates and enhancements. In addition, the 130 machines running Windows XP are no longer supported by Microsoft and so no longer are updated with security updates, etc. In addition, Town staff is currently operating on systems which are a minimum of four years old in most cases, with the majority of desktop hardware not updated for five years. These older systems require additional administrative overhead in help desk support calls requiring technicians to be "hands on" with the operating system.

It is staff’s intention to initially roll this technology out to approximately 100 licensed users throughout various staff in the Town.

Converting to a virtual desktop environment brings a number of positive enhancements:

1. **Lower total cost of ownership:** Because the software licensing requirements are smaller, there are cost savings on applications alone. At the hardware level, desktop virtualization saves money by easing endpoint hardware requirements; and, existing PC’s can serve as thin clients with no necessary modifications.

2. **Less administration:** Virtual desktop administration requires much less desktop support manpower, thereby freeing desktop support staff to work on more important projects and issues. In a typical network infrastructure, desktops are managed using remote software technology such as NetSupport or some other “push” technology. It becomes difficult to manage desktops numbering in the hundreds over this type of network. Using technology such as Virtual Desktop Infrastructure allows central management of all desktops and the ability to really control what is being installed and used on desktops. Deployment of virtual desktops is lightning fast as opposed to using imaging technology or other antiquated techniques.

3. **Security:** Security is a key factor in rolling out VDI. With VDI, there is greater control over how desktops are secured. An image can be locked down from external devices or to prevent copying data from the image to a local machine. Remote users also benefit as sensitive data is stored on the server in the data center and not the device. If the device is stolen, the information is protected.

4. **Operating Systems migrations:** Without VDI, oftentimes hardware must be upgraded – memory, disk space, etc. – with VDI, new operating systems can be pushed out from a central location with no need for hardware upgrades.

5. **Less expensive hardware purchases:** Initially, desktop hardware will not need to be replaced as the required computing power resides on the Citrix servers. As time passes and current desktop hardware begins to fail it will be
replaced with less expensive “zero client” hardware. Zero client hardware typically has lower end CPU's, minimal RAM, no hard drives and are comparatively much less expensive than standard desktop computers.

6. **Snapshot technology:** With VDI, there is also the ability to roll back desktops to a different state. This is a great feature where if new software is loaded, the desktop can then easily be rolled back to a previous state, thereby giving flexibility to end users.

7. **Platform independence:** With VDI, it doesn’t matter what device you use, thin client, PC, Apple/Mac, Linux, iPad, laptop, etc. as long as the machine can be connected to the VDI on the physical network, wirelessly, or a secure external connection. In other words, you can view your desktop from any device, such as viewing and using your Windows desktop on the iPad.

8. **Flexibility:** Using VDI allows staff to provision just a few types of desktops for users, reducing the need to configure desktops for each employee. Additionally, because virtual desktops can be provisioned so quickly, it will be easier to add new hires as their desktops can be setup with just a few mouse clicks.

After exploring different virtual desktop solutions, Citrix, Microsoft Remote Desktop Services, and VMware Horizon View, staff made the decision to move forward with Citrix as the virtual solution. Citrix provides the flexibility needed by the Town as it offers a wide range of client software – Windows, Mac, Java, Linux, iOS, Android, Blackberry, Windows Mobile, ChromeOS, HTML5 - and certified devices from other manufacturers.

As a government agency, the Town of Queen Creek faces challenges which are unique in the Information Technology (IT) field. We must serve the residents of the Town – from data security to disaster response – while trying to control costs to the greatest extent. We must be able to share information as effectively as possible across a wide range of hardware and from remote sites while maintaining high availability access to resources. The Citrix product allows this by granting flexible, multi-level access to authorized personnel. Additionally, Citrix provides high availability of data to increase worker productivity, enabling staff to have uninterrupted, secure and instant access to their desktop and applications regardless of where they are physically. Citrix solutions also provide cost and operational benefits which allow faster time to completion of IT resource consolidation, facilitate information sharing across different agencies and departments, extend the life of existing IT investments and reduce IT infrastructure costs. This allows IT to manage heterogeneous environments more effectively and efficiently as well as to centrally store, deliver, manage and support a mix of IT resources.
**Fiscal Impact**

Approval of the contract will not exceed **$310,000** for the first year, which includes purchase of hardware, software, licensing, implementation, and, if necessary, a $30,000 contingency which would be found within the Town’s IT budget for any unforeseen project overruns. Of this amount, $280,000 in funds were approved and allocated in the FY 2013-2014 budget. Additionally, due to the magnitude of the project, staff recommends the approval of an additional $30,000 contingency fund also from the IT budget for next fiscal year in the event that there are any project overruns.

**Alternatives:**

1. Council could choose not to approve the equipment/software purchase. There are currently 130 desktop computers running Windows XP, which is no longer support by Microsoft at any level, including security updates. This means that the XP computers must run a third party application to access the internet and will no longer receive security updates to “plug” security leaks discovered in the operating system. At the very least, these desktop machines would need to have their Operating Systems upgraded to Windows 7; in many cases, hardware would also need to be replaced

**Attachments:**

1. Proposed Scope of Purchase and Contract
## Quotation

**Company:** Town of Queen Creek  
**Quote Number:** CC197  
**Quote Date:** 6/27/14  
**Payment Terms:**  
**Contact:**  
**Address:** 22350 S Elsworth Dr, Queen Creek, AZ, 85142  
**Valid Until:**  
**City, State, Zip:** Queen Creek, AZ, 85142  
**Phone:** 480-532-0439  
**Fax:**  
**E-mail:** mike.black@queencreek.org  
**Project Name:** Desktop, Application and Storage Virtualization Build  

### Part A.

#### Description

- **Citrix XenDesktop Platinum Named Licence**  
  Includes 1yr Support on VUXM  
  Note: Annual Support VUXM cost $3,528  

- **Citrix XenDesktop Platform Named Licence**  
  Includes 1yr Support on XenMobile MDM  
  Note: Annual Support on XenMobile MDM cost $2,953  

- **Citrix XenDesktop MDM 5000 Enterprise**  
  Includes 1yr Support  
  Note: Annual Support on XenDesktop MDM cost $5,314

#### Parts

<table>
<thead>
<tr>
<th>Part Number</th>
<th>Description</th>
<th>Unit Price</th>
<th>Ext Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>200</td>
<td>XenDesktop VUXM Licenses</td>
<td>$82.00</td>
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<td></td>
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<td>$14,302.00</td>
<td>$28,604.00</td>
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</tbody>
</table>

### Part B.

- **X-IO ISE 210 - 12TB R 9.6TB Usable, FC**  
- **ISE-2 Controller SFP, FRU**  
- **ISE Manager Suite**  
- **Cable - 5' Ethernet Cable**  
- **Cable - 2m LC Duplex/LC Duplex Fiber Optic Patch Cord**  
- **Includes 1YR ISE 210 Software Maintenance**  
- **Includes 5yrs NO Hardware Maintenance**  
- **Includes Installation**  
  Note: Annual Support on ISE 210 Software Cost

- **DataCore SANsymphony® Storage Virtualization Software**  
- **VL5 Lic- base capacity - 16TB per node**  
- **Fibre Channel Protocols**  
- **Includes Installation, Documentation, Test, Deploy**  
  Note: Annual Support on SANsymphony® $3,800

- **DataCore SANsymphony® Storage Virtualization Software - 118 Capacity**  
  Note: Annual Support on SANsymphony® $3,800

- **TCC- Citrix, Dosing, Build, Test and Deploy**  
  Note: All annual support numbers are estimates based on current support pricing provided by each manufacturer

### Notes

- Estimated lead time is 30 days (if parts are available)
- This quote is valid for 30 days unless otherwise noted
- Customer is responsible for sales tax, freight, transportation and insurance if applicable

Total: $435,944.00  
Total: $273,204.00
Executive Summary

Thin Client Computing LLC (TCC), based in Scottsdale, AZ, is the leading provider of Virtual Data Center technology solutions. Established in 1997 TCC is recognized internationally for transforming both Corporate and Higher Educational organizations through the innovative use of emerging technologies that improve IT Services while reducing costs and complexities.

For 15 years TCC has specialized in Sever, Storage and Desktop virtualization as well as Application Isolation and Streaming, Remote Access, Thin Devices, Telework and Security, and, Multiple Redundant Data Center designs (DR and BC). Our solutions run critical 24x7 systems at leading Fortune 500 companies, Hospitals, Government, Educational and Financial institutions. TCC has developed extensive best practices over our many years of field experience; these will be applied to our design and implementation processes to achieve Maricopa County Community Colleges District’s (MCCCD) application and desktop virtualization installation and support services objectives.

Thin Client Computing is providing this proposal for evaluation in the selection and award of a qualified vendor to provide the services detailed in this response. This proposal will outline TCC’s demonstrated past performance and similar services for similar customers including higher education. TCC certifies that all authorized company authorities including company executives and the company’s President and Principal Engineer has carefully read and understands all parts of the RFP and has written this proposal in accordance therewith.
Scope of Work

System design: TCC has extensive experience in designing Citrix based virtualization technologies including, identification and configuration of all components necessary for delivery of XenDesktop and XenApp technologies. Because of our vast experience with virtualization solutions we recognize the dependent relationship: Storage area networks, Servers, network devices and application virtualization has with the success of these deployments. We are well qualified in these technologies and can easily identify and configure the integration points with MCCCD’s existing infrastructure.

Implementation of Xen Technologies: TCC’s Engineers currently hold comprehensive and advanced Citrix certifications/awards and have provided MCCCD several past performance examples and references demonstrating our superior expertise in deploying XenDesktop and XenAPP.

Implementation of Netscaler: TCC’s Engineers currently carry Citrix Netscaler certifications and have deployed many Netscaler appliances and Virtual appliances for customers listed in our references. Our extensive integration experience, qualifications and certification enables us to deploy and integrate Netscaler with many leading technologies, including Cisco (Traditional and UCS), Microsoft, HP, Wireless Lan/WAN, Internet and remote/multiple Data Centers.

Implementation of Xio (formerly Xiotech) Storage: TCC’s Engineers carry Xio certifications and have deployed Xio San technologies in conjunction with Citrix Xen Technologies and DataCore’s SANSymphony product for many notables customers and is considered the leading expert group in the use of these combined country by both Xio and Datacore. TCC has provided MCCCD examples of this past performance in our “References” section of this response.

Implementation of DataCore SANSymphony: TCC’s Engineers holds current DataCore Certifications and has deployed SANSymphony virtualization software on HP servers to many TCC customers over the years. TCC has included examples of this past performance expertise in the “References” section of this proposal.

Deployment and testing of applications: TCC has provided MCCCD with demonstrated extensive past performance of application virtualization deployments and testing using Citrix Xen Technologies in the “References” section of this proposal.

TCC’s primary methodology is side by side activity with the client’s staff personnel. All aspects of the design, methodology and implementation techniques are conveyed during the fulfillment of services. Our approach is make knowledge transfer an integral part of the overall project during each stage of the project. Upon request, additional time and custom training sessions can be provided where more theory, knowledge and/or hands on experience is desired.

Project Management: A thorough life cycle project methodology is employed to assure that all key project initiatives are met in the allocated time frame. This involves stages covering Assessment, Design, POC/Testing, Implementation, Validation, Remediation and Go Live Certification.
Assumptions

TCC proposes to offer substantial assistance to MCCCD in the realization of this project effort. Consulting is provided on a time and materials basis and includes expert readiness assessment, build, testing and support services. To assure success the following assumptions and risks must be understood:

- Dedicated MCCCD employees will be made available in support of all key areas of the project such as storage requirements, server hardware, networking, and software
- Server hardware is in a state of proper working order
- Active Directory environment is configured properly and performing adequately
- Internet connectivity is stable and performs adequately
- Data center connectivity is stable and performs adequately
- Network infrastructure is configured properly and performs adequately
- All software is properly licensed and installation sources, e.g. media or website downloads, are available and as current as possible at time of installation
- Current software versions compatible with the latest supported operating systems and third party software products.
- Expertise for installing, maintaining, and configuring third party software is available from MCCCD or its software providers
- MCCCD can provide knowledge and expertise concerning the configuration of their current IT environment and any/planned changes which will occur in the time frame of this project
- Administrative level access to all required project resources is available to TCC
Risks

- Current policies, profiles, OU’s, and scripts may need to be re-implemented- unexpected behavior of applications and login process may impact design choices, login times, compatibility, etc.

- Current network access rules and/or basic designs may need to be adjusted to accommodate this new design to provide desired response times and to provide adequate bandwidth and performance

- More data may be required to complete certain aspects of the system design, additional factors and decision point may be revealed in the process that require additional consulting time and/or other resources. Examples of this may be limited network connectivity, impacts of Intrusion Prevention Systems, limited Active Directory rights, non-standard network design, less than expected performance on support infrastructure such as network, storage and disk systems, etc.

- Application installation and integration issues may arise that require more engineering time and/or support from the application vendor

- Third party tools and products may be required in addition to the base Citrix products if application, system, or other functional technical issues arise, or, additional requirements are added
Resume’s

The Following personnel represent the Thin Client Computing support team for the duration of the Citrix Implementation project for MCCCD as outlined in this response.

**Steve Greenberg, MVP, CTP, CCA, Certified Apple Engineer, Principal Consultant,** is the Founder and President of Thin Client Computing LLC. A pioneer and innovator in Thin Computing, he has been active in remote protocols and virtualization since 1992. He has received both the Microsoft MVP and Citrix CTP awards (multiple times) and has designed and implemented hundreds of successful systems for notable clients. His solutions power everything from Navy ship anti-missile systems to classrooms, call centers and credit card transactions. He is also a popular speaker/presenter at industry conferences and has authored white papers, articles and research studies. See the following link for a video of a recent industry presentation entitled “Desktop Virtualization for the Real World” covering the American Express and MySCC case studies:

http://www.citrix.com/tv/#videos/2244

**Christine Charlemagne,** Director, Solution Sales brings 18 years of customer relationship management and engagement management to many markets including healthcare customers. Christine will be functioning as the direct contact and lead relationship manager supporting all sales, contract and service related issues to JCL for this Citrix project.

**Clyde (Joe) Shonk, MVP, CCA, CTP DCIE, XCA,** Senior Technical Architect, is a widely respected technical leader in virtualization. Previous to joining TCC, Joe was Senior Virtualization Engineer for Perot Systems and was responsible for the large scale system at Catholic HealthCare West. Since 2004, Joe has been integral to the technical implementation of many of TCC’s flagship projects and brings unparalleled skills to remoting protocols, network and storage integration, brokers and hypervisors, and, application compatibility in virtualized environments. Joe has received both the Microsoft MVP and Citrix CTP awards and speaks regularly at industry events such as Briforum and Citrix Synergy.

**Hal Lange,** CCA’s, XCA, Application Virtualization Specialist, widely respected for automation and virtualization. Previous to joining TCC, Hal was Senior Engineer for Heraeus MTD where he redesigned the entire infrastructure to run on 66% less system. He has held a key technical support postion (TRM) at Citrix and supported many key customers including Banner Health, American Express, and DHL. Previously, as Senior Engineer for DHL, he designed and implemented the App-V solution for Citrix and reduced the infrastructure requirements by 50%. He has contributed to books on Scripting books and taught classes in Clustering, VBScript, MS App-V, and Citrix technologies. He has been a key factor of
success in Application compatibility and automation projects for Cox Communications, GCU, and StrawHat Technologies.

## Resumes

**Cláudio Rodrigues, MVP, CTP, MSCE, CCEA,** Virtualization Specialist is widely respected and well known in the virtualization industry for his contributions. Cláudio was the founder and CEO of Terminal-Services.NET, later acquired by 2X Software Ltd (www.2x.com) where he became its CTO until the acquisition was completed (over a year). He was also the founder of TSFactory, WTSLabs and IQBridge, all software/consulting companies specializing on SBC/VDI/Virtualization technologies. He is currently a Microsoft MVP for RDS and a Citrix CTP and has worked with several companies around the globe delivering virtualization solutions.

**Brenda Tinius, CCSP, CCA,** Business Analyst/Technical Writer, comes from a background of Virtualization with Boeing in Seattle, WA. Brenda brings a unique combination of skills from hands on System Administration, Project Management and Data Gathering/Business Analyses. She has been a key success factor in End User Case Validation, Data Gathering and Data Presentation for clients such as Lumension Security, Cox Communications and SCC. Her specialties are working closely with End Users to understand workflows, defining use cases/requirements, and, implementation and validating testing scenarios.

**Carl Webster, CTP, CCEA, CCIA, MSCE,** specializes in Citrix, Active Directory and Exchange. Webster has been working with Citrix products for many years starting with Multi-User OS/2 in 1990. Webster is a highly skilled senior technology manager with a more than 20 years’ experience leading the design, development and implementation of enterprise projects for high profile global customers. His strong technology skills are balanced by the proven ability to recruit and develop highly talented teams of technology professionals and guide their performance on short and long range projects. Webster has led complex projects for key customers in multiple industries, including medical suppliers, direct mail providers, sports marketing, a major grocery chain, and large regional medical facilities.

**Dan Peterson,** Certified Google Implementation Specialist, has over 15ys experience in the field of Information Technology. During this time, he has held a number of leadership positions working as an IT director, an information systems manager, an IT consultant, a network/system engineer and as a teacher/trainer. Mr. Peterson currently focuses on emerging cloud based technologies, and is a Google Apps Certified Deployment Specialist. He brings his depth of experience, technical skills and management capabilities to his current position where he supports the administration and management operations of Thin Clients Computing’s Managed Cloud Services division.
7. Respondent Questionnaire

7.1
Thin Client Computing LLC (TCC), based in Scottsdale, AZ is a leading provider of Virtual Data Center technology established in 1997. TCC is recognized internationally for transforming both Corporate and Higher Educational organizations through the innovative use of technologies that improve IT Services while reducing costs and complexities.

TCC has specialized for many years in Server and Desktop virtualization as well as Application Isolation and Streaming, Remote Access, Thin Devices, Telework and Security. Our solutions run critical 24x7 systems at leading Fortune 500 companies, Hospitals, Government and Financial institutions. TCC is a Citrix Certified Gold Alumni Partner and a leading certified implementation provider for AppSense, XIO and Datacore.

A partial list of customers is as follows:

<table>
<thead>
<tr>
<th>American Express</th>
<th>Honeywell</th>
<th>General Dynamics</th>
</tr>
</thead>
<tbody>
<tr>
<td>GE Capital</td>
<td>CareMark</td>
<td>Motorola</td>
</tr>
<tr>
<td>Cox Communications</td>
<td>Best Western International</td>
<td>Apollo Group</td>
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<tr>
<td>Scottsdale</td>
<td>Universal Technical Institute</td>
<td>University of Phoenix</td>
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<td>Community College</td>
<td>Raytheon</td>
<td>Blue Cross Blue Shield of Arizona</td>
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<td>Mayo Clinic</td>
<td>Salt Lake City Community College</td>
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</tr>
<tr>
<td>PetsMart</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arizona State University</td>
<td>Midwestern University</td>
<td></td>
</tr>
<tr>
<td>Allied Signal</td>
<td>Phoenix College</td>
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</tbody>
</table>

7.2
TCC is the leading provider to Higher Education in this space and has been featured by Citrix Systems for many years in case studies and public presentations. Our unique system designs and implementation strategies are optimized to expand educational Access while providing operational and cost savings benefits. For fifteen years we have worked with public, private, high school, community college, four year undergraduate programs, post graduate, trade and online programs to provide advanced technical solutions to improving information solutions delivery using virtual computing technologies.

Citrix Certification tests use TCC solutions as examples of proper design/implementation and ask question of the certifications candidates that are based on our solutions!

7.3
A partial list of TCC’s educational customers who have received successful system implementations includes:

| ASU, Midwestern University, University of Phoenix, Grand Canyon University, | GlynLyon/OdysseyWare, Universal Technical Institute, Humboldt University | Scottsdale Community College, and, many others. |
Respondent Questionnaire

Two Specific Reference accounts are provided as follows. Both are using the unique system design that was developed especially for Higher Education environments which combines software from Citrix and DataCore and hardware from XIO and HP.

Vincent Boragina  
Manager, Server Administration  
W. P. Carey School of Business IT  
Arizona State University  
(480) 274-3084  
Vincent.Boragina@asu.edu

Casey Moore  
Director of Information Technology  
Salt Lake Community College  
(801) 957-5020  
(801) 792-5020 mobile  
Casey.Moore@slcc.edu

7.4
TCC has been deploying XIO storage hardware since 2007 and is expert on several generations of their software and hardware technologies. TCC is both sales and technically certified on XIO products and is a leading integrator for XIO in the Western Region. TCC was the first partner to deploy ISE (now called Storage Blade) technology in Arizona and has developed a well-established reference architecture for how to best leverage these products for virtual application and desktop delivery scenarios.

Recent installations include: COX Communications, International Cruise Excursions, Honeywell, Arizona Tile, ASU and Midwestern University.

7.5
TCC has been actively working with DataCore SanSymphonyV (formerly San Melody) software since 2007 and carries both DC Sales Certification and DCIE Certifications. TCC is highly experience in all aspects of product implementation, design, configuration, optimization and troubleshooting with Datacore.

TCC created the widely recognized standard of combining Datacore with XIO products. This was first deployed in 2008 and has become the standard architecture for higher educational environments. Consequently both XIO and DataCore have recognized this as a standard and have added both products to each of their line cards and officially support the combination of the two products working together.

7.6
TCC has been deploying Citrix Netscaler products in Enterprise and Higher Education environments since 2006. We have extensive experience and current certifications for all aspects of netscaler design, configuration, implementation and testing. These include basic features such as networking, VPN, load balancing as well as advanced features such as application firewall. Examples of customers that TCC has successfully demonstrated this performance include but are not limited to: American Express, Cox Communication, ASU and Apollo Group.
Respondent Questionnaire

Added as a result of the additional questions document indicating that APPSENSE will be used in this solution:

TCC has been a Gold Certified Partner of AppSense since 2008 and is currently the only certified installer of AppSense in the Southwest. TCC has developed extensive best practices and experience in design, test and implementation in complex environments of the AppSense Software Suite. Areas of focused expertise include database design, high availability, policy creation, detailed personalization and best practices covering inclusion and exclusion, application specific settings and AppV integration. References customers that TCC has successfully demonstrated this expertise include but are not limited to: ASU, UTI, John C. Lincoln Health Network and Apollo Group.

7.7
TCC has been deploying Citrix XenApp products in Enterprise and Higher Education environments since 1997. We have extensive experience and current certifications for all aspects of XenAPP including published applications, desktops, streamed applications and VM hosted apps. TCC will provide MCCCD with extensive experience in configuration, implementation and testing of XenApp technologies. Examples of customers that TCC has successfully demonstrated this performance include but are not limited to: Motorola, Mayo Clinic, PetSmart and Pima County.

7.8
TCC has been deploying Citrix XenDesktop products in Enterprise and Higher Education environments since 2007. We have extensive experience and current certifications for all aspects of XenDesktop. TCC will provide MCCCD with extensive experience in configuration, implementation and testing of XenDesktop technologies. Examples of customers that TCC has successfully demonstrated this performance include but are not limited to: American Express, ASU, and, Salt Lake City Community College.

7.9
TCC has been deploying Citrix XenServer products in Enterprise and Higher Education environments since 2006. We have extensive experience and current certifications for all aspects of XenServer. TCC will provide MCCCD with extensive experience in configuration, implementation and testing of XenServer technologies. Examples of customers that TCC has successfully demonstrated this performance include but are not limited to: Arizona Tile, Cox Communications and Salt Lake City Community College.

7.10
TCC has been deploying Microsoft App-V (formerly Softgrid) products in Enterprise and Higher Education environments since 2000. We have extensive experience and current certifications for all aspects of MS App-V. TCC will provide MCCCD with extensive experience in configuration, implementation and testing of MS App-V technologies. Examples of customers that TCC has successfully demonstrated this performance include but are not limited to: FMI (Formerly Phelps Dodge), Mayo Clinic and ASU.
Respondent Questionnaire

7.11
TCC has been deploying Citrix EdgeSight products in Enterprise and Higher Education environments since 2008. We have extensive experience and current certifications for all aspects of EdgeSight. TCC will provide MCCCD with extensive experience in configuration, implementation and testing of EdgeSight technologies. Examples of customers that TCC has successfully demonstrated this performance include but are not limited to: Universal Technical Institute (UTI), John C. Lincoln Health Network and Glynlyon (online education).

7.12
TCC has been deploying Citrix Provisioning Server (PVS) products in Enterprise and Higher Education environments since 2005. We have extensive experience and current certifications for all aspects of PVS. TCC will provide MCCCD with extensive experience in configuration, implementation and testing of PVS technologies. Examples of customers that TCC has successfully demonstrated this performance include but are not limited to: John C. Lincoln Health Network, ICE Enterprises, and Smart Health.

7.13
Citrix Farms, Zones, Sites, Collections, Published Applications, Desktop Groups and Citrix Policies are all functioning components of a properly designed Citrix XenApp Farm. TCC’s reference architecture has been the focus of numerous case studies and has received Citrix’s coveted Innovation Award in 2007. TCC will provide MCCCD with extensive experience in configuration, implementation and testing of Citrix Farm solutions. Examples of customers that TCC has successfully demonstrated this performance include but are not limited to: Scottsdale Community College, ASU and American Express.
Respondent Questionnaire

**7.14**
**Below is a List of TCC’s Extensive Citrix Certifications**

<table>
<thead>
<tr>
<th>Certification</th>
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<tbody>
<tr>
<td>CCA for Citrix Access Gateway 4</td>
</tr>
<tr>
<td>CCA for Citrix MetaFrame Access Suite 3.0</td>
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<td>CCA for Citrix MetaFrame Access Suite 3.0</td>
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<td>CCA for Citrix XenDesktop Enterprise Edition 3</td>
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<tr>
<td>CCA for Citrix XenServer 5</td>
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</table>
## Respondent Questionnaire

CCA for Citrix XenServer 5

| CCA for Citrix XenServer 5 Platinum Edition |
| CCEA for Citrix MetaFrame Access Suite 3.0 |
| CCEA for Citrix MetaFrame Access Suite 3.0 |
| CCEA for Citrix XenApp (Presentation Server 4) |
| CCEE for Virtualization |
| CCIA for Citrix XenApp (Presentation Server 4) |
| CCIA for Virtualization |
| CCSP 2008 for Dynamic Datacenters |
| CCSP 2008 for Windows Application Delivery |
| CCSP 2009 for Application Networking |
| CCSP 2009 for Application Networking |
| CCSP 2009 for Application Networking |
| CCSP 2009 for Server Virtualization |
| CCSP 2009 for Server Virtualization |
| CCSP 2009 for Server Virtualization |
| CCSP 2010 for Application Delivery |
| CCSP 2010 for Application Delivery |
| CCSP 2010 for Application Delivery |
| CCSP 2010 for Application Networking |
| CCSP 2010 for Application Networking |
| CCSP 2010 for Application Networking |
| CCSP 2010 for Application Virtualization |
| CCSP 2010 for Application Virtualization |
Respondent Questionnaire

| CCSP 2010 for Application Virtualization |
| CCSP 2010 for Desktop Virtualization |
| CCSP 2010 for Server Virtualization |
| CCSP 2011 for Application Networking |
| CCSP 2011 for Application Networking |
| CCSP 2011 for Desktop Virtualization |
| CCSP 2011 for Desktop Virtualization |
| CCSP 2011 for Server Virtualization |
| CCSP 2011 for Server Virtualization |
| CCSP 2011 for Virtual Computing |
| CCSP 2011 for Virtual Computing |
| CCSP for Citrix Presentation Server 4 |
Respondent Questionnaire

7.15
TCC has been configuring and deploying MS SQL Server (multiple versions including 2008) products in Enterprise and Higher Education environments since 1999. We have extensive experience in configuring SQL Server for, database layout, connectivity, clustering and high availability. TCC will provide MCCCD with extensive experience in configuration, implementation and testing of SQL Server technologies. Examples of customers that TCC has successfully demonstrated this performance include but are not limited to: Blood Systems, Motorola, Mayo Clinic, Pet Smart and Pima County.

7.16
TCC has been configuring and deploying Microsoft Active Directory (AD) for XenApp/XenDesktop products in Enterprise and higher Ed environments since 2000. We have extensive experience designing and implementing: sights and services, controllers, organizational units, policies and profiles for optimal performance in Citrix environments. TCC will provide MCCCD with extensive experience in configuration, implementation and testing of AD technologies. Examples of customers that TCC has successfully demonstrated this performance include but are not limited to: GE, Blood Systems, Mayo Clinic, and Pima County.

7.17
TCC does not recommend the use of HP EVA 6400 SAN’s in Citrix environments. While TCC has the skill set to present storage volumes from the HP EVA 6400 SAN we do not recommend it to MCCCD or any TCC customer. Alternatively we strongly recommend the use of DataCore’s SAN Virtualization product, SANSymphony and XIO’s SAN, ISE products for presenting storage volumes to virtualized applications and desktop workload servers.

7.18
The DataCore and XIO products that MCCCD has listed in their RFP will come with standard Maintenance and tech support. TCC will provide MCCCD scheduled technical support and consulting for the hourly fee listed in the pricing schedule of this proposal. TCC can also provide MCCCD the “option” of a 24/7/365 telephone support program for fees that are listed in the pricing section of this proposal.
Respondent Questionnaire

7.19
Since 1997 TCC has been internationally recognized as a leader in the Virtualization of Applications and Desktops. In addition TCC has a long and productive relationship with MCCCD and its individual colleges in the following ways:

- Successfully designed and implemented 3 major versions of MySCC for Scottsdale Community College from 2008 to 2011, and, continue to provide ongoing upgrade, design, development and support services
- Successfully deployed POC of Citrix technologies involving Phoenix College, South Mountain College, Estrella Community College and Scottsdale Community College. This effort proved that the Citrix, XIO and DataCore solution is ideal for MCCCD to centralize virtual services throughout the college system. The ability to use a standardized and shared system across all colleges will have significant cost savings potential, and, can expand education access and improve the educational experience dramatically. TCC is unique in having both the most overall industry experience, and, nearly 4 years of experience in working closely with MCCCD in this area.
- TCC has provided a Network Analysis to MCCCD showing significant cost savings and performance enhancements across the districts WAN. These benefits do not require any additional investments due to TCC’s unique experience in working with Citrix Branch Repeater and Netscaler VPX features sets which are included in the licensing currently owned by MCCCD.
- TCC has the very best skill sets and track record with Higher Education Customers. Our experience, level of skills and successes are in unmatched in the industry. We are confident that we will provide MCCCD with most successful project and have many references within Higher Ed which will support that view.

7.20
While TCC does not have extensive experience with the current U.S. Department of Education’s regulations for Higher Education our deep experience with Higher Education customers totals nearly 15yrs. Our track record shows a positive record of meeting those regulations. In addition, we are committed to learning and adapting to any and all new regulations MCCCD and the Department of Education require from us.

7.21
TCC is a privately held and privately funded company. TCC continues to grow in both gross revenue and profit year over year. TCC carries zero debt, is self-financed and has no existing financial or legal burdens.
Pricing Schedule

The undersigned has read and understands all conditions and terms of RFP 3070-10, is authorized to submit this proposal on behalf of the company, and hereby offers to perform the services for the pricing indicated below:

8.1 Services as requested in this RFP:

Provide a list of the types of services offered to support implementation of Xen technologies at MCCCD and price per hour (For example, project management, XenDesktop expert, application expert). Please include any quantity break points below 1000 hours.

Note: Multiple lines provided below if hourly rates/roles differ based on type of service being performed.

