



City of Glendale

5850 West Glendale Avenue
Glendale, AZ 85301

Voting Meeting Agenda City Council

Mayor Jerry Weiers
Vice Mayor Ian Hugh
Councilmember Jamie Aldama
Councilmember Joyce Clark
Councilmember Ray Malnar
Councilmember Lauren Tolmachoff
Councilmember Bart Turner

Tuesday, May 23, 2017

6:00 PM

Council Chambers

Voting Meeting

One or more members of the City Council may be unable to attend the Council Meeting in person and may participate telephonically, pursuant to A.R.S. § 38-431(4).

CALL TO ORDER

ROLL CALL

POSTING OF COLORS

PLEDGE OF ALLEGIANCE

PRAYER/INVOCATION

Any prayer/invocation that may be offered before the start of regular Council business shall be the voluntary offering of a private citizen, for the benefit of the Council and the citizens present. The views or beliefs expressed by the prayer/invocation speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the religious beliefs or views of this, or any other speaker. A list of volunteers is maintained by the Mayor's Office and interested persons should contact the Mayor's Office for further information.

CITIZEN COMMENTS

If you wish to speak on a matter concerning Glendale city government that is not on the printed agenda, please fill out a Citizen Comments Card located in the back of the Council Chambers and give it to the City Clerk before the meeting starts. The City Council can only act on matters that are on the printed agenda, but may refer the matter to the City Manager for follow up. When your name is called by the Mayor, please proceed to the podium. State your name and the city in which you reside for the record. If you reside in the City of Glendale, please state the Council District you live in (if known) and begin speaking. Please limit your comments to a period of three minutes or less.

APPROVAL OF THE MINUTES OF MAY 9, 2017 VOTING MEETING AND MAY 11, 2017 SPECIAL VOTING MEETING

1. [17-208](#) APPROVAL OF THE MINUTES OF MAY 9, 2017 VOTING MEETING AND MAY 11, 2017 SPECIAL VOTING MEETING
Staff Contact: Julie K. Bower, City Clerk

Attachments: [Minutes of the May 9, 2017 Voting Meeting](#)
[Minutes of the May 11, 2017 Special Voting Meeting](#)

BOARDS, COMMISSIONS AND OTHER BODIES

2. [17-211](#) APPROVE RECOMMENDED APPOINTMENTS TO BOARDS, COMMISSIONS & OTHER BODIES
Staff Contact: Brent Stoddard, Director, Public Affairs
Presented By: Councilmember Jamie Aldama

PROCLAMATIONS AND AWARDS

3. [17-217](#) RECOGNITION OF SERVICE FOR PARKS AND RECREATION ADVISORY COMMISSIONER JOHN FARIS
Staff Contact: Erik Strunk, Director, Public Facilities, Recreation and Special Events
Presented By: Office of the Mayor
Accepted By: Family of Commissioner John Faris
4. [17-197](#) NATIONAL CPR AND AED AWARENESS WEEK PROCLAMATION
Staff Contact: Terry Garrison, Fire Chief
Presented By: Office of the Mayor
Accepted By:
Eric Keppler, Deputy Fire Chief
Anthony Garcia, Recreation Coordinator, Public Facilities & Events
Summer Steinke, Administrative Support Coordinator, Public Facilities & Events

CONSENT AGENDA

Items on the consent agenda are of a routine nature or have been previously studied by the City Council. Items on the consent agenda are intended to be acted upon in one motion unless the Council wishes to hear any of the items separately.

5. [17-172](#) APPROVE LIQUOR LICENSE NO. 5-22551, ADAMS LOUNGE
Staff Contact: Vicki Rios, Director, Budget and Finance
Attachments: [Map](#)
[Calls for Service](#)
6. [17-181](#) APPROVAL OF THE FISCAL YEAR 2017-2018 (FY17-18) GILA RIVER ARENA CAPITAL REPAIRS/REPLACEMENT PROGRAM, APPROVAL OF THE ARENA FIVE-YEAR CAPITAL PLAN, AND AUTHORIZATION FOR THE CITY MANAGER TO RELEASE FUNDS TO AEG MANAGEMENT GLENDALE, LLC.
Staff Contact: Vicki Rios, Director, Budget and Finance

- Attachments:** [Exhibit A - FY17-18 Capital Improvement Plan](#)
[Exhibit B - FY17-18 Five Year Capital Improvement Plan](#)
7. [17-216](#) AUTHORIZATION TO ENTER INTO AMENDMENT NO. 6 OF THE ICAPTURE SOFTWARE LICENSE AGREEMENT WITH IMPRESSION TECHNOLOGY, INC.
Staff Contact: Vicki Rios, Director, Budget and Finance
- Attachments:** [Amendment No. 6](#)
[Software License Agreement C-7133 and C-7133-1](#)
8. [17-194](#) AUTHORIZATION TO RATIFY THE EXPENDITURE OF FUNDS FOR REQUIRED UPGRADES AND QUARTERLY OPERATING AND MAINTENANCE COSTS IN FISCAL YEAR 2016-17 FOR THE REGIONAL WIRELESS COOPERATIVE
Staff Contact: Rick St. John, Police Chief
9. [17-195](#) EXPENDITURE AUTHORIZATION FOR REQUIRED UPGRADES AND QUARTERLY OPERATING AND MAINTENANCE COSTS IN FISCAL YEAR 2017-18 FOR THE REGIONAL WIRELESS COOPERATIVE
Staff Contact: Rick St. John, Police Chief
10. [17-152](#) AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH PEORIA PEST CONTROL, INC., FOR SEWER MANHOLE INSECTICIDE TREATMENT
Staff Contact: Craig Johnson, P.E., Director, Water Services
- Attachments:** [Linking Agreement](#)
11. [17-153](#) AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH IAC/INSTRUMENTATION AND CONTROLS, LLC, FOR ENDRESS+HAUSER PRODUCTS AND AUMA ACTUATORS PARTS AND SERVICE
Staff Contact: Craig Johnson, P.E., Director, Water Services
- Attachments:** [Linking Agreement](#)
12. [17-154](#) AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH ARCHAEOLOGICAL CONSULTING SERVICES, LTD, FOR ON-CALL ENVIRONMENTAL CONSULTING SERVICES
Staff Contact: Craig Johnson, P.E., Director, Water Services
- Attachments:** [Professional Services Agreement](#)
13. [17-155](#) AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH NINYO AND MOORE, INC., FOR ON-CALL ENVIRONMENTAL CONSULTING SERVICES
Staff Contact: Craig Johnson, P.E., Director, Water Services
- Attachments:** [Professional Services Agreement](#)
14. [17-157](#) AUTHORIZATION TO ENTER AN AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT C17-0031 WITH TERRACON CONSULTANTS, INC., FOR ON CALL ENVIRONMENTAL CONSULTING SERVICES
Staff Contact: Craig Johnson, P.E., Director, Water Services

Attachments: [Amendment No. 1](#)

15. [17-187](#) AUTHORIZATION TO APPROVE EXPENDITURE OF FUNDS FOR THE PURCHASE OF RAW WATER FROM CENTRAL ARIZONA PROJECT
Staff Contact: Craig Johnson, P.E., Director, Water Services
16. [17-188](#) AUTHORIZATION TO APPROVE EXPENDITURE OF FUNDS FOR THE PURCHASE OF RAW WATER FROM SALT RIVER VALLEY WATER USERS' ASSOCIATION
Staff Contact: Craig Johnson, P.E., Director, Water Services
17. [17-189](#) AUTHORIZATION TO APPROVE EXPENDITURE OF FUNDS FOR ORGANIZATIONAL MEMBERSHIP IN THE ARIZONA MUNICIPAL WATER USERS ASSOCIATION
Staff Contact: Craig Johnson, P.E., Director, Water Services
18. [17-190](#) AUTHORIZATION TO APPROVE EXPENDITURE OF FUNDS FOR THE COSTS ASSOCIATED WITH PARTIAL OWNERSHIP IN THE SUB-REGIONAL OPERATING GROUP
Staff Contact: Craig Johnson, P.E., Director, Water Services
19. [17-199](#) AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH ELONTEC, LLC, FOR MOVING AND RELOCATION SERVICES
Staff Contact: Jack Friedline, Director, Public Works

Attachments: [Linking Agreement](#)

20. [17-200](#) AUTHORIZATION TO ENTER INTO AMENDMENT NO. 2 TO THE LINKING AGREEMENT WITH SAFETY-KLEEN SYSTEMS, INC., FOR USED AUTOMOTIVE FLUID COLLECTION AND DISPOSAL SERVICES
Staff Contact: Jack Friedline, Director, Public Works

Attachments: [Amendment No. 2](#)

21. [17-201](#) AUTHORIZATION TO ENTER INTO TWO LICENSE AGREEMENTS WITH LIBERTY UTILITIES (LITCHFIELD PARK WATER & SEWER) CORP. FOR THE INSTALLATION OF WATER AND SEWER LINES AT THE INTERSECTION OF EL MIRAGE ROAD AND GLENDALE AVENUE
Staff Contact: Jack Friedline, Director, Public Works

Attachments: [License Agreement](#)
[License Agreement - Waterline](#)

22. [17-215](#) AUTHORIZATION TO ENTER INTO AMENDMENT NO. ONE TO A PROFESSIONAL SERVICES AGREEMENT WITH RITTOCH-POWELL & ASSOCIATES CONSULTING ENGINEERS FOR CONTRACT INSPECTION SERVICES
Staff Contact: Jack Friedline, Director, Public Works

Attachments: [Amendment No. One](#)

23. [17-203](#) AWARD OF CONTRACT RFP 17-21 FOR DOWNTOWN MANAGER SERVICES WITH THE GLENDALE CHAMBER OF COMMERCE

Staff Contact: Brian Friedman, Director, Economic Development

Attachments:

[Agreement](#)

[RFP 17-21 Downtown Manager Services \(FINAL\)](#)

CONSENT RESOLUTIONS

24. [17-196](#) RESOLUTION NO. R17-34

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AMENDMENT NO. 6 TO THE INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY FOR COMMUNITY ACTION PROGRAM FUNDING.

Staff Contact: Elaine Adamczyk, Interim Community Services Director

Attachments:

[Resolution No. R17-34](#)

[Amendment No. 6](#)

25. [17-179](#) RESOLUTION NO. R17-35

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING SECTION 9 OF THE "GLENDALE, ARIZONA CITY COUNCIL GUIDELINES."

Staff Contact: Brent Stoddard, Director, Public Affairs

Attachments:

[Resolution No. R17-35](#)

[City Council Guidelines Amended 5-23-2017](#)

26. [17-180](#) RESOLUTION NO. R17-36

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ESTABLISHING THE TEMPORARY BUSINESS COUNCIL COMMITTEE.

Staff Contact: Brent Stoddard, Director, Public Affairs

Attachments:

[Resolution No. R17-36](#)

27. [17-214](#) RESOLUTION NO. R17-37

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF THE FIRST AMENDMENT TO THE SETTLEMENT AGREEMENT AND MUTUAL RELEASE BETWEEN THE CITY AND JACOB F. LONG, TRUSTEE OF THE JOHN F. LONG FAMILY REVOCABLE LIVING TRUST, AS SUCCESSOR TO THE INTERESTS OF JOHN F. LONG AND MARY P. LONG; AND DIRECTING THAT AN EXHIBIT TO THE DOCUMENT BE RECORDED.

Staff Contact: Jack Friedline, Director, Public Works

Attachments: [Resolution No. R17-37 with Exhibit A](#)
[First Amendment](#)

ORDINANCES

28. [17-202](#) ORDINANCE NO. 017-20

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ACQUISITION OF PROPERTY LOCATED ON THE WEST SIDE OF 55TH AVENUE AND SOUTH OF CACTUS ROAD NECESSARY FOR RIGHT OF WAY IMPROVEMENTS IN GLENDALE, ARIZONA; AND DIRECTING THE EXECUTION OF THE PURCHASE AGREEMENT AND ANY DOCUMENTS NECESSARY TO EFFECTUATE SAID PURCHASE.

Staff Contact: Jack Friedline, Director, Public Works

Attachments: [Ordinance No. O17-20 with Exhibits A and B](#)

29. [17-213](#) ORDINANCE NO. 017-21

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING CHAPTER 2, ARTICLE VIII, DIVISION 5, OF THE GLENDALE CITY CODE TO ABOLISH THE COMMISSION ON PERSONS WITH DISABILITIES AND CREATE A HUMAN RELATIONS COMMISSION.

Staff Contact: Nancy Mangone, Assistant City Attorney

Staff Contact: Jim Brown, Director, Human Resources and Risk Management

Attachments: [Ordinance No. O17-21](#)
[Ordinance - Red-Lined](#)

30. [17-219](#) ORDINANCE NO. 017-22

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, (1) AUTHORIZING THE EXECUTION AND DELIVERY OF A THIRD PURCHASE AGREEMENT, A THIRD TRUST AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND AN OBLIGATION PURCHASE CONTRACT; (2) APPROVING THE SALE, EXECUTION AND DELIVERY OF TRANSPORTATION EXCISE TAX REVENUE REFUNDING OBLIGATIONS IN ONE OR MORE SERIES IN ORDER TO REFUND TRANSPORTATION EXCISE TAX REVENUE OBLIGATIONS PREVIOUSLY DELIVERED TO FINANCE TRANSPORTATION IMPROVEMENTS OF THE CITY; (3) PLEDGING CERTAIN TRANSPORTATION EXCISE TAXES AND RECEIPTS IMPOSED OR RECEIVED BY THE CITY TO THE PAYMENT OF SUCH OBLIGATIONS; (4) DELEGATING TO THE ASSISTANT CITY MANAGER OR THE CHIEF FINANCIAL OFFICER OF THE CITY THE LIMITED AUTHORITY TO DESIGNATE BY SERIES THE FINAL PRINCIPAL AMOUNT, MATURITIES, INTEREST RATES AND OTHER MATTERS WITH RESPECT TO

SUCH OBLIGATIONS; (5) AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS ORDINANCE, INCLUDING THE EXECUTION OF CERTAIN DOCUMENTS AND THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT AND (6) DECLARING AN EMERGENCY.

Staff Contact and Presenter: Vicki Rios, Director, Budget and Finance

Guest Presenter: Kurt Freund, Managing Director, RBC Capital Markets, LLC

Guest Presenter: Bill DeHaan, Shareholder, Greenberg Traurig, LLP

Attachments: [Ordinance No. O17-22](#)

31. [17-220](#) ORDINANCE NO. O17-23

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, (1) AUTHORIZING THE EXECUTION AND DELIVERY OF A THIRD PURCHASE AGREEMENT, A THIRD TRUST AGREEMENT, A DEPOSITORY TRUST AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND AN OBLIGATION PURCHASE CONTRACT; (2) APPROVING THE SALE, EXECUTION AND DELIVERY OF SUBORDINATE EXCISE TAX REVENUE REFUNDING OBLIGATIONS IN ONE OR MORE SERIES IN ORDER TO REFUND SUBORDINATE EXCISE TAX REVENUE BONDS ISSUED ON BEHALF OF THE CITY BY THE CITY OF GLENDALE MUNICIPAL PROPERTY CORPORATION; (3) PLEDGING CERTAIN EXCISE TAXES AND RECEIPTS IMPOSED OR RECEIVED BY THE CITY TO THE PAYMENT OF SUCH OBLIGATIONS; (4) DELEGATING TO THE ASSISTANT CITY MANAGER OR THE CHIEF FINANCIAL OFFICER OF THE CITY THE LIMITED AUTHORITY TO DESIGNATE BY SERIES THE FINAL PRINCIPAL AMOUNT, MATURITIES, INTEREST RATES AND OTHER MATTERS WITH RESPECT TO SUCH OBLIGATIONS; (5) AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS ORDINANCE, INCLUDING THE EXECUTION OF CERTAIN DOCUMENTS AND THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT AND (6) DECLARING AN EMERGENCY.

Staff Contact and Presenter: Vicki Rios, Director, Budget and Finance

Guest Presenter: Kurt Freund, Managing Director, RBC Capital Markets, LLC

Guest Presenter: Bill DeHaan, Shareholder, Greenberg Traurig, LLP

Attachments: [Ordinance No. O17-23](#)
[Glendale Excise Ref 2017 POS-v3.pdf](#)

RESOLUTIONS

32. [17-204](#) RESOLUTION NO. R17-38

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ADOPTING A TENTATIVE BUDGET OF THE AMOUNTS REQUIRED FOR THE PUBLIC EXPENSE FOR THE CITY OF GLENDALE FOR THE FISCAL YEAR 2017-2018; SETTING FORTH THE REVENUE AND THE AMOUNT TO BE RAISED BY DIRECT PROPERTY TAXATION FOR THE VARIOUS PURPOSES; ADOPTING CITY COUNCIL'S FINANCIAL POLICIES; AND GIVING NOTICE OF THE TIME FOR HEARING TAXPAYERS AND FOR FIXING TAX LEVIES.