<table>
<thead>
<tr>
<th>Type of Service</th>
<th>Standard Hourly Rate</th>
<th>MCCCD Hourly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Architect</td>
<td>$250</td>
<td>$185.00</td>
</tr>
<tr>
<td>Senior Implementation Engineer</td>
<td>$225</td>
<td>$185.00</td>
</tr>
<tr>
<td>Implementation Engineer</td>
<td>$215</td>
<td>$185.00</td>
</tr>
<tr>
<td>Project Manager</td>
<td>$205</td>
<td>$185.00</td>
</tr>
<tr>
<td>Business Analyst/Testing</td>
<td>$205</td>
<td>$185.00</td>
</tr>
</tbody>
</table>

8.2 Prompt Payment Discount: N/A

Other required services/fees, if any, not specifically requested in the RFP (list below)

<table>
<thead>
<tr>
<th>Service</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Readiness Assessment</td>
<td>$5000.00</td>
</tr>
<tr>
<td>Optional: 24/7/365 telephone support</td>
<td>$12,500.00</td>
</tr>
</tbody>
</table>

Readiness Assessment includes: Design validation, validation of pre-requisite HW/SW services, Project Plan development, and implementation and acceptance criteria. This is a flat fee service designed to validate readiness for commencement of implementation services at the above listed rate.

Optional: 24/7/365 telephone support: includes up to 25 incidents $12,500.00 Annually

Costs/Fees listed above shall include all overhead and profit. No billing will be accepted that shows any other costs than those listed above. This includes, but is not limited to, travel, any out-of-pocket costs, meetings, secretarial, printing, delivery, rent, phone calls, postage, overnight mail service, accounting, fuel charges, office supplies, etc.
Signature Page

Pursuant to Arizona Revised Statutes 35-391.06 & 35.393.06, proposer certifies that it does not have a scrutinized business operation in either Sudan or Iran.

SIGNATURE: ____________________________

PRINTED NAME: Steve Greenberg

TITLE: President

COMPANY: Thin Client Computing

ADDRESS: 34522 N. Scottsdale Road, Suite D-8453

CITY, STATE, ZIP: Scottsdale, Arizona 85266

TELEPHONE: 602-432-8649

FAX NUMBER: 602-296-0411

E-MAIL: steveg@thinclient.net

Is your firm a:
( X) Corporation* ( ) Partnership ( ) Individual ( ) Joint Venture

* If a corporation, answer the following:

(a) Where incorporated: Arizona

(b) Date incorporated: 10/15/2009

(c) Have your Articles ever been suspended or revoked? ( ) Yes ( X) No

If yes, when, for what reason, and when were they reinstated:

Has your firm or its parent or subsidiaries ever been debarred or suspended from providing any goods or services to the Federal Government or other public entities? No

If yes, when, for what reason, and when were they reinstated:
Attachment B Bidders Statement

Interested Bidders are asked to review and provide, as completely and accurately as possible, a written response on each applicable section below:

**TYPE OF BUSINESS ORGANIZATION**

Please check the appropriate box(es).

The Bidder represents that it operates as:

___ X ___ A CORPORATION incorporated under the laws of the State of **Arizona**

_____ An INDIVIDUAL

_____ A PARTNERSHIP

_____ A NON-PROFIT ORGANIZATION

_____ A JOINT VENTURE

Federal Employer Identification Number: 26-3829633

**PARENT COMPANY and IDENTIFYING DATA**

A "parent" company, for the purposes of this provision, is one that owns or controls the activities and basic business policies of the Bidder. To own the Bidding company means that the "parent" company must own more than 50 percent of the voting rights in that company. A company may control a Bidder as a "parent" even though not meeting the requirements for such ownership if the "parent" company is able to formulate, determine or veto basic policy decisions of the Bidder through the use of dominant minority voting rights, use of proxy voting or otherwise.

The Bidder:

_____ IS ___ X ___ IS NOT owned or controlled by a "parent" company.

If the Bidder **IS** owned or controlled by a "parent" company, Bidder shall provide the name, address, phone and fax numbers, and Federal I.D. No. of the company.
### Private Business Contracts

MCCCD requires a **minimum** of **three (3) current and local references** for which you are providing same or similar products and services specified herein. Please indicate below the businesses for which you have provided such during the past two (2) years:

<table>
<thead>
<tr>
<th>1. Company Name:</th>
<th>Apollo Group</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Address:</strong></td>
<td>4710 E. Elwood St. MS: AA-E104 Phoenix, AZ 85040</td>
</tr>
<tr>
<td><strong>Phone #:</strong></td>
<td>602.557.7505</td>
</tr>
<tr>
<td><strong>Fax #:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Contact Person:</strong></td>
<td>Claudiu Budurlean</td>
</tr>
<tr>
<td><strong><a href="mailto:Claudiu.Budurlean@apollogrp.edu">Claudiu.Budurlean@apollogrp.edu</a></strong></td>
<td></td>
</tr>
<tr>
<td><strong>Contract Period:</strong></td>
<td>From: May, 2010 To: June 2011</td>
</tr>
<tr>
<td><strong>Describe Services:</strong></td>
<td>End to End Desktop and Application Virtualization based on Citrix technologies</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2. Company Name:</th>
<th>Arizona State University, W.P Carey School of Business IT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Address:</strong></td>
<td>Tempe Arizona</td>
</tr>
<tr>
<td><strong>Phone #:</strong></td>
<td>(480) 274-3084</td>
</tr>
<tr>
<td><strong>Fax #:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Contact Person:</strong></td>
<td>Vincent Boragina</td>
</tr>
<tr>
<td><strong><a href="mailto:Vincent.Boragina@asu.edu">Vincent.Boragina@asu.edu</a></strong></td>
<td></td>
</tr>
<tr>
<td><strong>Contract Period:</strong></td>
<td>From: October 2008 To: Present</td>
</tr>
<tr>
<td><strong>Describe Services:</strong></td>
<td>End to End Desktop and Application Virtualization based on Citrix technologies</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3. Company Name:</th>
<th>Salt Lake City Community College</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Address:</strong></td>
<td>Salt Lake City Utah</td>
</tr>
<tr>
<td><strong>Phone #:</strong></td>
<td>(801) 957-5020</td>
</tr>
<tr>
<td><strong>Fax #:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Contact Person:</strong></td>
<td>Casey Moore</td>
</tr>
<tr>
<td><strong><a href="mailto:Casey.Moore@slcc.edu">Casey.Moore@slcc.edu</a></strong></td>
<td></td>
</tr>
<tr>
<td><strong>Contract Period:</strong></td>
<td>From: June 2009 To: Present</td>
</tr>
</tbody>
</table>
Describe Services: End to End Desktop and Application Virtualization based on Citrix technologies
BIDDER REFERENCES (continued)

**Federal, State or Other Political Subdivision Contracts**
MCCCD is also interested in speaking with public agencies or educational institutions for whom you have provided such products and services covered herein:

1. **Company Name:** Pima County Recorders Office  
   **Address:** P.O. Box 3145, Tucson AZ 85702-3145  
   **Phone #:** 520 - 740 - 4994  
   **Fax #:** 520 – 740 - 4321  
   **Contact Person:** Mary L Couture  
   **Contact Person Email:** mary.couture@recorder.pima.gov  
   **Contract Period:** From: 2009  
   **Contract Period To:** Present  
   **Describe Services:** End to End Desktop and Application Virtualization based on Citrix technologies

2. **Company Name:** Universal Technical Institute  
   **Address:** 2844 West Deer Valley Road, Phoenix AZ, 85027  
   **Phone #:** 623 – 445 - 9577  
   **Fax #:**  
   **Contact Person:** Lee Goldstein  
   **Contact Person Email:** lgoldstein@uti.edu  
   **Contract Period:** From: 2010  
   **Contract Period To:** Present  
   **Describe Services:**
BIDDER’S STATEMENT (continued)
ADDITIONAL BUSINESS INFORMATION

Standard Business Hours
1. Days of week available for services: Monday - Friday
2. Business hours of operation: 8:00am to 6:00pm
3. On-call/Emergency service hours: Optional 24/7/365 Telephone support
   Phone Number(s): 602-432-8649
   Web Address: www.thinclient.net
   FAX Number: 602-296-0411

General Information
4. Business License Number: N/A
5. Number of years in business under current name: 15 Years
6. Number of offices in the State of Arizona: 1
7. Business Classification (check applicable category) N/A
   Minority Owned Business (MBE) N/A
   Woman Owned Business (WBE) N/A

Does your firm hold this certification from any other agencies or companies?

   No: X   Yes:    With Whom?
Attachment B

ADDITIONAL BUSINESS INFORMATION (continued)

8. Name and address of office assigned to handle the MCCCD account:

Thin Client Computing
34522 N. Scottsdale Road Suite D-8453
Scottsdale, AZ 85266

9. Account Manager Information:

    Name: Steve Greenberg
    Phone: 602-432-8649
    Pager: N/A

10. Contractors License Number(s): N/A

    TYPE
    NUMBER

11. Do you ever sub-contract any of your services?

    X NO

    YES

    If YES, which services?: N/A
MCCCD STUDENT INFORMATION SYSTEM
NON-DISCLOSURE AGREEMENT – We need one of these for each person working @ PCC

Steve Greenberg
Name

10/5/2011
Date

President, Principal Engineer
Job Title

Thin Client Computing
Company Name

I, Steve Greenberg, agree that when given access to the Maricopa County Community College District Student Information System (SIS) database or file,

I will not reveal or attempt to reveal any individually identifiable information furnished, acquired, retrieved, or assembled by me in connection with the SIS database for any purpose;

I will not disclose to the public or otherwise, information from which a student’s records could be identified;

I will not permit any other person to use a SIS account or password;

I will not attempt to identify individual students in the SIS database by joining that data with other data available to me;

I will ensure that information extracted from the SIS database is safeguarded and stored in a location and medium not accessible to anyone else but a MCCCD authorized person;

I will report any loss or breach of security to the MCCCD Purchasing Office (Attn: Keith Killourie / 480-731-8518) immediately;

I have read and agree to be bound by the Non-Disclosure Agreement between Maricopa County Community College District and my Company.

_______________________________________________ 10/6/2011________
Signature / Date
MCCCD STUDENT INFORMATION SYSTEM
NON-DISCLOSURE AGREEMENT – We need one of these for each person working @ PCC

Howard Lange
Name

10/5/2011
Date

Senior Engineer
Job Title

Thin Client Computing
Company Name

I, Howard Lange, agree that when given access to the Maricopa County Community College District Student Information System (SIS) database or file,

I will not reveal or attempt to reveal any individually identifiable information furnished, acquired, retrieved, or assembled by me in connection with the SIS database for any purpose;

I will not disclose to the public or otherwise, information from which a student’s records could be identified;

I will not permit any other person to use a SIS account or password;

I will not attempt to identify individual students in the SIS database by joining that data with other data available to me;

I will ensure that information extracted from the SIS database is safeguarded and stored in a location and medium not accessible to anyone else but a MCCCD authorized person;

I will report any loss or breach of security to the MCCCD Purchasing Office (Attn: Keith Killourie / 480-731-8518) immediately;

I have read and agree to be bound by the Non-Disclosure Agreement between Maricopa County Community College District and my Company.
Attachment C

MCCCD STUDENT INFORMATION SYSTEM
NON-DISCLOSURE AGREEMENT – We need one of these for each person working @ PCC

Joe Shonk
Name

10/5/2011
Date

Senior Engineer
Job Title

Thin Client Computing
Company Name

I, Joe Shonk, agree that when given access to the Maricopa County Community College District Student Information System (SIS) database or file,

I will not reveal or attempt to reveal any individually identifiable information furnished, acquired, retrieved, or assembled by me in connection with the SIS database for any purpose;

I will not disclose to the public or otherwise, information from which a student’s records could be identified;

I will not permit any other person to use a SIS account or password;

I will not attempt to identify individual students in the SIS database by joining that data with other data available to me;

I will ensure that information extracted from the SIS database is safeguarded and stored in a location and medium not accessible to anyone else but a MCCCD authorized person;

I will report any loss or breach of security to the MCCCD Purchasing Office (Attn: Keith Killourie / 480-731-8518) immediately;
I have read and agree to be bound by the Non-Disclosure Agreement between Maricopa County Community College District and my Company.

________________________________________________________________________

Signature / Date

Thin Client Computing LLC.
Company Name
Attachment C

MCCCD STUDENT INFORMATION SYSTEM
NON-DISCLOSURE AGREEMENT – We need one of these for each person working @ PCC

Brenda Tinius
Name

10/5/2011
Date

Project Coordinator
Job Title

Thin Client Computing
Company Name

I, Brenda Tinius, agree that when given access to the Maricopa County Community College District Student Information System (SIS) database or file,

I will not reveal or attempt to reveal any individually identifiable information furnished, acquired, retrieved, or assembled by me in connection with the SIS database for any purpose;

I will not disclose to the public or otherwise, information from which a student’s records could be identified;

I will not permit any other person to use a SIS account or password;

I will not attempt to identify individual students in the SIS database by joining that data with other data available to me;

I will ensure that information extracted from the SIS database is safeguarded and stored in a location and medium not accessible to anyone else but a MCCCD authorized person;

I will report any loss or breach of security to the MCCCD Purchasing Office (Attn: Keith Killourie / 480-731-8518) immediately;

I have read and agree to be bound by the Non-Disclosure Agreement between Maricopa County Community College District and my Company.

________________________________________________________
Signature / Date
TO: HONORABLE MAYOR AND TOWN COUNCIL
THROUGH: PATRICK FLYNN, ASSISTANT TOWN MANAGER;
FROM: ADAM ROBINSON, RECREATION SUPERINTENDENT
DATE: June 18, 2014
Staff Recommendation:
Staff recommends approval of an annual service agreement between the Boys and Girls Clubs of the East Valley and the Town of Queen Creek for Community Recreation Services in the amount of $50,000 and use of two rooms of the Founders Park Community Center and the Fire Training Center for fiscal year 2014-2015.

Relevant Council Goal(s):
- Parks, Trails and Open Space Master Plan
  - Goal 4, Policy 4.3 – Promote recreation opportunities for all citizens in Queen Creek. (Executive Summary, page 15)
    - Recommendation #6 – Analyze current programs and determine if there is a for-profit or non-profit organization that can provide the programs in lieu of the Town doing so. (Executive Summary, page VI)
    - Future Priorities – Establish partnerships and encourage other providers to come into the market place, such as school districts, YMCA and the Boys and Girls Club. (Needs Analysis, page 59)

Proposed Motion:
Move to approve the annual service agreement between the Boys and Girls Clubs of the East Valley and the Town of Queen Creek for Community Recreation Services in the amount of $50,000 and use of two rooms of the Founders Park Community Center and the Fire Training Center for fiscal year 2014-2015.

Discussion:
The Town has partnered with the Boys and Girls Clubs of the East Valley since 2005 to assist the Town in providing youth development programs and recreational opportunities for youth ages 6-18. The goal of the Club is to provide a positive place for kids by providing a safe haven for children to enjoy and participate in activities that help build character, self-esteem, values and skills.

The annual service agreement, if approved, will commence July 1, 2014; and in general calls for services to be provided for after-school, early-release, inter-session, and summer programs for youth and teens in the areas of recreation, education, peer leadership, computer technology,
substance abuse prevention, physical fitness, and the performing arts at the Town of Queen Creek Founders Park Community Center and Fire Training Center.

The service agreement would also require that the Boys and Girls Clubs of the East Valley provide the following:

1. Impact assessments on a quarterly basis including a review of the previous quarter’s activities, participation numbers, programs and services rendered;
2. Appropriate level of staffing for the delivery of services in a professional, safe and industry-compliant manner that complies with all local, state and federal laws, including the regulations, policies and procedures governing the Boys and Girls Clubs of the East Valley and the Boys and Girls Clubs of America; and
3. Measurement of the ratings or reviews related to the overall satisfaction of the quality of programs, customer service, quality of facilities, communication between staff and parents, value of services, safety and security of programs.

Boys and Girls Clubs of the East Valley representative Eric Rodriguez, Branch Executive, will be available to provide additional information and answer questions. Staff will continue to work with the Boys and Girls Clubs of the East Valley to schedule quarterly reports to the Town Council.

Fiscal Impact:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Town Payment to B&amp;GC</td>
<td>$ 50,000</td>
</tr>
<tr>
<td>Use of Community Center (two rooms)*</td>
<td>$ 17,924</td>
</tr>
<tr>
<td>Use of Fire Training Center*</td>
<td>$ 20,430</td>
</tr>
<tr>
<td><strong>Total cost of the program:</strong></td>
<td><strong>$ 88,354</strong></td>
</tr>
</tbody>
</table>

*cost estimate includes utility bills, janitorial services and major repairs such as A/C units

Alternatives:
1. Council could choose to not approve the annual service agreement for fiscal year 2014-2015. This alternative would eliminate the youth development programs and recreational opportunities for youth ages 6-18 outlined in the agreement.

2. Council could choose to have the Town’s Recreation Services Division provide the services. This alternative would call for a significant increase in the Town’s budget above the amount proposed by the Boys and Girls Clubs of the East Valley for the annual services.

Attachments:
1. Annual Service Agreement with the Boys and Girls Club of the East Valley for Fiscal Year 2013-2014
TOWN OF QUEEN CREEK

PROFESSIONAL SERVICES CONTRACT

This Contract is made and entered into effective as of the ____ day of ______________, 2014 (the "Effective Date"), by and between the Town of Queen Creek, an Arizona municipal corporation ("Town"), and Boys and Girls Clubs of the East Valley-Queen Creek Branch, a non-profit agency ("Club"). Town and Club may be referred to in this Contract collectively as the "Parties" and each individually as a "Party."

RECITALS

The Town wishes to enter into a contract for community recreation and professional services which provides after-school, early-release, inter-session, and summer programs for youth and teens in the areas of recreation, education, peer leadership, computer technology, substance abuse prevention, physical fitness, and the performing arts at the Town of Queen Creek Founders Park Community Center (two rooms in the Community Center will be for Club use) and the Fire Training Center; and

The Club, operating in good standing with the Boys & Girls Clubs of America, is qualified to perform the Services; and

The Mayor is authorized and empowered by the Town Code to execute contracts for professional services.

Now therefore, in consideration of the mutual promises and obligations set forth in this Contract the Parties agree as follows:

AGREEMENTS

ARTICLE 1. SCOPE OF SERVICES

Club shall provide the services described in the Scope of Services attached here to as Exhibit B (the "Services"). All work will be reviewed and approved by the Contract Administrator to determine acceptable completion. Review and approval by the Contract Administrator shall not relieve Club of any liability for defective, non-complying, improper, negligent or inadequate services rendered pursuant to this Contract.

ARTICLE 2. FEES

1. The amount paid to Club under this Contract, including reimbursable expenses, shall not exceed $50,000.00.

2. Quarterly payments may be made to the Club on the basis of a progress report prepared and submitted by Club for the Services completed through the last day of the preceding quarter. The Contract Administrator reserves the exclusive right to determine the Services performed and payment due the Club on a quarterly basis. Quarterly billings shall be accompanied by such documentation as the Contract Administrator may require making his/her determination of Services performed and payment due.
3. If for any reason the Club fails to fulfill in a timely and proper manner its obligations under this Contract, or if the Club violates any of the covenants, agreements, or stipulations of this Contract, the Town may withhold from payment due to the Club such amounts as are necessary to protect the Town's position for the purpose of set-off until such time as the exact amount of damages due to the Town from Club is agreed to by the parties in writing, or is determined by a court of competent jurisdiction.

ARTICLE 3. TERM OF CONTRACT

1. This Contract shall be in full force and effect when approved by the Town Council of Queen Creek, Arizona and signed by its Mayor as attested by the Town Clerk.

2. The Club shall proceed with providing the Services July 1, 2014. All work shall be completed and approved on or before June 30, 2015.

ARTICLE 4. TERMINATION OF CONTRACT

1. The Town has the right to terminate this Contract for cause or convenience or to terminate any portion of the Services which have not been performed by the Club.

2. In the event the Town terminates this Contract or any part of the Services as herein provided, the Town shall notify the Club in writing, and immediately upon receipt of such notice, the Club shall discontinue all Services, or the specific Services being terminated, as applicable, under this Contract.

3. Upon such termination, the Club shall immediately deliver to the Town any and all documents or work product generated by the Club under the Contract (collectively, the "Work Product"), together with all unused material supplied by the Town, applicable to the Services being terminated. Club shall be responsible only for such portion of the work as has been completed and accepted by the Town. Use of incomplete data by the Town shall be the Town's sole responsibility.

4. Upon receipt of notice of termination, Club shall appraise the Services it has completed but has not yet been paid for and shall submit the Services and appraisal to the Contract Administrator for evaluation.

5. The Club shall receive as compensation in full for Services performed and approved by the Contract Administrator to the date of such termination, a fee for the percentage of Services actually completed and accepted by the Town. This fee shall be in an amount to be mutually agreed-upon by the Club and the Town, based upon the Scope of Work set forth in Exhibit B and the payment schedule set forth in Article 2 of this Contract. If mutual agreement between the Parties cannot be reached after reasonable negotiation, the Contract Administrator shall determine the percentage of satisfactory completion of each task set forth in the Scope of Work and the amount of compensation Club is entitled to for such work, and the Contract Administrator's determination in this regard shall be final. The Town shall make such final payment within 60 days after the latest of: (i) Club's completion or delivery to the Town of any portion of the Services not terminated; or (ii) Club's delivery to the Town of all Work Product and
ARTICLE 5. ALTERATIONS OR ADDITIONAL SERVICES

The entire Scope of Services to be performed in accordance with this Contract is set forth in Exhibit B. Services which are not included in Exhibit B will be considered Additional Services, only if approved in writing by the Contract Administrator prior to their performance. The Club shall not perform such Additional Services without prior written authorization in the form of an approved change order or contract amendment from the Town. In the event the Club performs such claimed Additional Services without prior written authorization from the Town, it shall be conclusively presumed that the claimed Additional Services were included in the Scope of Services and Club shall not be permitted to request or receive any additional compensation for such claimed Additional Services.

ARTICLE 6. ASSIGNMENT AND SUBCONTRACTING

1. This Contract may not be assigned in whole or in part without the prior written consent of the Town, and any such attempted assignment shall be null and void and a material breach of this Contract, and shall transfer no rights to the purported assignee.

2. The Club may engage such subcontractors or professional associates as Club may deem necessary or desirable for the timely and successful completion of this Contract. However, the use of such subcontractors or professional associates for the performance of any part of the Services specified in Exhibit B shall be subject to the prior written approval of the Town. Club will submit a complete list of subcontractors on Exhibit C and will update the information on the list during the term of the Contract, should the status or identity of said subcontractors change. Employment of such subcontractors or professional associates in order to complete the work set forth in Exhibit B shall not entitle Club to additional compensation beyond that set forth in Article 2. The Club shall be responsible for and shall warrant all Services including work delegated to such subcontractors or professional associates.

ARTICLE 7. COMPLETENESS AND ACCURACY

The Club shall be responsible for and shall and hereby does warrant the completeness, accuracy and quality of all work done pursuant to the Contract including, but not limited to the Services, the Work Product, and the reports, survey work, plans, supporting data and special provisions prepared or compiled pursuant to Club’s obligations under this Contract and shall correct at Club’s expense all errors or omissions which may be discovered therein. Town’s acceptance or approval of the Club’s Services shall in no way relieve the Club of any of Club’s responsibilities hereunder.

ARTICLE 8. OWNERSHIP OF DOCUMENTS

All documents including but not limited to data computation, studies, reports, design notes and any original drawings which are prepared in the performance of this Contract are to be and remain the property of the Town and are to be delivered to the Contract Administrator before final payment under this Contract is made to the Club or upon termination of this Contract for any
reason. To the extent any such documents or the Work Product is deemed to be the property of Club, Club hereby assigns all of Club's right, title and interest (including any applicable copyrights) in such documents and Work Product to the Town.

**ARTICLE 9. INDEMNIFICATION**

1. To the fullest extent permitted by law, the Club shall defend, indemnify, save and hold harmless the Town and its officials, officers, employees and agents (collectively "Indemnitees") from and against any and all damages, claims, losses, liabilities, actions or expenses (including, but not limited to, attorneys' fees, court costs, and the cost of appellate proceedings) (collectively, "Claims") relating to, arising out of or alleged to have resulted from the performance of Services pursuant to this Contract including, but not limited to, any such performance by any subcontractor. The Club's duty to defend, hold harmless and indemnify Indemnitees pursuant to this section shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, including death, or to injury to, impairment, or destruction of property including loss of use resulting therefrom, caused in whole or in part by the acts, errors, mistakes, omissions, work or services of the Club or anyone for whose acts the Club may be legally liable. It is the specific intention of the Parties that the Indemnitee shall be indemnified by Club from and against all Claims other than those arising from the Indemnitees' sole negligence. The Club will be responsible for primary loss investigation and defense and judgment costs where this Indemnification applies.

2. In the event that any action or proceeding shall at any time be brought against any of the Indemnitees by reason of any Claim referred to in this Article, the Club, at Club's sole cost and upon at least 10 day's written notice from Town, shall defend the same with counsel acceptable to Town, in Town's sole discretion.

3. The Club's obligations under this Article shall survive the expiration or earlier termination of this Contract.

4. The insurance provisions set forth in this Contract are separate and independent from the indemnity provisions of this Article and shall not be construed in any way to limit the scope and magnitude of this Indemnification, nor shall this Indemnification be construed in any way to limit the scope, magnitude or applicability of the insurance provisions.

**ARTICLE 10. INSURANCE**

Club shall secure and maintain during the life of this Contract, the insurance coverages set forth on Exhibit A.

**ARTICLE 11. WARRANTIES**

1. The Club shall be responsible for and shall and hereby does warrant the that all Services provided shall: (i) be of good quality; (ii) be provided by properly trained, qualified, and licensed workers, subcontractors, and/or subvendors; (iii) conform to the requirements of this Contract (including all applicable descriptions, specifications, drawings and samples); (iv) be free from defects; (v) be appropriate for the intended purpose; (vi) meet or exceed all specifications,
requirements and legal regulations, statutes and/or codes that apply thereto, including, without limitation, all federal, state, county, and Town rules regulations, ordinances and/or codes that may apply; and (vii) be fully covered by Club’s warranties running in favor of the Town under this Contract.

2. Immediately upon notice from the Contract Administrator thereof, Club shall correct or replace as required by the Contract Administrator, at Club’s expense, all defects, noncompliance, or inadequacies which may be discovered in any of the Services provided under this Contract. The Town's acceptance or approval of the Services shall in no way relieve the Club of any of Club's responsibilities hereunder. Unless a longer period is provided in the Contract Documents, this obligation to correct or replace shall continue for a period of two (2) years after acceptance of the specific Services.

ARTICLE 12. DISCLOSURES BY CLUB.

1. The Club shall reveal fully and in writing any financial or compensatory agreements which the Club has with any prospective Club prior to the Town's publication of requests for proposals or comparable documents.

2. The Club hereby warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Club, to solicit or secure this contract, and that the Club has not paid or agreed to pay any person, company, corporation, individual or firm other than a bona fide employee working solely for the Club any fee, commission, percentage, gift or any other consideration contingent upon or resulting from the award or making of this contract.


ARTICLE 13. CONTRACT ADMINISTRATOR

The Town's Contract Administrator for this Contract shall be the Town Manager or his/her designee(s).

ARTICLE 14. NOTICE

All notices or demands required to be given, pursuant to the terms of this contract, shall be given to the other Party in writing, delivered in person, sent by facsimile transmission, deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested or deposited with any commercial air courier or express service at the addresses set forth below, or to such other address as the Parties may substitute by written notice, given in the manner prescribed in this paragraph.

Town: John Kross, Town Manager
22350 South Ellsworth Road
Queen Creek, Az 85242
ARTICLE 15. GENERAL PROVISIONS

A. RECORDS AND AUDIT RIGHTS. Club’s records (hard copy, as well as computer readable data), and any other supporting evidence deemed necessary by the Town to substantiate charges and claims related to this contract shall be open to inspection and subject to audit and/or reproduction by Town’s authorized representative to the extent necessary to adequately permit evaluation and verification of cost of the work, and any invoices, change orders, payments or claims submitted by the Club or any of his payees pursuant to the execution of the Contract. The Town's authorized representative shall be afforded access, at reasonable times and places, to all of the Club's records and personnel pursuant to the provisions of this article throughout the term of this Contract and for a period of three years after last or final payment.

B. INCORPORATION OF RECITALS AND EXHIBITS. The Recitals, Exhibits and Appendices attached hereto are acknowledged by the Parties to be substantially true and correct, and hereby incorporated as agreements of the Parties.

C. ATTORNEYS’ FEES. In the event either Party brings any action for any relief, declaratory or otherwise, arising out of this Contract, or an account of any breach or default
hereof, the prevailing Party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses (including expert witness fees), determined by the arbitrator or court sitting without a jury, which fees shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

D. ENTIRE AGREEMENT. This Contract constitutes the entire understanding of the Parties and supersedes all previous representations, written or oral, with respect to the services specified herein.

E. GOVERNING LAW. This Contract shall be governed by and construed in accordance with the substantive laws of the State of Arizona, without reference to conflict of laws and principles. Exclusive jurisdiction and venue for any action brought to enforce or construe any provision of this Contract shall be proper in the Superior Court of Maricopa County, Arizona and both Parties consent to the sole jurisdiction of, and venue in, such court for such purposes.

F. INDEPENDENT CLUB. The services Club provides under the terms of this Contract to the Town are that of an Independent Club, not an employee, or agent of the Town. As an independent Club, Club shall: (a) have discretion in deciding upon the method of performing the services provided; (b) not be entitled to worker's compensation benefits from the Town; (c) not be entitled to any Town sponsored benefit plan; (d) shall select the hours of his/her work; (e) shall provide her/her own equipment and tools; and (f) to the extent required by law, be responsible for obtaining and remaining licensed to provide the Services.

G. TAXES. Club shall be solely responsible for any and all tax obligations which may result out of the Clubs performance of this contract. The Town shall have no obligation to pay any amounts for taxes, of any type, incurred by the Club. The Town will report the value paid for these Services each year to the Internal Revenue Service (I.R.S.) using Form 1099. The Town shall not withhold income tax as a deduction from contractual payments. Club acknowledges that Club may be subject to I.R.S. provisions for payment of estimated income tax. Club is responsible for consulting the local I.R.S. office for current information on estimated tax requirements.

H. AMENDMENTS. Any amendment, modification or variation from the terms of this Contract shall be in writing and signed by all Parties hereto.

I. COMPLIANCE WITH LAW. The Club specifically agrees and hereby warrants to the Town that in the performance of the Services, Club and anyone acting on Club's behalf, including but not limited to Club's subcontractors, will comply with all state, federal and local statues, ordinances and regulations, and will obtain all permits and licenses applicable for performance under this contract.

J. SEVERABILITY. In the event that any provision of this Contract shall be held to be invalid and/or unenforceable, the remaining provisions shall be valid and binding upon the Parties.

K. WAIVER. One or more waivers by either Party of any provisions, terms, conditions, or covenants of this Contract, or any breach thereof, shall not be construed as a waiver of a subsequent breach by the other Party.
L. **COUNTERPARTS.** This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, binding on all of the Parties. The Parties agree that this Contract may be transmitted between them via facsimile. The Parties intend that the faxed signatures constitute original signatures and that a faxed contract containing the signatures (original or faxed) of all the Parties is binding upon the Parties.

M. **COMPLIANCE WITH IMMIGRATION LAWS AND REGULATIONS.**

Pursuant to the provisions of A.R.S. §41-4401, the Club warrants to the Town that the Club and all its subcontractors are in compliance with all Federal Immigration laws and regulations that relate to their employees and with the E-Verify Program under A.R.S. §23-214(A). Club acknowledges that a breach of this warranty by the Club or any of its subcontractors is a material breach of this Contract subject to penalties up to and including termination of this Contract or any subcontract. The Town retains the legal right to inspect the papers of any employee of the Club or any subcontractor who works on this Contract to ensure compliance with this warranty.

The Town may conduct random verification of the employment records of the Club and any of its subcontractors to ensure compliance with this warranty.

The Town will not consider Club or any of its subcontractors in material breach of the foregoing warranty if Club and its subcontractors establish that they have complied with the employment verification provisions prescribed by 8 USCA § 1324(a) and (b) of the Federal Immigration and Nationality Act and the e-verify requirements prescribed by Arizona Revised Statutes § 23-214(A).