Staff Contact: Vicki Rios, Director, Budget and Finance

Attachments: [Resolution No. R17-38](#)
[Memo - FY17-18 Tentative Budget Adoption](#)
[Attachments - All Tentative](#)

NEW BUSINESS

33. [17-218](#) TEMPORARY BUSINESS COUNCIL COMMITTEE ASSIGNMENTS
Staff Contact: Brent Stoddard, Director, Public Affairs

REQUEST FOR FUTURE WORKSHOP AND EXECUTIVE SESSION

COUNCIL COMMENTS AND SUGGESTIONS

ADJOURNMENT

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- (i) discussion or consideration of personnel matters (A.R.S. § 38-431.03(A)(1));
- (ii) discussion or consideration of records exempt by law from public inspection (A.R.S. § 38-431.03(A)(2));
- (iii) discussion or consultation for legal advice with the city's attorneys (A.R.S. § 38-431.03(A)(3));
- (iv) discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation (A.R.S. § 38-431.03(A)(4));
- (v) discussion or consultation with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. § 38-431.03(A)(5)); or
- (vi) discussing or consulting with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. § 38-431.03(A)(7)).

SPECIAL ACCOMMODATIONS

For special accommodations please contact the City Clerk's Office at 623-930-2252 extension 1 at least 3 business days prior to the meeting.

POSTING VERIFICATION

This agenda was posted on 05/17/2017 at 2:00 p.m. by DRW.



City of Glendale

5850 West Glendale Avenue
Glendale, AZ 85301

Legislation Description

File #: 17-208, Version: 1

APPROVAL OF THE MINUTES OF MAY 9, 2017 VOTING MEETING AND MAY 11, 2017 SPECIAL VOTING MEETING

Staff Contact: Julie K. Bower, City Clerk

City of Glendale

5850 West Glendale Avenue
Glendale, AZ 85301



Meeting Minutes - Draft

Tuesday, May 9, 2017

6:00 PM

Voting Meeting

Council Chambers

City Council

Mayor Jerry Weiers

Vice Mayor Ian Hugh

Councilmember Jamie Aldama

Councilmember Joyce Clark

Councilmember Ray Malnar

Councilmember Lauren Tolmachoff

Councilmember Bart Turner

CALL TO ORDER**ROLL CALL**

Present: 7 - Mayor Jerry Weiers, Vice Mayor Ian Hugh, Councilmember Jamie Aldama, Councilmember Joyce Clark, Councilmember Lauren Tolmachoff, Councilmember Ray Malnar, and Councilmember Bart Turner

PLEDGE OF ALLEGIANCE**PRAYER/INVOCATION**

The invocation was offered by Pastor Mike Hodges from West Side Church of God.

CITIZEN COMMENTS

Irmgard Holm, a Cactus resident, had lived in her home for 47 years and would like information on speed bumps without the petition process. She was concerned about traffic safety due to no sidewalks and narrow streets in her subdivision.

James Deibler, a Phoenix resident, spoke about a go fund me account for his college expenses. He also spoke about copper stolen from a nearby church.

Bill Demski, a Sahuaro resident, spoke about the salaries of city employees. He also spoke about raises that employees would be receiving and his past service with the city.

Ray Strahl, a Barrel resident, spoke about the Public Safety Awareness breakfast in his district and said both the Police and Fire Chief, the Mayor and Vice Mayor as well as many public safety officers were in attendance. He thanked Councilmember Turner for hosting the event and suggested having the event next year. He would like to see a car show event because many would attend. Mr. Strahl said that many in the community supported the Council and appreciated all they did.

Danielle Snyder, a Cholla resident, spoke about the barking dog problem in her neighborhood and wished the process was easier to solve the problem.

Steve Einstman, a Sahuaro resident, spoke about unreturned phone calls regarding pot holes in the street. He also spoke about issues with the traffic signals. He asked for a return phone call to discuss the traffic and street issues.

APPROVAL OF THE MINUTES OF APRIL 11, 2017

1. [17-184](#) APPROVAL OF THE MINUTES OF APRIL 11, 2017 VOTING MEETING
Staff Contact: Julie K. Bower, City Clerk

A motion was made by Councilmember Clark, seconded by Vice Mayor Hugh, that this agenda item be approved. The motion carried by the following vote:

Aye: 7 - Mayor Weiers, Vice Mayor Hugh, Councilmember Aldama, Councilmember Clark, Councilmember Tolmachoff, Councilmember Malnar, and Councilmember Turner

PROCLAMATIONS AND AWARDS

2. [17-166](#) PROCLAIM MAY 21 THROUGH MAY 27, 2017 AS NATIONAL PUBLIC WORKS WEEK IN THE CITY OF GLENDALE
Staff Contact: Michelle Woytenko, Deputy Director, Public Works
Presented By: Office of the Mayor
Accepted By: Craig Johnson, Director, Water Services
Accepted By: Michelle Woytenko, Public Works Deputy Director
- Mayor Weiers proclaimed May 21st through May 27th, 2017 as National Public Works Week. He said the Public Works group provided a wide variety of essential services to the citizens, street design and maintenance and solid waste collection. He said the health and safety of the community depended on the services. He said they were some of the first responders in a disaster and the proclamation would provide recognition to the employees.
- Gabriel Parra had worked for the City for ten years and while he didn't interact with citizens the way many employees did, his group provided a service so that the other employees could do their jobs.

CONSENT AGENDA

Mayor Weiers said a request was made to vote on items 5 and 14 through 18 separately.

3. [17-147](#) RECOMMEND APPROVAL OF SPECIAL EVENT LIQUOR LICENSE, ASSYRIAN CHURCH OF THE EAST
Staff Contact: Vicki Rios, Director, Budget and Finance
4. [17-143](#) RECOMMEND APPROVAL OF LIQUOR LICENSE NO. 5-22401 ZOE'S KITCHEN
Staff Contact: Vicki Rios, Director, Budget and Finance
6. [17-145](#) RECOMMEND APPROVAL OF LIQUOR LICENSE NO. 5-22385, BOTTEGA PIZZERIA RISTORANTE
Staff Contact: Vicki Rios, Director, Budget and Finance
7. [17-146](#) RECOMMEND APPROVAL OF LIQUOR LICENSE NO. 1-25123, SAFEWAY #1636
Staff Contact: Vicki Rios, Director, Budget and Finance
8. [17-159](#) POSITION RECLASSIFICATIONS
Staff Contact: Jim Brown, Director, Human Resources and Risk Management
9. [17-160](#) AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH SOMERSET LANDSCAPE, LLC, FOR LANDSCAPE MAINTENANCE IN CITY PARKS AND FACILITIES
Staff Contact: Erik Strunk, Director, Public Facilities, Recreation and Special Events

10. [17-174](#) AWARD OF RFP 17-09 AND AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH COPPER STATE COMMUNICATIONS TO PROVIDE TELEPHONE SYSTEM MAINTENANCE, HARDWARE, SOFTWARE AND SUPPORT
Staff Contact: Steve O’Ney, Deputy Chief Information Officer, Innovation and Technology
11. [17-161](#) AUTHORIZATION TO ENTER INTO A CONSTRUCTION AGREEMENT WITH RED HAWK SOLUTIONS, LLC, AND APPROVAL OF A BUDGET APPROPRIATION TRANSFER FOR THE FY2016/2017 RUSTED STREETLIGHT POLE REPLACEMENT
Staff Contact: Michelle Woytenko, Deputy Director, Public Works
12. [17-164](#) AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH CANNON & WENDT ELECTRIC COMPANY, INC., FOR ELECTRIC SWITCHGEAR TESTING, MAINTENANCE AND REPAIRS
Staff Contact: Michelle Woytenko, Deputy Director, Public Works
13. [17-165](#) AUTHORIZATION TO ENTER INTO AMENDMENT NO. 1 TO THE LINKING AGREEMENT WITH SOUTHWEST AVIAN SOLUTIONS, LLC, FOR BIRD REPELLANT SERVICES
Staff Contact: Michelle Woytenko, Deputy Director, Public Works
19. [17-175](#) AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH ISS FACILITY SERVICES, INC., TO PROVIDE CUSTODIAL SERVICES AT VARIOUS CITY FACILITIES AND TO RATIFY EXPENSES INCURRED
Staff Contact: Michelle Woytenko, Deputy Director, Public Works
20. [17-176](#) AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH HAMPTON TEDDER TECHNICAL SERVICES, INC., FOR ELECTRIC SWITCHGEAR TESTING, MAINTENANCE AND REPAIRS
Staff Contact: Michelle Woytenko, Deputy Director, Public Works
21. [17-177](#) AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH DBA CONSTRUCTION, INC., FOR NEEDED CRITICAL AND SAFETY RELATED ITEMS AT THE GLENDALE MUNICIPAL PARK CEMETERY
Staff Contact: Michelle Woytenko, Deputy Director, Public Works
22. [17-178](#) AUTHORIZATION FOR A BUDGET APPROPRIATION CONTINGENCY TRANSFER TO CAPITAL PROJECTS BUILDING MAINTENANCE RESERVE FOR CRITICAL OR SAFETY-RELATED REPAIR AND REPLACEMENT PROJECTS AT CITY FACILITIES
Staff Contact: Michelle Woytenko, Deputy Director, Public Works

Approval of the Consent Agenda

A motion was made by Turner, seconded by Hugh, to approve the

recommended actions on Consent Agenda Item Numbers 3, 4 and 6 through 13, and 19 through 22. The motion carried by the following vote:

Aye: 7 - Mayor Weiers, Vice Mayor Hugh, Councilmember Aldama, Councilmember Clark, Councilmember Tolmachoff, Councilmember Malnar, and Councilmember Turner

5. [17-144](#) RECOMMEND APPROVAL OF LIQUOR LICENSE NO. 5-22397, CRAZY MIKE'S CHICKEN
Staff Contact: Vicki Rios, Director, Budget and Finance
14. [17-168](#) AUTHORIZATION TO ENTER INTO A CONSTRUCTION AGREEMENT WITH CACTUS ASPHALT, A DIVISION OF CACTUS TRANSPORT INC., FOR THE PAVEMENT MANAGEMENT PROGRAM CRACK SEAL PROJECT
Staff Contact: Michelle Woytenko, Deputy Director, Public Works
15. [17-169](#) AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH ELONTEC, LLC, FOR REFURBISHED FURNITURE AND SERVICES
Staff Contact: Michelle Woytenko, Deputy Director, Public Works
16. [17-170](#) AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH MAKPRO SERVICES, LLC, FOR PAVEMENT MANAGEMENT PROGRAM PUBLIC OUTREACH
Staff Contact: Michelle Woytenko, Deputy Director, Public Works
17. [17-171](#) AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH DAVE SCOTT & ASSOCIATES, INC., FOR REFURBISHED FURNITURE AND SERVICES
Staff Contact: Michelle Woytenko, Deputy Director, Public Works
18. [17-173](#) AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH GOODMAN'S INC., FOR REFURBISHED FURNITURE AND SERVICES
Staff Contact: Michelle Woytenko, Deputy Director, Public Works

A motion was made by Turner, seconded by Hugh, to approve the recommended actions on Item Numbers 5 and 14 through 18. The motion carried by the following vote:

Aye: 6 - Mayor Weiers, Vice Mayor Hugh, Councilmember Aldama, Councilmember Tolmachoff, Councilmember Malnar, and Councilmember Turner

Nay: 1 - Councilmember Clark

LAND DEVELOPMENT ACTIONS

23. [17-151](#) FINAL PLAT (FP) APPLICATION FP17-01: 51 CAMPANA - 5200 WEST BELL ROAD
Staff Contact: Jon M. Froke, AICP, Planning Director
Staff Presenter: Sam McAllen, Director, Development Services

Ms. Bower introduced Item 23.

Mr. McAllen said the final plat application, was requested by the Empire Group for an 11-lot commercial subdivision on 21 acres located at 5200 West Bell Road. The rezoning application was approved by Council in April. He said the proposed plat was consistent with the general plan and staff recommended approval of the final plat, which would allow for mixed commercial land uses.

A motion was made by Councilmember Tolmachoff, seconded by Councilmember Aldama, that this agenda item be approved. The motion carried by the following vote:

Aye: 7 - Mayor Weiers, Vice Mayor Hugh, Councilmember Aldama, Councilmember Clark, Councilmember Tolmachoff, Councilmember Malnar, and Councilmember Turner

ORDINANCES

24. [17-149](#) ORDINANCE NO. O17-18

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING GLENDALE CITY CODE, CHAPTER 26 (OFFENSES—MISCELLANEOUS), ARTICLE III (OFFENSES AGAINST PUBLIC SAFETY AND ORDER) BY ADDING A NEW DIVISION 5 ENTITLED "FIREWORKS" PROHIBITING THE USE OF FIREWORKS WITHIN THE CITY; PROVIDING FOR THE REPEAL OF CONFLICTING CODE PROVISIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR PENALTIES.

Staff Contact: Terry Garrison, Fire Chief

Staff Presenter: Chuck Jenkins, Fire Marshal

Ms. Bower read Ordinance No. O17-18.

Mr. Jenkins said the proposed ordinance adopted changes to the consumer firework code due to changes in state law. The updates included allowing the use of consumer fireworks during the state approved timeframes, which were June 24th through July 6th and December 24th through January 3rd of each year and clarifying that the use of fireworks on public or municipal property was prohibited at all times. A handout was provided to Council which showed additional changes that needed to be made to the ordinance which addressed posting of signage at the retail sales locations.

Councilmember Malnar made a motion, seconded by Councilmember Aldama, to adopt and approve Ordinance No. O17-18, as amended.

Councilmember Clark asked when were fireworks prohibited and when were fireworks allowed.

Mr. Jenkins said consumer fireworks were prohibited in the City of Glendale at all times with the exception of June 24th through July 6th and December 24th through January 3rd.

Councilmember Clark said it was easy for people to remember fireworks were allowed around July 4th and around New Year's. She asked if the City was currently out of compliance with State regulations.

Mr. Jenkins said it was.

Councilmember Clark asked if the purpose of the proposed ordinance was to bring the City back into compliance with State regulations.

Mr. Jenkins said that was correct.

Councilmember Malnar clarified there were prohibited fireworks and asked Mr. Jenkins to address that.

Mr. Jenkins said the language detailed the specific classification of fireworks that were allowed during the timeframes. He said the term consumer fireworks was specific to certain fireworks and only those fireworks under the consumer fireworks category were allowed. Information regarding fireworks that were allowed could be found on the State's website, as well as the City's website.

Councilmember Malnar clarified that any fireworks that go up into the air were illegal according to the ordinance.

Mr. Jenkins said that was correct and said bottle rockets, firecrackers and M80's were not in the category of permissible consumer fireworks.

Mayor Weiers asked the Clerk to read the additional wording that addressed posting of signage at the retail sales locations

Ms. Bower read additional wording to Ordinance No. O17-18.

Mayor Weiers asked Councilmember Malnar to rescind his motion and make the motion again to include the changes to make sure it was done correctly.

Councilmember Malnar rescinded his motion.

Councilmember Malnar made a motion, seconded by Councilmember Tolmachoff, to approve and adopt Ordinance No. 17-18, as presented and as amended.

Councilmember Turner made reference to the definition of permissible consumer fireworks, and said he wanted to make it clear that neither the City nor the State legalized fireworks such as bottle rockets, roman candles and M80s.

Mr. Jenkins said that was correct.

Councilmember Turner had received complaints from his constituents about fireworks and the effect on their pets. He said the complaints were normally regarding explosive type of fireworks, which were not legal fireworks. He wanted to let constituents know they needed to call the Police Department if those types of fireworks were used at any time during the year. He wanted to make sure the public knew they were not legalizing firecrackers and bottle rockets.

Councilmember Turner asked if the fireworks that were not legal for the consumer to use could be sold legally.

Mr. Jenkins said both State law and the City Ordinance clearly stated the sale or possession of those fireworks was a violation of law.

Councilmember Turner said if citizens should not be seeing those types of fireworks for sale and if they were hearing them in their neighborhoods, they might be brought into the state illegally. Additionally, they should report use of those fireworks to the Police Department.

Councilmember Aldama asked about a section of the ordinance that spoke about a live animal and asked if that was an error. Councilmember Aldama said he was referring to Section 21.

Mr. Jenkins explained they were referring to Section 26 and he did not have Section 21.