The provisions of this Article must be included in any contract the Club enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. As used in this Section M "services" are defined as furnishing labor, time or effort in the State of Arizona by a Club or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

N. **PROHIBITION OF DOING BUSINESS WITH SUDAN AND IRAN.** Pursuant to A.R.S. §§35-391.06 and 35-393.06, Club hereby certifies to the Town that Club does not have "scrutinized" business operations, as defined in A.R.S. §§35-391 and 35-393, in either Sudan or Iran. Club acknowledges that, in the event either of the certifications to the Town by Club contained in this paragraph is determined by the Town to be false, the Town may terminate this Contract and exercise other remedies as provided by law, in accordance with A.R.S. §§35-391.06 and 35-393.06.

O. **CANCELLATION FOR CONFLICT OF INTEREST.** Pursuant to the provisions of A.R.S. § 38-511, the Town may cancel any contract or agreement, without penalty or obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the Town is, at any time while the contract or any extension thereof is in effect, an employee of any other party to the contract in any capacity or a Club to any other party to the contract with respect the subject matter of the contract.

P. **LICENSES.** Club shall maintain in current status all Federal, State, and Local licenses and permits required for the operation of the business conducted by Club and the
services to be performed under the resultant contract.

Q. PERMITS AND RESPONSIBILITIES. Club shall, without additional expense to the Town, be responsible for obtaining any necessary licenses and permits and for complying with any applicable Federal, State and Municipal Laws, codes and regulations in connection with the execution of the work.

R. LIENS. Club shall cause all materials, service or construction provided or performed under the resultant contract to be free of all liens, and if the Town requests, Club shall deliver appropriate written releases, in statutory form of all liens to the Town.

S. PATENTS AND COPYRIGHTS. All services, information, computer program elements, reports and other deliverables, which may be patented or copyrighted and created under this contract are the property of the Town and shall not be used or released by Club or any other person except with the prior written permission of the Town.


U. PRIORITY OF DOCUMENTS. In the event of a conflict between the terms of this Contract and the terms of any other document related to the Services, including but not limited to Scope of Services, the terms of this Contract shall prevail. In the event of a conflict between the terms of any bid document (RFP, RFQ, IFB) and the terms of a response, the terms of the bid document will control.

ARTICLE 16. FUNDS APPROPRIATION

If the term of this Contract or provision of any Services hereunder extends beyond the current fiscal period of the Town and the Town Council does not appropriate funds to continue this Contract and pay for charges hereunder, the Town may terminate this Contract at the end of the current fiscal period. The Town agrees, to the extent reasonably practical, to give written notice of such termination pursuant to Article 14 of this Agreement at least thirty (30) days prior to the end of the current fiscal period and will pay to the Club approved charges incurred through the end of such period.

THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK.
In witness whereof, the parties hereto have executed and caused to be signed by their
duly authorized representatives, this agreement on the date first written above.

TOWN OF QUEEN CREEK:

Approval of Town Council:  

________________________  

Gail Barney, Mayor

Approval of Contract Administrator:  

________________________  

John Kross, Town Manager

ATTEST:

________________________  

Jennifer Robinson, Town Clerk

REVIEWED AS TO FORM:

________________________  

Dickinson Wright/Mariscal Weeks  
Town Attorneys

CLUB:

________________________  

Ramon Elias  
Boys and Girls Clubs of the East Valley’s President and CEO
EXHIBIT A

INSURANCE

1. The Club shall secure and maintain during the life of this Contract, the insurance coverage set forth in this Exhibit A, which shall include statutory workman's compensation, comprehensive general and automobile liability, Club's liability insurance and errors and omissions professional liability. The comprehensive general and automobile liability limits shall be no less than one million dollars ($1,000,000.00) combined single limit. The Club's general liability limits shall be no less than one million dollars ($1,000,000.00) for each occurrence and one million dollars ($1,000,000.00) policy aggregate naming the Town as an additional insured. The minimum amounts of coverage for Club's professional liability shall be one million dollars ($1,000,000.00). In other than errors and omissions professional liability, and workman's compensation, the Town shall be named as an additional insured. All insurance coverage shall be written through carriers licensed in Arizona, or on an approved non-admitted list of carriers published by the Arizona Department of Insurance, and possessing an A.M. Best rating of at least A or better through Lloyd's of London. Should coverage be written on a claims-made basis, the Club shall provide, prior to commencement of any work, an initial certificate of insurance evidencing required coverage limits from date of contract execution through date of policy expiration. Subsequently, a certificate of insurance or a renewal quotation accompanied by evidence of premium payment shall be presented a minimum of thirty (30) days prior to date of expiration of current certificate. Such certificate or evidence of continuous coverage shall be provided on a periodic basis for a minimum of two (2) years after completion of contract, and shall contain a certification that the claims period for such insurance is retroactive to the effective date of this Contract. In the event the Club fails to provide such certificate of coverage retroactive to the beginning date of this Contract, the Town may, but shall not be required to, purchase insurance, if available, to protect itself against any losses which would have been covered by the errors and omissions policy Club is required to maintain under this Article. If the Town elects to purchase the insurance under this provision, Club shall be liable to the Town for all costs incurred by the Town for purchasing such insurance.

2. The Club shall submit to the Town a certificate of insurance evidencing the coverage and limits stated in the foregoing paragraph within ten (10) days of award of this Contract. Insurance evidenced by the certificate shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the Town, and a statement to that effect must appear on the face of the certificate and the certificate shall be signed by a person authorized to bind the insurer. The amount of any errors and omissions deductible shall be stated on the face of the certificate. The Contract Administrator may require the Club to furnish a financial statement establishing the ability of Club to fund the deductible. If in the sole judgment of the Contract Administrator the financial statement does not establish the Club's ability to fund the deductible, and no other provisions acceptable to the Contract Administrator are made to assure funding of the deductible, the Contract Administrator may, in his/her sole discretion, terminate this Contract and the Town will have no further obligation to the Club.

3. The Club is primarily responsible for the risk management of its Services under this Contract, including but not limited to obtaining and maintaining the required insurance and establishing and maintaining a reasonable risk control and safety program.
Town reserves the right to amend the requirements herein at any time during the Contract subject to at least 30 days written notice. The Club shall require any and all subvendors to maintain insurance as required herein naming Town and Club as “Additional Insured” on all insurance policies, except Worker’s Compensation, and this shall be reflected on the Certificate of Insurance. The Club’s insurance coverage shall be primary insurance with respect to all other available sources. Coverage provided by the Club shall not be limited to the liability assumed under the Indemnification provision of this Contract. To the extent permitted by law, Club waives all rights of subrogation or similar rights against Town, its representatives, agents, and employees. All insurance policies, except Workers’ Compensation and Professional Liability required by this Contract, and self-insured retention or deductible portions, shall name, to the fullest extent permitted by law for claims arising out of the performance of this contract, Town of Queen Creek, its agents, representatives, officers, directors, officials and employees as Additional Insureds.
EXHIBIT B

SCOPE OF SERVICES

A. The Club shall provide the following services to the Town pursuant to the terms of this Agreement (the “Services”):

1. Provide after-school, early-release, inter-session and summer programs for youth and teens (ages 6-18) in the areas of recreation, education, peer leadership, computer technology, substance abuse prevention, physical fitness, and the performing arts at the Town of Queen Creek Founders Park Community Center rooms and the Fire Training Center.

2. Provide the Teen Services (ages 13-19) and Youth Services (ages 6-18) five (5) days a week, Monday through Friday during weeks school is in session at the Community Center at Founder’s Park; and provide Services five (5) days a week, Monday through Friday during Summer Break programming, through the term of this Agreement at either the Community Center or at the Boys and Girls Club Summer Program location. On early release days during the regular public school year, extend the provision of Services from 12:30 p.m. through 7:00 p.m.

3. Provide Youth Services (ages 6-18) during the regular public school year on regular school days from (after school) 2:30 p.m. through 7:00 p.m. (may change due to time of school district).

4. Provide Youth Services on non-public school days from 7:00 a.m. through 6:00 p.m., with the exception of 10 days (Independence Day, Labor Day, Thanksgiving Day, day after Thanksgiving, Christmas Eve, Christmas Day, New Year’s Eve, New Year’s Day, Good Friday, and Memorial Day). Club hours shall be the following for the duration of the Contract:

<table>
<thead>
<tr>
<th>Club Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>School Days (full)</td>
</tr>
<tr>
<td>School Days (half)</td>
</tr>
<tr>
<td>Holidays (minus exceptions)</td>
</tr>
<tr>
<td>Breaks (summer, fall, etc)</td>
</tr>
<tr>
<td>Teens (ages 13-18)</td>
</tr>
</tbody>
</table>

   2:30 p.m. – 7:00 p.m.
   12:30 p.m. – 7:00 p.m.
   7:00 a.m. – 6:00 p.m.
   7:00 a.m. – 6:00 p.m.
   3:00 p.m. – 8:00 p.m.

5. Provide Services in a manner that complies with all local, state, and federal laws, including the regulations, policies, and procedures governing the Boys and Girls Clubs of the East Valley and the Boys and Girls Clubs of America.

6. Maintain and make available to Town the relevant details regarding the Services delivered to youth, teens, and members in the Town, including but not limited to, special and regular programs, new programs, regular delivery of Services, retention of members, acquisition of new members, the budget for Queen Creek Branch, and all accounting materials necessary for the payments provided by Town pursuant to this Agreement.
7. Maintain the Club’s records (hard copy, as well as computer readable data), and any other supporting evidence deemed necessary by the Town to substantiate charges, claims, and payments related to this Agreement which shall be open to inspection and subject to audit and/or reproduction by Town’s authorized representative to the extent necessary to adequately permit evaluation and verification of cost of the Services. The Town’s authorized representative shall be afforded access, at reasonable times and places, to all of the Club’s records and personnel pursuant to the provisions of this section throughout the term of this Agreement and for a period of three (3) years after the last or final payment.

8. Organize or promote ceremonies or events for new or expanding Service programs in order to raise awareness of the success and growth of the Services available in the Town. Ensure that Town Council members and other related Town staff, including the Contract Administrator, are notified in advance of such ceremonies and events to permit their attendance.

9. Maintain a monthly calendar of events and programs and make this monthly calendar available to all active members. Deliver the monthly calendar to the Contract Administrator two weeks prior to the quarter from which the month is a part.

10. Provide and maintain an active link on the Club’s official websites for the Town’s official website, including the Recreation Services Division, as determined in the sole discretion of the Town’s Contract Administrator.

11. Coordinate with Town’s Recreation Services Division to develop and deliver a youth recreation and services seminar (may include Town special events) for delivery at least once during the term of the Agreement.

12. Provide a supporting role in Town community recreation events and special events involving youth recreation and Services.

13. Provide such additional programs and projects as may be agreed upon from time to time by the Town and the Club.

14. Provide in a quarterly report to the Town Council an impact assessment, which shall include a review of the previous quarter’s activities, programs and Services rendered, including the number of actual participants in each, and a list of activities, programs and Services proposed for the next quarter. The quarterly report may be presented to the Town Council at a public meeting. Quarterly reports may be presented to the Town Council at a public meeting no later than forty-five (45) days after the end of each quarter.

15. Provide a Participant Survey to all participants of each special program. The response rate for the survey shall be at least 80% of the participants. Surveys shall include, at a minimum ratings or reviews related to the overall satisfaction with the program; new information provided by the
program; and level of fun experienced during the program.

16. Provide a Parent Survey to parent members on a semi-annual basis. The response rate for the Parent survey shall be at least 80% of the parent members. The Parent Survey shall include questions concerning:

a. Overall satisfaction with programs
b. Customer service provided by staff
c. Quality of facilities/fields
d. Communication between Club and parent
e. Value of services
f. Number and variety of programs offered
g. Safety and security of programs
h. Quality of programs

17. Provide a minimum of four (4) programs on a weekly basis through the term of the Agreement as described in Article 3 Term of Contract. There shall not be more than 3% of optional time programmed as free time.

18. Use of the Community Center rooms and Fire Training Center include the following services: janitorial, utilities, limited Internet services, and general building maintenance.

19. Use of the Community Center rooms and Fire Training Center does not include repair of supplies.

20. Club shall gain access and use for the following from the Community Center only: tables, chairs, computers, keyboards, furniture, televisions, board games, sports equipment, and table games.

21. Prior to use by Club, an inventory of Town equipment and supplies will be produced, using descriptors “good”, “fair”, or “poor” for each item. Town staff will remove all items necessary for continuing Town programming prior to inventory and move-in.

22. Club must collect participant household financial data that is comparable in result to the requirements set by Community Development Block Grant (CDBG). This information must be properly reported by Club annually to the Town.

23. If Club does not meet requirements set by CDBG, Club shall be responsible for any consequences either monetarily (fines, fees, or paybacks) or otherwise deemed appropriate by CDBG.
If available, Club may use Founder’s Park features such as fields and courts free of charge. Club must reserve features through the permit process. Use of lights and set-up fees for any necessary field preparation for said usage shall be charged at $18 per hour.

All Services may be reviewed and approved by the Contract Administrator to determine acceptable completion. Review and approval by the Contract Administrator shall not relieve the Club of any liability for improper, negligent or inadequate Services rendered pursuant to this Agreement.

Any questions or concerns discovered by either the Town or the Club must be addressed in writing within 30 days of discovering the issue. The respondent shall have 30 days to respond back in writing to the issue that was submitted.

All references to the school calendar, including but not limited to the school year, summer breaks, public school and regular days, shall mean the calendar of the Queen Creek Unified School District.

B. Town shall provide for purposes of administering the services two (2) cubicle spaces, internet connections, badge and key access.
TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, AICP
TOWN MANAGER

FROM: DOREEN COTT, ECONOMIC DEVELOPMENT DIRECTOR


DATE: JUNE 18, 2014

Staff Recommendation:
Staff recommends that the Council approve the FY14-15 Agreement between the Greater Phoenix Economic Council and the Town of Queen Creek in the amount of $13,038.

Proposed Motion:
Move to approve the Agreement between the Greater Phoenix Economic Council and the Town of Queen Creek.

Discussion:
The Greater Phoenix Economic Council (GPEC) is a performance driven, public-private economic development partnership that leverages resources to attract businesses to Greater Phoenix. GPEC is governed by a Board of Directors, representative of both the public and the private sector, and is managed on a day-to-day basis by its executive management team and professional staff.

GPEC is supported by Maricopa County, 23 communities, major utilities, higher education institutions and over 170 private investors.

GPEC works to ensure the economic vitality of Greater Phoenix and serves as a catalyst that strengthens the region’s economic base ensuring that it is both diversified and competitive. GPEC’s mission is to attract quality business to the region from around the world and to advocate and champion foundational efforts to improve the region’s competitiveness.
One of the fundamental benefits of continuing as a member of GPEC is the ability to build strategic alliances with not only other communities in the region, but also private businesses, utilities, and educational institutions. Queen Creek also benefits through GPEC’s extensive marketing and business development programs, and will continue to receive research and other technical assistance, including participation in industry education events and strategic sales missions to competing markets. GPEC offers Queen Creek access to unique tools and expertise including comprehensive demographic, labor, targeted industry information and marketing assistance as well as access to the CoStar real estate database.

Membership in GPEC requires the Town to enter into a formal agreement that outlines GPEC’s responsibilities, as well as the Town’s. The attached contract, Exhibit F, details the support the Town agrees to provide, the respective roles of GPEC and the Town and the payment for services.

GPEC membership dues are assessed on an annual basis, running from July 1-June 30. Dues are based on $0.5752 per capita applied to that portion of the Town’s population outside of Maricopa County plus $0.4397 per capita applied to that portion of the Town’s population within Maricopa County. Based upon the 2013 Office of Employment and Population Statistics, Arizona Department of Administration population estimates, Queen Creek had a population of 462 in Pinal County and 29,048 in Maricopa County.

**Fiscal Impact:**
Funding is available in the Economic Development Department Budget - line item 101-465-0212-00000-403005.

**Alternative:**
The Town Council could choose not to approve the Agreement between the Town and GPEC.

**Attachments:**
1. GPEC Contract
2. GPEC Action Plan (Exhibit A)
3. GPEC Performance Measures (Exhibit B)
4. Targeted Industries (Exhibit C)
5. Reporting Mechanism for Contract Fulfillment (Exhibit D)
6. Insurance Requirements (Exhibit E)
7. Regional Cooperation Protocol Policy (Exhibit F)
AGREEMENT BETWEEN
THE GREATER PHOENIX ECONOMIC COUNCIL
AND THE TOWN OF QUEEN CREEK
Town Contract No. ____________

The Town Council of the TOWN OF QUEEN CREEK, a municipal corporation (the “Town”), has approved participation in and support of the regional economic development program of the GREATER PHOENIX ECONOMIC COUNCIL (“GPEC”), an Arizona non-profit corporation. The purpose of this agreement (“Agreement”) is to set forth the regional economic development program that GPEC agrees to undertake, the support that the Town agrees to provide, the respective roles of GPEC and the Town and the payments of the Town to GPEC for the fiscal year July 1, 2014 - June 30, 2015.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the TOWN and GPEC agree as follows:

I. RESPONSIBILITIES OF GPEC

A. MISSION: Attract quality businesses to the Greater Phoenix Region from around the world, and advocate and champion foundational effects to improve the region's competitiveness.

B. GOALS: GPEC is guided by and strategically focused on two specific long-range goals:

1. Marketing the region to generate qualified business/industry prospects in targeted economic clusters

2. Leveraging public and private allies and resources to locate qualified prospects, improve overall competitiveness, and sustain organizational vitality

C. RETENTION AND EXPANSION POLICY:

1. GPEC’s primary role is developing the Greater Phoenix region’s market intelligence strategy for high wage, base industry clusters in coordination with representatives of GPEC member communities.

2. Retention and expansion of existing businesses within GPEC member communities is primarily a local issue.

3. GPEC will support its member communities’ efforts to retain and expand existing businesses through coordinating regional support and providing research on key retention and expansion projects.

4. GPEC will advise its member communities when an existing company contacts GPEC regarding a retention or expansion issue, subject to any legal or contractual non-disclosure obligations.

D. ACTION PLAN AND BUDGET: In accordance with the Mission, Goals and Retention Policy set forth above and subject to the availability of adequate funding, GPEC shall implement the Action Plan and Budget adopted by GPEC's Board of Directors, a copy of which has been delivered to the Town, receipt of which is hereby acknowledged. A summary of the Action Plan is attached hereto as Exhibit A (“GPEC Action Plan”). The Town shall be informed of any changes in the adopted Action Plan, which will materially affect or alter the priorities established therein. Such notification will be in writing and will be made prior to implementation of such changes. Notwithstanding the foregoing, the Town acknowledges and agrees that GPEC may, in its
reasonable judgment in accordance with its own practices and procedures, substitute, change, reschedule, cancel or defer certain events or activities described in the Action Plan as required by a result of changing market conditions, funding availability, unforeseen expenses or other circumstances beyond GPEC's reasonable control. GPEC shall solicit the input of the Town on the formulation of future marketing strategies and advertisements. The Action Plan will be revised to reflect any agreed upon changes to the Action Plan.

E. PERFORMANCE TARGETS: Specific performance targets, established by GPEC’s Executive Committee and Board of Directors, are attached hereto as Exhibit B (“GPEC Performance Measures”) and shall be used to evaluate and report progress on GPEC’s implementation of the Action Plan. In the event of changing market conditions, funding availability, unforeseen expenses or other circumstances beyond GPEC’s reasonable control, these performance targets may be revised with the Town’s prior written approval, or with the prior written approval of a majority of the designated members of GPEC’s Economic Development Directors Team (“EDDT”). GPEC will provide monthly reports to the Town discussing in detail its progress in implementing the Action Plan as well as reporting the numerical results for each performance measurement set forth in Exhibit B. GPEC shall provide a copy of its annual external audit for the preceding fiscal year to the Town no later than December 31, 2014.

In the case of any benchmark, which is not met, GPEC will meet with the EDDT to provide an explanation of the relevant factors and circumstances and discuss the approach to be taken in order to achieve the target(s). Failure to meet a performance target will not, by itself, constitute an event of default hereunder unless GPEC (i) fails to inform the Town of such event or (ii) fails to meet with EDDT to present a plan for improving its performance during the balance of the term of the Agreement will constitute an event of default for which the Town may terminate this Agreement pursuant to paragraph IV.J. below.

II. RESPONSIBILITIES OF THE TOWN

A. STAFF SUPPORT OF GPEC EFFORTS: The Town shall provide staff support to GPEC's economic development efforts as follows:

1. The Town shall respond to leads or prospects referred by GPEC in a professional manner within the time frame specified by the lead or prospect if the Town desires to compete and if the lead is appropriate for the Town. When available, the Town agrees to provide its response in the format developed jointly by EDDT and GPEC;

2. The Town shall provide appropriate local hospitality, tours and briefings for prospects visiting sites in the Town;

3. The Town shall provide an official economic development representative to represent the Town on the EDDT, which advises GPEC’s President and CEO;

4. The Town shall cooperate in the implementation of GPEC/EDDT process improvement recommendations including the use of common presentation formats, exchange of information on prospects with GPEC’s staff, the use of shared data systems, land and building data bases and private sector real estate industry interfaces;

5. The Town shall use its best efforts to respond to special requests by GPEC for particularized information about the Town within three business days after the receipt of such request;

6. In order to enable GPEC to be more sensitive to the Town's requirements, the Town shall, at its sole option, deliver to GPEC copies of any Town approved economic development
strategies, work plan, programs and evaluation criteria. GPEC shall not disclose the same
to the other participants in GPEC or their representatives;

7. The Town shall utilize its best good faith efforts to cause an economic development
professional representing the Town to attend all marketing events and other functions to
which the Town has committed itself;

8. The Town agrees to work with GPEC to improve the Town’s Competitiveness and market
readiness to support the growth and expansion of the targeted industries as identified for
the Town in Exhibit C (“Targeted Industries”);

B. RECOGNITION OF GPEC: The Town agrees to recognize GPEC as the Town's officially
designated regional economic development organization for marketing the Greater Phoenix region.

III. ADDITIONAL AGREEMENTS OF THE PARTIES:

A. PARTICIPATION IN MARKETING EVENTS AND PROVISION OF TECHNICAL ASSISTANCE:
Representative(s) of the Town shall be entitled to participate in GPEC's marketing events provided
that such participation shall not be at GPEC's expense. When requested and appropriate, GPEC will
use its best efforts to provide technical assistance and support to Town economic development staff
for business location prospects identified and qualified by the Town and assist the Town with
presentations to the prospect in the Town or their corporate location.

B. COMPENSATION:

1. The Town agrees to pay $13,038.00 for services to be provided by GPEC pursuant to the
Agreement during the fiscal year ending on June 30, 2015, as set forth in this Agreement.
This amount is based on $0.5752 per capita applied to that portion of the Town’s
population outside of Maricopa County plus $0.4397 per capita applied to that portion of
the Town’s population within Maricopa County, based upon the 2013 Office of
Employment and Population Statistics, Arizona Department of Administration population
estimate, which listed the Town as having a population of 462 in Pinal County and 29,048
in Maricopa County. The payment by the Town may, upon the mutual and discretionary
approval of the board of directors of GPEC and the Town Council, be increased or
decreased from time to time during the term hereof in accordance with the increases or
decreases of general application in the per capita payments to GPEC by other
municipalities which support GPEC.

2. Funding of this Agreement shall be subject to the annual appropriations of funds for this
activity by the Town Council pursuant to the required budget process of the Town;

3. Nothing herein shall preclude the Town from contracting separately with GPEC for
services to be provided in addition to those to be provided hereunder, upon terms and
conditions to be negotiated by the Town and GPEC; and

4. GPEC shall submit an invoice for payment on an annual basis. The foregoing
notwithstanding, if GPEC has not provided the Town with the audit required pursuant to
paragraph I.E. above no later than December 31, 2014, no payments shall be made
hereunder until the Town receives the audit report. Invoices and monthly activity reports,
substantially in the form of Exhibit D (“Reporting Mechanism for Contract Fulfillment”) attached hereto, are to be submitted to the address listed under paragraph IV.P.
C. COOPERATION:

1. The parties acknowledge that GPEC is a cooperative organization effort among GPEC and its member communities. Accordingly, the City and GPEC covenant and agree to work together in a productive and harmonious manner, to cooperate in furthering GPEC’s goals for the 2014-2015 fiscal year. The City and GPEC further covenant and agree to comply with the Regional Cooperation Protocol, attached hereto as Exhibit F, in all material respects.

2. The Town agrees to work with GPEC, as necessary or appropriate, to revise the performance measures, and/or benchmarks, and/or goals for the FY 2015-2016 contract.

3. The Town agrees to work with GPEC during the FY2014-2015 program year to develop a revised public sector funding plan, including a regional allocation formula for FY2015-2016, if determined to be necessary or appropriate.

IV. GENERAL PROVISIONS:

A. COVENANT AGAINST CONTINGENT FEES: GPEC warrants that no person or selling agent has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. For a breach or violation of this warranty, the Town shall have the right to terminate this Agreement without liability or, in its discretion, to deduct the commission, brokerage or contingent fee from its payment to GPEC.

B. PAYMENT DEDUCTION OFFSET PROVISION: GPEC recognizes the provisions of the Town Code of the Town of Queen Creek which require and demand that no payment be made to any contractor as long as there is any outstanding obligation due to the Town, and directs that any such obligation be offset against payment due to GPEC.

C. ASSIGNMENT PROHIBITED: No party to this agreement may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and no effect.

D. INDEPENDENT CONTRACTOR; NO AGENCY: Nothing contained in this Agreement creates any partnership, joint venture or agency relationship between the Town and GPEC. At all times during the term of this Agreement, GPEC shall be an independent contractor and shall not be an employee of Town. Town shall have the right to control GPEC only insofar as to the results of GPEC's services rendered pursuant to this Agreement. GPEC shall have no authority, express or implied, to act on behalf of Town in any capacity whatsoever as an agent. GPEC shall have no authority, express or implied, pursuant to this Agreement to bind Town to any obligation whatsoever.

E. INDEMNIFICATION AND HOLD HARMLESS: During the term of this Agreement, GPEC shall indemnify, defend, hold, protect and save harmless the Town and any and all of its Council members, officers and employees from and against any and all actions, suits, proceedings, claims and demands, loss, liens, costs, expense and liability of any kind and nature whatsoever, for injury to or death of persons, or damage to property, including property owned by Town, brought, made, filed against, imposed upon or sustained by the Town, its officers, or employees in and arising from or attributable to or caused directly or indirectly by the negligence, wrongful acts, omissions or from operations conducted by GPEC, its directors, officers, agents or employees acting on behalf of GPEC and with GPEC's knowledge and consent.

Any party entitled to indemnity shall notify GPEC in writing of the existence of any claim, demand or other matter to which GPEC's indemnification obligations would apply, and shall give
to GPEC a reasonable opportunity to defend the same at its own expense and with counsel reasonably satisfactory to the indemnified party.

Nothing in this Subsection E shall be deemed to provide indemnification to any indemnified party with respect to any liabilities arising from the fraud, negligence, omissions or willful misconduct of such indemnified party.

F. **INSURANCE:** GPEC shall procure and maintain for the duration of this Agreement, at GPEC's own cost and expense, insurance against claims for injuries to persons or damages to property which may arise from or in connection with this Agreement by GPEC, its agents, representatives, employees or contractors, in accordance with the Insurance Requirements set forth in Exhibit E (“Insurance Requirements”), attached hereto. The Town acknowledges that it has received and reviewed evidence of GPEC’s insurance coverage in effect as of the execution of this Agreement.

G. **GRATUITIES.** The Town may, by written notice to GPEC, terminate the right of GPEC to proceed under this Agreement upon one (1) calendar day notice, if it is found that gratuities in the form of entertainment, gifts, or otherwise were offered or given by GPEC, or any agent or representative of GPEC, to any officer or employee of the Town with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performance of such contract; provided that the existence of the facts upon which the Town makes such findings shall be an issue and may be reviewed in any competent court. In the event of such termination, the Town shall be entitled to pursue all legal and equitable remedies against GPEC available to the Town.

H. **EQUAL EMPLOYMENT OPPORTUNITY.** During the performance of this Agreement, GPEC agrees as follows:

1. GPEC will not discriminate against any employee or applicant for employment because of race, color, religion, gender, sexual orientation, national origin, age or disability. GPEC shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, gender, sexual orientation, national origin, age or disability. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. GPEC agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

2. GPEC will, in all solicitations or advertisements for employees place by or on behalf of GPEC, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, gender, sexual orientation, national origin, age or disability.

3. GPEC will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement, provided that the foregoing provisions shall not apply to Agreements or subcontracts for standard commercial supplies or new materials.

4. Upon request by the Town, GPEC shall provide Town with information and data concerning action taken and results obtained in regard to GPEC's Equal Employment Opportunity efforts performed during the term of this Agreement. Such reports shall be accomplished upon forms furnished by the Town or in such other format as the Town shall prescribe.

I. **COMPLIANCE WITH APPLICABLE FEDERAL AND STATE LAWS REQUIRED.** GPEC understands and acknowledges the applicability of the Immigration Reform and Control Act of 1986, the Drug
Free Workplace Act of 1989 and the American with Disabilities Act, and agrees to comply therewith in performing under any resultant agreement and to permit Town inspection of its records to verify such compliance.

1. GPEC warrants to the Town that, to the extent applicable under A.R.S. §41-4401, GPEC is in compliance with all Federal Immigration laws and regulations that relate to its employees and with the E-Verify Program under A.R.S. §23-214(A). GPEC acknowledges that a breach of this warranty by GPEC or any subconsultants providing services under this Agreement is a material breach of this Agreement subject to penalties up to and including termination of this Agreement or any applicable subcontract. The Town retains the legal right to inspect the papers of any employee of GPEC or any subconsultant who works on this Agreement to ensure compliance with this warranty.

2. The Town may conduct random verification of the employment records of GPEC and any of its subconsultants who work on this Agreement to ensure compliance with this warranty.

3. The Town will not consider GPEC or any of its subconsultants who work on this Agreement in material breach of the foregoing warranty if GPEC and such subconsultants establish that they have complied with the employment verification provisions prescribed by 8 USCA § 1324(a) and (b) of the Federal Immigration and Nationality Act and the e-verify requirements prescribed by Arizona Revised Statutes § 23-214(A).

4. The provisions of this Section I must be included in any contract GPEC enters into with any and all of its subconsultants who provide services under this Agreement or any subcontract to provide services under this Agreement. As used in this Section I "services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

5. Pursuant to A.R.S. §§35-391.06 and 35-393-06, GPEC hereby certifies to the Town that GPEC does not have "scrutinized" business operations, as defined in A.R.S. §§35-391 and 35-393, in either Sudan or Iran. GPEC acknowledges that, in the event the Town reasonably determines after notice to GPEC and a hearing granting the opportunity for GPEC to provide information, that either of the certifications to the Town by GPEC contained in this paragraph is false, the Town may terminate this Agreement and exercise other remedies as provided by law, in accordance with A.R.S. §§35-391.06 and 35-393-06.

J. TERMINATION. Town shall have the right to terminate this Agreement if GPEC shall fail to duly perform, observe or comply with any covenant, condition or agreement on its part under this Agreement and such failure continues for a period of 30 days (or such shorter period as may be expressly provided herein) after the date on which written notice requiring the failure to be remedied shall have been given to GPEC by the Town; provided, however, that if such performance, observation or compliance requires work to be done, action to be taken or conditions to be remedied which, by their nature, cannot reasonably be accomplished within 30 days, no event of default shall be deemed to have occurred or to exist if, and so long as, GPEC shall commence such action within that period and diligently and continuously prosecute the same to completion within 90 days or such longer period as the Town may approve in writing. The foregoing notwithstanding, in the event that the Town decides, for whatever reason, to disassociate itself with GPEC, or in the event of circumstances which render GPEC incapable of providing the services required to be performed hereunder, including, but not limited to, insolvency or an award of monetary damages against GPEC in excess of its available insurance coverage and assets, the Town may immediately and without further notice terminate this Agreement.
K. **Responsibility for Compliance with Legal Requirements.** GPEC's performance hereunder shall be in material compliance with all applicable federal, state and local health, environmental, and safety laws, regulations, standards, and ordinances in effect during the performance of this Agreement.