Councilmember Aldama said the language was in Ordinance No. O17-18.

Mr. Jenkins did not have an answer and said the changes being made were a part of Chapter 26.

Councilmember Malnar said he saw that language as well, but it was a continuation of the ordinances of the City, but they were not making any changes to that language.

Councilmember Aldama asked for the Attorney to review the language to make sure it was correct.

Mayor Weiers asked if there were any other comments.

James Deibler, a Phoenix resident, said many people were using fireworks on their property to celebrate July 4th. He was concerned about children getting injured by fireworks. He said the City needed to make fireworks illegal and make the companies pay for it.

A motion was made by Councilmember Malnar, seconded by Councilmember Tolmachoff, to approve and adopt Ordinance No. 17-18, as presented and as amended. The motion carried by the following vote:

Aye: 7 - Mayor Weiers, Vice Mayor Hugh, Councilmember Aldama, Councilmember Clark, Councilmember Tolmachoff, Councilmember Malnar, and Councilmember Turner

25. [17-167](#)

ORDINANCE NO. O17-19

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE EXECUTION OF AN EASEMENT FOR TWO WATER LINES LOCATED AT 7815 WEST ASPERA BOULEVARD AND DIRECTING THE CITY CLERK TO RECORD A CERTIFIED COPY OF THIS ORDINANCE.

Staff Contact: Michelle Woytenko, Deputy Director, Public Works

Ms. Bower read Ordinance No. O17-19.

Ms. Woytenko said the request was to accept a new waterline easement at 7815 West Aspera Boulevard. Two new waterlines were being constructed to meet fire protection requirements. The easement would allow the City to operate, maintain and repair the waterlines. Staff recommended acceptance of the easement. There would be no impact to City departments, staff or service levels as a result of the action. There might be minimal costs incurred to the City for operating these two waterlines.

A motion was made by Councilmember Aldama, seconded by Councilmember Tolmachoff, that this agenda item be approved. The motion carried by the following vote:

Aye: 7 - Mayor Weiers, Vice Mayor Hugh, Councilmember Aldama, Councilmember Clark, Councilmember Tolmachoff, Councilmember Malnar, and Councilmember Turner

REQUEST FOR FUTURE WORKSHOP AND EXECUTIVE SESSION

A motion was made by Vice Mayor Hugh, seconded by Councilmember Tolmachoff, to hold the next regularly scheduled City Council Workshop on Tuesday, May 16, 2017 at 1:30 p.m. in the City Council Chambers, to be followed by an Executive Session pursuant to A.R.S. 38-431.03. The motion carried by the following vote:

Aye: 7 - Mayor Weiers, Vice Mayor Hugh, Councilmember Aldama, Councilmember Clark, Councilmember Tolmachoff, Councilmember Malnar, and Councilmember Turner

COUNCIL COMMENTS AND SUGGESTIONS

Councilmember Aldama thanked residents, staff and business owners who attended the district meeting. He said another district meeting would be held soon.

Councilmember Clark said she recently had the opportunity to visit West-Mec. She explained West-Mec provided an opportunity for professional advancement for young people who were not college-bound with medical and trade programs. She encouraged parents and children to check out West-Mec.

Councilmember Malnar reminded residents about the defensive shooter class on Monday at the Foothills Recreation and Aquatics Center.

Councilmember Tolmachoff said she and Councilmember Malnar were partnering with the Police Department to present an active shooter awareness class. She said it would be Monday evening at 6:30 at the Foothills Recreation and Aquatics Center. She explained the presentation was geared to public places. She said seating was limited and encouraged interested participants to sign up early.

Councilmember Turner thanked everyone for attending the First Annual Public Safety Appreciation Pancake Breakfast. He said there were various demonstrations by the Fire and Police Departments and he thanked Chief Garrison, Chief St. John and their departments. He also thanked the Recreation staff for participating. He thanked Kowalski Construction Company who donated 30 smoke alarms to the event. He also thanked Erin Steffa and the rest of the Council staff who assisted in making it a successful event.

Vice Mayor Hugh thanked Councilmember Turner for the pancakes and said his grandchildren had a good time. He looked forward to the event next year.

Mayor Weiers had a good time with his grandchildren at that event as well.

ADJOURNMENT

The City Council adjourned at 6:59 p.m.

City of Glendale

5850 West Glendale Avenue
Glendale, AZ 85301



Meeting Minutes - Draft

Thursday, May 11, 2017

2:00 PM

Special Voting Meeting with Executive Session

Council Chambers

City Council

Mayor Jerry Weiers

Vice Mayor Ian Hugh

Councilmember Jamie Aldama

Councilmember Joyce Clark

Councilmember Ray Malnar

Councilmember Lauren Tolmachoff

Councilmember Bart Turner

CALL TO ORDER**ROLL CALL**

Present: 7 - Mayor Jerry Weiers, Vice Mayor Ian Hugh, Councilmember Jamie Aldama, Councilmember Joyce Clark, Councilmember Lauren Tolmachoff, Councilmember Ray Malnar, and Councilmember Bart Turner

Also present were Kevin Phelps, City Manager; Tom Duensing, Assistant City Manager; Michael Bailey, City Attorney; Julie K. Bower, City Clerk; and Charles Vasquez, Administrative Support Specialist.

PLEDGE OF ALLEGIANCE**CITIZEN COMMENTS**

There were no citizen comments.

MOTION AND CALL TO ENTER INTO EXECUTIVE SESSION

A motion was made by Councilmember Turner, seconded by Vice Mayor Hugh, to enter into Executive session. The motion carried by the following vote:

Aye: 7 - Mayor Weiers, Vice Mayor Hugh, Councilmember Aldama, Councilmember Clark, Councilmember Tolmachoff, Councilmember Malnar, and Councilmember Turner

EXECUTIVE SESSION

The City Council entered into Executive Session at 2:30 p.m.

The City Council returned to the regular Voting Meeting at 3:20 p.m.

NEW BUSINESS

1. [17-207](#) CONSIDERATION AND POSSIBLE ACTION REGARDING CONTEMPLATED LITIGATION WITH, OR IN SETTLEMENT DISCUSSIONS CONDUCTED IN ORDER TO AVOID OR RESOLVE LITIGATION WITH THE NEW WESTGATE
Staff Contact: Michael D. Bailey, City Attorney

Mr. Vasquez introduced Item 17-207.

Councilmember Clark made a motion, seconded by Councilmember Aldama, to direct the City Manager and the City Attorney to act in accordance with the direction provided in Executive Session, including executing a Towing Agreement regarding the claims the City and The New Westgate may have against one another.

Aye: 7 - Mayor Weiers, Vice Mayor Hugh, Councilmember Aldama, Councilmember Clark, Councilmember Tolmachoff, Councilmember Malnar, and Councilmember Turner

ADJOURNMENT

The City Council adjourned at 3:25 p.m.



Legislation Description

File #: 17-211, Version: 1

APPROVE RECOMMENDED APPOINTMENTS TO BOARDS, COMMISSIONS & OTHER BODIES

Staff Contact: Brent Stoddard, Director, Public Affairs

Presented By: Councilmember Jamie Aldama

Purpose and Recommended Action

This is a request for City Council to approve the recommended appointments to the following boards, commissions and other bodies that have a vacancy or expired term and for the Mayor to administer the Oath of Office to those appointees in attendance.

Board of Adjustment

Carl Dietzman	Ocotillo	Reappointment	05/23/2017	05/23/2019
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Citizens Transportation Oversight Commission

Chuck Jared	Cactus	Appointment	05/23/2017	05/23/2019
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Community Development Advisory Committee

David Barraza	Cactus	Appointment	05/23/2017	05/23/2019
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Vince Ornelas	Cactus	Appointment	05/23/2017	05/23/2019
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Lynda Vescio	At-large/Mayoral	Appointment	05/23/2017	05/23/2019
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Matthew Versluis - Chair	Sahuaro	Reappointment	05/23/2017	05/23/2018
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Dorlisa Dvorak - Vice Chair	Ocotillo	Reappointment	05/23/2017	05/23/2018
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Historic Preservation Commission

Amanda Froes	At-large/Sahuaro	Reappointment	05/23/2017	05/23/2019
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Sharon Wixon	At-large/Cactus	Reappointment	05/23/2017	05/23/2019
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Theodora Hackenberg-Chair	Barrel	Appointment	05/23/2017	05/23/2018
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Tim Quinn - Vice Chair	At-Large	Appointment	05/23/2017	05/23/2018
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Library Advisory Board

Karen Aborne	Yucca	Reappointment	05/23/2017	05/23/2019
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Jessica Koory	Ocotillo	Reappointment	05/23/2017	05/23/2019
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Catey Alberts	Teen/Mayoral	Appointment	05/23/2017	05/23/2018
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Jessica Koory -Chair	Ocotillo	Reappointment	05/23/2017	05/23/2018
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Parks & Recreation Advisory Commission

Sam McConnell	Sahuaro	Appointment	05/23/2017	05/23/2019
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Gayle Schiavone	Yucca	Appointment	05/23/2017	05/23/2019
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Alicia Rubio	Ocotillo	Reappointment	05/23/2017	05/23/2019
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File #: 17-211, Version: 1

Pattie Johnston	Cholla	Appointment	05/23/2017	05/23/2019
Barbara Cole - Chair	Mayoral	Appointment	05/23/2017	05/23/2018
Alicia Rubio - Vice Chair	Ocotillo	Appointment	05/23/2017	05/23/2018

Planning Commission

Vern Crow	Sahuaro	Appointment	05/23/2017	05/23/2019
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Citizens Utility Advisory Commission (Formerly Water Services Commission)

Stephen L. DeAngelo	Yucca	Appointment	05/23/2017	05/23/2019
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Legislation Description

File #: 17-217, Version: 1

RECOGNITION OF SERVICE FOR PARKS AND RECREATION ADVISORY COMMISSIONER JOHN FARIS

Staff Contact: Erik Strunk, Director, Public Facilities, Recreation and Special Events

Presented By: Office of the Mayor

Accepted By: Family of Commissioner John Faris

Purpose and Recommended Action

This is a request to present a plaque of appreciation to the family of Mr. John Faris, to recognize his two years of community service on Glendale's Parks and Recreation Advisory Commission.

Background

The Parks and Recreation Advisory Commission advises the City Council on policies, rules, and regulations relating to planning, acquisition, disposition, operations, use, care, and maintenance of parks and recreational facilities. The commission is also responsible for development of a continuous master plan for the city's park system and recreation programs.

Mr. John Faris served the Cactus district on the Parks and Recreation Advisory Commission from 2014 to 2016. While serving on the commission, Mr. Faris advocated for and supported the renaming of the Murphy Park Amphitheater to the E. Lowell Rogers Amphitheater and assisted with the outsourcing of five community centers to provide free after-school and summer drop-in programs. He was also a passionate supporter of the performing arts and supported the improvement and enhancement of the appearance of Elsie McCarthy Sensory Garden, preservation of the Sahuaro Ranch Historic Area, STEM/STEAM programming at the recreation and community centers, the Wheels in Motion out of school program at Heroes Regional Park, and Heroes Regional Park Archery Range design and construction.

Mr. Faris was a dedicated and active citizen who made every effort to better those in the Glendale community. He is to be commended for his selflessness and volunteerism to the City as a member of the Parks and Recreation Advisory Commission. As Mr. Faris passed-away in December 2016, his family will be present to accept a recognition plaque on his behalf.



Legislation Description

File #: 17-197, Version: 1

NATIONAL CPR AND AED AWARENESS WEEK PROCLAMATION

Staff Contact: Terry Garrison, Fire Chief

Presented By: Office of the Mayor

Accepted By:

Eric Keppler, Deputy Fire Chief

Anthony Garcia, Recreation Coordinator, Public Facilities & Events

Summer Steinke, Administrative Support Coordinator, Public Facilities & Events

Purpose and Recommended Action

This is a request for City Council to proclaim June 1-7, 2017, as National CPR and AED Awareness Week. The goal is to improve awareness and education for citizens to learn CPR. It has been proven that CPR prior to the arrival of emergency medical personnel improves the survival rate of persons who experience a cardiac arrest event outside the hospital. Anthony Garcia and Summer Steinke were working at the adult center when they witnessed a patron go into cardiac arrest and began by-stander CPR. Anthony began hands only CPR also known as Continuous Chest Compressions (CCC); while Summer located an Automatic External Defibrillator (AED). They continued to provide CPR/CCC and applied the AED prior to the arrival of a Glendale Fire Department unit with paramedics and EMTs. The patient was transported to the hospital; the patient left the hospital without any physical or neurological deficits. The quick actions taken by Anthony and Summer contributed significantly to the positive outcome. Deputy Fire Chief Eric Keppler, Anthony Garcia and Summer Steinke will be present to accept the proclamation.

Background

Approximately 350,000 Americans suffer sudden cardiac arrest each year and more than 90 percent of them die before reaching the hospital. A person's chances of survival can double or triple if CPR is performed and an AED applied prior to the arrival of emergency medical personnel. Only about 46% of people who experience an out-of-hospital cardiac arrest event get the help they need before professional help arrives.

In 2005, Glendale was one of two valley fire departments trained by Dr. Bobrow to implement the CCC-CPR protocol. In conjunction with the City of Glendale Fire Department offering Continuous Chest Compressions-Cardiopulmonary Resuscitation (CCC-CPR) and Automatic External Defibrillator (AED) training, along with AED units located across the City in public buildings and heavy traffic areas, we can promote evidence-based treatment and improve survival from out-of-hospital cardiac arrest.

Previous Related Council Action

Went to Council in May 24, 2016.

Community Benefit/Public Involvement

Protecting the public, whether they are living here, working in, or visiting the City of Glendale, is an important goal for the City of Glendale and the Glendale Fire Department. Providing free one-hour CCC-CPR and AED classes to the public upon request of businesses, clubs, groups, organizations, and schools are the steps to accomplish that goal. Training as many potential users of AED devices, having bystander CCC-CPR performed early in cardiac arrest, and ensure trainees know to call 911 as soon as possible during an emergency will save lives. The goal this year is to educate and train citizens on the importance of CPR/CCC. The American Heart Association has set the following goals to be achieved by 2020:

- Improve out-of-hospital cardiac survival rates from 7.9% to 15.8%
- Double the out-of-hospital bystander response from 31% to 62%
- Increase training from 12.3 million people to 20 million people
 - ***Learn CCC-CPR*** - Contact the Glendale Fire Department. We provide free one-hour CCC-CPR and AED classes to the public upon request.
 - ***Locate the closest AED***
 - ***Call 911-*** Call 911 as soon as possible in an emergency. Stay on the line with the 911 operator until you are instructed to hang up.
 - ***Get Involved*** - There are many ways to get involved and be part of saving a life. Learning how to call 911 early in an emergency and what information the operator needs to know. Take a class on CCC-CPR and invite a friend to go with you. If you belong to a group or an organization, get everyone involved. When you are out in a public or private building, be aware of the location of any AED unit. You never know when you may be called to action. Community leaders agree and support having AED units strategically placed in public buildings throughout the City.



Legislation Description

File #: 17-172, Version: 1

APPROVE LIQUOR LICENSE NO. 5-22551, ADAMS LOUNGE

Staff Contact: Vicki Rios, Director, Budget and Finance

Purpose and Recommended Action

This is a request for City Council to recommend approval to the Arizona Department of Liquor Licenses and Control of a person-to-person transferable series 6 (Bar - All Liquor) license for Adams Lounge located at 8110 West Union Hills Drive, Suite 410. The Arizona Department of Liquor Licenses and Control application (No. 06070746) was submitted by Theresa June Morse.

Background Summary

The location of the establishment is in the Cholla District and is over 300 feet from any church or school. The property is zoned C-2 (General Commercial). The population density within a one-mile radius is 7,079. Adams Lounge is currently not operating with an interim permit. However, the previous business O2 Lounge (which closed in January, 2017) held a series 6 liquor license, therefore, the approval of this license will not increase the number of liquor licenses in the area. The current number of liquor licenses within a one-mile radius is as listed below.