L. **Institution of Legal Actions.** Any legal actions instituted pursuant to this Agreement must be filed in the county of Maricopa, State of Arizona, or in the Federal District Court in the District of Arizona. In any legal action, the prevailing party in such action will be entitled to reimbursement by the other party for all costs and expenses of such action, including reasonable attorneys' fees as may be fixed by the Court.

M. **Applicable Law.** Any and all disputes arising under any Agreement to be awarded hereunder or out of the proposals herein called for, which cannot be administratively resolved, shall be tried according to the laws of the State of Arizona, and GPEC shall agree that the venue for any such action shall be in the State of Arizona.

N. **Continuation During Disputes.** GPEC agrees that, notwithstanding the existence of any dispute between the parties, each party shall continue to perform the obligations required of it during the continuation of any such dispute, unless enjoined or prohibited by an Arizona court of competent jurisdiction.

O. **Town Review of GPEC Records.** GPEC must keep all Agreement records separate and make them available for audit by Town personnel upon request.

P. **Notices.** Any notice, consent or other communication required or permitted under this Agreement shall be in writing and shall be deemed received at the time it is personally delivered, on the day it is sent by facsimile transmission, on the second day after its deposit with any commercial air courier or express service or, if mailed, three (3) days after the notice is deposited in the United States mail addressed as follows:

If to Town: John Kross  
Town Manager  
Town of Queen Creek  
22350 S. Ellsworth Road  
Queen Creek, Arizona 85142  
Phone: (480) 358-3003

If to GPEC: Barry Broome  
President and Chief Executive Officer  
Greater Phoenix Economic Council  
Two North Central Avenue, Suite 2500  
Phoenix, Arizona 85004-4469  
(602) 256-7700  
FAX: (602) 256-7744

Any time period stated in a notice shall be computed from the time the notice is deemed received. Either party may change its mailing address or the person to receive notice by notifying the other party as provided in this paragraph.

Q. **Transactional Conflict of Interest.** All parties hereto acknowledge that this Agreement is subject to cancellation by the Town pursuant to the provisions of Section 38-511, Arizona Revised Statutes.
R. **Nonliability of Officials and Employees.** No member, official or employee of the Town will be personally liable to GPEC, or any successor in interest, in the event of any default or breach by the Town or for any amount which may become due to GPEC or successor, or on any obligation under the terms of this Agreement. No member, official or employee of GPEC will be personally liable to the Town, or any successor in interest, in the event of any default or breach by the GPEC or for any amount which may become due to the Town or successor, or on any obligation under the terms of this Agreement.

S. **No Waiver.** Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies as to any default, will not operate as a waiver of any default, or of any such rights or remedies, or deprive any such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

T. **Severability.** If any provision of this Agreement shall be found invalid or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement will not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law, provided that the fundamental purposes of this Agreement are not defeated by such severability.

U. **Captions.** The captions contained in this Agreement are merely a reference and are not to be used to construe or limit the text.

V. **No Third Party Beneficiaries.** No creditor of either party or other individual or entity shall have any rights, whether as a third-party beneficiary or otherwise, by reason of any provision of this Agreement.

W. **Entire Agreement, Waivers and Amendments.** This Agreement may be executed in up to three (3) duplicate originals, each of which is deemed to be an original. This Agreement, including nine (9) pages of text and the below-listed exhibits, which are incorporated herein by this reference, constitutes the entire understanding and agreement of the parties.

Exhibit A – GPEC Action Plan
Exhibit B - GPEC Performance Measures
Exhibit C - Targeted Industries
Exhibit D - Reporting Mechanism for Contract Fulfillment
Exhibit E - Insurance Requirements
Exhibit F – Regional Cooperation Protocol

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Town or GPEC, and all amendments hereto must be in writing and signed by the appropriate authorities of the parties hereto.
IN WITNESS WHEREOF, the parties hereto have executed the Agreement this ____ day of ______________________, 2014.

TOWN OF QUEEN CREEK,
a municipal corporation
John Kross

By: ______________________________________
Its: Town Manager

GREATER PHOENIX ECONOMIC COUNCIL,
an Arizona nonprofit corporation

By: ________________________________
Barry Broome
Its: President & Chief Executive Officer

ATTEST:

_______________________
Jennifer Robinson, Town Clerk

REVIEWED AS TO FORM:

_______________________
Dickinson Wright Mariscal Weeks
Town Attorney
SHIFTING TOWARDS INNOVATION
FY 2015 ACTION PLAN

EXHIBIT A
GPEC MISSION

Attract quality businesses to the Greater Phoenix region from around the world, and advocate and champion foundational efforts to improve the region’s competitiveness.

WHAT TO EXPECT IN THE FOLLOWING PAGES

4  GPEC Stakeholders
6  FY15 Metrics
7  FY15 Budget
8  Business Development
10  Competitiveness
12  Marketing and Communications
13  Stakeholder Engagement: Paving the Way

FY14 MILESTONES
Momentum gained in the last year—select achievements and key benchmarks

FY15 ACTION ITEMS
Sample of activities that adhere to a five-year vision and result in progress

DRIVES THESE FY15 METRICS
Shows relationship between action items and annual performance goals
EXECUTIVE SUMMARY AND FIVE-YEAR STRATEGIC PLAN OVERVIEW

In reflecting on our 25 years of existence, GPEC stands strong in our foundation of working to advance the Greater Phoenix economy through quality jobs and investment. Consistent threads in bold leadership, above-market performance and real public-private collaboration have rung true since our inception. Where we have evolved is in our appetite, ability and need to grow the economy differently—beyond the traditional model of attracting business. While the pressures of global competition have forced others to react and recalibrate how to approach economic development, GPEC has spent almost the last decade in front of the curve. Nearly 10 years ago, we shifted from a traditional economic development format to one more comprehensive yet disciplined, building a core, sophisticated research competency that has informed and shaped all aspects of GPEC’s economic development model—from business attraction to competitiveness, strategy and marketing. This shift in behavior and the resulting performance-driven outcomes are what separate our organization from other economic development shops across the country.

As we celebrate a quarter century of accomplishments, all of which would not have been possible without the leadership, commitment and support of our board and stakeholders, we are excited and ready to drive the next transformation of our economy.

VISION AND PROGRESS
As approved by GPEC’s Board of Directors in FY11, these strategic pillars will guide the organization’s fiscal year activities, and by 2016, lead to the following vision statements:

<table>
<thead>
<tr>
<th>Strategic Pillar</th>
<th>By 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Intelligence</td>
<td>GPEC’s market intelligence model will be best-in-class.</td>
</tr>
<tr>
<td>Next Generation</td>
<td>GPEC will elevate Greater Phoenix as a leading center of emerging technologies.</td>
</tr>
<tr>
<td>Attraction</td>
<td>GPEC will maintain its reputation as a credible, respectable and “go to” organization.</td>
</tr>
<tr>
<td>International</td>
<td>GPEC’s foreign direct investment approach will be a national best practice.</td>
</tr>
<tr>
<td>Regional Brand</td>
<td>GPEC will successfully define Greater Phoenix as a region that is forward-thinking, innovative and business-friendly.</td>
</tr>
<tr>
<td>GPEC Brand</td>
<td>GPEC will be the nation’s premier agency and leader in the economic development realm. In Arizona, GPEC will be the principal leadership organization.</td>
</tr>
<tr>
<td>Capital Markets / Venture Formation</td>
<td>GPEC will develop a science and technology-based fund that will drive regional innovation activity.</td>
</tr>
</tbody>
</table>
GPEC STAKEHOLDERS*

MEMBER COMMUNITIES

Maricopa County
Apache Junction
Avondale
Buckeye
Casa Grande
Cave Creek

Chandler
El Mirage
Fountain Hills
Gila Bend
Gilbert
Glendale

Goodyear
Maricopa
Mesa
Peoria
Phoenix
Queen Creek

Scottsdale
Surprise
Tempe
Tonleseon
Wickenburg
Yountown

PLATINUM

Alliance Bank of Arizona
APS
Arizona Cardinals
Arizona Diamondbacks
Arizona State University
Bank of America
Banner Health
BBVA Compass
Chase
CopperPoint Mutual
Cox Communications

D.L. Withers Construction
Dignity Health
DMB Associates
Ernst & Young
Freeport-McMoRan
Copper & Gold
Grand Canyon University
Haydon Building Corp
Intel Corporation
Job Brokers
Kitchell

Maracay Homes
Maricopa Community Colleges
Mayo Clinic
Meritage Homes
MidFirst Bank
National Bank of Arizona
Phoenix Suns
Polsinelli PC
Republic Media
Republic Services

Squire Sanders
SRP
University of Phoenix
US Airways
Valley Metro
Verizon Wireless
Waste Management
Wells Fargo

GOLD

Abengoa/Abacus
Aetna
Arizona Business Bank
BDO
BlueCross BlueShield of Arizona
BMO Harris Bank
Bryan Cave
Brycon Construction
Cancer Treatment Centers of America
Cassidy Turley/BRE Commercial
CBIZ MHM
CBRE
CCS Presentation Systems
Celgene Corporation
CenturyLink
Chanen Development Co.
Coe & Van Loo Consultants

Colliers International
Cushman & Wakefield
Davis
Deloitte
Digital Realty Trust
DIRTT
EI Dorado Holdings
Empire Southwest
Fennimore Craig
Gammage & Burnham
Gilbane Building Co.
Google
Green Loop Solutions
Greenberg Traurig
Hensley
Hines
Infusionsoft
JE Dunn Construction
Jones Lang LaSalle
Layton Construction

Lee and Associates
Lewis Roca Rothgerber
Liberty Property Trust
M+W Group
Macerich
The McShane Companies
Mortenson Construction
Nationwide Realty Investors
Okland Construction
Phoenix Children’s Hospital
Renaissance Companies
Ryan Companies
Saint Holdings
Skanska USA Building
SmithGroup
Snell & Wilmer
Southwest Airlines
Southwest Gas Corporation
Sun Health
Sunbelt Holdings

Sundt Construction
Target Commercial Interiors
Thunderbird School of Global Management
Total Transit
Transwestern Commercial Services
U.S. Bank
University of Arizona
USAA
ViaWest Group
Walmart
Ware Malcom
Weizt Company
Wespac Construction
Willmeng Construction
Wist Office Products
Wood, Patel & Associates
SILVER

A.T. Still University  
AAA Arizona  
Air Products and Chemicals  
Arizona Community Foundation  
Arizona Office Technologies Avnet  
Balfour Beatty Construction  
Bank of Arizona  
Bristol Global Mobility  
Brownstein Hyatt Farber Schreck  
Capital Group Companies  
Carefree Partners  
Clarius Partners  
Clark Hill PLC  
CORE Construction  
CoStar Group  
Deutsch Architecture Group  
Dibble Engineering  
Dircks Moving & Logistics  
Ensemble Real Estate Solutions  
Fervor Creative  
Globe Corporation  
Goodmans Interior Structures  
Goodwill of Central Arizona  
GPE Commercial Advisors  
Green Card Fund  
Healthcare Trust of America Jennings, Strouss & Salmon  
Kelly Services  
KPMG  
KTAR  
Kutak Rock  
Land Advisors Organization  
Merit Partners  
Midwestern University  
MSS Technologies  
NRG Thermal  
On Q Financial  
Osborn Maledon  
PHX Architecture  
The Plaza Companies  
Quarles & Brady  
Queen Creek/Landmark Co.  
St. Clair Technologies  
Sun State Builders  
Sunstate Equipment Company  
Superior Group  
Synergy Seven  
Tallwave  
Tratt Properties  
Ultimate Staffing Services  
University of Advancing Technology  
Univita  
Volo Holdings

BRONZE

The Alter Group  
Applied Economics  
Butler Design Group  
Gallagher & Kennedy  
Guided Therapy Systems  
Holualoa Scottsdale Office  
Hunt Construction Group  
IO  
John C. Lincoln Health Network  
McCarthy Building Companies  
Newmark Grubb Knight Frank  
Plant Solutions  
Vermaland

* As of April 24, 2014
## FY15 METRICS

<table>
<thead>
<tr>
<th></th>
<th>THRESHOLD</th>
<th>TARGET</th>
<th>STRETCH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll Generated</td>
<td>$197,579,525</td>
<td>$217,337,478</td>
<td>$239,071,225</td>
</tr>
<tr>
<td>Number of Jobs</td>
<td>4,675</td>
<td>5,143</td>
<td>5,657</td>
</tr>
<tr>
<td>High-wage Jobs</td>
<td>2,450</td>
<td>2,695</td>
<td>2,964</td>
</tr>
<tr>
<td>Average High-wage Salary</td>
<td>$51,026</td>
<td>$56,695</td>
<td>$62,365</td>
</tr>
<tr>
<td>Qualified Prospects</td>
<td>208</td>
<td>229</td>
<td>252</td>
</tr>
<tr>
<td>Qualified International Prospects</td>
<td>37</td>
<td>41</td>
<td>45</td>
</tr>
<tr>
<td>Emerging Tech Assists</td>
<td>10</td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>Reach of Editorial Placements</td>
<td>183 M</td>
<td>201 M</td>
<td>221 M</td>
</tr>
</tbody>
</table>
## FY15 BUDGET

**JULY 1, 2014 - JUNE 30, 2015**

### Revenues

<table>
<thead>
<tr>
<th>Revenues</th>
<th>FY13-14 Forecast</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Funds</td>
<td>$ 2,036,000</td>
<td>39.6%</td>
</tr>
<tr>
<td>Private Funds</td>
<td>2,260,000</td>
<td>44.0%</td>
</tr>
<tr>
<td>New Pledge Revenue</td>
<td>350,000</td>
<td>6.8%</td>
</tr>
<tr>
<td>In-Kind Pledges</td>
<td>110,000</td>
<td>2.1%</td>
</tr>
<tr>
<td>Special Events, Prog. &amp; Spon.</td>
<td>377,000</td>
<td>7.3%</td>
</tr>
<tr>
<td>Other</td>
<td>8,000</td>
<td>0.2%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$ 5,141,000</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY 2015 Budget</th>
<th>% of Total</th>
<th>FY 2014 Budget</th>
<th>$ Change</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 2,246,500</td>
<td>41.8%</td>
<td>$ 2,028,400</td>
<td>$ 218,100</td>
<td>10.8%</td>
</tr>
<tr>
<td>$ 2,550,000</td>
<td>47.4%</td>
<td>$ 2,300,000</td>
<td>$ 250,000</td>
<td>10.9%</td>
</tr>
<tr>
<td>250,000</td>
<td>4.7%</td>
<td>250,000</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>59,400</td>
<td>1.1%</td>
<td>92,000</td>
<td>(32,600)</td>
<td>(35.4%)</td>
</tr>
<tr>
<td>265,000</td>
<td>4.9%</td>
<td>240,000</td>
<td>25,000</td>
<td>10.4%</td>
</tr>
<tr>
<td>3,300</td>
<td>0.1%</td>
<td>5,000</td>
<td>(1,700)</td>
<td>(34.0%)</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$ 5,374,200</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>$ 4,915,400</strong></td>
<td><strong>$ 458,800</strong></td>
</tr>
</tbody>
</table>

### Operating Expenditures

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>FY13-14 Forecast</th>
<th>% of Total</th>
<th>FY 2015 Budget</th>
<th>% of Total</th>
<th>FY 2014 Budget</th>
<th>$ Change</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Development</td>
<td>363,500</td>
<td>6.9%</td>
<td>444,200</td>
<td>8.4%</td>
<td>311,000</td>
<td>133,200</td>
<td>42.8%</td>
</tr>
<tr>
<td>Marketing</td>
<td>261,500</td>
<td>5.0%</td>
<td>258,500</td>
<td>4.9%</td>
<td>266,200</td>
<td>(7,700)</td>
<td>(2.9%)</td>
</tr>
<tr>
<td>Research &amp; Strategy</td>
<td>162,000</td>
<td>3.1%</td>
<td>265,100</td>
<td>5.0%</td>
<td>155,900</td>
<td>109,200</td>
<td>70.0%</td>
</tr>
<tr>
<td>External Relations</td>
<td>252,500</td>
<td>4.8%</td>
<td>84,400</td>
<td>1.6%</td>
<td>95,000</td>
<td>(10,600)</td>
<td>(11.2%)</td>
</tr>
<tr>
<td>Resource Management</td>
<td>257,500</td>
<td>4.9%</td>
<td>212,900</td>
<td>4.0%</td>
<td>217,000</td>
<td>(4,100)</td>
<td>(1.9%)</td>
</tr>
<tr>
<td>Personnel</td>
<td>3,212,000</td>
<td>61.3%</td>
<td>3,295,100</td>
<td>62.7%</td>
<td>3,342,800</td>
<td>(47,700)</td>
<td>(1.4%)</td>
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<td>Facilities</td>
<td>395,000</td>
<td>7.5%</td>
<td>434,200</td>
<td>8.3%</td>
<td>409,200</td>
<td>25,000</td>
<td>6.1%</td>
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<tr>
<td>In-Kind</td>
<td>110,000</td>
<td>2.1%</td>
<td>59,400</td>
<td>1.1%</td>
<td>91,000</td>
<td>(31,600)</td>
<td>(34.7%)</td>
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<td>Special Projects</td>
<td>223,000</td>
<td>4.3%</td>
<td>205,000</td>
<td>3.9%</td>
<td>130,000</td>
<td>75,000</td>
<td>57.7%</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$ 5,237,000</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>$ 5,258,800</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>$ 5,018,100</strong></td>
<td><strong>$ 240,700</strong></td>
<td><strong>4.8%</strong></td>
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</tbody>
</table>

### Net Gain (Loss)

<table>
<thead>
<tr>
<th>FY 2015 Budget</th>
<th>% of Total</th>
<th>FY 2014 Budget</th>
<th>$ Change</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 115,400</td>
<td>(6.1%)</td>
<td>(103,000)</td>
<td>$ 218,100</td>
<td>(211.7%)</td>
</tr>
<tr>
<td>(10,000)</td>
<td>(10,000)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(64,300)</td>
<td>(43,000)</td>
<td>(21,300)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31,000</td>
<td>6,000</td>
<td></td>
<td></td>
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<tr>
<td>72,100</td>
<td>203,100</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>1,802,000</td>
<td></td>
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</table>

### Ending Cash

<table>
<thead>
<tr>
<th>FY 2015 Budget</th>
<th>% of Total</th>
<th>FY 2014 Budget</th>
<th>$ Change</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 1,722,100</td>
<td>(6.3%)</td>
<td>$ 1,595,000</td>
<td>$ 127,100</td>
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</tbody>
</table>

(1) Some reclassifications have been made in the current year
FY14 MILESTONES

Road to Success
Adding a new dimension to our business development approach, GPEC and eight communities executed three successful road shows to Silicon Valley, Vancouver, B.C., and Chicago. The road shows provided direct engagement among corporate decision-makers and GPEC’s mayors, board directors and EDDTs, and led to 15 new prospects, seven leads and two tech assists.

On a Global Stage
As the only U.S. Mayor invited to the World Economic Forum’s Annual Meeting of the New Champions in Dalian, China, Phoenix Mayor Stanton was given rare access to 1,000 global companies and some of the world’s most prominent, influential leaders. Mayor Stanton and GPEC President and CEO Barry Broome held one-on-one meetings with 22 C-level executives, giving briefings on the Brookings Metropolitan Business Plan, the Arizona Center-China and other important regional initiatives. This high-profile event generated three leads, 10 companies interested in participating in the metro business plan and more than 800 million people reached through resulting editorial placements in the Wall Street Journal, Bloomberg, CNBC Asia and China’s top business channels.

Community Partnership Program
Launched to further enhance support for our communities, the Community Partnership Program (CPP) provided open dialogue between leadership from our municipalities and GPEC to align current strategies in creating a more competitive region. Productive discussion resulted in a closer assessment of infrastructure, review of each community’s economic development strategy, and a need for connectivity to local/national developers and REITs. In the coming year, GPEC will launch a second phase of the CPP to ensure progress with each community is occurring.

BUSINESS DEVELOPMENT

Create and maintain high-quality jobs and investment through targeted, direct selling

Proactively pursue the best projects that meet community and regional objectives

FY15 ACTION ITEMS

Seek Investment to Accelerate Development and Community Planning
As an outcome of the Community Partnership Program, which was designed to assist member cities in planning and development for infrastructure, GPEC will actively promote unique industrial, office and healthcare development opportunities within our communities to local and national developers, real estate investment trusts (REITs) and institutional capital sources.

Host National and International Road Shows
Following the success of road shows in Silicon Valley, Vancouver, B.C., and Chicago, GPEC will execute another four to six trips in target markets, to be led by the region’s mayors and Maricopa County supervisors. GPEC will convene key executives and multipliers (ie, law firms, financial institutions) and demonstrate the investment and supply chain opportunities available in Greater Phoenix.

Place a Razor-sharp Focus on California
Though the Golden State continues to be a leader in innovation performance, California’s operating and regulatory environments remain a growth impediment. Given that California also remains the top location for prospects generated, GPEC will target multiplier networks in Silicon Valley and LA to bolster direct lead-generation efforts, as well as engage California-based corporate headquarters in a site-optimization planning dialogue.
Connect with Top 50 Corporations
As a complement to our Market Intelligence model, GPEC will identify 50 of the region’s top corporate office and industrial users—companies that are not based in Arizona—and work to establish relationships between local community leadership and companies’ national leadership with the intent to identify areas of opportunity for new growth and expansion.

Expand Investment Activities in China, Canada and Mexico
GPEC and the Arizona Commerce Authority have contracted with the Center of American States (CAS), which represents nine U.S. markets in China, to pursue investment for our state. Represented as the Arizona Center-China, CAS will encourage direct investment into Arizona, as China’s companies are expected to employ between 200,000 and 400,000 Americans in the next five years. Since Canada represents one-third of GPEC’s international prospects, we will pursue investment interest from the provinces of Alberta and British Columbia, hosting road shows in top Canadian markets. And with countries in the Eurozone experiencing an economic recovery, GPEC will target an outbound technology investment strategy for Western Europe. Finally, GPEC will continue to leverage its network of international multipliers through domestic sales missions and support the collaborative efforts to establish a trade and investment office in Mexico City.

Staying On Top
GPEC continues to maintain a national reputation as a high-performing, well respected economic development organization, earning top rankings and recognition in FY14 by Site Selection Magazine and Business Facilities.

DRIVES THESE FY15 METRICS
- Pipeline of qualified prospects
- Pipeline of qualified international prospects
- Total number of jobs created
- Number of high-wage jobs created
- Average high-wage salary
- Payroll generated
- Stakeholder satisfaction with business attraction

SUPPORTS THESE STRATEGIC PILLARS
- Attraction
- International
- Regional Brand
- GPEC Brand
Gaining Velocity
In FY14, a broad coalition of business, public and education leaders answered the call to pivot from an economy reliant upon consumption-based industries (i.e., retail, construction and tourism) to one driven by advanced industries. Much progress has been made on Velocity, the Metropolitan Business Plan, in creating a vision, conducting a market assessment and identifying specific strategies that will transform Greater Phoenix’s economy in the next 10 years. The plan will focus on initiatives that will drive innovation commercialization, develop and retain human capital, upgrade capacity and a built environment for entrepreneurs, and increase connectivity between industries and entrepreneurs to global markets to promote export growth.

Global Exchange of Best Practices
The Phoenix metro was selected as one of eight markets to participate in a four-year learning and action network that develops and implements regional strategies to encourage global trade and investment. A joint project of Brookings Institution and JPMorgan Chase, the Global Cities Initiative (GCI) is designed to strengthen key metros across the U.S. in becoming more globally competitive. GPEC helped to facilitate content and draw 300 attendees to a GCI forum where prominent U.S. trade and foreign policy leaders like former U.S. Secretary of Commerce Bill Daley, former U.S. Trade Representative Carla Hills and U.S. Secretary of Commerce Penny Pritzker challenged the business community to advocate for increased export activity.

Guide new, strategic business opportunities through geographic and industry trend analyses
Evaluate targeted, sound economic development programs that enhance regional and state competitiveness

FY15 ACTION ITEMS

Launch Velocity - the Metropolitan Business Plan to Transform the Greater Phoenix Economy
By providing technical and external relations support, GPEC will help drive the efforts to launch Velocity, the Metropolitan Business Plan, through a public rollout in the fall of 2014. Velocity represents an unprecedented effort to move Greater Phoenix onto new economic footing, transforming Greater Phoenix’s economy to be a global force for innovation and technology by 2025.

Focus Market Intelligence on Electronics
GPEC will assess the depth of electronics companies in the region, broadening our market intelligence program to its third industry focus. Researching these companies in support of our communities’ respective retention and expansion programs, GPEC will specifically evaluate next-generation electronics technology opportunities, identified through Velocity, which span several of the region’s existing key industries.

Execute Global Cities Initiative
As a joint project of the Brookings Institution and JPMorgan Chase, the Global Cities Initiative (GCI) is designed to equip city and metro leaders with tools to become more globally connected and competitive. Greater Phoenix is among nine other regions selected as a Global City and stands much to gain from this initiative. Through participation in GCI, the region will not only benefit in the exchange of information with other markets, but also our metro will work alongside Brookings and JPMorgan Chase to develop a plan that will increase export and trade activity.
Pursue Grant Opportunities

While GPEC has not historically sought grants, the organization was successful in securing federal dollars from the U.S. Economic Development Administration in 2013. Pursuit of grants at both the federal level and through private foundations will be a focus in the coming year. Federal grants place an emphasis on collaboration among public and private entities, and GPEC has the reach to work with our partners in aligning around common economic development priorities.

Convene Executive Mission to Washington, D.C.

Building on the effective program and relationships garnered from the 2013 Executive Mission, GPEC will return to Washington, D.C. in the spring of 2015. The focus of this mission will be concentrated on seeking federal resources and support from congressional, government agency and industry partners for innovation, industry-led R&D centers, STEM workforce and education pipeline, exports, and entrepreneurship.

Plans to Grow Advanced Manufacturing

For the first time ever, GPEC secured a federal grant to develop a strategic plan for the implementation of an Innovation and Commercialization Center for Advanced Manufacturing. Funded by the U.S. Department of Commerce Economic Development Administration, the Investing in Manufacturing Communities Partnership was designed to accelerate the resurgence of manufacturing across the country. In partnership with ASU, GPEC is exploring a plan for an innovation center focused on sensor technologies, leveraging ASU’s capabilities and other industry competencies within the region.

DRIVES THESE FY15 METRICS

- Pipeline of qualified prospects
- Average high-wage salary
- Emerging technology assists
- Competitive position progress

SUPPORTS THESE STRATEGIC PILLARS

- Market Intelligence
- Next Generation
- Attraction
- International
- Regional Brand
- GPEC Brand
- Capital Markets/ Venture Formation
FY14 MILESTONES

A Leading Voice
Arizona Senate Bill (SB) 1062 had potential to negatively impact current and future business expansion to Greater Phoenix. While GPEC closely monitored SB1062, board leadership moved swiftly to issue a formal veto request to the Governor. GPEC was the first business organization to call for a veto, which led to appearances on CNN, NBC Nightly News and Bloomberg TV, where President and CEO Barry Broome positioned Arizona as a pro-business state. Following the Governor’s veto, GPEC sent a letter to Governor Brewer, thanking her for her continued leadership and sound, pro-business policies.

Marketing Internationally
In an effort to market Greater Phoenix to targeted international audiences, GPEC conducted outreach to organizations that already serve as points of entry for foreign companies like ChinaGoAbroad, American Chamber of Commerce in Shanghai and Canada Arizona Business Council. Through banner ads, GPEC’s international toolkit and custom mailers, GPEC made notable strides in bringing awareness of Greater Phoenix as an investment location to companies in China and Canada.

Seeing Results
After last year’s launch of the GPEC California 100 campaign and ongoing efforts by our business development team to cultivate CEO relationships, GPEC celebrated two wins: Matrix Absence Management, an advanced business services company bringing 50 high-wage jobs, and a tech assist.

MARKETING & COMMUNICATIONS

Market and promote region’s strengths and assets in new markets using non-traditional tools

Continue to position GPEC as a reliable resource for stakeholders, policy-makers, citizens and media on key economic development issues

FY15 ACTION ITEMS

Target Lead-generation Activity for Business Development
In the next year, GPEC will refine existing search engine optimization activities to drive direct leads for GPEC’s business development team to target. We will explore new online marketing tools that generate measurable outcomes and stir qualified interest among companies thinking of expanding their operations. This approach will enable GPEC to capture leads that are engaging with our digital assets and work to convert them into prospects.

Deliver New Tools in Marketing Region
GPEC will further enhance our social media strategy by strengthening the marketing partnership with business and tourism organizations throughout the state in an effort to enhance the region’s brand through our own citizens. Specifically, this partnership will utilize the newly launched Splicity app to develop citizen video content that further promotes our region’s lifestyle and business culture.

Revamp GPEC’s Online Presence
The design of GPEC’s social media sites will be updated to ensure continuity of the organization’s brand, and content will be developed more strategically in order to replicate and extend across all online channels. GPEC will also develop a plan to engage investors in reiterating key business and marketing messages within their respective social media accounts to broaden visibility for the region to new audiences. Finally, GPEC will seek new marketing tools to more directly create dynamic interaction with end users on gpec.org.
Promote County Competes

Serving as the economic development arm of Maricopa County, GPEC has conducted a series of meetings with several key County departments with the objective of learning more about how we can promote Maricopa County’s services and partnership capabilities to prospective companies considering an expansion or relocation. Known as the County Competes Program, GPEC will develop a content-specific marketing presence to raise awareness among our clients on the County’s proactive and rapid willingness to meet business needs.

Support Super Bowl XLIX

As in 2008, GPEC will partner with the Arizona Commerce Authority and our member communities to support the Arizona Super Bowl Host Committee in implementing a host program targeting C-level executives around Super Bowl XLIX. This four-day program will showcase the business, innovation and lifestyle opportunities that exist in Greater Phoenix and facilitate dialogue among the region’s CEOs and community leaders with CEOs and executives from major brand enterprises, up-and-coming companies and Fortune 1000 firms.

Targeted Outreach

Leveraging the built communications platforms of LinkedIn and Twitter, GPEC’s marketing and business development teams worked to engage CEOs in very specific conversations based on executive profile interests and social media activity while effectively integrating the region’s value proposition in the dialogue exchange. In a very unconventional way, but that is growing widely acceptable, GPEC has had early and measurable success with this approach.

DRIVES THESE FY15 METRICS

- Pipeline of qualified prospects
- Pipeline of international prospects
- Total reach of editorial placements

SUPPORTS THESE STRATEGIC PILLARS

- Attraction
- Regional Brand
- GPEC Brand
STAKEHOLDER ENGAGEMENT

The active involvement by GPEC stakeholders carves a path for our region to become world-class and extraordinary. Stakeholder support enables GPEC to pursue economic opportunities while allowing investors to participate in key economic development activities.

GOVERNANCE

Board of Directors
Provides effective oversight of the organization and helps shape GPEC’s influence as a regional thought leader.

Executive Committee
Acts on behalf of the Board of Directors, advising on strategic direction and overall performance of annual goals.

Board-Level Committees
- Performance Committee
  Evaluates the performance of the organization and the President & CEO.

- Nominating Committee
  Serves to nominate the At-large Directors and Board officers, and recommends candidates to the board for approval, based on nominations received from mayors of member communities.

- Audit Committee
  Assesses internal controls and oversees auditors and the annual audit.

- Finance Committee
  Sets financial objectives for the organization and recommends the annual budgets as part of the Action Plan.
LEADERSHIP COUNCILS AND ADVISORY GROUPS

The collective professional expertise of GPEC’s councils and advisory groups helps shape the organization’s key initiatives, leverages connections to further business development and competitiveness efforts, and supports implementation of programs.

Community Building Consortium*
Applies collective commercial real estate experience to help capture business development opportunities and increase the region’s transactional capabilities.

Economic Development Directors Team
Advises CEO and staff on local economic development trends, offers insight on pulse of city/town council and partners with GPEC to finalize location decisions.