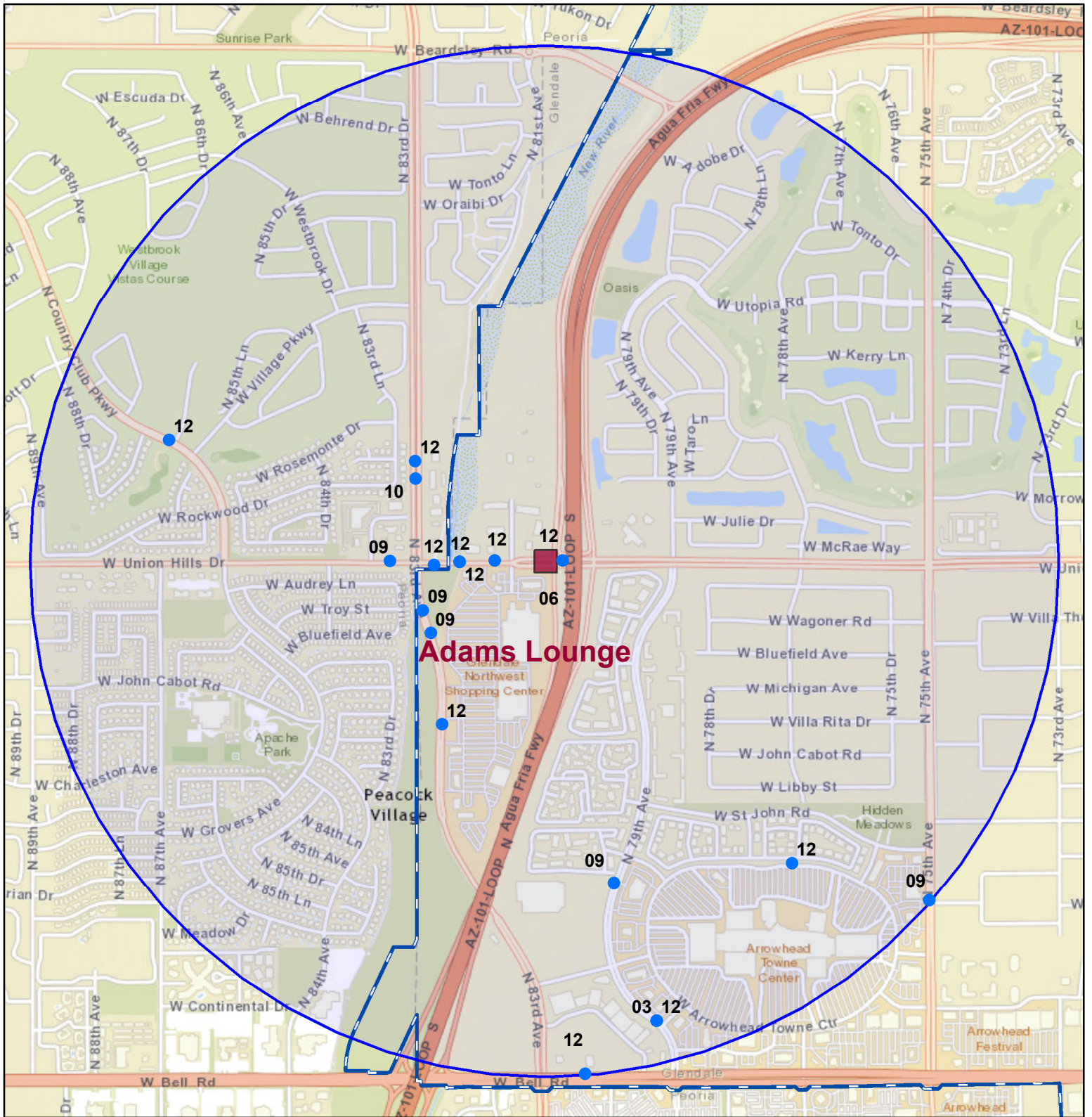
Series	Type	Quantity
03	Domestic Microbrewery	1
06	Bar - All Liquor	1
09	Liquor Store - All Liquor	5
10	Liquor Store - Beer and Wine	1
12	Restaurant	<u>11</u>
	Total	19

Pursuant to A.R.S. § 4-203(A), when considering this person-to-person transferable series 6 license, Council may take into consideration the applicant's capability, qualifications, and reliability.

The City of Glendale Development Services, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

Community Benefit/Public Involvement

No public protests were received during the 20-day posting period, April 10 thru April 30, 2017.



BUSINESS NAME: Adams Lounge

LOCATION: 8110 W. Union Hills Drive, Suite 410

APPLICANT: Theresa June Morse

ZONING: C-2

APPLICATION NO: 5-22551

**SALES TAX AND LICENSE DIVISION
CITY OF GLENDALE, AZ**



17-83

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Date: **04-24-17**

License Type: **Series 6 Bar (All Spiritous Liquor)**

Definition: Allows for the sale of all types of liquor, on-premise consumption and allows the bar to sell packaged goods to go. Delivery service is allowed.

Application Type: **Person-to-Person Transfer**

Definition: The application process for conveying the ownership of a license from one person to another, within the same county.

Business Name: **Adams Lounge**

Business Address: **8110 W. Union Hills DR. #410**

Applicant/s Information

Name: **Morse, Theresa June (Agent)**

Name: **Ross, Richard Adam**

Name:

Name:

Background investigation of applicant/s completed.

Calls for Service History:	Call history for location beginning: 4/24/2012	Other Suites	New ownership call history beginning:
Liquor Related	2	2	
Vice Related			
Drug Related			
Fights / Assaults	5	7	
Robberies			
Burglary / Theft	1	22	
911 calls		1	
Trespassing	1	5	
Accidents		7	
Fraud / Forgery	1	1	
Threats		1	
Criminal damage		2	
Other non-criminal*	3	51	
Other criminal	1	7	
Total calls for service	14	106	N/A

* Other non-criminal includes calls such as suspicious persons, juveniles disturbing and other information only reports that required Police response or phone call.

GLENDALE POLICE DEPARTMENT
Liquor Application Worksheet

Applicant Background Synopsis:

None of the listed applicant(s) have any known felony convictions within the past five years or any other known criminal history that would lead to police department recommendation for denial.

Current License Holder:

Theresa Morse (Agent)
Expect Listen Allow Group LLC (Owner)

There are no known concerns with the current license holder.

Location History:

No significant Calls for Service history at this location.

Special Concerns:

None found

Background investigation complete:

Police Department recommendation has No Cause for Denial.

		Date
Investigating Officer – M. Ervin	<u>M. ERVIN</u>	<u>4-25-17</u>
CID Lieutenant or Commander	_____	_____
Deputy City Attorney	_____	_____
Chief of Police or designee	<u>[Signature]</u>	<u>4/25/17</u>



Legislation Description

File #: 17-181, Version: 1

APPROVAL OF THE FISCAL YEAR 2017-2018 (FY17-18) GILA RIVER ARENA CAPITAL REPAIRS/REPLACEMENT PROGRAM, APPROVAL OF THE ARENA FIVE-YEAR CAPITAL PLAN, AND AUTHORIZATION FOR THE CITY MANAGER TO RELEASE FUNDS TO AEG MANAGEMENT GLENDALE, LLC.

Staff Contact: Vicki Rios, Director, Budget and Finance

Purpose and Recommended Action

This is a request for City Council to approve the Fiscal Year 2017-2018 (FY17-18) Gila River Arena Capital Repairs/ Replacement (CRR) Program, approve the Arena Five-Year Capital Plan, and to authorize the City Manager to release funds, under the terms of the Gila River Arena Management Agreement with AEG Management Glendale, LLC (AEG), in an amount not to exceed \$500,000 as projects are completed throughout FY17-18. The attached Exhibit A outlines the FY17-18 capital program, which includes \$649,568 of carryover request from the FY16-17 capital program. Exhibit B outlines the five-year capital plan. Both documents are requirements of the Agreement.

Background

The City of Glendale is the owner of the Gila River Arena (Arena) located at 9400 West Maryland Avenue in the heart of the Sports and Entertainment District. The Arena was built as a state-of-the-art, multi-purpose facility and was opened for business on December 26, 2003. Gila River Arena is home to the National Hockey League's Arizona Coyotes and, in addition, hosts concerts with some of the biggest names in the music industry.

Effective July 2016, AEG became the manager of the Arena. Part of the role of AEG is to utilize their arena management expertise and determine needed capital improvements on the City-owned facility in coordination with the City. Per the terms of the Gila River Arena Management Agreement, AEG is required to submit a capital budget and a five-year capital plan for review and approval. Under the Agreement, the City is required fund "an amount at least equal to \$500,000 to a capital fund" each fiscal year which is contained in the City's Capital Improvement Plan.

The proposed capital program represents the best efforts of the City of Glendale and AEG to predict the highest priority items and estimate the cost of the items to be addressed to maintain the facility within the funding available. It is important to note that the dollar amounts for each project are estimated and that there may be unscheduled repairs that arise during the year which could take priority over the projects on the attached list. Every May, AEG will update the Arena Five-Year Capital Plan and submit the proposed yearly budget for approval.

In the FY16-17 approved budget, Council appropriated \$1,900,910 as part of the city's capital improvement program for capital repair and replacement at the arena (\$1,500,000 in new funding and \$404,910 in funding

available from carryover of prior years on projects that were not completed and from accumulated savings on projects where the actual cost was less than the estimated cost). Similar to the FY16-17 budget, the FY17-18 request includes carryover request totaling \$649,568 from FY16-17 into FY16-17, bringing the total amount available to \$1,149,568.

Analysis

As with any type of facility, capital reinvestment is necessary to ensure the structure is operationally sound and that the asset maintains its value to be competitive in the market.

Highlights of the proposed FY17-18 Capital Improvement Plan include: Continued upgrade of the two-way radio system, continued upgrade and replacement of the security cameras, continued upgrade of the video equipment, fiber system upgrades and replacement of the aging hardware in the Box Office.

Staff worked with AEG on a preliminary assessment of the condition of the facility and agreed on the need for the projects outlined in this fiscal year's CRR Program. The attached program allows Council the opportunity to review, discuss, and approve the CRR before the projects have been started and any funds are expended. The costs are estimated and actual costs may be higher or lower but in total the costs may not exceed the approved budgeted amount without obtaining additional approval and funding. Additionally, staff will ensure that all CRR projects follow the city's purchasing guidelines.

Previous Related Council Action

On September 13, 2016, the first year of AEG Arena management, Council approved the FY2016-17 Capital Improvement Plan and authorized release of funds to AEG Management Glendale, LCC.

On April 26, 2016, Council approved the award of RFP 16-13 to AEG Management Glendale, LLC for Arena Management Services.

On June 23, 2015, Council approved the FY 2015-16 CRR Program and authorized the City Manager to release escrow account funds to reimburse IceArizona for capital repairs made to the Gila River Arena in an amount not to exceed \$500,000 in FY 2015-16.

On November 24, 2014, Council approved the FY 2014-15 CRR Program and authorized the City Manager to release escrow account funds to reimburse IceArizona for capital repairs made to the Gila River Arena in an amount not to exceed \$500,000 in FY 2014-15.

On June 24, 2014, Council authorized the City Manager to reimburse IceArizona Manager Co., LP the amount of \$567,461.93 from the escrow account for capital repairs made to the city-owned Jobing.com Arena in FY 2013-14.

On February 4, 2014, Council was updated on the life-cycle cost information for Jobing.com Arena.

Community Benefit/Public Involvement

Proper maintenance and capital repairs to the Gila River Arena are necessary for the safety and enjoyment of all individuals who work and attend events at this city-owned facility. In addition, it is necessary to invest capital dollars in this facility to maintain its value as an asset to the city and keep the facility competitive.

Budget and Financial Impacts

Funds in the amount of \$500,000 are included in the City's FY17-18 capital improvement budget request and are to be used for payment to AEG Management Glendale, LLC for approved capital repairs/ replacements.

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

Exhibit A
Capital Improvement Plan
FY17-18

Capital Item	Description	FY17-18		
		Carryover Funding from FY16-17 to FY17-18	FY17-18	Total FY17-18
Fiber System Between Truck I/O & Rack Room	Make use of existing fiber optic infrastructure to send HD content from video and audio equipment owned by individual promoters or acts to the control room.	\$10,000		\$10,000
Sync Generator	Current Master Sync Generator has failed. Master clock for all audio, video and broadcast equipment.	\$15,000		\$15,000
Engineering Scope	Current Scope is intermittent, failing and no longer supported. Needs replaced	\$15,000		\$15,000
Ice Decking	Ice deck/cover is mostly the original decking.	\$85,744		\$85,744
High Definition Video Equipment	Server, switcher, router and terminal gear.	\$523,824		\$523,824
Office Expansion	Build new offices and buy furniture to house AEG Finance, HR, Security, Booking, and GM positions.		\$96,250	\$96,250
Two-Way Radio System	Finish upgrading the radio system from analog to digital. Based on three-year lease plan.		\$85,253	\$85,253
Security Cameras	Add 1 DVR. Replacement of 25 cameras from analog to digital.		\$125,000	\$125,000
Freight Elevator Control Panel	Parts to replace control panel are obsolete. Need whole new control panel.		\$125,000	\$125,000
Fiber Upgrade Project	Install new single mode fiber and SFPs.		\$55,000	\$55,000
Box Office PC refresh	Replace aging computer hardware in Box Office		\$5,412	\$5,412
Emergency Repairs	Funds for any Emergency Repairs in Arena		\$8,085	\$8,085
	Total	\$649,568	\$500,000	\$1,149,568

Exhibit B
Five Year Capital Improvement Plan
FY17-18 through FY21-22

Capital Item	Description	FY17-18			FY18-19 through FY21-22			
		Carryover Funding from FY16-17 to			FY18-19	FY19-20	FY20-21	FY21-22
		FY17-18	FY17-18	Total FY17-18				
Fiber System Between Truck I/O & Rack Room	Make use of existing fiber optic infrastructure to send HD content from video and audio equipment owned by individual promoters or acts to the control room.	\$10,000		\$10,000				
Sync Generator	Current Master Sync Generator has failed. Master clock for all audio, video and broadcast equipment.	\$15,000		\$15,000				
Engineering Scope	Current Scope is intermittent, failing and no longer supported. Needs replaced	\$15,000		\$15,000				
Ice Decking	Ice deck/cover is mostly the original decking.	\$85,744		\$85,744				
High Definition Video Equipment	Server, switcher, router and terminal gear.	\$523,824		\$523,824				
Office Expansion	Build new offices and buy furniture to house AEG Finance, HR, Security, Booking, and GM positions.		\$96,250	\$96,250				
Two-Way Radio System	Finish upgrading the radio system from analog to digital. Based on three-year lease plan.		\$85,253	\$85,253	\$86,000			
Security Cameras	Add 1 DVR. Replacement of 25 cameras from analog to digital.		\$125,000	\$125,000				
Freight Elevator Control Panel	Parts to replace control panel are obsolete. Need whole new control panel.		\$125,000	\$125,000				
Fiber Upgrade Project	Install new single mode fiber and SFPs.		\$55,000	\$55,000	\$55,000	\$50,000	\$50,000	\$50,000
Box Office PC refresh	Replace aging computer hardware in Box Office		\$5,412	\$5,412				
Emergency Repairs	Funds for any Emergency Repairs in Arena		\$8,085	\$8,085				

Exhibit B
Five Year Capital Improvement Plan
FY17-18 through FY21-22

Capital Item	Description	FY17-18			FY18-19 through FY21-22			
		Carryover Funding from FY16-17 to			FY18-19	FY19-20	FY20-21	FY21-22
		FY17-18	FY17-18	Total FY17-18				
Repaving of Parking Lots	Lots are paved on a 5-year cycle.				\$150,000			
PC Refresh	Replace aging computer hardware.				\$6,000	\$5,000	\$5,000	\$5,000
Distributed TV System	Replace analog televisions throughout venue with HD televisions.				\$115,000			
HVAC Replacement	Installation of additional air condition due to increasing heat load of the main telecommunications room. Install two new package HVAC units for A/V rack room.				\$45,000	\$50,000		
Domestic Cold Water Loop	Install isolation valves (43) to gain the ability to make emergency repairs to risers.				\$43,000			
Emergency Repairs	Funds for any Emergency Repairs in Arena.					\$22,200	\$23,750	\$133,750
Roof Repairs	Repair roof leak issues.					\$50,000		
Lighting	Replace 280 can lights on main concourse and 67 work lights in the arena bowl with LED's.					\$70,000		
Box Office Signage	Replace Box Office window signage.					\$65,000		
Way Finding Signage	Update and replace existing way finding signage.					\$150,000		
Tables	Tables for Arena operations.					\$10,000		
Truck Dock Cabling	Add additional data/voice capabilities at truck dock for events.					\$5,000		

Exhibit B
 Five Year Capital Improvement Plan
 FY17-18 through FY21-22

Capital Item	Description	FY17-18			FY18-19 through FY21-22			
		Carryover Funding from FY16-17 to			FY18-19	FY19-20	FY20-21	FY21-22
		FY17-18	FY17-18	Total FY17-18				
Gate 7 Parking Lot Drive Lighting	Replace two light pools and fixtures.					\$8,000		
Speakers	Replace woofers in house sound system in seating bowl.					\$14,800		
UPS Batteries	Replace batteries in UPSs						\$25,000	
Floor Treatment/Carpets	Carpet replacement plan in Arena and the rubber flooring in the locker room area.						\$246,250	\$246,250
Trash Cans (Partial)	Replace all trash and recycle containers throughout the arena concourses and suite levels.						\$75,000	
Bollard Installation at Loading Dock	Add crash rated bollards to the top of the loading dock.						\$75,000	
F&B Network Consolidation	Install Cisco switches to replace HPs.							\$65,000
	Total	\$649,568	\$500,000	\$1,149,568	\$500,000	\$500,000	\$500,000	\$500,000



Legislation Description

File #: 17-216, Version: 1

AUTHORIZATION TO ENTER INTO AMENDMENT NO. 6 OF THE ICAPTURE SOFTWARE LICENSE AGREEMENT WITH IMPRESSION TECHNOLOGY, INC.

Staff Contact: Vicki Rios, Director, Budget and Finance

Purpose and Recommended Action

This is a request for City Council to authorize Amendment No. 6 of the iCapture software license agreement with Impression Technology, Inc. for one year pursuant to contract numbers C-7133 and C-7133-1 for an amount not to exceed \$45,778.01 and to authorize the City Manager to execute all documents necessary to implement the maintenance renewal.

Background

On August 11, 2009, the City Council awarded contract number C-7133 to Impression Technology, Inc. to lease a scanner and purchase scanning software. The City uses the scanner and software to process business licenses, sales tax returns, and supporting documentation. The scanner captures the information needed to process the documents, automatically inserts the information into correct fields in the Tax Mantra database, and stores a copy of the documents electronically. The agreement for annual software maintenance provides technical support, software updates, fixes, and upgrade rights. The contract also allows for the continuation of maintenance on the software annually upon agreement by both parties. The contract has been extended by Council on an annual basis from 2013-2017.

Analysis

Impression Technology, Inc. is the creator of the scanner software and currently provides the maintenance and support. This procurement has been approved as a sole source because the software maintenance is only provided by the creator of the system. The software is proprietary and firms typically do not license other companies to provide support services. This software maintenance and support is necessary to continue to use the scanning software for the next year.

The current support agreement expired on May 9, 2017 and, without this agreement, the city will not have support for the software and the scanners if they malfunction. If a malfunction occurred, city staff would have to begin manually entering all business license and sales tax information into its Tax Mantra software system and the documents would have to be maintained in hard copy files. Manual entry would be more time consuming and more expensive than the electronic scanning method. Manual retrieval of the hard copy files can also be time consuming. The scanning software allows staff to provide better customer service by giving them immediate access all relevant documents to assist taxpayers over the phone or in-person.

Although the Arizona Department of Revenue (ADOR) began processing sales tax returns in February of 2017,

city staff continues to use the scanners and the software to process city business licenses. Staff also uses the scanner to process sales tax returns and payments for periods prior to January of 2017 as they are received. This year, Impression Technology Inc., reduced the cost of the ongoing maintenance for the scanners and software to reflect the lower level of usage expected during the upcoming year.

Previous Related Council Action

On April 26, 2016, April 14, 2015, January 28, 2014, and February 12, 2013, City Council approved the annual maintenance support agreements and expenditures for the scanning system.

On August 11, 2009, City Council authorized the City Manager to enter into agreements with Impression Technology, Inc. for the scanners and software.

Community Benefit/Public Involvement

Impression Technology, Inc. provides the software that allows the scanning of sales tax documents and payments, which are then uploaded to the sales tax system daily to update customer accounts. The scanning software allows staff to provide better customer service by giving them immediate access all relevant documents to assist taxpayers over the phone or in-person

Budget and Financial Impacts

The annual iCapture software license support costs total \$45,778.01 and are budgeted in the License/Collection division.

Cost	Fund-Department-Account
\$45,778.01	1000-11340-518200, License/Collection

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

AMENDMENT NO. 6
ICAPTURE SOFTWARE LICENSE AGREEMENT (Contract No. C-7133)
City of Glendale Solicitation No. 09-15

This Amendment No. 6 ("Amendment") for iCapture Software License Support Agreement is made to be effective this ____ day of _____, 2017 ("Effective Date"), by and between the City of Glendale, an Arizona municipal corporation ("City") and Impression Technology Inc., a California corporation ("Contractor").

RECITALS

- A. City and Contractor previously entered into a Software License Agreement, Contract No. C-7133, dated August 11, 2009 ("Agreement"); and
- B. In 2010, the City and Contractor previously entered into Change Order No. C-7133-1 to incorporate the additional requirements for remittance payment processing for Tax and License and Utility bills; and
- C. City and Contractor previously entered into Contract Amendment No. 2, extending the term of the Agreement from May 10, 2014 through May 9, 2015; and
- D. City and Contractor previously entered into Contract Amendment No. 3, extending the lease of the Kodak s1740 high-speed scanner for a one-year period from September 10, 2014 through September 9, 2015 with the option to purchase the Kodak s1740 high-speed scanner for \$1 at the end of this lease period (September 9, 2015); and
- E. City and Contractor previously entered into Contract Amendment No. 4, extending the term of the Agreement from May 10, 2015 through May 9, 2016; and
- F. City and Contractor previously entered into Contract Amendment No. 5, extending the term of the Agreement from May 10, 2016 through May 9, 2017; and
- G. City and Contractor wish to modify and amend the Agreement subject to and strictly in accordance with the terms of this Amendment.

AGREEMENT

In consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Contractor hereby agree as follows:

1. **Recitals.** The recitals set forth above are not merely recitals, but form an integral part of this Amendment.
2. **Term.** The term of the Agreement is extended for a one-year period from May 10, 2017 through May 9, 2018, unless terminated or canceled as provided within the Agreement. All other provisions of the Agreement shall remain in their entirety.

3. **Compensation.** The compensation is Forty-Five Thousand Seven Hundred Seventy-Eight Dollars and One Cents (\$45,778.01) as set forth in the attached Maintenance and Support Price Breakdown.
4. **Insurance Certificate.** The existing insurance certificate is expiring and a new certificate applying to the extended term is required and must be received by the Contract Specialist prior to the execution of this Amendment.
5. **No Boycott of Israel.** The Parties agree that they are not currently engaged in, and agree that for the duration of the Agreement they will not engage in a boycott of Israel, as that term is defined in A.R.S. §35-393.
6. **Ratification of Agreement.** City and Contractor hereby agree that except as expressly provided in this Amendment, the provisions of the Agreement shall be, and remain in full force and effect and that if any provision of this Amendment conflicts with the Agreement, then the provisions of this Amendment shall prevail.

CITY OF GLENDALE, an Arizona
municipal corporation

Kevin R. Phelps, City Manager

ATTEST:

Julie K Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

Impression Technology Inc., a California
corporation

Charles Hou

By: Charles Hou
Its: Vice President

**City of Glendale - iCapture
Maintenance and Support Price Breakdown**

Maintenance Period	iCapture	iQMonitor	Remittance	Total
Year 1: (5/10/2011-5/9/2012)	\$ 35,868.00	\$ -	\$ 4,498.00	\$ 40,366.00
Year 2: (5/10/2012-5/9/2013)	\$ 35,868.00	\$ 2,106.00	\$ 4,498.00	\$ 42,472.00
Year 3: (5/10/2013-5/9/2014)	\$ 37,661.00	\$ 2,211.30	\$ 4,723.30	\$ 44,595.60
Year 4: (5/10/2014-5/9/2015)	\$ 39,544.00	\$ 2,321.87	\$ 4,959.52	\$ 46,825.38
Year 5: (5/10/2015-5/9/2016)	\$ 41,522.00	\$ 2,437.96	\$ 5,206.69	\$ 49,166.65
Year 6: (5/10/2016-5/9/2017)	\$ 43,598.10	\$ 2,559.86	\$ 5,467.03	\$ 51,624.98
Year 7: (5/10/2017-5/9/2018)	\$ 45,778.01			\$ 45,778.01
Year 8: (5/10/2018-5/9/2019)	\$ 48,066.91			\$ 48,066.91
Year 9: (5/10/2019-5/9/2020)	\$ 50,470.26			\$ 50,470.26

1. Year 1 - 5 of iCapture Maintenance as quoted in 2009 Software License Agreement.
(Page 15, Attachment A)
2. Year 6, 7 of iCapture Maintenance escalated by 5% annually.
3. Three additional iQMonitor license was purchased in 2/25/2011.
Year 1 of the additional iQMonitor maintenance \$2,106 was paid in invoice #1188.
4. 5% annual escalation for iQMonitor maintenance fee after year 2.
5. Under Change Order 001, additional remittance processing software (Depost21) was purchased and paid in invoice # 1072 (10/15/2010).
6. Year 1 remittance software maintenance fee \$4,498 was paid in invoice # 1186.
7. Year 2 - 6 remittance maintenance fees were wrapped in iCapture maintenace. Table 2 - Annual Software maintenance 8.1
8. Year 1 - 6 maintenance invoices are attached.

C-7133
08/11/2009

iCapture™

Software License Agreement September 14, 2007

Revised for City of Glendale on October 19, 2009



Impression Technology, Inc.
1777 N. California Blvd. Suite 240
Walnut Creek, CA 94596-4684

925.280.0010 / 925.280.0092 Office/Fax
www.impression-technology.co

SOFTWARE LICENSE AGREEMENT

Between IMPRESSION TECHNOLOGY
And CITY OF Glendale

This Software License Agreement ("Agreement") is entered into by and between Impression Technology, Inc., a California corporation ("Licensor") and the licensee, the City of Glendale, an Arizona municipal corporation ("City"), as of the date last executed by the Parties ("Effective Date"). Licensor and City are individually referred to as "Party" and collectively as "Parties" throughout this Agreement, and the words Party and Parties shall be construed accordingly. Licensor hereby agrees to grant City certain licenses to the Software as defined (the "License"), subject to the terms and conditions of this Agreement which are attached and the Exhibits set forth below. Any modifications or amendments to this Agreement may be made by an addendum signed by an authorized officer of the Parties ("Agreement Addendum") to be attached to this Agreement.

BOTH PARTIES ACKNOWLEDGE HAVING READ THE TERMS AND CONDITIONS SET FORTH ON THIS FACING PAGE AND ATTACHED HERETO, UNDERSTANDING ALL TERMS AND CONDITIONS, AND AGREEING TO BE BOUND THEREBY.

IN WITNESS WHEREOF, the Parties herein have caused this Agreement to be executed in triplicate originals.

IMPRESSION TECHNOLOGY, INC., a
California corporation

CITY OF GLENDALE,
an Arizona municipal corporation

By: 

By: 


Title: MICHAEL TOUVANYAN

Its: Ed Beasley

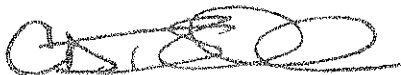
Date: 11/19/09

Date: December 3rd, 2009

ATTEST:


Pam Hanna, City Clerk

APPROVED AS TO FORM:


Craig Tindall, City Attorney

SOFTWARE LICENSE AGREEMENT TERMS AND CONDITIONS

1. DEFINITIONS.

For purposes of this Agreement, the following terms shall have the following meanings:

"**Client**" is a user (which includes but is not restricted to an employee or consultant of City) who is permitted access to the City data files using the Software.

"**Documentation**" means the user and technical manuals and documentation regarding the Software, whether in hard copy, magnetic or electronic media or other form, provided by Licensor to City. Documentation includes, but is not limited to, the reference manuals and user guides and manuals, operating instructions, input information, format specifications, instructional and other documentation, published specification and other documentation related to the Software.

"**Software**" means Licensor's iCapture software residing on a single or multiple servers at the locations specified on the Facing Page and any software modules which are included with such Software.

"**Update**" means a revised version of the original Software containing updates or modifications of the Software that Licensor provides to City. The term Update includes revisions to any Documentation associated with the Software.

2. INSTALLATION AND DELIVERY.

2.1 Except as otherwise agreed between the parties, City shall be solely responsible for installation of the Software and for any conversion of data required in connection with City's use of the Software to make such data compatible with the Software.

3. LICENSE GRANT.

3.1 **Software License.** Licensor shall provide to City, by CDROM or electronically (as agreed between the Parties), one copy of the Software, in machine-readable object code, solely for City's use pursuant to this Agreement. Subject to the terms and conditions of this Agreement, Licensor hereby grants to the City a non-exclusive, non-transferable, restricted license to install and use the Software on the servers designated on the facing page, in machine-readable object code. Such License shall allow City the right to allow up to that number of Clients to access City's designated data files and to:

- (A) use the Software for manipulating, sorting, archiving and accessing City's data files on that number of servers as is permitted under this Agreement;
- (B) use the Documentation;
- (C) reproduce, modify, or adapt the Documentation for Clients in connection with the exercise of the License granted with respect to the Software and Documentation, provided that all notices, restrictions and trademarks are left intact.

3.2 **Source Code.** City and its Clients shall not have the right to receive or use the Source Code of the Software.

3.3 **Changes.** Any change by City to the Software requires Licensor's written consent for such modification or change.

4. LICENSE FEE; TAXES.

4.1 **City Fee.** As consideration for the license granted to City hereunder, City shall pay to Licensor the initial License Fee specified in any addendum to the Agreement ("Agreement Addendum"), reference Attachment A - System Support and Maintenance and Support Fees.

- 4.2 Client Access Fees. Additional license fees shall be payable on any additional features elected by City, for any increase by City in the number of Clients who are permitted access to, or can simultaneously access, City's data files at any given point in time. Such additional fees shall be payable in accordance with the terms in any Agreement Addendum.
- 4.3 Payment. Payments shall be paid to Licensor within thirty (30) days after City's receipt of Licensor's invoice therefore.
- 4.4 Taxes. City shall pay all sales, use and other taxes (excluding taxes on Licensor's income) imposed by any jurisdiction arising out of or related to the License granted under this Agreement, or on City's use of the Software, regardless of when such tax liability is asserted. Licensor warrants that it has researched and will apply all known taxes applicable to the transaction contemplated under this Agreement concurrent with its execution.

5. RESTRICTIONS.

- 5.1 Authorized Use Only. City shall: (a) adopt and enforce such internal policies, procedures and monitoring mechanisms as are necessary to ensure that the Software is used only in accordance with the terms of Section 3 hereof; and (b) take all steps necessary to ensure that no person or entity will have unauthorized access to the Software.
- 5.2 Unauthorized Access. City shall not: (a) assign, sublicense, lease, encumber or otherwise transfer or attempt to transfer the Software or any portion thereof, other than in accordance with Section 13.3 hereof; or (b) except for access by Clients to the Software as permitted by this Agreement, permit any third party to use or have access to the Software, whether by timesharing, networking, through the internet or any other means.
- 5.3 No Reverse Engineering. City shall not modify, translate, reverse engineer, decompile or disassemble the Software; nor shall it permit its Clients to modify, translate, reverse engineer, decompile or disassemble the Software. City shall immediately advise Licensor of any modification, translation, reverse engineering, decompiling or disassembly of the Software by any Party or any Client.
- 5.4 Proprietary Notices. City shall not remove or cause to be removed any copyright, trademark, patent or other proprietary notices from the Software or Documentation or any portion thereof.

6. COMPLIANCE.

- 6.1 Employee Compliance. City shall instruct its employees, consultants, Clients and agents that making unauthorized copies of Software or any portion thereof, or permitting the use of the Software other than in accordance with Section 3 hereof, constitutes a violation of copyright law and of this Agreement.
- 6.2 Compliance Statement. Upon Licensor's reasonable request, City shall provide signed statements verifying its compliance with this Agreement. Licensor shall have the right, upon reasonable notice, and compliance with City security policies, to inspect City facilities to verify City's compliance with this Agreement.

7. INTELLECTUAL PROPERTY.

- 7.1 City acknowledges and agrees that Licensor will retain all right, title, interest and ownership in and to the Software and Documentation and any and all copies, Updates or modifications to the Software and Documentation. City acknowledges that the Software and Documentation constitute proprietary information and trade secrets of Licensor, whether or not any portion thereof is or may be the subject of a valid copyright or patent. City shall maintain all information and data contained in the Software and Documentation, or any portion thereof, in strict confidence, and shall not publish, communicate or disclose, or permit to be published, communicated or disclosed, to third parties such information and data without Licensor's prior written consent. City agrees to take all appropriate steps to ensure that persons having access to the Software and Documentation shall refrain from any unauthorized reproduction or disclosure of the Software, Documentation or any portion thereof.