Education Council*
Reviews workforce skills gaps relative to advanced industries and identifies education-to-career path solutions

GPEC Next Leadership Council*
Ensures the organization operates in a model that is innovative, integrated and proactive.

Healthcare Leadership Council*
Works to advance a healthcare initiative for the region and establish Greater Phoenix as a center of excellence anchored by innovative assets and world-class leadership.

International Leadership Council*
Advises on the direction and implementation of GPEC’s foreign direct investment efforts, and provides guidance to increase program impacts.

Mayors and Supervisors Council
Convenes mayors of GPEC’s municipalities and County supervisors for regular updates on strategic initiatives.

Resource Development Committee
Guides resource development efforts and executes fundraising strategies to ensure sustainability of GPEC’s programs and services.

AMBASSADORS

At the foundation of GPEC’s engagement activity are Ambassadors, whose broad range of professional backgrounds lend critical assistance to regional business-climate improvement and business development efforts.

Ambassadors
Help communicate, educate and inform stakeholders, policy-makers, citizens and media about key regional economic development issues.

Certified Ambassadors
Ambassadors who have satisfied program criteria, qualifying them to serve as an extension of the GPEC team. Certified Ambassadors are given unique opportunities to interface more closely with GPEC’s staff and board on program initiatives and mission-critical efforts.

Ambassador Steering Committee
Advises on strategic direction of Ambassadors Program; designs activities relevant to and in support of GPEC’s mission; serves as a sounding board for emerging initiatives and supports implementation of programs.

* Eligibility determined by investment level or strategic appointment
Specific performance targets as established by the GPEC Executive Committee and Board of Directors:

1. Payroll Generated  $197.5M
2. Total Number of Jobs Created  4,675
3. Total Number of High-Wage Jobs  2,450
4. Average High-Wage Salary  $51,026
5. Emerging Tech Assists  10
6. Number of Qualified Prospects  208
7. Number of Qualified International Prospects  37
8. Total Reach of Editorial Placements/Exposures  183M

GPEC continues to target high-wage industries Advanced Business Services; Advanced Manufacturing; Aerospace & Aviation; Logistics & E-Commerce; Mission Critical; Emerging Technologies (including CyberSecurity & Educational IT); Healthcare & Biomedical; Renewable Energies.
EXHIBIT C
TARGETED INDUSTRIES
FY2014-2015

GPEC and our member communities have identified targeted industries on a local and regional level, incorporating these industries into a regional economic development plan. For fiscal year 2014-2015, GPEC will continue its emphasis on the following: Advanced Business Services; Advanced Manufacturing; Aerospace & Aviation; Logistics & E-Commerce; Mission Critical; Emerging Technologies (including CyberSecurity & Educational IT); Healthcare & Biomedical; Renewable Energies.

Member communities will target the following:

**Apache Junction**
Business services; environmental technologies research and manufacturing; standard and advanced manufacturing; regional and corporate centers; medical institutions and/or associated satellite operations; mining support facilities; resort/tourist-oriented development; filmmaking (location shooting); expanded retail opportunities

**Avondale**
Advanced business services/information technology; renewable energies; Bio/medical/life sciences; manufacturing; higher education/lifelong learning, amateur sports and tourism

**Buckeye**
Advanced business services; renewable energy; high tech (data center and services); environmental technology / sustainability; standard manufacturing; medical and educational institutions; transportation/distribution; small business/incubator; aerospace/aviation

**Casa Grande**
Aviation/aerospace; biosciences and sustainability; corporate/regional headquarters; healthcare and medical services; standard manufacturing and transportation and distribution

**Chandler**
Advanced business services; corporate/regional headquarters, high-tech electronics and software development; aerospace/aviation and advanced materials; biosciences and sustainability

**El Mirage**
Business Services; standard and advanced manufacturing; transportation; warehousing/distribution; heavy industrial; food, fiber, and natural products; aerospace aviation

**Fountain Hills**
Advanced business services (professional, technical, and scientific services including finance and insurance); healthcare, medical, bio-life sciences and wellness; medical and educational institutions; arts, entertainment and recreation; retail

**Gila Bend**
Clean technology (manufacturing/central station generation/R&D); warehousing/transportation/distribution; military supply chain; tourism/hospitality; standard manufacturing; agriculture/agri-biotechnology; food, fiber and natural products; aerospace/aviation; heavy industrial
Gilbert
Corporate/regional headquarters; advanced business services; information communication technology (R&D, services); next generation electronics (sensors, optics); aerospace and defense (satellite, FAA repair); life and health sciences (R&D, oncology, regenerative medicine, cardiovascular, pharmaceuticals/neutraceuticals); clean technology and renewable energy (R&D, algae, biodiesel)

Glendale
Advanced business services; aerospace and defense; education; healthcare/medical; hospitality; renewable energy; technology

Goodyear
Advance financial/business services; high-tech electronics and software development; aerospace/aviation; advanced materials; biosciences (treatment, medical diagnostics, research) and senior industries; food, fiber and natural products; transportation/distribution; standard manufacturing; environmental technology; sustainability

Maricopa (City)
High-wage employers (salaries averaging at least 125% of the median wage in Maricopa County) that generate at least 80% of income from exporting goods and services outside the region

Mesa
Primary Target Industries: Healthcare, Education, Aerospace/Defense and Tourism/Technology
Secondary target industries: Advanced business services; standard and advance manufacturing; regional and corporate centers; environmental technology; research & development; bioscience; sustainability

Peoria
Advanced business services; high technology (data centers, R&D); life sciences and healthcare technologies; advanced medical services; educational institutions; advanced and standard manufacturing; clean technologies research and manufacturing; entertainment and tourism

Phoenix
Bio-life sciences; advanced business services; manufacturing; sustainable industries and enterprises; higher education; world business, trade and FDI; and established/emerging enterprises; healthcare

Queen Creek
Aerospace and aviation; health and wellness; arts, culture and experience; education; clean and renewable energy and water; family/youth & children activity destinations

Scottsdale
Bio-life sciences; advanced business services; technology and innovation (including ICT and entrepreneurship/emerging enterprises); hospitality/visitor trade and commerce

Surprise
Environmental technology; advanced medical services; biotech; education and healthcare; transportation and distribution

Tempe
Advanced business services (financial services); high tech/software (R&D, data center and services); high-tech/next generation electronics; aerospace R&D/aviation; bioscience (research, drug development, treatment, medical diagnostics); corporate/regional headquarters; sustainability (environmental); advanced materials/plastics; senior industries; clean tech, renewable energy and manufacturing
**Tolleson**
Aerospace and advanced materials; food, fiber and natural products; transportation/distribution; standard manufacturing; environmental technology; sustainability

**Wickenburg**
Standard manufacturing; transportation & distribution; rail services; mining support facilities; renewable energy; healthcare and medical; educational institutions; tourism and filmmaking; expanded retail operations

**Youngtown**
Youngtown is in the throes of developing a commerce park. The park will target second-stage small manufacturers with some related retail and offices.
EXHIBIT D
FY 2014-2015
REPORTING MECHANISM FOR CONTRACT FULFILLMENT

Monthly Activity Report - Month, Year

BUSINESS ATTRACTION PERFORMANCE METRICS:

GPEC Progress Toward Goals

<table>
<thead>
<tr>
<th>Targeted Opportunities</th>
<th>Annual Contract Goal</th>
<th>Actual YTD</th>
<th>Goal YTD</th>
<th>% of Goal YTD</th>
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<tr>
<td>PAYROLL GENERATED (MILLIONS)</td>
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<td>AVERAGE HIGH WAGE SALARY</td>
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<tr>
<td>NUMBER OF JOBS</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>NUMBER OF HIGH-WAGE JOBS</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>EMERGING TECHNOLOGY ASSISTS</td>
<td></td>
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<tr>
<td>QUALIFIED PROSPECTS</td>
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<tr>
<td>INTERNATIONAL PROSPECTS</td>
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<tr>
<td>TOTAL REACH OF EDITORIAL PLACEMENTS</td>
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</table>

GPEC continues to target high-wage industries (Advanced Business Services; Advanced Manufacturing; Aerospace & Aviation; Logistics & E-Commerce; Mission Critical; Emerging Technologies (including CyberSecurity & Educational IT); Healthcare & Biomedical; Renewable Energies

KEY BUSINESS ATTRACTION ACTIVITIES AND OTHER GPEC ACTIVITIES
EXHIBIT E
INSURANCE REQUIREMENTS

The Town’s insurance requirements are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The Town in no way warrants that the minimum limits required of GPEC are sufficient to protect GPEC from liabilities that might arise out of this Agreement for GPEC, its agents, representatives, employees or Contractors and GPEC is free to purchase such additional insurance as may be determined necessary.

A. Minimum Scope and Limits of Insurance. GPEC shall provide coverage at least as broad as the categories set forth below with limits of liability in amounts acceptable to the Town.

1. Commercial General Liability - Occurrence Form
   (Form CG 0001, ed. 10/93 or any replacements thereof)
   General Aggregate/ per Project
   Products-Completed Operations Aggregate
   Personal & Advertising Injury
   Each Occurrence
   Fire Damage (Any one fire)
   Directors and Officers
   Medical Expense (Any one person) Optional

2. Automobile Liability □ Any Auto or Owned, Hired and Non-Owned Vehicles (Form CA 0001, ed. 12/93 or any replacement thereof) Combined Single Limit Per Accident for Bodily Injury and Property Damage

3. Workers' Compensation and Employers' Liability
   Workers' Compensation Statutory
   Employers' Liability

B. Self-insured Retentions. Any self-insured retentions must be declared to and approved by the Town. If not approved, the Town may request that the insurer reduce or eliminate such self-insured retentions with respect to Town, its officers, officials, agents, employees and volunteers.
C. **Other Insurance Requirements.** The policies are to contain, or be endorsed to contain, the following provisions:

1. **Commercial General Liability**
   
   a. The Town, its officers, officials, agents, employees and volunteers are to be named as additional insureds with respect to liability arising out of: activities performed by or on behalf of GPEC, including the Town's general supervision of GPEC; products and completed operations of GPEC; and automobiles owned, leased, hired or borrowed by GPEC.
   
   b. GPEC's insurance shall include broad form contractual liability coverage.
   
   c. The Town, its officers, officials, agents, employees and volunteers shall be additional insureds to the full limits of liability purchased by GPEC, even if those limits of liability are in excess of those required by this Agreement.
   
   d. GPEC's insurance coverage shall be primary insurance with respect to Town, its officers, officials, agents, employees and volunteers. Any insurance or self-insurance maintained by Town, its officers, officials, employees or volunteers shall be in excess of GPEC's insurance and shall not contribute to it.
   
   e. GPEC's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
   
   f. Coverage provided by GPEC shall not be limited to the liability assumed under the indemnification provisions of this Agreement.
   
   g. The policies shall contain a waiver of subrogation against Town, its officers, officials, agents, employees and volunteers for losses arising from work performed by GPEC for the Town.

2. **Workers' Compensation and Employers' Liability Coverage.** The insurer shall agree to waive all rights of subrogation against Town, its officers, officials, agents, employees and volunteers for any and all losses arising from work performed by the Contractor for the Town.

D. **Notice of Cancellation.** Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice has been sent to Town at the
address provided herein for the giving of notice. Such notice shall be by certified mail, return receipt requested.

E. **Acceptability of Insurers.** Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the State of Arizona and with a "Best's" rating of not less than A-:VII. Town in no way warrants that the above required minimum insurer rating is sufficient to protect GPEC from potential insurer insolvency.

F. **Verification of Coverage.** GPEC shall furnish Town with Certificates of Insurance (ACORD form or equivalent approved by Town) and with original endorsements effecting coverage as required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the Certificate of Insurance.

All certificates and endorsements are to be received and approved by Town before work commences. Each insurance policy required by this Agreement must be in effect at or prior to commencement of work under this Agreement and remain in effect for the duration of the project.

All certificates of insurance required by this Agreement shall be sent directly to Town at the address and in the manner provided in this Agreement for the giving of notice. Town's Agreement/Agreement number, GPEC’s name and description of the Agreement shall be provided on the Certificates of Insurance. Town reserves the right to require complete certified copies of all insurance policies required by this Agreement, at any time.

G. **Approval.** During the term of this Agreement, no modification may be made to any of GPEC's insurance policies which will reduce the nature, scope or limits of coverage which were in effect and approved by the Town prior to execution of this Agreement.
Exhibit F
Regional Cooperation Protocol Policy
Greater Phoenix Economic Council and Economic Development Directors Team

The foundation of this policy is built on trust and the spirit of regional cooperation among the entities involved. GPEC and the Economic Development Directors of its member communities agree and acknowledge that it is important that they work together as partners on projects involving the communities which GPEC represents, regardless of the source of the lead, as follows:

1. Demonstrate a commitment to the positive promotion of the Greater Phoenix, specifically, GPEC member communities, as a globally competitive region.

2. Maintain the highest standards of economic development prospect handling, including confidentiality, without jeopardizing a prospect’s trust to secure the probability of a regional locate. Partners agree to respect the prospect’s request for confidentiality but also agree to notify each other as to the existence of a project with a confidentiality requirement when able and shall make a good-faith effort to involve the appropriate state, regional or local partners at the earliest possible time.

3. Unless otherwise restricted, agree to coordinate through GPEC for any prospect considering a project in Maricopa County or in any of the communities that GPEC represents, understanding that GPEC is in a unique position to represent and speak on regional economic development issues and on characteristics of the region’s economy. Likewise, GPEC acknowledges that communities are in the best position to speak about local incentives and efforts surrounding the local economy.

4. For projects that originate with a GPEC member community, GPEC will be available for confidential research access, topical expertise or as a service provider, to add value to the community in securing the project. Additionally, GPEC will not e-track the project unless the community lead makes such a request to do so.

5. Provide accurate and timely information in response to specific requests by all prospects. When a client has narrowed sites to specific GPEC member communities, GPEC will make a good-faith effort to inform those affected EDDT members first. EDDT members agree to provide information solely on their own community when the information requested is site-specific (i.e., cost of land, taxes, development fees, utility availability and cost, zoning process timing, permit timing and local incentives). When site-specific information related to other GPEC communities is requested, EDDT members agree to (i) direct GPEC prospects back to GPEC or (ii) direct non-GPEC generated prospects to contact the affected communities directly, and as a courtesy, contact the affected communities.

6. Agree that regardless of the lead source, public locate announcements shall be coordinated among the company, GPEC member community, and GPEC to reflect inclusiveness and cooperation of all partners (subject to any confidentiality requirements).

7. GPEC and EDDTs will advocate for a robust operating budget for the state economic development agency, and champion sound statewide economic development programs and policies.

8. Discourage the proactive offering of local, municipal financial incentives for existing jobs to companies with current operations in another GPEC community.

9. Inform GPEC member community when a company visits or physical site visit within that community will occur. Economic Development Directors will be the primary point of contact for the company when community information is needed.
10. Agree that the consideration of a future community to GPEC’s membership will be brought before EDDT for discussion in advance of any board consideration. EDDT will make a recommendation on the addition of a new community to GPEC’s President and CEO.

11. Formalize a process to convene GPEC and Economic Development Directors of GPEC member communities biannually, and cooperate in the exchange of information and ideas reflecting practices, procedures and policies relating to prospect handling and regional economic development.

12. Work collectively to maintain a high level of trust and integrity by and between GPEC and the Economic Development Directors of GPEC member communities, utilizing differing views as an opportunity to learn.

13. When conducting market intelligence initiative objective, GPEC staff will coordinate with EDDT to ensure coordination and communication.

14. When a PIF is issued by the state economic development agency GPEC will coordinate the region’s response. All PIF submissions will be directed to GPEC’s attention and GPEC will assemble the response and return to the state economic development agency.

15. It is understood GPEC will or may host annual executour(s) and/or other marketing familiarization tour(s) to promote the regional communities. GPEC will make every attempt to provide as much interaction time between the executour guests and EDDTs. It is understood EDDTS will inform GPEC of any upcoming executour(s) and/or other marketing familiarization tours scheduled by their office.

16. Partners agree to enter into a mediation process if there is evidence that this Protocol has not been observed in a material respect or a professional conflict arises that cannot be settled. This mediation process will be convened by the EDDT Chair, who may, at his/her discretion, consult or involve GPEC’s President and CEO in addition to others with topical expertise central to the conflict.
TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, AICP
TOWN MANAGER

FROM: DOREEN COTT, ECONOMIC DEVELOPMENT DIRECTOR


DATE: JUNE 18, 2014

Staff Recommendation:
Staff recommends that the Council approve the FY14-15 Agreement between the Queen Creek Cultural Foundation (QCCF) and the Town of Queen Creek in the amount of $110,000

Proposed Motion:
Move to approve the Agreement between the QCCF and the Town of Queen Creek in the amount of $110,000 and authorize the Mayor to execute the necessary documents.

Discussion:
The Town of Queen Creek has recognized the importance of a strong arts program in the community and has supported the Queen Creek Performing Arts Center (QCPAC) since its inception in 2003. The award winning partnership between the Town, Queen Creek Unified School District and the QCCF has created a strong arts program for the community and has provided an economic benefit to the Town with its first class programming, including national tour productions that draw visitors throughout the region.

Arts, Culture and Experience is a targeted sector in the Economic Development Strategic Plan with Performing Arts specifically listed as a focus area within this sector. Arts and Culture is an important component of the community’s distinctiveness and vibrancy.

In 2008 the QCCF incorporated and is designed to support and cooperate in the development of services and facilities for the community including support for the QCPAC. The QCCF’s mission is to enrich the quality of life within our community by presenting quality professional theatre; creating an education outreach and children’s theatre programs, nurturing and developing emerging talent.
The proposed agreement for FY14-15 includes the Main Theater Series, Community Theater Series and Special Event Series.

Main Theater Series for 2014-2015 includes the The Real Housewives of the East Valley, BYU ballroom dance, Jekyll and Hyde, William Joseph and friends and Hudson Lights.

As part of the budget process for FY15 staff included a supplemental request to hire a consultant to work with the Town and the QCCF to develop a strategic plan for the Queen Creek Performing Arts Center in an effort to ensure that the needs of the Queen Creek Unified School District, the Town and the community are being met in a sustainable and effective way. A strategic plan will also outline growth strategies, additional funding/grant opportunities as well as marketing initiatives to help the QCPAC compete with the nearby performing art venues and outline possible partnership opportunities. We will begin the process of retaining a consultant for the study in the next few weeks.

**Fiscal Impact:**
The proposed agreement with the QCCF requires the Town to pay $110,000 for the services outlined in the agreement. Four equal payments will be made in the amount of $27,500. Funding is available in the Economic Development Budget 101-465-0212-00000-403425.

**Alternatives:**
The Town Council could choose not to approve the Agreement between the Town and the QCCF.

The Town Council could choose to increase or decrease the contract amount and modify the services outlined in the agreement.

**Attachments:**
1. Agreement between the Town of Queen Creek and Queen Creek Cultural Foundation.
AGREEMENT

This AGREEMENT is made and entered into by and between the TOWN OF QUEEN CREEK, an Arizona municipal corporation ("Town"), and the QUEEN CREEK CULTURAL FOUNDATION, an Arizona non-profit corporation ("QCCF"), for the purpose of setting forth the terms and conditions pursuant to which the Town will contribute to the operation of the Queen Creek Performing Arts Center ("QCPAC"), which is owned and operated under the auspices of the Queen Creek Unified School District ("QCUSD"), effective the 1st day of July 2014.

RECITALS

The Town wishes to promote its advantages as a residential, business, educational, cultural and recreational community for the purpose of developing a balanced community as described in the voter-approved Queen Creek General Plan.

The QCPAC provides an economic benefit to the community with its high quality programming which draws visitors from all over the region. Arts, Culture and Experience is a targeted sector in the Town’s Economic Development Strategic Plan.

The Town is authorized by Arizona Revised Statutes § 9-500.11 to appropriate and spend public monies for and in connection with economic development activities, where such activities will assist in the creation or retention of jobs or will otherwise improve or enhance the economic welfare of the inhabitants of the Town. The QCPAC presents professional theatre productions and family theatre programs, and conducts educational outreach to students in the QCUSD, none of which would otherwise be available within or in close proximity to the Town, and all of which contribute to the educational, cultural and recreational opportunities available to residents of the Town.

Queen Creek residents take advantage of the programs of the QCPAC in significant numbers, and represent the largest demographic of QCPAC patrons.

QCPAC cannot continue to provide programming at levels which support the needs of the community, and which are supported by the community, without the financial support of the Town.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and other good and sufficient consideration, the receipt and sufficiency of which is hereby acknowledged, Town and QCCF agree as follows:

AGREEMENTS

Article I: Scope of Services

The goal of this Agreement is to provide the means for QCCF and the Town to assure that national, regional and local cultural arts events will continue to be provided to the
residents of the Town through the QCPAC.

1. **QCCF Responsibilities**

   1.1. QCCF will provide funding for costs associated with school related programs including community theatrical program as indicated.

   1.2. QCCF will, in addition, provide funds to cover the costs of the following:

      1.2.1. All personnel expenses for staff support

      1.2.2. All operational expenses, including but not limited to utility costs

      1.2.3. Community events and performances to include, but not be limited to:

         1.2.3.1. Community Theatre Series – Two (2) performances

         1.2.3.2. Special Event Series – Four (4) performances

         1.2.3.3. Main Theatre Series – Four (4) performances

   1.3. The Town of Queen Creek will be identified as a sponsor on all materials produced for publication or distribution in connection with all events described in Article 1.2 of this Agreement. Identification of Town as a sponsor shall include, but is not limited to, inclusion of the Town logo on all print brochures/programs, news releases, and throughout performances as reasonable.

   1.4. The Town will be provided complimentary use of the QCPAC, as space allows, for a total of sixteen (16) hours for four (4) Town-related performances, meeting or events during the Term of this Agreement. Each performance will last no more than four (4) hours (16 hours total). Examples of such performances include, but are not limited to, end of season performances for class programs, youth and teen programs and/or meetings scheduled by the Town.

   1.5. QCCF agrees to continue to utilize a fee recovery and user group policy relative to use of the facility by non-QCUSD programs or Town programs that treat all user groups in a fair and non-discriminatory manner.

2. **Town Responsibilities**

   2.1. Town agrees to provide the following in-kind services to support the operations of the QCPAC:

      2.1.1. Website link on the Town website.

      2.1.2. Free booth space at Town special events, in a location and configuration to be determined by Town in its discretion.
2.1.3. Promotion of QCPAC events on the Town calendar and Parks & Recreation Facebook page.

2.1.4. Link in the “About Town” Monthly E-newsletter.

2.1.5. Quarterly insert in the Town’s water bill; limited to 100 words, one logo and one photo.

2.1.6. Space in the Town’s Experience QC section, published in the East Valley Tribune, limited to 250 words and three photos.

2.1.7. Display signage on Town-owned locations, available on first-come, first-serve basis, with Town events and activities taking priority.

2.1.8. Use of the underpass location for signage at the intersection of Ellsworth Loop Road and Rittenhouse Road, available on first-come, first-serve basis, with Town events and activities taking priority.

2.1.9. Use of Desert Mountain Park for one (1) Community Event Series, as space allows.

2.1.10. Use of Horseshoe Park and Equestrian Centre for one (1) Community Event Series, as space allows.

2.1.11. Use of Classroom/multipurpose room space at the Library Recreation Annex to offer performing/cultural arts camps and rehearsals, as space allows; usage not to exceed $10,000 in facility rental fees calculated at the non-profit rate. Space to be allowed for performance related camps only.

Article II: Town Liaison on the QCCF Board
One member of the Town’s Economic Development staff shall be a liaison (ex-officio member) of the QCCF Board to enhance communication between the Town and the QCCF.

Article III: Reports to Town Council.
QCCF shall provide annual reports to the Town that includes the following information:
1. Attendance at each non-Town event held in QCPAC, with a cumulative total for all non-Town events at the end of the Term of this Agreement.
2. Demographic information (i.e., geographic, location of attendees, age, cohorts, etc.)
3. Satisfaction ratings for all public shows/events.
4. Quarterly Profit & Loss statements

Article IV: Payment by the Town.
Town shall pay QCCF the sum of $110,000 annually beginning July 1, 2014 in four (4) equal
payments of Twenty Seven Thousand Five Hundred ($27,500). Payments shall be made on or before the 30th day of the month in which they are due. The first payment quarterly payment shall be made on or before July 30, 2014.

Article V: Records and Audit Rights.

QCCF records (hard copy, as well as computer readable data), and any other supporting evidence deemed necessary by the Town to substantiate performance and claims related to this Agreement shall be open to inspection and subject to audit and/or reproduction by Town's authorized representative to the extent necessary to adequately permit evaluation and verification of cost of the work. The Town's authorized representative shall be afforded access, at reasonable times and places, to all of the QCCF’s records and personnel pursuant to the provisions of this article throughout the term of this Agreement and for a period of three years after last or final payment.

Article VI: Terms and Termination.

Term of the Agreement is for a term of one year, from July 1, 2014 through June 30, 2015, unless terminated earlier as provided herein.

In the event that there are any differences that arise between the Town and the QCCF in reference to the construction of this agreement, or the performance of either of the parties in reference to this agreement, each of the parties shall appoint a committee of two from the Town's Council and the QCCF’s Board of Directors, respectively, to meet and discuss said disagreement. If no settlement can be effected at this meeting, or at such other meetings as said committee may agree to hold, then either of the parties may terminate this agreement upon thirty (30) days written notice to the other.

1. The Town has the right to terminate this Contract for cause or convenience or to abandon any portion of the Services that have not been performed by the QCCF.
2. In the event the Town terminates this Contract or any part of the Services as herein provided, the Town shall notify the QCCF in writing, and immediately upon receipt of such notice, the QCCF shall discontinue all work under this Contract.
3. The QCCF shall receive pro-rata compensation as provided in Article 4 for Services performed and approved by the Contract Administrator to the date of such termination or abandonment.
4. If for any reason the QCCF fails to fulfill in a timely and proper manner its obligations under this Contract, or if the QCCF violates any of the covenants, agreements, or stipulations of this Contract, the Town may withhold from payment due to the QCCF such amounts as are necessary to protect the Town's position for the purpose of set-off until such time as the exact amount of damages due to the Town from QCCF is determined by a court of competent jurisdiction.

Article VII: Insurance.

The QCCF shall secure and maintain during the life of this contract, insurance coverage
which shall include statutory workman's compensation, comprehensive general and automobile liability, and owner's and contractor's protective liability insurance. The comprehensive general and automobile liability limits shall be no less than one million dollars ($1,000,000.00) combined single limit. The owner's and contractor's protective liability limits shall be no less than one million dollars ($1,000,000.00) for each occurrence and one million dollars ($1,000,000.00) policy aggregate naming the Town as Insured. In other than owner's and contractor's protective liability, and workman's compensation, the Town of Queen Creek shall be named as an additional insured.

All insurance coverage shall be written through carriers licensed in Arizona, or on an approved non-admitted list of carriers published by the Arizona Department of insurance, and possessing an A.M. Best rating of at least B+7 or through Lloyd's of London. Should coverage be written on a claims-made basis, the QCCF shall provide, prior to commencement of any work, an initial certificate of insurance evidencing required coverage limits from date of contract execution through date of policy expiration. Subsequently, a certificate of insurance or a renewal quotation accompanied by evidence of premium payment shall be presented a minimum of fifteen (15) days prior to date of expiration of current certificate. Such certificate or evidence of continuous coverage shall be provided on a periodic basis for a minimum of two (2) years after completion of contract, and shall contain a certification that the claim's period for such insurance is retroactive to the effective date of this contract.

In the event the QCCF fails to provide such certificate of coverage retroactive to the beginning date of this contract, the Town may, but shall not be required to, purchase insurance, if available to protect itself against any losses which would have been covered by the errors and omissions policy QCCF is required to maintain under this article. If the Town elects to purchase the insurance under this provision, QCCF shall be liable to the Town for all costs incurred by the Town for purchasing such insurance.

Article VIII: General Provisions.

A. Entire Agreement.

This Agreement constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. The Agreement may not be modified or amended except by a written document, signed by authorized representatives of each party.

B. Governing Law.

This Contract shall be governed by and construed in accordance with the substantive laws of the State of Arizona, without reference to conflict of laws and principles. Exclusive jurisdiction and venue for any action brought to enforce or construe any provision of this Contract shall be proper in the Superior Court of Maricopa County, Arizona and both Parties consent to the sole jurisdiction of, and venue in, such court for such purposes.
C. Modifications

Any amendment, modification or variation from the terms of this Agreement shall be in writing and shall be effective only after approval of all parties signing the original Agreement.

D. Assignment

Services covered by this Agreement shall not be assigned or sublet in whole or in part without the prior written consent of the Town Manager or the QCCF Director.

E. Successors and Assigns.

This Agreement shall extend to and be binding upon QCCF, its successors and assigns, including any individual, company, partnership or other entity with or into which QCCF shall merge, consolidate or be liquidated, or an person, corporation, partnership or other entity to which QCCF shall sell its assets.

F. Attorney’s Fees

In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement, or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

G. Independent Contractor

The services the QCCF provides under the terms of this Contract to the Town are that of an Independent Contractor, not an employee, or agent of the Town. As an independent contractor, QCCF shall: (a) have discretion in deciding upon the method of performing the services provided; (b) not be entitled to worker's compensation benefits from the Town; (c) not be entitled to any Town sponsored benefit plan; (d) shall select the hours of his/her work; (e) shall provide her/her own equipment and tools; and (f) to the extent required by law, be responsible for obtaining and remaining licensed to provide the Services.

H. Conflict of Interest

Pursuant to the provisions of A.R.S. § 38-511, the Town may cancel any contract or agreement, without penalty or obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the Town is, at any time while the contract or any extension thereof is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party to the contract with respect the subject matter of the contract.
I. Notices

All notices or demands required to be given pursuant to the terms of this Agreement shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of QCCF:

Molly Jacobs  
Director, Queen Creek Performing Arts Center  
22149 East Ocotillo Road  
Queen Creek, Arizona 85242  
Phone: (480) 987-5964

In the case of the Town:  
Town of Queen Creek  
22350 S. Ellsworth Rd.  
Queen Creek, Arizona  
ATTN: John Kross, Town Manager  
Tel: (480) 358-3905  
Fax: (480) 358-3909

With a copy to:  
Dickinson Wright PLLC  
Town Attorneys  
1850 North Central Avenue, Suite 1400  
Phoenix, AZ 85004  
Attn: Fredda J. Bisman, Esq.

Notices shall be deemed received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail.

J. Force Majeure.

Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, or earthquakes.

K. Taxes.

QCCF shall be solely responsible for any and all tax obligations which may result out of the QCCF’s performance of this Agreement. The Town shall have no obligation to pay any amounts for taxes, of any type, incurred by the QCCF.

The Town will report the value paid for these Services each year to the Internal Revenue Service (I.R.S.) using Form 1099. The Town shall not withhold income tax as a deduction from contractual payments. QCCF acknowledges that QCCF may be subject to I.R.S. provisions for payment of estimated income tax. QCCF is
responsible for consulting the local I.R.S. office for current information on estimated tax requirements.

L. Counterparts

This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, binding on all of the Parties. The Parties agree that this Contract may be transmitted between them via facsimile. The Parties intend that the faxed signatures constitute original signatures and that a faxed contract containing the signatures (original or faxed) of all the Parties is binding upon the Parties.

M. Compliance with Immigration Laws and Regulations.

Pursuant to the provisions of A.R.S. §41-4401, the QCCF warrants to the Town that the QCCF and all its subconsultants are in compliance with all Federal Immigration laws and regulations that relate to their employees and with the E-Verify Program under A.R.S. §23-214(A). QCCF acknowledges that a breach of this warranty by the QCCF or any of its subconsultants is a material breach of this Contract subject to penalties up to and including termination of this Contract or any subcontract. The Town retains the legal right to inspect the papers of any employee of the QCCF or any subconsultant who works on this Contract to ensure compliance with this warranty.

The Town may conduct random verification of the employment records of the QCCF and any of its subconsultants to ensure compliance with this warranty.