7.2 Notwithstanding any other provision of this Agreement regarding confidentiality, secrets, or protected rights, Licensor information provided to City may be subject to disclosure by laws related to open public records. Consequently, Licensor understands that disclosure of some or all of the items subject to this Agreement may be required by law. In the event City receives a request for disclosure that is reasonably calculated to incorporate information that might be considered confidential by Licensor, City agrees to provide Licensor with notice of that request, which shall be deemed given when deposited by City with the USPS for regular delivery to the address of Licensor specified below for notices. Within ten (10) days of City notice by City, Licensor will inform City in writing of any objection by Licensor to the disclosure of the requested information. Failure by Licensor to object timely shall be deemed to waive any objection and any remedy against City for disclosure. In the event Licensor objects to disclosure within the time specified, Licensor agrees to handle all aspects related to request, including properly communicating with the requestor and timely responding with information the disclosure of which Licensor does not object thereto. Furthermore, Licensor agrees to indemnify and hold harmless City from any claims, actions, lawsuits, or any other controversy or remedy, in whatever form, that arises from the failure to comply with the request for information and the laws pertaining to public records, including defending City in any legal action and payment of any penalties or judgments. This provision shall survive the termination of this Agreement.

8. MAINTENANCE; CUSTOMIZATION.

8.1 Maintenance. During the Warranty Period, Licensor shall provide to City, at no charge to City, telephone support between the hours of 8:00 a.m. and 6:00 p.m. Pacific Standard Time. Additional support services and Updates will be subject to City's execution of a Support Services Agreement ("Maintenance Agreement") with Licensor, payment of then current fees and subject to terms and conditions in the Maintenance Agreement. In the event Updates are provided to City pursuant to a Maintenance Agreement, such Updates shall become a part of the "Software" for purposes of this Agreement and shall be subject to all of the terms and conditions of this Agreement.

8.2 Customization. Any changes or modifications to the Software requested by City are subject to City's execution of a separate Consulting Agreement with Licensor.

9. WARRANTIES.

9.1 Limited Warranty. Licensor warrants that the Software will perform substantially as specified in the Documentation delivered with the Software and that the media in which the Software is stored will be free of defects in materials and workmanship for a period of not less than one (1) year ("Warranty Period"), provided, however, that Licensor shall not be liable under this warranty if the Software has been modified or altered by anyone other than Licensor, if the Software has been abused or misapplied, or if City has failed to incorporate all patches and Updates provided to City by Licensor. This Warranty Period shall commence upon the "go-live" date of the Impression software and will remain in effect for a period of one (1) year from the "go-live" date of the complete tax and licensing information system solution. In the event of a breach of this warranty, City may return the defective Software to Licensor for replacement of the Software without charge.

9.2 Disclaimers of Warranties. Except as expressly set forth in this Section 9, Licensor does not make any warranties, express or implied, concerning the Software or the application, operation or use thereof, the data generated by the operation or use thereof, or any support services rendered with respect thereto. Licensor hereby excludes all implied warranties to the extent permitted by law, including specifically, any implied warranty arising by statute or otherwise in law or from a course of dealing or usage of trade. Licensor hereby excludes all implied warranties of merchantability, or of merchantable quality, or of fitness for any purpose, particularly, specific or otherwise, or of non-infringement, concerning the Software and the application, operation or use thereof.

10. LIMITATION OF REMEDIES.

10.1 City acknowledges and agrees that it has independently verified that the Software is appropriate for the purposes for which City intends to use the Software. City assumes the entire risk related to the use of the Software. Licensor's liability in contract, tort or otherwise in connection with the Software or this Agreement shall not exceed the City's fee paid or payable plus the professional service fees and expenses paid or payable to Licensor by City under this Agreement. This limitation of liability shall not apply to Licensor's liability for damages arising from bodily injury, including death, damage to or loss of

tangible personal property, or infringement of intellectual property rights. Regardless of whether any remedy set forth herein fails of its essential purpose or otherwise, City further agrees that neither Licensor nor its licensors shall be liable to City for damages in the form of indirect, consequential, incidental, punitive or special damages, lost profits, lost savings, loss of goodwill or otherwise, or for exemplary damages, resulting from City's use or inability to use the Software or from any support services rendered with respect thereto, even if Licensor has been advised of the possibility of such damages. In no event will Licensor be liable for any damages resulting from access by clients or unauthorized third parties to City's servers.

11. TERM AND TERMINATION.

- 11.1 Term. This Agreement shall be effective upon execution by both Parties and, subject to Section 11.3, shall remain in full force and effect unless and until: (a) the Parties mutually agree in writing to terminate the Agreement; or (b) the Agreement is terminated pursuant to Section 11.2 below.
- 11.2 Termination Upon Default. Either Party (the "Terminating Party") shall have the right to terminate this Agreement upon thirty (30) days (or ten (10) days in the event of nonpayment) written notice to the other Party (the "Defaulting Party"), if the Defaulting Party fails to comply with any material term or condition of this Agreement and such failure to comply is not cured within the relevant notice period. Upon such termination by default, the Terminating Party may pursue any remedies available for damages and injunctive relief, which remedies shall be cumulative.
- 11.3 Effect of Termination. City shall, upon termination of this Agreement: (a) discontinue all use of the Software; (b) deliver to Licensor all media containing the Software and all other physical copies of the Software and any related Documentation; (c) destroy the Software and all copies of the Software contained in any computer memory or data storage apparatus under the control of City; and (d) certify to Licensor within one week after the termination of this Agreement that City has delivered to Licensor and destroyed the Software and all copies of the Software in accordance with this Section 11.3. Where City is the Defaulting Party, all payments owed up to and including the termination date shall be due and payable in full immediately upon termination. Sections 7, 9, 10, and 12 shall remain in full force and effect following termination of this Agreement.
- 11.4 Remedies. The pursuit by Licensor or City of any remedy to which it is entitled at any time shall not be deemed an election of remedies or waiver of the right to pursue any of the other remedies to which it may be entitled.

12. DISPUTE RESOLUTION.

- 12.1 Arbitration. Except as set forth in this Section 12, any claim or dispute between the Parties hereto pertaining to or arising out of this Agreement (including, without limitation, the negotiation or execution of this Agreement, or the interpretation, performance or breach of any provision of this Agreement) shall be arbitrated in Glendale, Arizona, before a single neutral arbitrator under the Commercial Arbitration Rules of the American Arbitration Association but not under the direction of nor heard by the American Arbitration Association. Any arbitration award shall be accompanied by a written opinion of the arbitrator giving the reasons for the award, which award may be entered as a judgment in any court of competent jurisdiction. This provision for arbitration shall be specifically enforceable by the Parties and, except as otherwise provided by applicable law, the decision of the arbitrator in accordance herewith shall be final and binding. The arbitrator shall have the power to issue and grant permanent injunctive relief and other equitable orders and remedies. Any such arbitration shall be conducted in confidence and in accordance with the confidentiality provisions of this Agreement. Each Party shall pay its own expenses of arbitration, and the expenses of the arbitrator shall be equally shared.
- 12.2 Injunctive Relief. Each Party recognizes that the other Party will be irreparably harmed in the event of City's breach, or threatened breach, of this Agreement, and that, notwithstanding anything contained herein to the contrary, the non-breaching Party may commence an action in any court of competent jurisdiction in Arizona, to obtain equitable relief to prevent such breach or threatened breach at any time prior to the commencement of an arbitration proceeding and, if an arbitration proceeding has been commenced, at any time until an arbitration award is rendered in such arbitration proceeding, or the claim or dispute is otherwise resolved. The breaching Party shall reimburse the other Party for all fees, costs and expenses including, without limitation, attorneys' fees, costs and expenses incurred by the other Party

in taking such court action to obtain equitable relief. Neither Party shall be deemed to have waived its right to arbitrate any dispute, claim or controversy by reason of seeking such equitable relief.

13. GENERAL PROVISIONS.

- 13.1 Nondiscrimination. Licensors will not discriminate against any worker, employee or applicant, or any member of the public, because of race, color, religion, gender, national origin, age, or disability, nor otherwise commit an unfair employment practice. Licensors will take affirmative action to ensure that applicants are employed, and that employees are dealt with during employment, without regard to their race, color, religion, gender, national origin, age, or disability. Such action will include, but not be limited to, the following: employment, upgrading, promotion, demotion, or transfer; recruitment or recruitment advertising; lay-off or termination; rates of pay or forms of compensation; and selection for training, including apprenticeship.
- 13.2 Licensors further agree that this clause will be incorporated in all subcontracts entered into with suppliers of materials or services, and all labor organizations furnishing skilled, unskilled, and union labor, or who may perform any such labor or services, in connection with this Agreement. This clause will also be incorporated into all job-consultants' agreements or subleases in any way pertaining to Licensors' performance under this Agreement.
- 13.3 Compliance with Immigration Reform and Control Act. Licensors understand and acknowledge the applicability of the Immigration Reform and Control Act of 1986 (IRCA) to it. Licensors agree to comply with IRCA in performing under this Agreement and to permit City to verify such compliance.
- 13.4 Arizona Immigration Requirements.
- (A) Licensors, and on behalf any subcontractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
- (B) Any breach of warranty under subsection (A) above is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.
- (C) City retains the legal right to inspect the papers of Licensors or subcontractor employee who performs work under this Agreement to ensure that Licensors or any subcontractor is compliant with the warranty under subsection (A) above.
- (D) City may conduct random inspections, and upon request of the City, Licensors shall provide copies of papers and records demonstrating continued compliance with the warranty under subsection (A) above. Licensors agree to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this Section 13.4.
- (E) Licensors agree to incorporate into any subcontracts under this Agreement the same obligations imposed upon itself and expressly accrue those obligations directly to the benefit of the City. Licensors also agree to require any subcontractor to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the City.
- (F) Licensors' warranty and obligations under this Section 13.4 to the City is continuing throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this Section is no longer a requirement.
- (G) The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.
- 13.5 Fiscal Year Clause. Every payment obligation of the City under this Agreement is conditioned upon the availability of funds appropriated for payment of such obligation. Continuation of this Agreement after the

close of the City's fiscal year, which ends June 30th of each year, is subject to the approval of the budget of the City providing an appropriation covering this item as an expenditure. The City does not represent that such budget item will be actually adopted, as that determination is made by the City Council at the time of the adoption of the budget. If funds are not appropriated for the continuance of this Agreement, this Agreement may be terminated by the City at the end of the period for which funds are available. No liability shall accrue to the City in the event this provision is exercised, and the City shall not be obligated or liable for any future payments or for any damages as a result of termination under this provision.

- 13.6 Offsets. Licensor understands and acknowledges that no demand on City shall be allowed in favor of any person in any manner indebted to City without first deducting such indebtedness. Accordingly, Licensor agrees that any payments that are undisputed and due and payable to City shall be offset against the amounts payable to Licensor under this Agreement.
- 13.7 Cancellation. The Parties understand and acknowledge that this Agreement may be subject to cancellation under Arizona Revised Statutes (A.R.S.) § 38-511, (Arizona's public employee conflict of interest law) in the event there is a conflict of interest of the type specified in A.R.S. § 35-511 by persons significantly involved in initiating, negotiation, securing, drafting or creating this Agreement.
- 13.8 Audit/Records. The provisions of A.R.S. § 35-214 will apply to this Agreement. The City will perform the inspection and audit function specified therein.
- 13.9 Claims or Demands Against the City. Licensor acknowledges that A.R.S §§ 12-821 and 12-821.01 are applicable to any claims or demands Licensor may make against City.
- 13.10 Foreign Prohibitions. Licensor, and on behalf of any subcontractor, certifies, to the extent applicable under A.R.S. §§ 35-391 et seq., and 35-393 et seq., that neither has "scrutinized" business operations, as defined in the preceding statutory sections, in the countries of Sudan or Iran.
- 13.11 Insurance Requirements.
 - (A) Licensor and its subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Agreement are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by Licensor, its agents, representatives, employees or subcontractors.
 - (B) The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The City in no way warrants that the minimum limits contained herein are sufficient to protect Licensor from liabilities that might arise out of the performance of the work under this Agreement by Licensor, its agents, representatives, employees or subcontractors and Licensor is free to purchase additional insurance as may be determined necessary.
 - (C) Minimum Scope and Limits of Insurance. Licensor shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a "following form" basis.
 - (i) Commercial General Liability – Occurrence Form:
 - (a) Policy shall include bodily injury, property damage and broad form contractual liability coverage.

General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
 - (b) The policy shall be endorsed to include the following additional insured language: "The City of Glendale shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of Licensor."

(ii) Automobile Liability:

- (a) Bodily Injury and Property Damage for any owned, hired, and non-owned vehicles used in the performance of this Agreement.
Combined Single Limit (CSL) \$1,000,000
- (b) The policy shall be endorsed to include the following additional insured language: "The City of Glendale shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of Licensor, including automobiles owned, leased, hired or borrowed by Licensor."

(iii) Worker's Compensation and Employers' Liability:

Workers' Compensation	Statutory
Employers' Liability – Each Accident	\$100,000
Disease – Each Employee	\$100,000
Disease – Policy Limit	\$500,000

- (a) Policy shall contain a waiver of subrogation against the City.
- (b) This requirement shall not apply when a contractor or subcontractor is exempt under A.R.S. § 23-901 and when such contractor or subcontractor executes the appropriate sole proprietor waiver form.

(iv) Professional Liability (Errors and Omissions Liability):

- (a) The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this Agreement.
Each Claim \$1,000,000
Annual Aggregate \$2,000,000
- (b) In the event that the professional liability insurance required by this Agreement is written on a claims-made basis, Licensor warrants that any retroactive date under the policy shall precede the effective date of this Agreement; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Agreement is completed.

(D) Additional Insurance Requirements. The policies shall include, or be endorsed to include, the following provisions:

- (i) On insurance policies where the City is named as an additional insured, the City shall be an additional insured to the full limits of liability purchased by Licensor even if those limits of liability are in excess of those required by this Agreement.
- (ii) Licensor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

(E) 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, or canceled, except after thirty (30) days prior written notice has been given to the City, except when cancellation is for non-payment of premium, then ten (10) days prior notice may be given. Such notice shall be sent in accordance with Paragraph 14.8 of this Agreement and shall be sent by certified mail, return receipt requested.

(F) Acceptability of Insurers. Insurance is to be placed with insurers duly licensed or authorized to do business in the State of Arizona and with an "A.M. Best" rating of not less than B+ VI. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect Licensor from potential insurer insolvency.

- (G) Verification of Coverage. Licensors shall furnish the City with certificates of insurance (ACORD form or equivalent approved by the City) as required by this Agreement. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.
 - (i) All certificates and any required endorsements are to be received and approved by the City 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. Failure to maintain the insurance policies as required by this Agreement or to provide evidence of renewal is a material breach of contract.
 - (ii) All certificates required by this Agreement shall be sent in accordance with Paragraph 14.8 of this Agreement. The City project/contract number and project description shall be noted on the certificate of insurance. The City reserves the right to require complete, certified copies of all insurance policies required by this Agreement at any time.
- (H) Subcontractors. Licensors shall require all subcontractors to comply with the foregoing insurance requirements, or Licensors shall furnish to the City separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.
- (I) Approval. Any modification or variation from the insurance requirements in this Agreement shall be made by the Risk Management Department, whose decision shall be final. Such action will not require a formal Agreement amendment, but may be made by administrative action.

14. MISCELLANEOUS.

- 14.1 Default and Other Remedies. Nothing herein shall preclude either Party from seeking money damages or injunctive relief to prevent unauthorized use of the licensed material or City proprietary material in the event of a breach of this Agreement.
- 14.2 Remedies. Except as otherwise provided herein, no right or remedy herein conferred on or reserved to either Party is intended to be exclusive of any other right or remedy, and each and every right and remedy will be cumulative and in addition to any other right or remedy under this Agreement or under applicable law, whether now or hereafter existing.
- 14.3 Injunctive Relief and Special Performance.
 - (A) Licensors and City agree that a breach by either of them of its obligations under, Section 6, Section 7 or Section 11 may cause irreparable harm which cannot be compensated in money damages. Accordingly, Licensors and City each agree that in the event either Party breaches any of the provisions in Section 6, Section 7, Section 11 the other Party shall be entitled to seek injunctive relief or specific performance in addition to its other remedies.
 - (B) Specific Performance. Licensors agrees that, in the event of a breach by Licensors of any material provision of this Agreement, the City shall, upon proper action instituted by it, be entitled to a decree of specific performance thereof according to the terms of this Agreement. In the event the City shall elect to treat any such breach on the part of Licensors as a discharge of the Agreement, the City may nevertheless maintain an action to recover damages arising out of such breach. This paragraph is not intended as a limitation of such other remedies as may be available to the City under law or equity.
 - (C) The total liability of the Licensors under this Agreement for any reason or claim shall not exceed that as stated in Section 10.
- 14.4 Relationship of Parties.
 - (A) The relationship of the Parties shall be that of independent contractors. Any employee, subcontractor or agent of Licensors who is assigned to provide Services under this Agreement shall remain at all times under the exclusive direction and control of Licensors and shall not be deemed to be an employee, subcontractor or agent of the City. Neither Party will represent that it has any

authority to assume or create any obligation, express or implied, on behalf of the other Party, or to represent the other Party as agent, employee, or in any other capacity, except as specifically provided herein.

- (B) This Agreement will not constitute, create, give rise to or otherwise recognize a joint venture, agreement or relationship, partnership or formal business organization of any kind between the Parties, and the rights and obligations of the Parties shall be only those expressly set forth therein. Licensor will agree that no persons supplied by it in the performance of the agreement are employees of the City and further agrees that no rights to the City's civil service, retirement or personnel rules and benefits accrue to such persons. Licensor shall be responsible for all salaries, wages, bonuses, retirement, withholdings, workers' compensation, unemployment compensation, other benefits, taxes and premiums appurtenant thereto concerning such persons provided by such Licensor in the performance of the Agreement, and Licensor shall save and hold the City harmless with respect thereto.

14.5 Entire Agreement; Amendments; Modifications. This Agreement, along with the schedules and exhibits attached hereto, sets forth the entire Agreement between the Parties and supersedes any other prior or contemporaneous proposals, agreements and representations between them related to its subject matter, whether written or oral between the Parties and all amendments and extensions thereof, which shall be deemed to be superseded by this Agreement. No modifications or amendments to this Agreement shall be binding upon the Parties unless made in writing and duly executed by authorized officials of both Parties.

14.6 Binding Effect; Assignment.

- (A) This Agreement shall be binding on and inure to the benefit of the respective Parties and their permitted successors and assigns. Neither Party may sell, transfer or assign any right or obligation hereunder, except as expressly provided herein, without the prior written consent of the other Party. Any assignment in violation of this Section 14.6 shall be void.
- (B) City shall have the right to assign or transfer (including by merger or otherwise by operation of law) all of its rights, duties and obligations under this Agreement to: (a) any entity that is an Affiliate of City in connection with an internal reorganization of the business of City; or (b) a purchaser of all or substantially all of City's capital stock, assets and business involving the line of business that primarily utilizes the licensed material; provided that with respect to subsections (a) and (b), the resulting assignment shall not expand the scope of the licenses granted hereunder.
- (C) The foregoing assignment shall be valid only if: (a) City provides prior written notice to Licensor; and (b) such assignee or transferee shall have expressly assumed in a written agreement with Licensor, the rights, duties and obligations of City under this Agreement. No such assignment or transfer shall operate to release City of its duties or obligations under this Agreement, absent an express written release executed and delivered by Licensor (it being understood and agreed that Licensor shall not unreasonably withhold its consent to such a release if the assignee or transferee is the operator or successor to City's line of business involving the licensed material).
- (D) Licensor shall have the right to assign or transfer (including by merger or otherwise by operation of law) its rights, duties and obligations under this Agreement with the prior written consent of City, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, such consent shall not be required for an assignment by Licensor: (a) after Licensor has successfully completed final Acceptance of all Licensor Deliverables and made as part of the sale of all or substantially all of Licensor's capital stock, or Licensor's assets and business involving the line of business that related to the products; or (b) at any time, made solely in connection with a complete assignment of all or substantially all assets related to the products to any entity that is a direct or indirect wholly-owned subsidiary of Tata Consultancy Services Limited in connection with an internal reorganization of the business of Tata Consultancy Services Limited provided that, absent an express written release executed and delivered by City, Licensor shall not be relieved of any of their obligations hereunder.
- (E) The foregoing assignment shall be valid only if: (a) Licensor provides written notice to City; and (b) such assignee or transferee shall have expressly assumed, in a written agreement with City, the rights, duties and obligations of Licensor under this Agreement.

14.7 **No Waiver.** Failure or delay by either Party to exercise any right under this Agreement shall not constitute a waiver of any other terms or conditions of this Agreement with respect to any other or subsequent breach, or a waiver by such Party of its right at any time thereafter to require exact and strict compliance with the terms of this Agreement. In order to be effective, all waivers under this Agreement must be in writing and signed by the waiving Party.

14.8 **Notices.**

(A) All notices and other communications required under this Agreement shall be in writing and sent to the address stated below, or to such other address as shall be given by either Party to the other in writing, and shall be effective: (a) upon actual delivery if presented personally or sent by express overnight courier such as Federal Express (with a signature acknowledging receipt); or (b) seven (7) days following deposit in the United States mail if sent by certified or registered mail, postage prepaid, return receipt requested.

(B) If to Licensor:

Impression Technology, Inc.
1777 N California Blvd, STE 240
Walnut Creek, California 94596-4684
Attn: Bruce Lechner and Mike Tokuyama
Telephone : (925) 280-0010
Facsimile: (925) 280-0092

(C) If to City:

City of Glendale,
Attn: Bill Bond, Tax and License Manager
5850 West Glendale Avenue
Glendale, Arizona 85301

With required copies to:

City Manager
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

City Attorney
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

(D) Concurrent Notices:

- (i) All notices to City's representative must be given concurrently to City Manager and City Attorney.
- (ii) A notice will be deemed not to have been received by City's representative until the time that it has also been received by City Manager and City Attorney.
- (iii) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Licensor identifying the designee(s) and their respective addresses for notices.

(E) Changes. Licensor or City may change its representative or information on notice by giving notice of the change in accordance with this Section at least ten (10) days prior to the change.

(F) Daily Operations. Notwithstanding the foregoing, day-to-day communications between the Parties may be made by phone, facsimile transmission, e-mail or any other method agreed to by the Parties.

- 14.9 **Applicable Law.** This Agreement shall be governed by the laws of the State of Arizona, without giving effect to the conflicts of law principles thereof. The venue for any and all legal disputes and causes of action arising out of this Agreement shall be in the State and Federal courts in Maricopa County, State of Arizona.
- 14.10 **Force Majeure.** If either Party is delayed in or prevented from performing any of its obligations hereunder by reason of a governmental law or regulation, court order, labor disturbance, act of God, fire, flood, national emergency, war, insurrection, terrorist acts, civil disturbance, or other reason of a like nature beyond the control of and not the fault of or due to the negligence of such Party, which such Party is unable to prevent or overcome by the exercise of ordinary prudence and diligence (including, but not limited to, the implementation and exercise of a reasonable disaster recovery plan), upon such Party giving prompt notice and full particulars of such cause to the other Party, the performance of such obligation shall be excused for the period of the delay, and the period for the performance of such obligation shall be extended for an equivalent period.
- 14.11 **Employee Non-Solicitation.** Neither City nor Licensor shall, except with the prior written consent of the other, solicit or hire any employee of the other Party during the time such employee is associated with any Services under this Agreement and for a period of one (1) year after such person ceases to be so engaged. The foregoing restriction shall not apply to the employment of any person who responds to a general recruitment advertisement issued to the public.
- 14.12 **Cooperation.** Each Party to this Agreement agrees to execute and deliver all documents and to perform all further acts and to take any and all further steps that may be reasonably necessary to carry out the provisions of this Agreement and transactions contemplated thereby. Each Party shall perform its obligations hereunder acting in a fair and reasonable manner.
- 14.13 **Export - Import Laws.** Licensor is solely responsible to comply with any applicable laws and regulations for importation or exportation of any Software or any other material provided by City or Licensor in connection with this Agreement. Each Party will comply with any applicable U.S. export regulations with respect to export of software or technology from the United States to Licensor's offshore facilities. Unless authorized by U.S. regulation or an export license or exemption, each of City and Licensor, agree that they will not re-export, directly or indirectly, any software or technology received from the other Party, or allow the direct product thereof to be exported or re-exported, directly or indirectly, to Cuba, Iran, North Korea, Libya, Sudan, Syria or any other country in Country Group E:2 of the Export Administration Regulations of the Department of Commerce (see <http://www.bxa.doc.gov>) or any other country subject to sanctions administered by the Office of Foreign Assets Control (see <http://www.treas.gov/ofac/>), as revised from time to time.
- 14.14 **Headings.** The various headings and subheadings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provision hereof.
- 14.15 **Severability.** The invalidity of one or more phrases, sentences, sections or clauses contained in this Agreement shall not affect the remaining portions of this Agreement or any part thereof; and in the event that one or more phrases, sentences, sections or clauses shall be declared void or unenforceable by any court of competent jurisdiction or by any government or regulatory agency, such provision will be deemed restated, in accordance with applicable law, to reflect as nearly as possible the original intentions of the Parties, and this Agreement shall be construed as if any such phrases, sentences or clauses had not been inserted herein.
- 14.16 **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 14.17 **Enurement.** This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

14.18 **Compliance with Laws.** Licensor shall comply with all existing and subsequently enacted federal, state and local laws, ordinances, codes and regulations which are, or become, applicable to its performance of the services under this Agreement. If a subsequently enacted law imposes substantial additional costs on Licensor, a request for an amendment may be submitted pursuant to Section 2.2; however, no such change order may be approved by the City if it results in an increase of the Agreement amount approved by the City Council unless additional approval, as applicable, is obtained, in which case Licensor shall have no obligation under this Section.

(SIGNATURES APPEAR ON PAGE 1)

Attachment A

System Software and Maintenance and Support Fees

System Software

Impression Technology will provide the iCapture software shown in Table 1 below directly to the City under this Agreement between the City and Impression Technology. This Software is certified to run in SQL Server 2008, Windows Server 2008 and supports virtualization. The total License Fee listed below shall be due and payable upon the successful completion of the installation of the Software at the City facilities.

Table 1-iCapture Software

<i>Item</i>	<i>Description</i>	<i>List Unit Price</i>	<i>Discount</i>	<i>Discount Unit Price</i>	<i>Qty</i>	<i>Extended List</i>	<i>Glendale Price</i>
1	iCapture Core (25 users)	\$31,800	-60%	\$12,720	1	\$ 31,800	\$ 12,720
3	iCapture Reports Server (incl. Crystal Reports)	\$44,500	-60%	\$17,800	1	\$ 44,500	\$ 17,800
4	Form Definition Editor	\$33,400	-60%	\$13,360	1	\$ 33,400	\$ 6,263
5	Automated TransBuilder	\$12,900	-60%	\$5,160	1	\$ 12,900	\$ 5,160
6	iScanPlus	\$6,900	-60%	\$2,760	2	\$ 13,800	\$ 10,350
7	Image Enhancement	\$26,000	-60%	\$10,400	1	\$ 26,000	\$ 4,875
8	Post-Processor, Business Rule Engine	\$26,500	-60%	\$10,600	1	\$ 26,500	\$ 8,480
9	ICR/OCR Adaptor	\$14,500	-60%	\$5,800	1	\$ 14,500	\$ 5,800
10	ICR/OCR Processor	\$9,000	-60%	\$3,600	1	\$ 9,000	\$ 3,600
11	Key Data Entry	\$3,900	-60%	\$1,560	5	\$ 19,500	\$ 7,800
12	iExport-TaxMantra	\$33,500	-60%	\$13,400	1	\$ 33,500	\$ 13,400
13	iExport-to-ECM repository (TBD)	\$33,500	-60%	\$13,400	1	\$ 33,500	\$ 13,400
Total Impression Software						\$ 298,900	\$ 109,648

Maintenance and Support

Table 2 below shows the annual cost of maintenance and support for the iCapture software that will be provided for the City. The iCapture software warranty of not less than one (1) year shall commence on the "go-live" date of the Impression software and shall remain in effect for a period of one (1) year from the "go-live" date of the complete tax and licensing information system solution. Following this warranty period, the Year 1 Maintenance Fee shown below shall be applicable for the next 12 month period. The annual costs shown are based on Impression Technology's standard On-Line Maintenance as defined within the Impression Technology Maintenance and Support Plan incorporated herein (Attachment B). The maintenance and support pricing for Years 1 and 2 are fixed as shown in Table 2, with annual escalation of 5% in Years 3, 4 and 5 as shown. Maintenance shall be prepaid on an annual basis.

Table 2 iCapture Annual Maintenance

Year 1	iCapture On-Line Maintenance	\$ 35,868
Year 2	iCapture On-Line Maintenance	\$ 35,868
Year 3	iCapture On-Line Maintenance	\$ 37,661
Year 4	iCapture On-Line Maintenance	\$ 39,544
Year 5	iCapture On-Line Maintenance	\$ 41,522

iCapture Training

Table 3 below shows the formal iCapture Training Courses that will be provided to the City as a part of the Scope of Work defined in the services contract between TAIC/TCS and Impression Technology. The City may, at its option, purchase additional Training from Impression Technology in the future and the quoted price of this training will be fixed at the costs shown for the first five (5) years from the date of execution of this Agreement.

Table 3 iCapture Training

Courses Title	Duration	Description	Services Cost	Materials Cost	Total Cost/Course
<i>iQMonitor</i> User Training	½ day	This course introduces <i>iCapture</i> ™ and the related components to the key data entry managerial or supervisory staff. It will cover all aspect of monitoring the system using the <i>iQMonitor</i> utility	\$1,260	\$140	\$1,400
<i>iStatViewer</i> User Training	½ day	This course introduces <i>iStatViewer</i> and <i>iStatistics</i> to the potential users interested in generating reports to evaluate performance and productivity of users and processes on the system.	\$1,260	\$140	\$1,400
<i>iCapture</i> ™ Administration Training	2 days	This course introduces <i>iCapture</i> ™ and the related components to the system administrative and development staff. It will cover all aspect of configuring, monitoring, and troubleshooting the system.	\$5,040	\$560	\$5,600
<i>iFormEdit</i> User Training	½ day	<i>iFormEdit</i> is a form definition tool that is used to introduce forms into the system. It allows the form administrator and development staff to map and associate various field-attributes to specific region of the form image for the purpose of recognition and data capture. A well-defined and carefully thought-out form definition will improve the recognition accuracy, and the system throughputs.	\$1,260	\$140	\$1,400
<i>iSL</i> Developer Training	½ day	Form related, application-specific business rules may easily be expressed in <i>iSL</i> and captured data may be validated and "scrubbed" before presentation to <i>iEditor</i> operators or export. This course will introduce the <i>iSL</i> language syntax, built-in functions, development approach, and troubleshooting techniques.	\$1,260	\$140	\$1,400

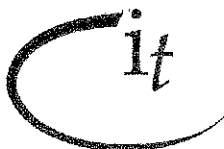
Attachment B

to Software License Agreement

iCapture™

Maintenance and Support Plan

Revision 2.5
Oct 22, 2006



Impression Technology, Inc.
1777 North California Blvd, Suite 240
Walnut Creek, CA 94596

925.280.0010 / 925.280.0092 Office/Fax
<http://www.impression-technology.com>

Proprietary Notice

This document contains confidential information provided by Impression Technology for the sole purpose of permitting the recipient to evaluate the proposal submitted within. In consideration of the receipt of this document, the recipient agrees to maintain such information in confidence and to not reproduce or otherwise disclose this information to any person outside the group directly responsible for evaluation of its contents. The plan presented in this proposal is proprietary information and may not be without the express written consent of Impression Technology.

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1 Maintenance and Support Plan

1.1 Introduction

This document describes the Maintenance and Support plans currently offered by Impression Technology. It provides an overview of the support infrastructure that is in place to meet the needs of customers, the Service Levels, incident reporting, escalation procedures and the standard pricing for the maintenance and support options that are available. It is designed to provide a high degree of flexibility in meeting the requirements of each customer while ensuring a rapid response to issues and the highest degree of system availability. Impression Technology provides maintenance and support following the execution of a Maintenance Agreement based on the provisions and services described in this plan, modified as required to meet unique needs that are identified.

1.2 Support Infrastructure

Impression Technology has a very effective support infrastructure in place with a comprehensive selection of services. It supports all aspect of customer needs through our automated support web site and through personal interaction with our knowledgeable engineers. Some of the features of this support infrastructure are outlined below:

- Offers multiple service levels to meet customer business needs for all sites big and small.
- Provides customer access via e-mail, telephone, and the World Wide Web.
- Pages support engineer automatically when a request is issued through our online support web site.
- Processes and tracks problems by priority and severity of the request.
- Offers user-friendly web access to follow-up on any open trouble ticket to assist in the resolution of the problem.
- Supports the automated escalation of problem severity levels to ensure all reported problems receive the attention required and the dedication of resources to effect continuous, reliable operation of the installed solution.
- Supports flexibility to allow customer initiated escalation for on-site support.
- Maintains an indexed and searchable knowledgebase of all trouble ticket resolutions accessible to the user community.