The Town will not consider the QCCF or any of its subconsultants in material breach of the foregoing warranty if QCCF and its subconsultants establish that they have complied with the employment verification provisions prescribed by 8 USCA § 1324(a) and (b) of the Federal Immigration and Nationality Act and the e-verify requirements prescribed by Arizona Revised Statutes § 23-214(A).

The provisions of this Article must be included in any contract the QCCF enters into with any and all of its subconsultants who provide services under this Contract or any subcontract. As used in this Section M "services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

N. Captions

The captions used in this agreement are solely for the convenience of the parties, and do not constitute a part of the agreement and are not to be used to construe or interpret this agreement.

O. Indemnity
To the fullest extent permitted by law, the QCCF shall defend, indemnify, save and hold harmless the Town and its officials, officers, employees and agents (collectively "Indemnities") from and against any and all damages, claims, losses, liabilities, actions or expenses (including, but not limited to, attorneys' fees, court costs, and the cost of appellate proceedings) (collectively, "Claims") relating to, arising out of or alleged to have resulted from the performance of Services pursuant to this Contract including, but not limited to, any such performance by any subconsultant. The QCCF’s duty to defend, hold harmless and indemnify Indemnities pursuant to this section shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, including death, or to injury to, impairment, or destruction of property including loss of use resulting therefrom, caused in whole or in part by the acts, errors, mistakes, omissions, work or services of the QCCF or anyone for whose acts the Consultant may be legally liable. It is the specific intention of the Parties that the Indemnitee shall be indemnified by the QCCF from and against all Claims other than those arising from the Indemnites’ sole negligence. The QCCF will be responsible for primary loss investigation and defense and judgment costs where this Indemnification applies.

In the event that any action or proceeding shall at any time be brought against any of the Indemnites by reason of any Claim referred to in this Article, the QCCF at QCCF’s sole cost and upon at least 10 day's written notice from Town, shall defend the same with counsel acceptable to Town, in Town's sole discretion.

The QCCF’s obligations under this Article shall survive the expiration or earlier termination of this Contract.

Insurance provisions set forth in this Contract are separate and independent from the indemnity provisions of this Article and shall not be construed in any way to limit the scope and magnitude of this Indemnification, nor shall this Indemnification be construed in any way to limit the scope, magnitude or applicability of the insurance provisions.

**P. Severability**

If any term or provision of this Agreement shall be found to be illegal or unenforceable, then all other terms and provisions will remain in full force and effect, notwithstanding the illegality or unenforceability of the term or provision in question. This Agreement as a whole shall remain in full force and effect and the illegal or unenforceable term shall be deemed to be deleted.

**Q. Authority.**

Each party hereby warrants and represents that it has full power and authority to enter into and perform this Agreement, and that the person signing on behalf of each has been properly authorized and empowered to enter this Agreement. Each party further acknowledges that it has read this Agreement, understands it, and agrees to be
bound by it.

In WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their properly authorized officers on this 1st day of July, 2014.

TOWN: TOWN OF QUEEN CREEK, an Arizona Municipal Corporation

By: ________________________________
   Gail Barney, Mayor

ATTEST:

By: ______________________________________
    Jennifer Robinson, Town Clerk

APPROVED AS TO FORM:

By: ______________________________________
    For Dickinson Wright/ Mariscal Weeks
    Town Attorneys

QCCF: ________________________________
      Molly Jacobs
      Director, Queen Creek Performing Arts Center
TO:        HONORABLE MAYOR AND TOWN COUNCIL

THROUGH:   JOHN KROSS, AICP
            TOWN MANAGER

FROM:      DOREEN COTT, ECONOMIC DEVELOPMENT DIRECTOR

RE:        DISCUSSION AND POSSIBLE APPROVAL OF AN AGREEMENT WITH
            THE FRIENDS OF HORSESHOE PARK TO PRODUCE THE 2015
            ROOTS N’ BOOTS QUEEN CREEK EVENT

DATE:      JUNE 18, 2014

Staff Recommendation:
Staff recommends approval of the agreement with the Friends of Horseshoe Park (FOHP).

Relevant Council Goal(s):
Corporate Strategic Plan KRA 6: Image/Identity, Objective 1: Implement strategies that incorporate the Town’s heritage and branding, including attracting new and enhancing existing festivals, tourism marketing and strategic partnerships.

Proposed Motion:
Move to approve the agreement with the Friends of Horseshoe Park (FOHP).

Discussion:
Roots N Boots Queen Creek 2014 proved to be a very successful event with attendance totals up from 8,400 in 2013 to 12,784 in 2014. The event spanned 3 days with three Professional Rodeo Cowboy Association (PRCA) performances. Sponsorships (both cash and in-kind) increased by almost $30,000 for 2014 and the FOHP were able to repay the $20,000 loan from the Town for RnB 2014. The event books are not yet closed but the FOHP estimate a net event profit of $10,500 and the Town will receive its 20% share of the profit at approximately $2,100.

The FOHP are committed to partnering with the Town for Roots N’ Boots 2015, celebrating the event’s 5th Anniversary and growing the event to become an even bigger draw for the community.
**Fiscal Impact:** The fiscal impact is $20,000 and up to $8,000 in overtime and contracted services. This is a budgeted item in the Horseshoe Park & Equestrian Centre (HPEC) budget – 475-450-0315-00000-447030.

**Attachment:**
Agreement between the Town and the Friends of Horseshoe Park.
TOWN OF QUEEN CREEK

COMMUNITY SERVICES AGREEMENT WITH FRIENDS OF HORSESHOE PARK

This Community Services Agreement (the "Agreement") is made and entered into as of the 18th day of June, 2014 by and between the Town of Queen Creek, an Arizona municipal corporation ("Town"), and the Friends of Horseshoe Park, a non-profit agency, ("FOHP"). Town and the FOHP may be referred to in this Agreement collectively as the "Parties" and each individually as a "Party."

RECITALS

The Town wishes to enter into an agreement for event production services for production of the 2015 Roots N’ Boots Queen Creek event, which includes a Professional Rodeo Cowboy Association (“PRCA”) Rodeo and Family Rodeo, at Horseshoe Park & Equestrian Centre ("HPEC") from March 6, 2015 through March 8, 2015 (the "Event"); and

The FOHP is qualified to perform the Services; and

Now therefore, in consideration of the mutual promises and obligations set forth in this Agreement, the Parties agree as follows:

AGREEMENTS

ARTICLE 1. SCOPE OF SERVICES

1. The FOHP shall produce the Roots N’ Boots Queen Creek special event at HPEC, as further described herein and on Exhibit A (the “Services” or the "FOHP Services").

2. The Town shall provide support in addition to the services, as further described herein and on Exhibit C (the "Town Services").

3. The Town will make available the HPEC facilities through a temporary special event permit for the use of HPEC, without costs or fees to FOHP, and such special event permit to be effective beginning at 12:01 a.m. Wednesday, March 4, 2015 and terminating at 11:59 p.m. Monday, March 10, 2015 (the "Special Event Permit") and shown on the HPEC event calendar. As long as the FOHP is in compliance with the covenants, conditions and terms of the Special Event Permit and this Agreement, FOHP shall collect Event revenue including, but not limited to, concession sales, vendor fees, ticket sales, parking fees, and subcontracted activity sales (the "Event Revenues"), subject to Article 2 of this Agreement; except for fees collected for the RV stalls, barns stalls and bedding. Reservations, shavings and fees collected for these items will be the responsibility of HPEC staff during normal business hours (8:00 – 5:00 p.m. Wed-Sun). After hours reservations, shavings and fee collection will be handled by FOHP with all fees submitted to Town. Use of HPEC under the Special Event Permit shall include the event site, all arenas (including public arena), barn stalls, cattle pens, modular show office, parking areas (including overflow parking), use of the sound system, readily available electricity, readily...
available water, and restroom facilities. In the event the Town wishes to hold an event at HPEC during the Special Event Permit period defined above, which event is compatible with the Roots N' Boots special event, the Town will give FOHP 90 days’ notice that such an event will occur and details of that event (e.g. dates, times, and facilities).

4. All permanent HPEC sponsor advertising will remain intact and unobstructed.

5. All FOHP Services will be reviewed and approved by the Contract Administrator to determine acceptable completion. Review and approval by the Contract Administrator shall not relieve the FOHP of any liability for improper, negligent or inadequate Services rendered pursuant to this Agreement.

6. Town shall have the right to review all publicity prior to publication or use, including, but not limited to, press releases and advertising, for a time period of not more than seven days from receipt. FOHP shall have the right of use of the Town of Queen Creek name and logo. The use of the Town of Queen Creek Name and logo must meet the guidelines set forth in the Town of Queen Creek Logo Standards, attached hereto as Appendix 1, at all times.

7. All promotion stands must have proof of proper sales tax permits, licensing and health inspection permits prior to start of the Event. FOHP agrees on behalf of itself and its subcontractors to comply with and be solely responsible for all provisions of all applicable laws regarding sales and use taxes as to FOHP’s or its subcontractor’s sales. FOHP and its subcontractors are responsible for any and all damage to the HPEC facilities and improvements connected to the Event including without limitation damage caused during set-up, the Event, and tear-down activities. All costs and expenses resulting from the failure of FOHP to comply with the terms of the Special Event Permit or this Agreement will be billed to FOHP for prompt payment by FOHP and include clean-up labor and repair or replacement of facilities, equipment, improvements and materials.

**ARTICLE 2. FEES**

1. The amount provided to FOHP for FOHP Services under this Agreement shall be twenty thousand dollars ($20,000.00) (the "Event Expenses Payment"), to be paid in one lump sum by check to FOHP within three weeks of signing of this Agreement and subject to the following conditions:

   a. FOHP shall reimburse the Event Expenses Payment to Town, out of the Net Event Revenues (Gross Revenues minus Direct Event Costs). FOHP’s obligation to reimburse Town shall be senior to any other claim against or payment from the Net Event Revenues. Direct Event Costs shall not include items such as, but not limited to, travel and accommodations for training conferences, compensation to FOHP Board Members, and lobbying, and mileage reimbursement for travel related to production of the event.

   b. Following reimbursement to Town of the Event Expense Payment, FOHP shall pay Town 20% of the remaining collected Net Event Revenues (the “Town Revenues”).

   c. Reimbursement of the Event Expense Payment and the Town Revenues shall be made to Town no later than 120 days after the Event.
2. The Town Services will include up to $8,000.00 in value in the form of Town personnel services and Town contracted services as calculated by Town, which include HPEC staff overtime wages, Fire Department hourly charges, and subcontracted personnel hired specifically because of this Event (the “Town Personnel Costs”), without charge to FOHP, and subject to the following conditions:

   a. FOHP agrees that by arranging for any Town personnel services or Town contracted services beyond the Town Personnel Costs, FOHP is solely responsible for the payment of the total amount due and Town shall invoice FOHP for any Town personnel time or contracted services costs over $8,000;

   b. FOHP shall determine where Town personnel and contracted services should be used, with the agreement of Horseshoe Park & Equestrian Centre General Manager or Representative; and

   c. FOHP shall agree in writing NLT February 1, 2014 to the use and amount of Personnel time, staff duties, on-site HPEC representative during RNB, and contracted services.

   d. Town agrees to pay all Town personnel and Town contracted services, including overtime, to be reimbursed by FOHP within 120 days of the Event.

   e. Any modifications to the staffing agreement between FOHP and HPEC (2a and 2c) after 1 Feb., will be noted and signed by FOHP and HPEC representatives.

3. Additionally, Town will provide up to 60 hours of in-kind services such as sharing historical event information with FOHP and attending FOHP RNB planning meetings (the “In-Kind Services”);

   a. FOHP shall determine where the In-Kind Services should be used as described above.

   b. Town’s maximum in-kind staffing shall be limited to 60 hours.

4. FOHP acknowledges and agrees that Town shall not be responsible for any Event expenses or losses.

5. All applicable federal, state and local taxes and charges which may be imposed on the Event are in addition to the Event expenses, shall be promptly and timely paid by FOHP, and FOHP agrees to be solely responsible for the payment of the same.

6. The Town shall provide a monthly report of in-kind hours worked, which are to be applied against the 60 hours of in-kind staff hours allocated.

7. The Town shall notify FOHP when the 60 hrs has been exhausted and not provide further hours until agreed to in writing by FOHP and the Town.
ARTICLE 3. TERM OF AGREEMENT

1. This Agreement shall be in full force and effect when approved by the Town Council of Queen Creek, Arizona and signed by its Mayor or Town Manager as attested by the Town Clerk, and the President of FOHP.

2. The FOHP shall proceed with providing the FOHP Services immediately upon receipt of a notice to proceed issued by the Contract Administrator. All FOHP Services shall be completed and approved on or before July 30, 2015.

3. The Town shall begin tracking and reporting in-kind staff labor hours upon same notice to proceed by the Contract Administrator.

ARTICLE 4. TERMINATION OF AGREEMENT OR PORTIONS OF SERVICES

1. The Town has the right to terminate this Agreement for cause or convenience or to abandon any portion of the Services that have not been performed by the FOHP. Upon such termination or abandonment, FOHP shall remain responsible for repayment to Town of the full amount of the Event Expenses Advance, less any Credit as herein defined.

2. In the event the Town terminates this Agreement or any part of the Services as herein provided, the Town shall notify the FOHP in writing (“Notice”), and immediately upon receipt of such Notice, the FOHP shall discontinue all work under this Agreement, shall refrain from incurring any new obligations, including contracts and subcontracts (“Obligations”), and shall cancel as many Obligations as possible.

3. Upon receipt of such Notice the FOHP shall immediately deliver to the Town any and all documents or work product generated by the FOHP under the Contract (collectively, the "Work Product"), together with all unused material supplied by the Town.

4. Within thirty (30) days of receipt of such Notice FOHP shall provide Town with a list of its expenditures made to the Notice Date, and for amounts owing pursuant to the Obligations that could not be cancelled (collectively, the “Actual Expenditures”), and shall submit the Actual Expenditures to the Contract Administrator for evaluation.

5. The FOHP shall receive as compensation in full for FOHP Services performed and accepted by the Contract Administrator to the date of such termination, a "Credit" to be subtracted from the total amount of FOHP’s repayment to Town for Event Expenses Advance for the percentage of Services actually completed and accepted by the Town and for the Actual Expenditures. The Credit shall be in an amount to be mutually agreed-upon by the FOHP and the Town, based upon the Scope of Services set forth in Article 1, the payment schedule set forth in this Agreement and the Actual Expenditures. If mutual agreement between the Parties cannot be reached after reasonable negotiation, the Contract Administrator shall determine the percentage of satisfactory completion of each task set forth in the Scope of Services and the amount of credit FOHP is entitled to for such work, and the Contract Administrator's determination in this regard shall be final.

6. If for any reason the FOHP fails to fulfill in a timely and proper manner its
obligations under this Agreement, or if the FOHP violates any of the covenants, agreements, or stipulations of this Agreement, the Town may withhold from payment due to the FOHP such amounts as are necessary to protect the Town's position for the purpose of set-off until such time as the exact amount of damages due to the Town from FOHP is determined by a court of competent jurisdiction.

ARTICLE 5. ASSIGNMENT AND SUBCONTRACTING

1. This Agreement may not be assigned in whole or in part without the prior written consent of the Contract Administrator, and any such attempted assignment shall be null and void and a material breach of this Agreement, and shall transfer no rights to the purported assignee.

2. The FOHP may engage such subcontractors or professional associates as FOHP may deem necessary or desirable for the timely and successful completion of this Agreement. However, the use of such subcontractors or professional associates for the performance of any part of the Services specified in Article 1 shall be subject to the prior written approval of the Town. FOHP will submit a complete list of subcontractors in Exhibit B and will update Exhibit B during the term of the Agreement, should the status of said subcontractors change. Employment of such subcontractors or professional associates in order to complete the Services set forth in Article 1 shall not entitle FOHP to additional compensation beyond that set forth in Article 2. The FOHP shall be responsible for and shall warrant all Services including those delegated to such sub subcontractors or professional associates.

ARTICLE 6. COMPLETENESS

1. The FOHP shall be responsible for and shall warrant the completeness and quality of all Services performed pursuant to the Agreement. The fact that the Town has accepted or approved the FOHP's Services shall in no way relieve the FOHP of any of FOHP's responsibilities.
ARTICLE 7. OWNERSHIP OF DOCUMENTS

1. All documents including but not limited to data computation, studies, reports, brochures, pamphlets, leaflets and notes prepared in the performance of this Agreement are to be and remain the property of the FOHP but will be delivered to the Agreement Administrator upon completion of this Agreement or upon termination of this Agreement for any reason.

ARTICLE 8. INDEMNIFICATION

1. To the fullest extent permitted by law, the FOHP shall defend, indemnify, save and hold harmless the Town and its elected officials, officers, employees, council members and agents (collectively the “Indemnitees”) for, from and against any and all claims, demands, losses, damages, suits, actions, liabilities, fines, charges, penalties, obligations, costs (including, without limitation cleanup actions of any kind, and court costs, attorneys’ fees, professional, expert or FOHP fees (including, but not limited to, such expenses incurred in any attempt to enforce this indemnification provision and the cost of appellate proceedings) (collectively, “Claims”), which may arise out of, in connection with, resulting from or related to in any manner, directly or indirectly, in whole or in part, out of the exercise of this Agreement by the FOHP including, without limitation, claims for bodily injury, death, damage to property, loss of use of property or defects in workmanship or materials and regardless of whether asserted as a breach of contract, breach of warranty, tort or any other theory of recovery. It is the specific intention of the Parties that the Indemnitees shall be indemnified by FOHP or by anyone for whose acts the FOHP may be legally liable, including employees, customers, agents, invitees, licensees, or guests. It is the specific intention of the Parties that the Indemnitees shall be indemnified by FOHP from and against all Claims other than those arising from the Indemnitees’ sole willful or gross negligence.

2. In the event that any action or proceeding shall at any time be brought against any of the Indemnitees by reason of any Claim referred to in this Article, FOHP, at FOHP’s sole cost and upon at least 10 days’ written notice from Town, shall defend the same with counsel acceptable to Town, in Town’s sole discretion.

3. Except for Town’s sole willful or gross negligence, FOHP, on its own behalf and on behalf of its successor and assigns, shall and does hereby release Town and the Indemnitees for all liabilities and Claims FOHP shall and does hereby agree to indemnify, defend and save the Indemnitees harmless against all claims arising directly or indirectly, in whole or in part, from any breach or default on FOHP’s part in the performance of any covenant or agreement of FOHP under this Agreement.

4. FOHP’s indemnification, obligations and release under this Article shall survive the expiration or termination of this Agreement.

5. The insurance provisions set forth in this Agreement are separate and independent from the indemnity provisions of this Agreement and shall not be construed in any way to limit the scope and magnitude of the indemnification obligations, nor shall FOHP’Ss indemnification obligations be construed in any way to limit the scope, magnitude or applicability of the insurance provisions.

6/17 6/12/2014
ARTICLE 9. INSURANCE

1. The FOHP shall secure and maintain during the life of this Agreement, insurance coverage which shall include comprehensive general and automobile liability, and FOHP's liability insurance. The comprehensive general and automobile liability limits shall be no less than one million dollars ($1,000,000.00) combined single limit. The FOHP's general liability limits shall be no less than one million dollars ($1,000,000.00) for each occurrence and no less than one million dollars ($1,000,000.00) policy aggregate naming the Town as an additional insured. The Town shall be named as an additional insured on all policies.

2. The FOHP shall secure and maintain during all event hours, included event setup, site prep, event cleanup and equipment breakdown, insurance coverage which shall include special event liability, and supplemental coverage for rough stock. The FOHP’s event insurance shall be no less than one million dollars ($1,000,000.00) for each occurrence and no less than two million dollars ($2,000,000.00) policy aggregate naming the Town as an additional insured. The FOHP’s supplemental rough stock coverage shall be no less than five million dollars ($5,000,000.00) for each occurrence and no less than five million dollars ($5,000,000.00) policy aggregate naming the Town as an additional insured. The Town shall be named as an additional insured on all policies.

3. The FOHP shall secure and maintain during all event hours, included event setup, site prep, event cleanup and equipment breakdown, liquor liability insurance coverage if they procure a Special Event Liquor License from the State of Arizona. The liquor liability policy shall be no less than one million dollars ($1,000,000.00) for each occurrence and no less than one million dollars ($2,000,000.00) policy aggregate naming the Town as an additional insured.

4. All insurance coverage shall be written through carriers licensed in Arizona, or on an approved non-admitted list of carriers published by the Arizona Department of Insurance, and possessing an A.M. Best rating of at least B+7 or better through Lloyd's of London.

5. Should coverage be written on a claims-made basis, the FOHP shall provide, prior to commencement of any Services, an initial certificate of insurance evidencing required coverage limits from date of contract execution through date of policy expiration. Subsequently, a certificate of insurance or a renewal quotation accompanied by evidence of premium payment shall be presented a minimum of ten (10) days prior to date of expiration of current certificate.

6. In the event the FOHP fails to provide such certificate of coverage retroactive to the beginning date of this Agreement, the Town may, but shall not be required to, purchase insurance, if available, to protect itself against any losses which would have been covered by policies FOHP is required to maintain under this Article. If the Town elects to purchase the insurance under this provision, FOHP shall be liable to the Town for all costs incurred by the Town for purchasing such insurance.

7. Contemporaneously with the effective date, the FOHP shall submit to the Town a certificate of insurance evidencing the coverage and limits stated in the foregoing paragraph. Insurance evidenced by the certificate shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the Town, and a statement to that effect must
appear on the face of the certificate and the certificate shall be signed by a person authorized to bind the insurer. The amount of any deductible shall be stated on the face of the certificate. The Contract Administrator may require the FOHP to furnish a financial statement establishing the ability of FOHP to fund the deductible. If in the judgment of the Contract Administrator the financial statement does not establish FOHP’s ability to fund the deductible, and no other provisions acceptable to the Contract Administrator are made to assure funding of the deductible, the Contract Administrator may, in his/her sole discretion, terminate this Agreement without further liability to the Town.

ARTICLE 10. ADDITIONAL WARRANTIES AND DISCLOSURES BY FOHP

1. The FOHP hereby warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the FOHP, to solicit or secure this agreement, and that the FOHP has not paid or agreed to pay any person, company, corporation, individual or firm other than a bona fide employee working solely for the FOHP any fee, commission, percentage, gift or any other consideration contingent upon or resulting from the award or making of this agreement.

2. The FOHP shall comply with Executive Order No. 11246 entitled "Equal Opportunity Employment" as amended by Executive Order No. 11375, and supplemented Department of Labor Regulations 41 CFR, Part 16.

ARTICLE 11. CONTRACT ADMINISTRATOR

1. The Town's Contract Administrator for this Contract shall be the Town Manager or his/her designee(s).
ARTICLE 12. NOTICE

1. All notices or demands required to be given, pursuant to the terms of this Agreement, shall be given to the other Party in writing, delivered in person, sent by facsimile transmission, deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested or deposited with any commercial air courier or express service at the addresses set forth below, or to such other address as the Parties may substitute by written notice, given in the manner prescribed in this paragraph.

Town: John Kross, Town Manager 22350 South Ellsworth Road
Queen Creek, AZ 85242 Facsimile: (480) 358-3189

With a copy to: Dickinson Wright PLLC 1850 N Central Ave, Suite 1400, Phoenix, AZ 85004: (602) 285-5100

FOHP: Jon Wootten, President Friends of Horseshoe Park
PO Box 1062
Queen Creek, AZ. 85142

With a copy to: Facsimile: ( ) _________

2. Notice shall be deemed received on the date delivered, if delivered by hand, on the day it is sent by facsimile transmission, on the second day after its deposit with any commercial air courier or express services or, if mailed, three (3) working days (exclusive of United States Post Office holidays) after the notice is deposited in the United States mail as above provided, and on the delivery date indicated on receipt, if delivered by certified or registered mail. Any time period stated in a notice shall be computed from the time the notice is deemed received. Notices sent by facsimile transmission shall also be sent by regular mail to the recipient at the above address. This requirement for duplicate notice is not intended to change the effective date of the notice sent by facsimile transmission. E-mail is not an acceptable means for meeting the requirements of this section unless otherwise agreed in writing.

ARTICLE 13. GENERAL PROVISIONS

1. RECORDS AND AUDIT RIGHTS. FOHP records (hard copy, as well as computer readable data), and any other supporting evidence deemed necessary by the Town to substantiate charges and claims related to this agreement shall be open to inspection and subject to audit and/or reproduction by Town's authorized representative to the extent necessary to adequately permit evaluation and verification of cost of the Services, and any invoices, change orders, payments or claims submitted by the FOHP or any of its payees pursuant to the execution of the contract. The Town's authorized representative shall be afforded access, at reasonable times and places, to all of the FOHP's records and personnel pursuant to the provisions of this article throughout the term of this agreement and for a period of three years after last or final payment.

2. INCORPORATION OF RECITALS AND EXHIBITS. The Recitals are acknowledged by the Parties to be substantially true and correct, and hereby incorporated as agreements of the
Parties. The Exhibits are attached hereto an incorporated herein by this reference.

3. ATTORNEYS' FEES. In the event either Party brings any action for any relief, declaratory or otherwise, arising out of this Agreement, or an account of any breach or default hereof, the prevailing Party shall be entitled to receive from the other Party reasonable attorneys' fees and reasonable costs and expenses (including expert witness fees), determined by the arbitrator or court sitting without a jury, which fees shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

4. ENTIRE AGREEMENT. This Agreement constitutes the entire understanding of the Parties and supersedes all previous representations, written or oral, with respect to the Services specified herein. This Agreement may not be modified or amended except by a written document, signed by authorized representatives or each Party.

5. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the substantive laws of the State of Arizona, without reference to conflict of laws and principles. Exclusive jurisdiction and venue for any action brought to enforce or construe any provision of this Agreement shall be proper in the Superior Court of Maricopa County, Arizona and both Parties consent to jurisdiction and venue in such court for such purposes.

6. INDEPENDENT CONTRACTOR. The Services FOHP provides under the terms of this Agreement to the Town are that of an Independent Contractor, not an employee, or agent of the Town. As an independent contractor, FOHP shall:

   a. Have discretion in deciding upon the method of performing the Services provided;
   b. Not be entitled to worker’s compensation benefits from the Town;
   c. Not be entitled to any Town sponsored benefit plan;
   d. Shall select the hours of its work;
   e. Shall provide its own equipment and tools; and
   f. To the extent required by law, be responsible for obtaining and remaining licensed to provide the Services.

7. TAXES. FOHP shall be solely responsible for any and all tax obligations which may result out of the FOHP’s performance of this agreement. The Town shall have no obligation to pay any amounts for taxes, of any type, incurred by the FOHP. The Town will report the value paid for these Services each year to the Internal Revenue Service (I.R.S.) using Form 1099. The Town shall not withhold income tax as a deduction from contractual payments. FOHP acknowledges that it may be subject to I.R.S. provisions for payment of estimated income tax. FOHP is responsible for consulting the local I.R.S. office for current information on estimated tax requirements.

8. AMENDMENTS. Any amendment, modification or variation from the terms of this Agreement shall be in writing and signed by all Parties hereto.
9. COMPLIANCE WITH LAW. The FOHP specifically agrees that in the performance of the Services rendered hereunder by FOHP or anyone acting on its behalf, FOHP will comply with all state, federal and local statues, ordinances and regulations, and will obtain all permits and licenses applicable for performance under this Agreement.

10. SEVERABILITY. In the event that any provision of this Agreement shall be held to be invalid and/or unenforceable, the remaining provisions shall be valid and binding upon the Parties.

11. WAIVER. No waiver by any Party of a breach of this Agreement will be construed as a waiver of a succeeding breach of the same or any other covenant of this Agreement. No delay in exercising any right granted by this Agreement will constitute a waiver of that right. No waiver shall be effective unless it is in writing and is signed by the Party asserted to have granted such waiver.

12. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, binding on all of the Parties. The Parties intend that the faxed signatures constitute original signatures and that a faxed agreement containing the signatures (original or faxed) of all the Parties is binding upon the Parties.

13. COMPLIANCE WITH FEDERAL IMMIGRATION LAWS AND REGULATIONS.

   a. Pursuant to the provisions of A.R.S. § 41-4401, the FOHP warrants to the Town that the FOHP and all its subcontractors are in compliance with all Federal Immigration laws and regulations that relate to their employees and with the E-Verify Program under A.R.S. § 23-214(A). FOHP acknowledges that a breach of this warranty by the FOHP or any of its subcontractors is a material breach of this Agreement subject to penalties up to and including termination of this Agreement or any subcontract. The Town retains the legal right to inspect the papers of any employee of the FOHP or any subcontractor who works on this Agreement to ensure compliance with this warranty.

   b. The Town may conduct random verification of the employment records of the FOHP and any of its subcontractors to ensure compliance with this warranty.

   c. The Town will not consider FOHP or any of its subcontractors in material breach of the foregoing warranty if FOHP and its subcontractors establish that they have complied with the employment verification provisions prescribed by 8 USCA § 1324(a) and (b) of the Federal Immigration and Nationality Act and the e-verify requirements prescribed by Arizona Revised Statutes § 23-214(A).

   d. The provisions of this section must be included in any contract the FOHP enters into with any and all of its subcontractors who provide Services under this Agreement or any subcontract. “Services” are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.
14. PROHIBITION OF DOING BUSINESS WITH SUDAN AND IRAN. Pursuant to A.R.S. §§ 35-391.06 and 35-393.06, FOHP certifies that it does not have a scrutinized business operation, as defined in A.R.S. §§ 35-391 and 35-393, in either Sudan or Iran.

15. CANCELLATION FOR CONFLICT OF INTEREST. Pursuant to the provisions of A.R.S. § 38-511, the Town may cancel any contract or agreement, without penalty or obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the Town is, at any time while the contract or any extension thereof is in effect, an employee of any other party to the contract in any capacity or a FOHP to any other party to the contract with respect the subject matter of the contract.

16. CONSTRUCTION. The terms and provisions of this Agreement represent the results of negotiations between the Parties, each of which has been or has had the opportunity to be represented by counsel of its own choosing, and neither of which has acted under any duress or compulsion, whether legal, economic or otherwise. Consequently, the terms and provisions of this Agreement shall be interpreted and construed in accordance with their usual and customary meanings, and the Parties each hereby waive the application of any rule of law which would otherwise be applicable in connection with the interpretation and construction of this Agreement that ambiguous or conflicting terms or provisions contained in this Agreement shall be interpreted or construed against the Party whose attorney prepared the executed Agreement or any earlier draft of the same, including any exhibits.

[Signature page follows]
In witness whereof, the parties hereto have executed and caused to be signed by their duly authorized representatives, this agreement on the date first written above.

**TOWN OF QUEEN CREEK:**

Approval of Town Council:       Approval of Contract
Administrator:

Gail Barney, Mayor        John Kross, Town Manager

**ATTEST:**

Jennifer Robinson, Town Clerk

**REVIEWED AS TO FORM:**

Dickinson Wright PLLC Town Attorneys

**FRIENDS OF HORSeshOE PARK:**

By: ____________________
Its: ____________________
EXHIBIT A

Production Aspects of the 2015 Roots N’ Boots Queen Creek (“Event”)

1) FOHP shall produce a PRCA Rodeo consisting of slack and two or more performances;

2) FOHP shall produce Family activities in similar fashion to the 2014 Roots N’ Boots Queen Creek event, with the capability to adjust hours of service and activities to best serve the interest of the Event;

3) FOHP may procure sponsorships for the Event,
   a) FOHP shall remove all traces of Event sponsorships from HPEC within one day of the end of the Special Event period, unless requested otherwise by the HPEC Representative;

4) FOHP shall procure food and beverage vendors;

5) FOHP (or through its subcontractor) shall procure a Special Event Liquor License from the State of Arizona, if one does not exist, if the intent is to sell alcohol at the event
   a) Town Council approval is required for any spirituous liquor sales (hard liquor) prior to obtaining the State of Arizona Special Event Liquor License;
   b) FOHP shall operate alcohol sales in a fashion as determined by Town Council direction and by Town staff and MCSO through the Special Event Permit Process;
   c) FOHP shall obtain liquor liability insurance as described in Article 10;

6) FOHP may procure other event activities such as, but not limited to, carnival rides, pony rides, petting zoo, spectator events, etc.
   a) All procured activities must fall within provided insurance coverage as described in Article 10;

7) FOHP shall produce a parking plan to be reviewed and approved by Town staff through the Special Event Permit process;

8) FOHP shall produce a traffic plan to be reviewed and approved by Town staff through the Special Event Permit process;

9) FOHP shall produce a dust control plan to be reviewed and approved by Town staff through the Special Event Permit process;

10) FOHP shall produce a public safety plan to be reviewed and approved by Town staff through the Special Event Permit process;

11) FOHP shall procure all necessary electric and water services not readily available at HPEC;

12) FOHP shall procure all necessary equipment and supplies to produce the event;

13) FOHP shall have appropriate staff to manage the event;
14) FOHP shall ensure that all subcontractors and vendors required to provide insurance list to the Town and FOHP as additionally insured for the duration of the event and for any time periods required by Article 10;

   a) Subcontractors and vendors required to provide insurance include, but may not limited to, food and beverage vendors, booths with activities, carnival rides, inflatable rides, activities involving animals, competitions, races, equestrian activities, and active displays such as inflatable advertising;
EXHIBIT B LIST OF SUBCONTRACTORS

There are no subcontractors at this time. There will be amendments to the contract if any occur throughout the term.
EXHIBIT C

Town Provided Support for the 2014 Roots N’ Boots Queen Creek (“Event”)

1) The Town shall make available the HPEC facilities through a temporary special event permit for the use of HPEC, without costs or fees to FOHP, and such special event permit to be effective beginning at 12:01 a.m. Wednesday, March 4, 2015 and terminating at 11:59 p.m. Monday, March 10, 2015.

2) The Town shall provide to FOHP for Services under this Agreement twenty thousand dollars ($20,000.00), to be paid in one lump sum by check to FOHP within three weeks of signing of this Agreement.

3) The Town shall provide up to 60 hours of in-kind services.

4) The Town shall provide up to $8,000 in value in the form of Town personnel services and Town contracted services without charge to FOHP.

5) Declaring the week prior to Roots N’ Boots Queen Creek as “Roots N’ Boots Week”, or some other proclamation publicizing Roots N’ Boots Queen Creek.
TO:         HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, AICP
          TOWN MANAGER

FROM:     DOREEN COTT, ECONOMIC DEVELOPMENT DIRECTOR

RE: CONSIDERATION AND POSSIBLE APPROVAL OF THE AGREEMENT
     BETWEEN THE QUEEN CREEK CHAMBER OF COMMERCE AND THE
     TOWN OF QUEEN CREEK IN THE AMOUNT OF $75,000 FOR FISCAL
     YEAR 2014-2015

DATE: JUNE 18, 2014

Staff Recommendation:
Staff recommends that the Council approve the FY14-15 Agreement between the
Queen Creek Chamber of Commerce and the Town in the amount of $75,000. Staff has
provided options for the Council’s consideration as it relates to language in Article IX:
No Political Activity.

Proposed Motion:
Move to approve the annual Agreement between the Queen Creek Chamber of
Commerce and the Town of Queen Creek in the amount of $75,000 with Option ___
inserted for Article IX.

KRA 8: Land Use/Economic Development. Goal 2. Implement the Council approved
Economic Development Strategic Plan.

Discussion:
This year’s agreement between the Town and the Chamber of Commerce functions as
a vendor services contract for the Town and eliminates specific Chamber activities that
were included in past agreements. One of the results of the Chamber study/review
conducted by the Jack Camper Consultant Group (JCCG) and presented to Council in
December 2013 included the elimination of Chamber specific items from the annual
Agreement. Such items included member newsletters, member meetings, relocation
packets and production of member directories.

This year’s agreement still incorporates the pertinent items related to the Chamber’s
economic development functions including:

- QC Inc. Program Services
- Business Retention & Expansion Services
- Marketing (which includes operation of the Tourism Center)
The Chamber is the anchor tenant of QC Inc. and assists in providing small business assistance to tenants and businesses participating in the program. The Chamber is responsible to provide full-time coverage of the front reception area to assist visitors and tenants and to provide continuity during business hours.

The Chamber is responsible for a significant element of the Business Retention and Expansion (BR&E) program for the Town; a strategic component of a successful economic development program. The Chamber President meets with Queen Creek businesses throughout the year to identify opportunities and/or issues the Town should be aware of. The Chamber also assists businesses looking to expand or relocate in the Town and serves a vital role in providing small business resource information.

In addition to the BR&E and QC Inc. responsibilities, the Chamber also engages in marketing and promotional activities to enhance the business image of Queen Creek. This includes partnering with the Town on the promotion of the “Shop Queen Creek” program and operating the Tourism/Visitors Center and promoting the Town’s special points of interest to visitors and tourists.

This year’s agreement also addresses recommendations made by Jack Camper related to reporting to the Town Council and staff. Instead of monthly written reports and quarterly presentations to the Council, the Chamber will provide quarterly written reports as well as a quarterly presentation at a Town Council meeting that addresses BR&E Interviews, Visitor and Tourism Reporting, QC Inc. program updates and marketing updates. Any critically time sensitive issues will be reported to Town Staff immediately.

Since the report was presented to the Town Council in December 2013 and the new President has been hired progress on the recommendations outlined in the report have been made. The Chamber has recently created new Committees and is actively recruiting volunteers to participate on the committees.

New committees created include the Community and Economic Development Committee (2 volunteers), Education Committee (7 volunteers), Marketing and Communications (3 volunteers) and Member Relations (9 volunteers), which includes the Ambassadors and Member Retention sub-committees. Work plans have been developed or are in progress for each of the committees and the Chamber will continue to recruit volunteers to serve.

The Chamber has recently participated in a branding exercise and will be outlining a structured plan for the future that includes new revenue producing events, a more robust volunteer program, membership drives and an examination of dues and possible tiered memberships for the future.

**Article IX: No Political Activity**

An issue that surfaced with the Camper Study concerned the aforementioned article in the agreement concerning Political Activity. Presently, and there has been no change to this provision since the agreement’s inception, the Chamber is prohibited from conducting or being involved with any political activity. Staff has evaluated some options for the Council’s consideration of this matter and those are presented below. Whichever
option the Council ultimately chooses, will be incorporated in the final agreement. A motion to approve the agreement with a preferred option, is recommended.

**Option 1: No Change.** Chamber hereby covenants that it will not use the Town’s name, funds or other resources, or permit of suffer the Town’s name, funds or other resources to be used for the purpose of influencing the outcome of municipal elections.

**Option 2: Eliminate this Article from the Agreement.**

**Option 3: Modified Language.** The Chamber can participate in non-candidate election issues but will not use the Town's resources, or permit of suffer the Town's resources to do so.

**Fiscal Impact:**
The proposed agreement with the Chamber requires the Town to pay $75,000 for the services outlined in the Agreement. These are budgeted items and funds are available in the Economic Development Budget 101-465-0212-00000-403436.

**Alternatives:**

1. The Town Council could choose not to approve the Agreement between the Town and the Queen Creek Chamber of Commerce.

2. The Town Council could choose to increase or decrease the contract amount and modify the services outlined in the Agreement.

**Attachments:**

1. Agreement between the Town of Queen Creek and Chamber of Commerce.
SERVICE AND LICENSE AGREEMENT

THIS SERVICE AND LICENSE AGREEMENT (This “Agreement”) is made and entered into effective as of the ___ day of ________________, 2014 (the “Effective Date”), by and between the Town of Queen Creek, Arizona, an Arizona municipal corporation (“Town” or “Licensor”) and the Queen Creek Chamber of Commerce, an Arizona non-profit corporation (“Chamber” or Licensee). The Town and the Chamber are sometimes referred to in this Agreement collectively as the “Parties” and each individually as a “Party”. Whether or not designated as such, in regard to the Licenses granted herein, it is the intention of the Parties that Town shall be considered and is the Licensor, and Chamber is the Licensee.

RECITALS:

The Town wishes to promote its advantages as a residential, business, educational, cultural and recreational community for the purpose of developing a balanced community as described in the voter-approved Queen Creek General Plan, including a full range of retail services for Queen Creek residents, and appropriate employment opportunities in the community.

The Town wishes to promote existing businesses and recognizes the benefit of disseminating information concerning promotional opportunities to such businesses.

The Town is authorized by Arizona Revised Statutes § 9-500.11 to appropriate and spend public monies for and in connection with economic development activities, where such activities will assist in the creation or retention of jobs or will otherwise improve or enhance the economic welfare of the inhabitants of the Town. The Chamber of Commerce is organized and equipped to carry on economic development activities for the Town, by promoting the Town’s advantages and opportunities, and promoting existing businesses and new opportunities in the Town.

The Town wishes to promote and assist small businesses in Queen Creek and has established the Business Incubator (the “Program”) to encourage business development in the Town. The Program is housed on the Real Property (as further described in this Agreement).

The Town and Chamber agree that Chamber is suited to provide certain services for the Program, as further set forth in this Agreement (the “Services”), and that it would be beneficial to the Chamber and the Program if Chamber is housed on the Real Property (as further defined herein). The Parties understand and agree that Town has requested a study of options available to Town to advance economic and business development in the Town (the “Study”), and that the results of that study may impact this Agreement.

The Town is the owner of that certain real property located at 22308 South Ellsworth Road, Queen Creek, Arizona 85142 (the “Real Property”). Town is also the owner of certain personal property currently located on the Real Property (the “Personal Property”).

Town, as Licensor, is willing to grant to Chamber, as Licensee and Chamber, as Licensee, is willing to accept from Town, a revocable, non-exclusive, license to use a portion of
the Real Property depicted on Exhibit “A” (the “Licensed Area”) and the Personal Property listed on Exhibit “B,” pursuant to the terms of this Agreement;

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and other good and sufficient consideration, the receipt and sufficiency of which is hereby acknowledged, Town and Chamber agree as follows:

AGREEMENTS

ARTICLE I: SCOPE OF SERVICES.

Chamber agrees to provide the following services to the Town pursuant to the terms of this Agreement:

1.1 QC Inc. PROGRAM SERVICES

1.1.2 Provide a staff person and/or volunteer (“Receptionist”) to serve as receptionist at the Program front desk during Program normal business hours (8:00 a.m. – 5:00 p.m., Monday through Friday, except legal holidays). Services provided by the Receptionist must be satisfactory to Town.

1.1.3 Assist with the marketing and promotion of the QC Inc.. Monthly meetings will be held between Town staff and the Chamber President to determine specific marketing strategies and tactics.

1.1.4 Chamber President will serve as a representative of QC Inc. at Chamber and Town functions.

1.1.6 Maintain a relationship with the Service Corp of Retired Executives (SCORE) and the Small Business Development Center (SBDC). Chamber will ensure SBDC and SCORE representatives are scheduled at QC Inc., as needed by participants of the Program.

1.1.7 Handle the scheduling of appointments with QC Inc. clients and members of the SCORE and SBDC.

1.1.8 Develop and maintain a monthly reporting system to keep track of the number of clients the Chamber assists.

1.1.9 Meet with the Management Team (comprised of Town staff and Chamber President) on a monthly basis to communicate marketing efforts, plan future activities and discuss individual client needs.

1.1.10 Provide quarterly written reports on the Program participants and the services provided by the Chamber.

1.2 BUSINESS RETENTION & EXPANSION SERVICES.
Assist in the retention and expansion of existing Queen Creek businesses through activities and strategies that include, but are not limited to the following:

1.2.1. Contact a minimum of 45 existing Chamber members, potential members and Queen Creek businesses over the course of the 12 month contract period.

1.2.2. Hold meetings designed to address any challenges or issues businesses may be experiencing; work to develop solutions that are relevant and applicable; and engage Town Staff as necessary.

1.2.3. Said meetings will be designed to encourage and inform businesses about Chamber / Town partnership programs.

1.2.4. Identify businesses with plans to expand in the near future and forward leads to the Economic Development Department so they can assist with site selection needs.

1.2.5. Business planning services.

1.2.6. Invite Economic Development staff and members of the Economic Development Commission (EDC) to the BR&E appointments. Provide quarterly reports on BR&E program/results at the EDC meetings.

1.2.7. Work with Economic Development staff to refine the BR&E questions as appropriate.

1.2.8. Report to Town Staff in a timely manner on:

1.2.9. Progress and outcomes related to businesses that have utilized the Chamber for issue resolution.

1.2.10. Businesses with an interest in expansion opportunities within Queen Creek.

1.3. MARKETING

Engage in different marketing and promotional activities to enhance the business image of Queen Creek; And Promote the Town’s special points of interest to visitors and tourists; educate the public about tourism opportunities in Queen Creek and surrounding areas. Activities shall include, but not be limited to, the following:

1.3.1. Support for Town events as requested

1.3.2. Participation on the Town’s EDC (Economic Development Commission); leadership role in the EVCCA (East Valley Chambers of Commerce Alliance) and Participation in ACE (Arizona Chamber Executives) representing Queen Creek

1.3.3. Partner with the Town on the promotion of the “Shop Queen Creek” program
1.3.4. Operation of Tourism/Visitors Center

1.3.5. Distribution of Town marketing materials as well as other Arizona city and town marketing brochures.

1.3.6. Research grants opportunities through the Arizona Office of Tourism (AOT).

ARTICLE II: PAYMENT BY THE TOWN FOR THE SERVICES

MONTHLY PAYMENTS. Town shall pay Chamber the sum of Five Thousand Dollars ($5,000.00) per month, beginning July 1. Payments shall be made on or before the 30th day of the month in which they are due.

2.1. STAFF RESOURCES. Town shall pay Chamber an additional sum of One Thousand Two Hundred Fifty Dollars ($1250.00) monthly to provide additional staff resources for the QC Inc. and Tourism Center.

2.2. IN KIND CONTRIBUTIONS. Town agrees to provide the in-kind use of conference room space at the Library in an amount not to exceed $2500.00 in facility rental fees, calculated at the non-profit rate.

ARTICLE III: GRANT OF LICENSE.

Town, as Licensor, hereby grants to Chamber, as Licensee, a revocable, non-exclusive License to the Licensed Area and the Personal Property, subject to the terms and conditions of this Agreement.
3.1. **USE OF LICENSED AREA.**

3.1.1. **Use.** Licensee shall use the Licensed Area and the Personal Property only for the purpose of routine Chamber of Commerce operations and to provide the Services (the “Use”).

3.1.2. **Compliance with Laws.** Licensee, at Licensee’s sole cost, shall comply with all laws, ordinances, orders and regulations of any governmental authority whether now or hereafter in effect, with respect to the use of the Licensed Area and the Personal Property pursuant to the terms of this Agreement.

3.1.3. **Days/Hours of Use.** Licensee may only use and occupy the Licensed Area to provide the services and only during the times designated by the Town (the “Use Period”).

3.1.4. **Parking Spaces and Bathrooms.** Licensee and its members, agents and patrons shall be entitled to the non-exclusive use of the paved parking spaces adjacent to the Real Property only during the Use Period and, in regard to the parking spaces on a first-come, first-served basis.

3.1.5. **No Storage.** At no time shall Licensee be entitled to store any of Licensee’s personal property in the Licensed Area, unless expressly authorized by the Town [in writing].

3.2. **CONSIDERATION.** The Services to be provided by Licensee will provide a beneficial service to the Town of Queen Creek and the community and shall serve as the consideration for the use of the Licensed Area and Personal Property.

3.3. **RULES AND REGULATIONS.** Licensee shall use and maintain the Licensed Area and the Personal Property in accordance with Licensor’s Rules and Regulations as set forth in Exhibit “C” hereto.

3.4. **SALES/USE TAXES.** Licensee shall pay to Licensor all privilege, use, sales, gross proceeds or like taxes, now or hereafter levied, assessed or imposed by any governmental authority upon any fee, use or other payments required to be paid by Licensee hereunder.

3.5. **REPAIRS TO LICENSED AREA.**

3.5.1. **Licensee’s Repairs.** Licensee, at Licensee’s sole cost, shall promptly repair any damage to the Property, or the Licensed Area and the Personal Property resulting from the Use.

3.5.2. **The Walk Through.** At least 48 hours prior to the end of the Term, Licensor and Licensee shall conduct a joint “walk through” of the Property and the Licensed Area with the object of preparing a jointly prepared “punch list” of those items, if any, which are to be repaired by Licensee, at Licensee’s sole cost, resulting from the Use (the “Repair Items”).

3.5.3. **Survival.** Licensee’s obligations under this Section 3.5 shall survive the expiration or earlier termination of this License. Licensee shall cause the Repair Items to be completed to Licensor’s reasonable satisfaction by a contractor licensed in Arizona and acceptable to Licensor in Licensor’s reasonable discretion, at a mutually agreed upon time not to exceed 5 days after the termination or expiration of the Term,
3.6. ACCEPTANCE OF LICENSED AREA. Licensee has examined the Licensed Area, Personal Property and Licensee hereby accepts the Licensed Area and Personal Property “as is” and “where is” and Licensee shall and does hereby waive all claims Licensee, now or hereafter may have, against Licensor arising out of or in any way attributable to the physical status or condition of the Licensed Area and Personal Property. Licensee acknowledges that Licensor has not made any representations or warranty, express or implied, as to the suitability of Licensed Area and Personal Property for the Use.

3.7. ENTRY RESERVED BY LICENSOR. Licensor and Licensor’s agents, at all reasonable times during the Term, may enter the Licensed Area. Licensor will attempt to minimize any interference with Licensee’s use of the Licensed Area. Licensee shall not interfere in any way with the Licensor’s entry on the Licensed Area.

3.8. EVALUATION AND POSSIBLE EARLY TERMINATION OF LICENSE. After completion of the Study or October 31, 2013, whichever is later, Town may reevaluate the terms of the License granted by this Agreement and to terminate the same.

3.9. DEFAULT

i. Events of Default. An Event of Default by Licensee shall exist upon the occurrence of any of the following: (i) the nonpayment of any sums on its stated date due; or, (ii) the nonperformance by Licensee of any other covenant or condition set forth herein, which shall not be fully cured, within three (3) days after Licensee’s receipt of written notice from Licensor of Licensee’s nonperformance.

ii. Remedies. Upon Licensee’s default, Licensor may, at Licensor’s option:

1. immediately terminate this License;

2. re-enter and take exclusive possession of Licensed Area and Personal Property by legal proceeding or otherwise;

3. in the event of any re-entry, Licensor may remove all persons from Licensed Area and Licensor may remove all of Licensee’s property located on or about the Licensed Area;

4. re-entry of the Licensed Area shall be construed as an election by Licensor to terminate this License;

5. Licensee shall and does hereby waive all claims or demands for damages that may be caused by Licensor on re-entering and retaking possession of the Licensed Area and the Personal Property as hereinabove provided and all claims and demands for damages or loss of property belonging to Licensee or any other person that may be on or about the Licensed Area at the time of such re-entry;

6. In addition to Licensor’s rights upon default specified herein, Licensor shall be entitled to all other rights provided in law or equity. The various rights, options or remedies of
Licensor contained in this Agreement shall be cumulative and no one of them shall be construed as exclusive of any of the others; and,

7. All sums which are due and payable in accordance with this License and which are not paid in full on or before their due date shall thereupon bear interest at 10% per annum until paid in full.

3.10. MISCELLANEOUS LICENSE PROVISIONS.

3.10.1. Utilities. Licensor shall pay for all utilities serving the Licensed Area during the term of their license except for telephone service.

3.10.2. Surrender of Licensed Area. Upon the expiration or early termination of this License, Licensee, at Licensee’s sole cost, shall surrender the Personal Property and Licensed Area to Licensor in good condition, free and clear of all garbage and debris.

3.10.3. Assignment.

3.10.3.1. This License may not be assigned or sublet by Licensee without the prior written consent of the Licensor, to be given or withheld in Licensor’s sole discretion.

3.10.3.2. Licensor may assign any or all of Licensor’s rights or obligations under this License without seeking or obtaining Licensee’s consent thereto.

3.10.4. Additional Acts. The Parties agree to execute promptly such other documents and to perform such other acts as may be reasonably necessary to carry out the purpose and intent of this License.

3.10.5. No Liens. Licensee shall not create or permit any liens to be placed of record against the Property or the Licensed Areas.

3.10.6. Time of Essence. Time is of the essence of this License. The time within which an act must be accomplished shall be calculated by excluding the first day and including the last day. However, if this License requires any act to be done or action to be taken on a date which is a Saturday, Sunday or legal holiday, such act or action shall be deemed to have been validly done or taken if done or taken on the next succeeding day which is not a Saturday, Sunday or legal holiday.

ARTICLE IV: TOWN LIAISON ON THE CHAMBER BOARD

Town’s Economic Development staff shall be a liaison (ex-officio member) of the Chamber Board to enhance communication between the Town and the Chamber of Commerce.

ARTICLE V: REPORTS TO TOWN COUNCIL.
5.1. **Annual Report.** Chamber shall provide an annual report to the Town, which shall include a review of the previous year's programs and a list of the activities scheduled for the next year. The annual report shall be presented at a Town Council meeting.

5.2. **Quarterly Reports.** Chamber shall provide quarterly written reports to the Council which shall summarize Business Retention and Expansion activities, Visitor and Tourism Reporting, QC Inc. updates and Marketing Services including business promotion activities, publicity, business educational seminars, events, etc. held in the preceding quarter, and those scheduled for the next quarter. Quarterly reports shall be presented to the Town Council at a formal meeting at least fifteen (15) days after the end of each quarter.

**ARTICLE VI: RECORDS AND AUDIT RIGHTS.**

Chamber's records (hard copy, as well as computer readable data), and any other supporting evidence deemed necessary by the Town to substantiate charges and claims related to this Agreement shall be open to inspection and subject to audit and/or reproduction by Town's authorized representative to the extent necessary to adequately permit evaluation and verification of cost of the work. The Town's authorized representative shall be afforded access, at reasonable times and places, to all of the Chamber's records and personnel pursuant to the provisions of this article throughout the term of this Agreement and for a period of three years after last or final payment.

**ARTICLE VII: TERMS AND TERMINATION.**

7.1. **TERM.**

7.1.1. **Term.** Except as otherwise specifically provided in this Agreement the Term of this Agreement shall commence on the Effective Date and shall terminate on June 30, 2015, unless earlier terminated as provided herein.

7.1.2. **Early Termination of License.** Any provision of Section 7.1.1 to the contrary notwithstanding, except as and provided in Section 3.8 of this Agreement, either Party may terminate the License granted pursuant to Article III of this Agreement, with or without cause, upon at least 30 days prior written notice to the other party.

7.1.3. **Termination of Services.**

7.1.3.1 The Town has the right to terminate this Contract for cause or convenience or to abandon any portion of the Services have not been performed by the Chamber. In the event the Town terminates this Contract or any part of the Services as herein provided, the Town shall notify the Chamber in writing, and immediately upon receipt of such notice, the Chamber shall discontinue all work under this Contract.

7.1.3.2 Upon such termination or abandonment, the Chamber shall immediately deliver to the Town any and all documents or work product generated by the Chamber under the Contract (collectively, the "Work Product"), together with all unused material supplied by the Town. Chamber shall be responsible only for such portion of the work as has been completed and
accepted by the Town. Use of incomplete data by the Town shall be the Town's sole responsibility.

7.1.3.3 Upon receipt of notice of termination, Chamber shall appraise work it has completed but has not yet been paid for and shall submit the work and appraisal to the Contract Administrator for evaluation. The Chamber shall receive as compensation in full for Services performed and approved by the Contract Administrator to the date of such termination or abandonment, a fee for the percentage of Services actually completed and accepted by the Town. This fee shall be in an amount to be mutually agreed-upon by the Chamber and the Town, based upon the Scope of Work set forth in Article I and the payment schedule set forth in Article IV of this Contract. If mutual agreement between the Parties cannot be reached after reasonable negotiation, the Contract Administrator shall determine the percentage of satisfactory completion of each task set forth in the Scope of Work and the amount of compensation Chamber is entitled to for such work, and the Contract Administrator's determination in this regard shall be final. The Town shall make such final payment within 60 days after the latest of: (i) Chamber’s completion or delivery to the Town of any portion of the Services not terminated; or (ii) Chamber’s delivery to the Town of all Work Product and any unused material supplied by the Town.

7.1.3.4. If for any reason the Chamber fails to fulfill in a timely and proper manner its obligations under this Contract, or if the Chamber violates any of the covenants, agreements, or stipulations of this Contract, the Town may withhold from payment due to the Chamber such amounts as are necessary to protect the Town's position for the purpose of set-off until such time as the exact amount of damages due to the Town from Chamber is determined by a court of competent jurisdiction.

ARTICLE VIII: INSURANCE.

8.1. INSURANCE: LICENSED AREA AND PERSONAL PROPERTY.

The Chamber shall secure and maintain during the life of this contract, insurance coverage which shall include:

8.1.1. All Risk Insurance. During the Term, Licensor shall keep the Licensed Area and the Personal Property insured against loss or damage by fire, theft and the hazards covered by what is known as the all risks, extended coverage insurance, in an amount which Licensor shall determine in Licensor’s sole discretion (the “All Risk Insurance”). Licensee shall not commit or permit any acts on or about the Licensed Area which may in any way impair or invalidate the All Risk Insurance.

8.1.2. Personal Property Insurance. During the Term, Licensee, at Licensee’s sole cost, shall obtain extended coverage insurance for Licensee’s personal property, if any, brought by or used by Licensee on or about the Licensed Area during the Use Period.
8.1.3. **Liability Insurance.** During the Term, Licensee, at Licensee’s sole cost, shall maintain public liability insurance with both Licensor and Licensee named as insureds, in amounts not less than $1,000,000.00 with respect to bodily injury or death of any number of persons in one incident (the “Liability Insurance”). It is expressly understood that the Liability Insurance shall be endorsed to the effect that it is primary to any other similar or incidental insurance carried by Licensor and that Licensor’s liability coverage, if any, shall be considered noncontributing and excess. Licensee shall secure and maintain during the life of this License, insurance coverage which satisfies the requirements in Article VII: Insurance contained in Licensee’s contract with Town No. 2012-037 dated July 1, 2012 (the “Original Contract”).

8.1.4. **Certificate.** Contemporaneously with the Effective Date, Licensee shall deliver to Licensor a certificate of Licensee’s insurer evidencing all the insurance required to be maintained under this License by Licensee.

8.2. **INSURANCE: SERVICES**

The Chamber shall secure and maintain during the Term of this Agreement, insurance coverage which shall include statutory workman’s compensation, comprehensive general and automobile liability, and owner’s and contractor's protective liability insurance. The comprehensive general and automobile liability limits shall be no less than one million dollars ($1,000,000.00) combined single limit. The owner's and contractor’s protective liability limits shall be no less than one million dollars ($1,000,000.00) for each occurrence and one million dollars ($1,000,000.00) policy aggregate naming the Town as Insured. In other than owners and contractor’s protective liability, and workman's compensation, the Town of Queen Creek shall be named as an additional insured.

All insurance coverage shall be written through carriers licensed in Arizona, or on an approved non-admitted list of carriers published by the Arizona Department of insurance, and possessing an A.M. Best rating of at least B+7 or through Lloyd's of London. Should coverage be written on a claims-made basis, the Chamber shall provide, prior to commencement of any work, an initial certificate of insurance evidencing required coverage limits from date of contract execution through date of policy expiration. Subsequently, a certificate of insurance or a renewal quotation accompanied by evidence of premium payment shall be presented a minimum of fifteen (15) days prior to date of expiration of current certificate. Such certificate or evidence of continuous coverage shall be provided on a periodic basis for a minimum of two (2) years after completion of contract, and shall contain a certification that the claim's period for such insurance is retroactive to the effective date of this contract.

In the event the Chamber fails to provide such certificate of coverage retroactive to the beginning date of this contract, the Town may, but shall not be required to, purchase insurance, if available to protect itself against any losses which would have been covered by the errors and omissions policy Chamber is required to maintain under this article. If the Town elects to purchase the insurance under this provision, Chamber shall be liable to the Town for all costs incurred by the Town for purchasing such insurance.

**ARTICLE IX: NO POLITICAL ACTIVITY.**
Chamber hereby covenants that it will not use the Town's name, funds or other resources, or permit or suffer the Town's name, funds or other resources to be used for the purpose of influencing the outcome of municipal elections.

ARTICLE X: GENERAL PROVISIONS.

10.1. **Incorporation by Reference.** All Exhibits to this Agreement are fully incorporated herein as though set forth at length herein.

10.2. **Severability.** If any provision of this Agreement is determined to be unenforceable based on a final, non-appealable order of the Court, the remaining provisions shall nevertheless be kept in effect.

10.3. **Construction.** The terms and provisions of this Agreement represent the results of negotiations between the Parties, each of which has been, or has had the opportunity to be, represented by counsel of its own choosing, and neither of which has acted under any duress or compulsion, whether legal, economic, or otherwise. Consequently, the terms and provisions of this Agreement shall be incorporated and construed in accordance with their usual and customary meanings. The Parties each hereby waive the application of any rule of law which would otherwise be applicable in connection with the interpretation and construction of this License and that ambiguities or conflicting terms or provisions contained in this License shall be interpreted or construed against the Party whose attorney prepared or drafted the executed Agreement or any earlier draft of the same or any of its exhibits.

10.4. **Entire Agreement.** This Agreement constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. The Agreement may not be modified or amended except by a written document, signed by authorized representatives of each party.

10.5. **Governing Law.** This Contract shall be governed by and construed in accordance with the substantive laws of the State of Arizona, without reference to conflict of laws and principles. Exclusive jurisdiction and venue for any action brought to enforce or construe any provision of this Contract shall be proper in the Superior Court of Maricopa County, Arizona and both Parties consent to the sole jurisdiction of, and venue in, such court for such purposes.

10.6. **Modifications.** Any amendment, modification or variation from the terms of this Agreement shall be in writing and shall be effective only after approval of all parties signing the original Agreement.

10.7. **Assignment.** Services covered by this Agreement shall not be assigned or sublet in whole or in part without the prior written consent of the Town Manager or the Chamber President.

10.8. **Successors and Assigns.** This Agreement shall extend to and be binding upon Chamber, its successors and assigns, including any individual, company, partnership or other entity with or into which Chamber shall merge, consolidate or be liquidated, or an person, corporation, partnership or other entity to which Chamber shall sell its assets.
10.9. **Attorney’s Fees.** In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement, or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

10.10. **Independent Contractor.** The services the Chamber provides under the terms of this Contract to the Town are that of an Independent Contractor, not an employee, or agent of the Town. As an independent contractor, Chamber shall: (a) have discretion in deciding upon the method of performing the services provided; (b) not be entitled to worker's compensation benefits from the Town; (c) not be entitled to any Town sponsored benefit plan; (d) shall select the hours of his/her work; (e) shall provide her/her own equipment and tools; and (f) to the extent required by law, be responsible for obtaining and remaining licensed to provide the Services.

10.11. **Conflict of Interest.** Pursuant to the provisions of A.R.S. § 38-511, the Town may cancel any contract or agreement, without penalty or obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the Town is, at any time while the contract or any extension thereof is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party to the contract with respect the subject matter of the contract.

10.12. **Notices.** All notices or demands required to be given pursuant to the terms of this Agreement shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of Chamber:

Mailing Address:
Queen Creek Chamber of Commerce
P.O. Box 505
Queen Creek, Arizona 85142
ATTN: President Marquis Scott

Physical Address:
22308 S. Ellsworth Road
Queen Creek, Arizona 85142
Tel: (480) 888-1709
Fax: (480) 279-3776

In the case of the Town:

Town of Queen Creek
22350 S. Ellsworth Rd.
Queen Creek, Arizona
ATTN: John Kross, Town Manager
Tel: (480) 358-3905
Fax: (480) 358-3909
With a copy to:

Dickinson Wright/Mariscal Weeks  
Town Attorneys  
1850 N Central Ave, Suite 1400  
Phoenix, AZ 85004  
Attn: Fredda J. Bisman, Esq.

Notices shall be deemed received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail.

10.13. **Force Majeure.** Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, or earthquakes.

10.14. **Taxes.** Chamber shall be solely responsible for any and all tax obligations which may result out of the Chamber’s performance of this Agreement. The Town shall have no obligation to pay any amounts for taxes, of any type, incurred by the Chamber.

The Town will report the value paid for these Services each year to the Internal Revenue Service (I.R.S.) using Form 1099. The Town shall not withhold income tax as a deduction from contractual payments. Chamber acknowledges that Chamber may be subject to I.R.S. provisions for payment of estimated income tax. Chamber is responsible for consulting the local I.R.S. office for current information on estimated tax requirements.

10.15. **Counterparts.** This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, binding on all of the Parties. The Parties agree that this Contract may be transmitted between them via facsimile. The Parties intend that the faxed signatures constitute original signatures and that a faxed contract containing the signatures (original or faxed) of all the Parties is binding upon the Parties.

10.16. **Compliance with Immigration Laws and Regulations.** Pursuant to the provisions of A.R.S. §41-4401, the Chamber warrants to the Town that the Chamber and all its subconsultants are in compliance with all Federal Immigration laws and regulations that relate to their employees and with the E-Verify Program under A.R.S. §23-214(A). Chamber acknowledges that a breach of this warranty by the Chamber or any of its subconsultants is a material breach of this Contract subject to penalties up to and including termination of this Contract or any subcontract. The Town retains the legal right to inspect the papers of any employee of the Chamber or any subconsultant who works on this Contract to ensure compliance with this warranty.

The Town may conduct random verification of the employment records of the Chamber and any of its subconsultants to ensure compliance with this warranty.
The Town will not consider the Chamber or any of its subconsultants in material breach of the foregoing warranty if Chamber and its subconsultants establish that they have complied with the employment verification provisions prescribed by 8 USCA § 1324(a) and (b) of the Federal Immigration and Nationality Act and the e-verify requirements prescribed by Arizona Revised Statutes § 23-214(A).

The provisions of this Article must be included in any contract the Chamber enters into with any and all of its subconsultants who provide services under this Contract or any subcontract. As used in this Section M "services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

10.17. **Captions.** The captions used in this agreement are solely for the convenience of the parties, and do not constitute a part of the agreement and are not to be used to construe or interpret this agreement.

10.18. **Indemnity.**

10.18.1. **Indemnity** To the fullest extent permitted by law, Chamber, in its roles as Licensee and as provider of the Services, shall and does hereby agree to indemnify, defend and hold Town and Town’s elected officials, officers, employees, agents and representatives (collectively the “Indemnitees”) harmless from and against any and all liabilities, obligations, losses, damages, actions, fines, penalties, claims, suits, costs, charges and expenses, including but not limited to reasonable attorneys’ fees and professional, expert or consultant fees (including such expenses incurred in any attempt to enforce this indemnification provision and the cost of appellate proceedings), arising out of, resulting from, in connection with, or related in any manner, directly or indirectly, to this Agreement. Chamber’s indemnity includes but is not limited to: (i) the License; (ii) Licensee’s failure to comply with the provisions of any federal, state, or local statute, ordinance, or regulation; (iii) any use of the Real Property, Licensed Area and Personal Property by Licensee, Licensee’s members, participants, officials, officers, employees, customers, agents, invitees, licensees, guests or representatives; (iv) the Services provided by Chamber pursuant to this Agreement including but not limited to, any such performance by any subcontractor. The Chamber’s duty to defend, hold harmless and indemnify Indemnitees pursuant to this section shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, including death, or to injury to, impairment, or destruction of property including loss of use resulting therefrom, caused in whole or in part by the acts, errors, mistakes, omissions, work or services of the Chamber or anyone for whose acts the Chamber may be legally liable. It is the specific intention of the Parties that the Indemnitee shall be indemnified by the Chamber from and against all Claims other than those arising from the Indemnitees’ sole negligence.

10.18.2. **Release of Town as Licensor.** Except for Town’s gross negligence, Chamber on its own behalf and on behalf of its members, participants, officials, officers, employees, customers, agents, invitees, licensees, guests or representatives and its successors and assigns ("Chamber Parties"), shall and does hereby release Town and the Indemnitees for and from all liabilities and claims incurred by the Chamber Parties, arising out of, resulting from, in connection with, or related in any manner, directly or indirectly to Chamber’s use of the Real
Property, Personal Property Licensed Area, or the parking area referred to herein, pursuant to the terms of this Agreement.

10.18.3. **Survival.** Chamber’s obligations and waivers under this Paragraph 10.18 shall survive the expiration or earlier termination of this License.

Insurance provisions set forth in this Agreement are separate and independent from the indemnity provisions of this Article and shall not be construed in any way to limit the scope and magnitude of this Indemnification, nor shall this Indemnification be construed in any way to limit the scope, magnitude or applicability of the insurance provisions.

10.19. **Severability.** If any term or provision of this Agreement shall be found to be illegal or unenforceable, then all other terms and provisions will remain in full force and effect, notwithstanding the illegality or unenforceability of the term or provision in question. This Agreement as a whole shall remain in full force and effect and the illegal or unenforceable term shall be deemed to be deleted.

10.20. **Authority.** Each Party hereby warrants and represents that it has full power and authority to enter into and perform this Agreement, and that the person signing on behalf of each has been properly authorized and empowered to enter this Agreement. Each Party further acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

In WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their properly authorized officers on this ___________ day of ___________ 2014.

TOWN: TOWN OF QUEEN CREEK, an Arizona Municipal Corporation

By: ______________________________ 
Gail Barney, Mayor

ATTEST:

By: ______________________________ 
Jennifer Robinson, Town Clerk
APPROVED AS TO FORM:

By: ________________________________
    Dickinson Wright/Mariscal Weeks
    Town Attorneys

CHAMBER: ______________________________

    By: ________________________________

    Its: ________________________________
TO:
HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS
TOWN MANAGER

FROM: MARC OSBORN, GOVERNMENT RELATIONS SPECIALIST
SARA SPARMAN, GOVERNMENT RELATIONS SPECIALIST

RE: UPDATE ON THE END OF LEGISLATIVE SESSION REPORT

DATE: June 18, 2014

Discussion:

The second regular session of the 51st Legislature adjourned sine die on April 24, 2014 marking the 101st day of session. The Legislature approved 303 of the 1205 bills introduced. This legislative session began on January 13, 2014. The Governor signed 278 of those bills that were passed by the Legislature and she vetoed 25 bills.

The League of Arizona Cities and Towns is in the process of preparing the new laws report that includes information about every new law passed that impacts municipalities. The new laws report will be provided to the Town Council when it is completed. This report is an overview of the final status of legislation actively being tracked throughout the session, as well as legislation that emerged in the final days and hours of the session.

In December 2013, the Town Council adopted the Town’s State Legislative Agenda. The following pages include the State Legislative Agenda with information about specific legislation related to each of the Town’s stated objectives.

2014 Town of Queen Creek State Legislative Agenda

Legislative Goal: Protect local revenues and self-determination and advocate for opportunities to enhance the Town’s economic sustainability and infrastructure development. Encourage the legislature to work cooperatively with cities and towns on issues of mutual interest.
Objective 1: Work to protect State Shared Revenue

As introduced, SB1413 taxes; manufacturers’ electricity sales; exemption, sponsored by Senator Yarbrough and highlighted by the Governor in her State of the State address, would have exempted electricity used in manufacturing and smelting operations from state transaction privilege taxes. Additionally, municipalities would have been preempted from levying any tax or fee (including franchise fees) on the electricity used in manufacturing and smelting operations. As originally written, SB 1413 removed an important business attraction tool that better serves the state by being reserved for municipalities to use when courting new businesses.

In working with the bill sponsor, the Governor’s office and various stakeholders, SB1413 was amended during the Senate Committee of the Whole to narrow the application of the tax exemption as well as eliminate the preemption on local utility tax policies. As passed by the Legislature and signed by the Governor, SB1413 exempts electricity used in manufacturing and smelting operations from state transaction privilege taxes. Any municipality that wishes to similarly exempt manufacturers at the local level must use the same definitions and must provide the exemption to all manufacturers.

HB2448 just compensation; tax credits, was introduced as a strike everything amendment in the Senate Government Committee. HB2448 as amended would have allowed a property owner to have a tax credit of up to $100,000 if they believed a land use law or regulation devalued their property, and the amount of their claim would have been taken from the municipality’s state shared revenue. The bill did allow a municipality to recoup the amount only if the municipality contested the claim and prevailed in court. The bill did not require documentation, appraisal or other verification of the amount claimed, and there was no due process for the municipality. HB2448 failed to pass the Senate by a vote of 13-15, and was reconsidered to fail by a vote of 11-17.

Objective 2: Strongly oppose further changes to the calculation of construction sales tax - Encourage a third party analysis of impacts to state and local government revenues prior to the introduction of any new legislation.

HB2389 S/E: transaction privilege tax changes, sponsored by Representative Debbie Lesko was a strike-everything amendment adopted in the House Ways and Means Committee, and makes numerous changes to the transaction privilege tax (TPT) statutes to address the implementation of last year's HB2111. The most notable provisions include synchronizing municipal and state licensing renewal processes and electronic filing mandates for businesses with more than one location. HB2389 was signed by the Governor on April 20, 2014 after receiving unanimous support from both the House and Senate.
Objective 3: Work to promote access to more economic development tools to attract new employers and help existing businesses to expand.

HB2220 improvement districts; municipal services, sponsored by Representative Karen Fann, would have removed the requirement that enhanced municipal services districts be formed in designated areas. A “designated area” was defined in the bill as “an area of the municipality which is either designated pursuant to section 36-1479 as a slum or blighted area or designated as a pocket of poverty or a neighborhood strategy area by the United States department of housing and urban development, pursuant to title I of the housing and community development act of 1977 as amended (42 United States Code sections 5301 through 5320) and the department of housing and urban development act (42 United States Code section 3535(d)).”

Though HB2220 failed to receive a committee hearing in the Senate, the bill, if passed would have provided municipalities an additional tool to not only support businesses, but also would enable municipalities to assist businesses before they fell into slum or blight.

Objective 4: Work to preserve the current funding distribution for the Maricopa County Library District (MCLD).

HB2379 special districts; secondary levy limits, sponsored by Representative Justin Olson, would have limited the secondary property tax levies for countywide districts. Specifically, the bill aimed to limit library districts, juvenile detention districts and public health service districts. As introduced, HB2379 would have had a significant impact on the Maricopa County Library District.

The District, in recent years, has been purposely minimizing their tax levy with a self-imposed levy limit, and spending down their fund balance. The District current fund balance is at approximately $10 million, and will only be able to support another year of this practice before the levy would need to be increased to cover current operating expenditures. Should HB2379 have passed, the amount the levy could be increased would have been limited to 2 percent each year. This limited rate increase would have restricted the levy from ever reaching a rate necessary to meet and sustain the District’s current actual operating costs in future years.

The passage of HB2379 would have had a crippling effect on the Queen Creek Library, including:
- The reduction of operating hours from 60 hours per week to 35 hours per week.
- The elimination of 6 full time staff positions.
- The reduction of materials budget by $100,000
- The elimination of all children, teen and adult programming, including story times, E-book training, author visits, teen council, writing workshops, book clubs and the summer reading program.
- The reduction in electronic materials across the district by $150,000 (current budget $643,052).
After multiple meetings with the proponents of the measure, the Arizona Tax Research Association (ATRA) agreed to amend the bill by eliminating levy limit language and instead subject increased property tax levies on certain districts to “Truth in Taxation” requirements. Ultimately, HB2379, as amended, failed to receive a House Rules Committee hearing.

Objective 5: Work to maintain self-determination and oppose unfunded mandates, including additional regulatory reform legislation.

HB 2050 ASRS membership; section 218 requirements, sponsored by Representative Phil Lovas, decouples the Arizona State Retirement System's (ASRS) eligibility requirements from the state's Section 218 agreement with the Social Security Administration. This change will finally put to rest the question of the pension eligibility of certain public safety employees. Additionally, HB2050 was amended in the House Insurance and Retirements Committee to clarify the process for newly eligible employees to purchase service. Stakeholders from ASRS, public safety associations, municipalities and other stakeholders have worked diligently over the last few years in an effort to address this issue. The bill was signed by the Governor on April 16, 2014 after passing both the House and Senate unanimously.

HB2069 ASRS; political subdivision entities, sponsored by Representative Michelle Ugenti, would have precluded future employees of political subdivision entities (PSEs), which includes groups like the Maricopa Association of Governments, the League of Arizona Cities and Towns, etc. from joining the Arizona State Retirement System (ASRS). The bill was amended on the House floor to allow new employees of PSEs to remain in ASRS if they have been an active ASRS member in the last 30 days. HB2069 failed to receive a floor vote in the House. A proposed amendment was to be offered to SB1082 during the House Government Committee; however, the amendment did not receive the support necessary to be adopted.

HB2162 city or town council; vacancy sponsored by Representative Debbie Lesko, states that if a member on a city or town council ceases to be a qualified elector or resident of that municipality, at any time during the member's term of office, their council seat must be deemed vacant. The measure also states that the vacancy can be filled as any other vacancy would be, and that the county attorney is deemed the appropriate entity to conduct investigations into the vacancy. The bill arose out of a situation where a council member had moved out of state before his term ended, but choose to remain on the council. HB2162 clarifies the process by which a council seat may be filled in this particular situation, and was signed by the Governor on April 15, 2014 after passing both the House and Senate unanimously.

HB2288 sales tax; reduced reporting requirements, sponsored by Representative Debbie Lesko, requires taxpayers with annual transaction privilege tax (TPT) liability between $2,000 and $8,000 to pay TPT on a quarterly basis, rather than the currently required monthly basis. HB2288 requires taxpayers with an annual TPT liability of less than $2,000
to pay on an annual basis. Previously, taxpayers with less than $500 annual TPT liability were permitted to pay annually, and taxpayers with between $500 and $1,250 annual TPT liability were permitted to pay quarterly. This change could have a potential impact on the Town’s monthly cash flow, however, to what extent is unknown at this time as it is extremely difficult for non-program municipalities to get data from the State’s system.

HB2288 passed both the House and Senate unanimously and was signed by the Governor on April 22, 2014.

HB2640 government investigations; independent third party, sponsored by Representative Kelly Townsend, would have required municipalities, counties and the state to contract with an independent third party investigator if an investigation was called for any of their own departments, agencies, boards or commissions. The bill was amended during the House Committee of the Whole to require that municipalities use an investigator that had simply been approved by the Auditor General if an investigation was called by their governing body for any of their own departments, agencies, boards or commissions. The bill failed to receive a Senate Rules Committee hearing.

SB1062 (exercise of religion; state action) and its identical House companion HB2153, drew national attention, and is thought by many to have been the most controversial bill introduced this session. SB1062, as vetoed by the Governor, sought to expand the definition of a person for the purpose of exercising religion to include individuals, associations, partnerships, corporations, churches, estates, trusts, foundations or other legal entities. The allegedly aggrieved person would have been able to seek appropriate relief, including attorney fees and costs in a legal proceeding, regardless if the government was party to the proceeding. The bill stipulated that a person asserting a violation under this law must establish that the person’s action was motivated by a sincerely held religious belief and that the state action being challenged substantially burdened the person’s religious beliefs. The bill’s sponsor, Senator Steve Yarbrough stated publicly that his goal in introducing the bill was to protect private individuals or businesses from having their religious beliefs infringed upon. The Governor, however, in her veto letter stated, “[t]he concerns raised by the proponents of this bill are unfounded.” As originally introduced the bill would have allowed a person to assert their religious beliefs as a defense against abiding by a municipal regulation or code, but with the amendment adopted during the Senate Committee of the Whole, the bill had minimal practical implications for municipal operations.

SB1158 fireworks; permissible use, sponsored by Senator Crandell, states that cities and towns within Maricopa and Pima counties cannot regulate sale or use of fireworks for two week periods around New Year’s Day and the 4th of July. Cities and towns outside of those two counties can regulate sale and use anytime. SB1158 was signed by the Governor on April 22, 2014.

SB 1161 municipal policies; authority sponsored by Senator Gail Griffin, would have allowed a municipality to adopt streamlined local government policies and provided the framework for those adopted policies. Aside from the bill being permissive and unnecessary, the preamble to the bill caused concern and opposition among most Arizona
municipalities and stated that the, "authority granted to municipalities may encourage the exercise of local government power that is threatening to general public health, safety and welfare, frustrating to economic development [and] inimical to fiscal responsibility."

Though SB1161 was slated to be heard in the Senate Government Committee, it was held without discussion. The following week, a strike-everything amendment with language identical to SB1161 was placed on the House Technology and Infrastructure Committee, and though discussed during the hearing, the Chairman, Representative Stevens choose not to allow the bill to be voted on.

**SB1227 municipalities; counties; energy efficient codes**, sponsored by Senator Chester Crandell, would have prohibited a municipality from adopting any new energy efficiency building code. The bill was amended in the Senate Committee of the Whole to clarify that the bill exempts any, or part of any, ordinance that solely regulates outdoor lighting from the mandated energy efficiency or conservation prohibition. The bill failed to receive a floor vote in the Senate. The House Government Committee did place a strike-everything amendment to SB1133 on its agenda which sought to prohibit municipalities and counties from certain actions relating to energy efficiency, energy conservation or green construction regulations in new construction, however, the strike-everything amendment failed to receive the Committee support necessary and was held on the agenda without discussion or a vote.

**SB1482 homeowners associations amendments; omnibus**, sponsored by Senator Gail Griffin, contains numerous provisions related to homeowners’ associations, including the requirements necessary for municipalities to mandate such associations. During the 2013 session, the Legislature passed and the Governor signed SB1454, which dealt with a number of election issues and HOA issues. SB1454 was later struck down by the courts as it was deemed to have violated the “single-subject” clause of the Arizona Constitution. SB1482 gives municipalities the authority to require HOAs to assume maintenance responsibilities in subdivisions including landscaping and maintenance of retention basins. SB1482 was signed by the Governor on April 16, 2014.

Multiple bills relating to firearms were introduced this session. The following is a brief summary of each of those bills and their final action:

- **SB1063 misconduct involving weapons; firearm storage**, sponsored by Senator Rick Murphy, stated that full compliance with current statute is necessary before a political subdivision can deny access to public establishments or events to people with firearms. Current law, A.R.S. 13-3102.01 already provides for such storage. The Town is in compliance with current statutes, and this bill would have had minimal effect. SB1063 failed to receive a House Rules Committee hearing.

- **SB1064 firearm; definition**, sponsored by Senator Rick Murphy, redefines firearms to include those only manufactured after January 1, 1899 and using explosive or burning gas to emit projectiles. It also states that a firearm is inoperable if it cannot be fired without mechanical repair, the use of tools or replacement of parts. (If a firearm is inoperable it can be brought into public establishments or events without checking it into storage). SB1064 failed to be calendared for the Senate Committee of the Whole.
• A strike-everything amendment was adopted in the Senate Appropriations Committee to **SB1366 S/E: firearms; definition**, sponsored by Senator Rick Murphy. The amendment redefined firearm in statute to exclude air guns. SB1366 moved through the legislative process, but was vetoed by the Governor on April 24, 2014. In her veto letter, the Governor stated her concern with the removal of the “readily convertible” definition of a firearm, which, “as a result, could permit an individual and an accomplice to carry two pieces of a weapon into a public building. Once inside, the weapon could then be easily reassembled as a firearm.”

• **HB2339 firearms; permit holders; public places**, sponsored by Representative Brenda Barton, would have required public entities to install and use electronic screening equipment and have security personnel in order to limit or prohibit weapons. The Governor vetoed HB2339 stating that the “bill would establish an unfunded mandate on our state and local governments.”

• **HB2517 firearms; state preemption; penalties**, sponsored by Representative Steve Smith established a variety of penalties for political subdivisions in violation of the state preemption on firearms, including civil penalties, making mayors and council members personally liable for their legislative actions and termination of employment. The measure also states that taking an act on good faith or upon the advice of an attorney are not grounds for a defense. Additionally, HB 2517 grants standing in court for persons or a membership association aggrieved by such an ordinance, and allows for the rewarding of attorney fees, and actual damages up to $100,000. HB2517 would have denied the defense of good faith and advice of counsel and provides for the removal from office for an offense and monetary damages to aggrieved individuals or their membership organizations. HB2517 was vetoed by the Governor on April 22, 2014. In her veto message, the Governor stated that “a person or organization who perceives that an ordinance is illegal, may already seek remedies through the legal system.”

**Objective 6:** Advocate amending state statutes regarding the method of calculating a majority of votes cast in a primary or general election to establish a fair calculation method for cities and towns that have mayoral elections on a four year election schedule.

In 1959, the Legislature passed A.R.S. § 9-821.01 to allow cities and towns to elect candidates at the primary avoiding both the time and the expense of a general election. The statute provides that only cities and towns with non-partisan elections are eligible and requires a local ordinance to implement this alternative procedure. The statute was based on a City of Phoenix charter provision. 90 of the 91 cities and towns have passed an ordinance or implemented a charter provision to take advantage of this alternative. In many jurisdictions, all of the open seats are elected at the primary.

To elect a candidate at the primary, that candidate must receive a majority of the votes cast at the election. This has been interpreted by the courts to mean that a candidate must receive a majority of all of the valid ballots cast at the election.
The statute was amended in 2010 to allow the calculation of the majority of votes cast to be based on the vote for mayor. The 2010 amendment was an attempt to address the issue of consolidated elections and the expanded number of votes a candidate must receive to be elected at the primary. By way of example, in 2008 in the first Scottsdale City election which was consolidated with statewide elections, one of the candidates for mayor received a majority of the votes cast for mayor in the election but not a majority of the valid ballots cast at the election since a number of voters chose not to vote in the city part of the election. This meant that the top two candidates then had to run in the general election to determine the winner.

Implementation of consolidated elections statewide begins in the fall of 2014 expanding greatly the number of jurisdictions affected by the requirement to calculate the majority of votes cast on all of the valid ballots cast at the election not just those cast in the city/town portion of the ballot. The current wording of the statute allowing cities and towns to use the vote for mayor as the basis for calculation only works if the mayor’s office is up for election at the election and if the city or town has a directly elected mayor. 73 of the 91 incorporated cities and towns have a directly elected mayor, 31 of which are elected for 2 year terms. So this means that 18 cities and towns do not have a directly elected mayor and of the 73 which do have a directly elected mayor, 42 of them elect the mayor for a 4 year term.

The practical consequence of this is that the 18 cities and towns without a directly elected mayor will always have to calculate the majority of votes cast on all the valid ballots cast at the primary election not just those cast in the city/town portion of the ballot making it much more difficult for those jurisdictions to elect candidates at the primary thus saving the expense and time of a general election. For another 42 of the cities and towns, the problem of calculation will occur at every other election when the mayor’s office is not up for election. This leads to an inequity in how councilmembers are elected to office.

As introduced SB1415 municipal elections; majority of vote calculation, sponsored by Senator Steve Yarbrough, sought to equalize how a majority of votes cast will be calculated in all city/town elections. It first clarified that the votes cast will be calculated on the number cast for the office being sought and then used a formula for determining who will win at the primary adding the total actual votes cast for each candidate for the office, dividing by the number of offices to be filled and then determining the majority of that result. The formula is the one used for calculation of the number of signatures required on recall petitions for multi-member governing bodies.

The proposed language offered in SB1415 would have meant that the new requirement of consolidation of city/town elections with statewide elections does not result in a substantial increase in the number of votes required to be elected at the primary and would have helped save the expense of a general election for affected jurisdictions.

SB1415 moved without opposition through the Senate, however, after being assigned to The House Government Committee, chaired by Representative Michelle Ugenti, SB1415 stalled. In an attempt to revive the language proposed in SB1415, Speaker Pro Tempore JD Mesnard, Majority Leader Rick Gray, and Representative Karen Fann and Doug Coleman convened a stakeholder meeting with Representative Ugenti, unfortunately, Representative Ugenti was unable to attend the meeting, and instead asked Majority Staffer Brian Townsend to represent her opposition. Though the bill is modeled after a City of Scottsdale ordinance,
Representative Ugenti expressed concerns with how the bill would work in the “real world.” Representative Ugenti requested that the proposed amendment be placed in session (temporary) law rather than permanent statute in order for her to be able to better understand the bill and its potential unintended consequences.

In an effort to ensure municipalities such as the Town of Gilbert were able to use this new calculation for the 2014 election cycle, stakeholders agreed to Representative Ugenti’s request, and the session law version of SB1415 was amended to HB2126. HB2126 was signed by the Governor on April 30, 2014. During the 2014 legislative session, we will be pursuing the language originally introduced in SB1415.


1.) Make the requirements for annexation a more simple and flexible process.

A trio of annexation related legislation introduced this session were supported by the League’s 2014 Municipal Policy Statement, debated and passed by the Legislature, and signed by the Governor. In summary the following bills sought to enact minor changes to Arizona’s annexation statutes;

- **HB2126 municipal annexation; size; exception**, sponsored by Representative Frank Pratt, modifies part of the definition of contiguous for the purposes of municipal annexation. It is important to note that HB2126 was amended in the Senate to contain a delayed repeal date of January 1, 2015. The amendment also included language originally introduced in SB1415 municipal elections; majority vote calculation but only as session law resulting to the language only being applicable to elections held in 2014 and 2015. The bill was signed by the Governor on April 30, 2014.

- **HB2148 municipalities; counties; transfer; right-of-way**, sponsored by Representative Sonny Borrelli, as introduced required a transfer of property to be treated by the receiving municipality as if the transferred property was newly annexed territory. The bill was amended during the Senate Committee of the Whole to include the language originally introduced in HB2387 improvement districts; lighting; streets; parks. The bill was signed by the Governor on April 22, 2014.

- **HB2330 municipalities; deannexation; public right-of-way**, sponsored by Representative David Livingston, allows a public right-of-way that is partially located in a municipality and partially located in a county to be deannexed from the municipality and returned to the county under certain conditions. HB2330 passed both chambers unanimously and was signed by the Governor on April 22, 2014.
2.) Prohibit fire districts from annexing areas inside a municipal planning area without the consent of the municipality, provided the municipality operates a municipal fire department.

**HB2152 fire district boundary changes** sponsored by Representative Eddie Farnsworth placed requirements on certain special taxing districts, including fire districts, when they seek to annex within a municipal planning area. Additionally, the bill would have required these taxing districts to obtain the permission of the adjacent municipality before they annexed. The Arizona Fire District Association was strongly opposed to HB2152 as they argued those residents that live within a municipal planning district are not beneficiaries of municipal services, but are rather residents that fall under the jurisdiction of the county and therefore HB2152 would open the debate relating to forced annexation by a municipality. The bill failed to receive a floor vote in the House. During the last week of committee hearings, the bill was resurrected as a strike-everything amendment to HB2044 in the Senate Appropriations Committee. HB2044 narrowly passed the Senate Appropriations Committee by a vote of 5-4, but failed to receive a Senate floor vote.

HB2152, and the subsequent HB2044 were part of the League’s 2014 Municipal Policy, and both were supported by the League in an effort to ensure that municipal taxpayers would not be forced to pay for providing fire response services that are the responsibility of another entity.

3.) Authorize street light improvement districts to levy and expend money to repair, maintain and replace lighting facilities.

**HB 2387 improvement districts; lighting; streets; parks** sponsored by Representative Michelle Ugenti, would have facilitated the conversion of county streetlight improvement districts that are entirely within a municipality's corporate boundaries into municipal street light improvement districts to be administered by the receiving municipality. The bill also stated that transfers were optional and must have the mutual consent of the respective county and municipality. HB2387 passed through the House unanimously, but failed to receive a committee hearing in the Senate. As a result, proponents of the bill amended the language from HB2387 onto HB2148 municipalities; counties; transfer; right-of-way during the Senate Committee of the Whole. HB2148 as amended, passed the Senate by a vote of 29-1, and the House by a vote of 56-1. The bill was transferred to the Governor and signed on April 22, 2014.

4.) Amend statute to ensure that restitution for graffiti offenses includes all abatement costs associated with a victim of graffiti.

**HB2571 criminal damages; economic costs**, sponsored by Representative Juan Carlos Escamilla, allows victims of graffiti to recover costs related to abatement. The bill was amended in the House Judiciary Committee to put monetary caps on cases involving juveniles. HB2571 was passed unanimously by both chambers and was signed by the Governor on April 23, 2014.
Objective 8: Support transportation issues that benefit the region and the state.

SB1487 revenue; budget reconciliation; 2014-2015 made temporary and permanent statutory changes relating to state revenues in order to implement the Fiscal Year (FY) 2014-15 state budget. Included in SB1487 was a provision that required, prior to Highway User Revenue Fund (HURF) distribution, ADOT to allocate and the state treasurer to distribute $30 million in FY 2014-15, $30 million in FY 2015-16, and $60 million in FY 2016-2017, to be used only to cover the direct costs of construction and maintenance of roads and bridges, as follows:

- 33.231% to counties
- 48.097% to cities and towns
- 5.247% to cities and towns with a population of 300,000 or more persons
- 13.425% to counties with a population above 800,000 persons

Municipalities rely on HURF funds, which are derived from gas taxes, in order to maintain local roads. For the past few years the Legislature has diverted monies from HURF to supplement the Highway Patrol within the Department of Public Safety. SB1487 was passed by the Legislature and signed by the Governor on April 11, 2014.

The League and municipal stakeholders originally sought the passage of HB2692 DPS; operating expenses; appropriation; intent, sponsored by Speaker Andy Tobin, which would have appropriated $119 million in each of the next two years from the state general fund to the Department of Public Safety for operational expenses. If enacted, this bill would have effectively restored HURF money to the proper distribution formula. HB2692 did make significant progress throughout the session, however with the passage of SB1487 as part of the budget package, HB2692 failed to receive a hearing in the Senate Rules Committee.

SB1326 state parks; donations; fund; transportation, sponsored by Senator Don Shooter, as introduced would have allowed for a voluntary contribution at the time of vehicle registration to the newly created Sustainable State Parks and Roads Fund (Fund). The monies collected would have gone to fund parks' projects, and an administration fee of 15% would go to the Department of Transportation to operate, maintain and make capital improvements to highway rest areas and any other transportation related purpose. SB1326 was amended in the House requiring the Department of Revenue to collect monies for the Fund via a voluntary check-off on an individual's tax return, if they are entitled to a refund. The bill also allows individuals to make an additional donation beyond the portion coming out of their return. SB1326 was signed by the Governor on April 22, 2014.
Objective 9: Support legislation that allows for the taxation of online purchases. Such legislation would be aimed at leveling the playing field between online retailers and brick and mortar businesses. Town staff must carefully evaluate the impact of legislation to ensure no loss of local control over transaction privileges taxes.

The federal government is currently considering legislation that would affect how online sales taxes are collected in all states. The proposed federal law, called the Marketplace Fairness Act of 2013, would allow states to require sellers not physically located in their state to collect taxes on online and catalog sales made to people in their state. Sellers that make $1 million or less in annual sales and have no physical presence in the state would be exempt from this requirement. Additionally, the federal legislation requires that states meet certain criteria to simplify their sales tax laws and make sales tax collection easier before they could require sellers to collect the tax. Many of the provisions included in HB2111 transaction; privilege tax changes, which passed in 2013, will help to ensure Arizona complies with the Marketplace Fairness Act.
TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, AICP
TOWN MANAGER

FROM: DOREEN COTT, ECONOMIC DEVELOPMENT DIRECTOR

RE: DISCUSSION ON THE TOWN CENTER VISIONING PROJECT FOR FY14-15.

DATE: JUNE 18, 2014

Discussion:
In an effort to strategically plan for future development in the Town Center, staff would like to propose a "visioning" project that would generate photo-realistic renderings or video representation of the design intent for areas of the Town Center at build-out. Since the current Town Center Plan is text heavy, this project would be a visual representation of the plan providing an animated visual tour of the area.

All buildings, parking, landscape and amenities can be conceptually portrayed to lifelike realism as to how it may look like after years of development. Staff would also propose taking this one step further to work with a design firm to create multiple "nodes" of future development allowing an end user to experience additional visual information about specific areas. The information would be available on the Town’s website and can be used during client meetings and/or tradeshows to help market the potential of the Town Center.

Examples will be shared at the Council meeting.