1.3 Service Levels

Impression Technology offers three basic levels of maintenance and support service: On-line Standard Service, On-call Service, and our On-Site Service. Table 1-1 below provides a comparison of the features of the Impression On-Site, On-Call and Standard On-Line Maintenance and Support Plan. As shown, this table provides summary information regarding problem response time, on-site support costs, on-site response times, automatic escalation, and software fixes and upgrades for each of the options offered by

Impression. This information provides the basis for the initiation of a Maintenance Agreement with each customer, customized to meet the specific requirements and business needs that exist at that site.

Table 1-1 Support Features

Support Features	Standard On-Line Service	On-Call Service	On-Site Service
On-Line Support Request	Unlimited	Unlimited	Unlimited
Problem Resolution Time	4-hour response time.	4-hour response time.	N/A
Severity Level 2 or 3 Response	All Severity Level 2 or 3 problems are addressed via remote support and diagnostics during Impression's normal PPM, subject to the escalation process.	Same as On-Line Service, but a customer may, at its discretion, request that a support engineer be dispatched to the site to continue work locally. The cost of this on-site support for a Level 2 or 3 problems will be in accordance with the Maintenance Agreement in effect between Impression and the customer.	Immediate on-site support in accordance with the Maintenance Agreement in effect between Impression and the customer.
Severity Level 1 Response	Impression will immediately commence remote support, including dial-in diagnostics and support if available, to correct the identified problem and return the system to operation via a fix, or a work-around. Impression will continue its best efforts to return the system to operation for at least one complete PPM prior to requesting authorization from the customer to dispatch a support engineer to the site.	If the system cannot be returned to operation after four hours during PPM, Impression will dispatch a support engineer to the site on the next available flight, or fastest means possible.	Immediate on-site support in accordance with the Maintenance Agreement in effect between Impression and the customer.
On-Site Support Cost	Per request based on standard T&M Rates.	Per request based on discounted cost of pre-negotiated number of on-site visits per year.	N/A
On-Site Response Time	Level 1 – Report plus 1 business day. Level 2 – Report plus 72	Level 1 – 4 Hours, then next available flight out. Level 2 – Report plus 24	N/A

Support Features	Standard On-Line Service	On-Call Service	On-Site Service
	hours (three business days).	hours (1 business day).	
Automatic Escalation From Severity 3 To 2	3 Business Day (72 hours)	1 Business Day (24 hours)	1 Business Day (24 hours)
Automatic Escalation From Severity 2 To 1	3 Business Day (72 hours)	1 Business Day (24 hours)	1 Business Day (24 hours)
Software Fixes	Yes	Yes	Yes
Software Upgrades	Yes	Yes	Yes

1.3.1 Standard On-line Service

This is our standard maintenance and support offering. It features unlimited online support over the telephone, electronic mail, and web to initiate, track and respond to all support requests. Our Electronic Help Desk, described in more detail later, will document and automatically page a qualified engineer that can assist in the resolution of any question or problems about the *iCapture* software product suite. It also provides for on-site support if authorized separately by the customer, but at our standard rates and response times that are not as aggressive as those provided under our On-Call Service plan. This is the lowest fixed cost option for those customers who can meet their business needs with a predetermined level of support coverage provided through our standard PPM.

1.3.2 On-Call Service

Our On-Call service offering is an enhanced version of our Standard On-line offering described above. As such, it includes all of our On-Line Service support plus a pre-defined program for On-site support to resolve problems that cannot be corrected via remote support within a specified period of time. Under this offering, Impression will dispatch an engineer to the Customer's site within a specified period of time as agreed to in the Maintenance Agreement. The engineer will remain on site until either the problem is corrected or an alternate plan agreed to by the customer is placed into effect. The charges for this Service level include the charges for our Standard On-Line Service plus a fixed pre-determined charge for the on-site support program structured to meet the customers projected requirements. This service offering is particularly attractive to customers who experience peak processing periods throughout the year when a very rapid response is required for any disruption in service regardless of the cause.

1.3.3 On-Site Service

Impression's most comprehensive offering is on-site maintenance. This Service Level 1 program encompasses one or more full time senior level technicians resident at the customer's desired location(s) for a specified time period per day and for a specified number of days per week. On-site maintenance and support personnel are dedicated solely to meeting the needs of that site and the Maintenance Agreement includes a Statement of Work that documents responsibilities and expectations. A customer may contract

for On-Site maintenance on an annual basis, or for specific time periods (minimum one month) and the cost are negotiated based on the specific conditions and agreed to in the Maintenance Agreement.

1.4 Principle Period of Maintenance

While online support request can be placed 24 hours a day and 7-days per week, all responses will be processed and measured during the PPM in effect for the customer. For our standard On-Line Service offering, this is specified as listed in Table 1-2. If the service request occurred outside the PPM, the service request time will be adjusted to commence at the next earliest coverage period as specified in Table 1-2. For example, if a support request is placed at 20:00 (8:00 pm) with a 4-hour response time, a support response from Impression is not required until the following business day at noon. Or if the service request is initiated during PPM but adequate time is not available to fully resolve the problem, the required response will be carried to the next PPM. For example a support request initiated at 17:00 (5:00 pm) would require a response no later than 11:00am the following business day. Exceptions to these limitations will be handled at the discretion of the support engineer.

Table 1-2 Principle Period of Maintenance (PPM)

<i>Service Level</i>	<i>Time (Mon - Fri)</i>	<i>Time Zone</i>
On-Line Service	08:00 - 18:00	Pacific Standard Time
On-Call Service	08:00 - 18:00	Pacific Standard Time
On-Site Service	Customer Business Hours	Customer's Local Time Zone

1.5 Extension to Standard PPM

In addition to providing our standard hours of coverage as described above, customers may optionally choose to contract an extension to our standard PPM as needed to meet peak processing based on their business needs. For this we require a minimum extension period of 4 weeks and we advise a minimum 8-week advance notice to sufficiently resource the extended hours of coverage and operation.

1.6 Technical Support Access Methods

As noted above, technical support requests may be reported to Impression Technology via telephone, e-mail or directly through our support web site. The following table provides the details on how the support staff may be contacted. We recommend the use of our web site, which supports the fastest method of accessing help. To support the fast response feature, our knowledgeable support staff is electronically paged to alert them of pending trouble tickets to quickly solicit additional information to resolve problems expeditiously as possible.

Table 1-3 Technical Support Access Methods

<i>On-Line Access Method</i>	
Telephone	925-280-0010
E-mail	support@impression-technology.com
World Wide Web	http://www.impression-technology.com and click on the Support link

1.7 Problem Severity Levels

All Impression Technology *iCapture* maintenance and support Service Level plans feature fast response to a reported problem. Customers who submit incident reports via web or telephone during normal business hours, or PPM as described above, will receive a response from the support staff within four hours. This response will consist of a incident report from our On-Line Help Desk for the customer's review. Included in the initial response will be:

- I. A brief description of the incident---this will be primarily comprised of the information provided by the customer plus any additional information that can be learned within the first four hours of receiving the report.
- II. **Severity Assignment:** Impression Technology will assign a Severity Level to each incident report that is received. This will consist of one of the following:

<i>Severity Levels</i>	<i>Description</i>
Severity 1	The problem is either stopping or severely limiting production operations and no work-around is available.
Severity 2	The problem is either stopping or severely limiting production operations but a work-around is available
Severity 3	The problem is adversely affecting production operations
Bug	A software problem that does not fall into the categories Severity 1, 2, or 3 as described above. All reported "bugs" to the Impression software will be added to the <i>iCapture</i> "bug list"
Recommendation	A request for a new feature. All customer initiated Recommendations are added to the <i>iCapture</i> requested features list that is maintained by Impression. This information is used by the development staff in determining the scope and content of <i>iCapture</i> upgrades and new releases.

- I. **Owner:** Impression Technology will designate the support engineer responsible for investigating the incident and maintaining communications with the customer on the status of the specific request.

Incident reports that are logged outside of the standard working hours via the web that are classified as Severity 1 or 2 will result in a call back from the on-call field service engineer within this same two hour period. The written report from Impression Technology will be provided to the customer within the first four hours of the next Impression PPM.

1.8 Problem Resolution Process

The Maintenance and Support plan provides for a specific set of actions depending on the Severity Level of the problem that has been reported and the Service Level Agreement that is in effect between Impression Technology and the customer.

1.8.1 Severity Level 1 Process

Upon receipt of a Severity Level 1 problem, Impression Technology will immediately commence remote support, including dial-in diagnostics and support if available, to correct the identified problem and return the system to operation via a fix, or a work-around.

Under an On-Call Service Level, if the system cannot be returned to operation after four (4) hours of the start of the next Impression PPM, Impression will dispatch a support engineer to the site on the next available flight, or fastest means possible.

Under a Standard On-Line Service Level, Impression will continue its best efforts to return the system to operation for at least one complete PPM prior to requesting authorization from the customer to dispatch a support engineer to the site. Under this latter scenario, the customer may authorize a site visit.

In the event that Impression sends a support engineer to a site where an On-Call Maintenance Agreement is in effect and it is subsequently determined that the cause of the Severity 1 Level problem is unrelated to the installed Impression software, all costs of this on-site visit will be paid by the customer in accordance with the rates established in the Maintenance Agreement.

1.8.2 Severity Level 2 Process

All Severity Level 2 problems are addressed via remote support and diagnostics during Impression's normal PPM, subject to the escalation process described in the following section. Efforts to correct Level 2 problems will be continuous and the customer will be contacted as necessary as work proceeds. A customer may, at its discretion, request that a support engineer be dispatched to the site to continue work locally. The cost of this on-site support for a Level 2 problem will be in accordance with the Maintenance Agreement in effect between Impression and the customer.

1.8.3 Severity Level 3 Process

Severity Level 3 problems are addressed via remote support and diagnostics during Impression's normal PPM, subject to the escalation process described in the following section. Information regarding the status of correcting all Level 3 problems that are reported will be logged to the Impression web site, or communicated directly to the customer, on a daily basis.

1.8.4 Bugs and Recommendations

All reported "bugs" to the Impression software will be added to the *iCapture* "bug list" maintained on the Impression web site. Status information and updates will be posted to this site as fixes and corrections are completed, tested and released. All customer initiated Recommendations are added to the *iCapture* requested features list that is maintained on the Impression web site. This information is used by the support and development staff in determining the scope and content of *iCapture* upgrades and new releases.

1.9 Incident Escalation

The Maintenance and Support Plan provides for the automatic escalation of problems and incidents that are classified as either Level 2 or 3. For those customers that have an **On-Call Maintenance Agreement** in force, a Severity Level 2 problem will automatically be escalated to Level 1 after 1 full business day following the receipt of the report. This provides Impression a minimum of one full PPM to correct the problem prior to its escalation. Similarly, a Severity Level 3 problem will be escalated to Level 2 on the after 1 full business day following the receipt of the support request.

For those customers that have a Standard **On-Line Maintenance Agreement** in force, a Level 2 or 3 problems are automatically escalated to the next level after 1 full business day following the receipt of the support request. In both of the situations cited above it should be noted that a Level 3 problem would, unless resolved, rapidly become a Level 1 incident even though the problem is not stopping system operations in any way. This escalation process has been implemented to ensure that all reported problems receive the attention required and the dedication of resources to effect continuous, reliable operation of the installed solution.

1.10 On-Site Support

If a support engineer has been dispatched to a site this individual will remain on site until the problem is fully resolved or a mutually agreeable work plan is developed jointly with the customer. This work plan may include additional on site resources with specific skills based on the nature of the problem, additional remote work by Impression Technology, the need for customer or third party resources to correct a problem not related to the Impression software, or any combination of the above. In the event that the customer requests that the Impression support engineer remain on site to assist in the resolution of a problem not related to the Impression software, all costs will be paid by the customer in accordance with the Maintenance Agreement in effect at that time.

1.11 Remote Dial-In Analysis

Impression Technology recommends that all customers who enter into Maintenance Agreements also work with our technical support staff to establish the infrastructure and procedures that will dial in to the site to support the execution of remote diagnostics and troubleshooting in the event of a problem or incident. This capability, when combined with telephone support, has proven to be a very efficient and effective method for identifying, analyzing and correcting problems. This infrastructure can be established to ensure that access by the Impression support staff is limited and controlled by site personnel and compliant with site security requirements. Product Warranty

1.12 Maintenance Training

A prerequisite for the execution of a Maintenance Agreement is the completion of the training courses by one or more customer personnel. This training is typically conducted as a part of the Statement of Work between Impression and each customer under a separate Consulting Agreement and we recommend that it be completed prior to the completion of Acceptance tests, or the start of production operations. At the completion of this training these individuals will be provided a single username and password representing their site that will enable them to make full use of the Impression web site and Electronic Help desk described below.

1.13 Exclusion

Maintenance and support services provided under a Maintenance Agreement may commence when the system is placed into production operations or upon the completion of Acceptance testing, whichever occurs first. These services do not include pre-acceptance test activities performed by Impression Technology, design or consulting tasks, formal training, the correction of problems or issues related to hardware or software provided by third parties (other than that included in the Impression software Bill of Materials), network or communication issues when customer supplied, the correction of defects in application software developed by the customer or third parties that interface with the Impression solution, or services provided by Impression related solely to system enhancement or expansion. These types of services will be provided by Impression Technology under a separate Consulting Agreement and specific Statement of Work.

1.13.1 Product Upgrades and Releases

All customers that execute a Maintenance Agreement will automatically become eligible for the Impression Technology Product Upgrade and Release program.

Periodically, Impression Technology provides "maintenance" releases of its *iCapture* software. These maintenance releases are a collection of critical and non-critical fixes bundled into a single release to simplify testing and installation and limit the frequency of this activity. If, however, critical problems are uncovered within the *iCapture* software that requires immediate correction to prevent or minimize Severity Level 1,2 or 3 problems, Impression Technology releases software patches as required.

Customers subscribing to any *iCapture* maintenance and support plan are entitled to upgrades, releases and patches within the cost agreed to on the Maintenance Agreement. Customers will receive these updates via the Internet at <http://www.impression-technology.com>, including release notes and installation instructions. The customer is responsible for all installation and support for this effort is provided via the standard policy described above. Impression Technology discusses each Upgrade with each customer to ensure an awareness of the potential impact, if any, of moving to this new release. The customer is responsible for the testing of the software in its environment and its installation. Support for this is again provided via the standard maintenance and support channels. Once installed, this software is subject to all of the same maintenance and support provisions as any earlier version.

Impression Technology produces Upgrades to the *iCapture* software in three different categories: major release, minor release and lettered release. The category of the release is indicated by the way that the version number changes with respect to the previous release. A major release contains very substantial new features and is indicated by a change in the most significant part of the version number, e.g. v2.1 to v3.0. Note that a major release may be subject to additional license fees. A minor release may contain significant new features, a group of less significant enhancements, and/or performance enhancements and is indicated by a change in the least significant part of the version number, e.g. v2.1 to v2.2. A lettered release usually contains only problem corrections although it may also contain some new capabilities as well. A lettered release is indicated by the addition of or substitution of a letter to the version number, e.g. v2.1 to v2.1a.

1.14 Service Level Pricing

As stated herein, Impression technology executes a Maintenance Agreement with each customer that documents the annual cost of maintenance and support based on the Service Level selected and customer specific parameters such as customer location(s), hours of coverage desired, system configuration and projected on-site support needs, if any.

The following guidelines are used in establishing the quoted price for annual Maintenance and Support:

The “baseline” price for annual Maintenance and Support is 1% per month of the total List Price of the installed *iCapture* software. This cost will be paid by all customers regardless of the Service Level selected.

Customers who elect On-Site (Service Level 1) support will be responsible for the full cost of the salary, benefits, travel and living expenses of the engineer while resident on-site. These costs are established with each customer and agreed to in the Maintenance Agreement.

Customers who elect On-Call (Service Level 2) support will pay an additional annual fee for a pre-determined number/duration of on-site visits for maintenance and/or peak processing support. Rates will reflect discounts based on negotiated parameters.

Customers who elect Standard Remote (Service Level 3) may contract for the “baseline” described in Item 1 exclusively. Any on-site costs subsequently incurred would be billed in accordance with Impression’s standard T&M rates then in effect, including reimbursement for all actual expenses incurred.

1.15 Impression Technology Electronic Help Desk

After graduating from *iCapture* administration training, the client's single point of contact is given a login to the Impression Technology support web page. This screen appears like the one shown below.

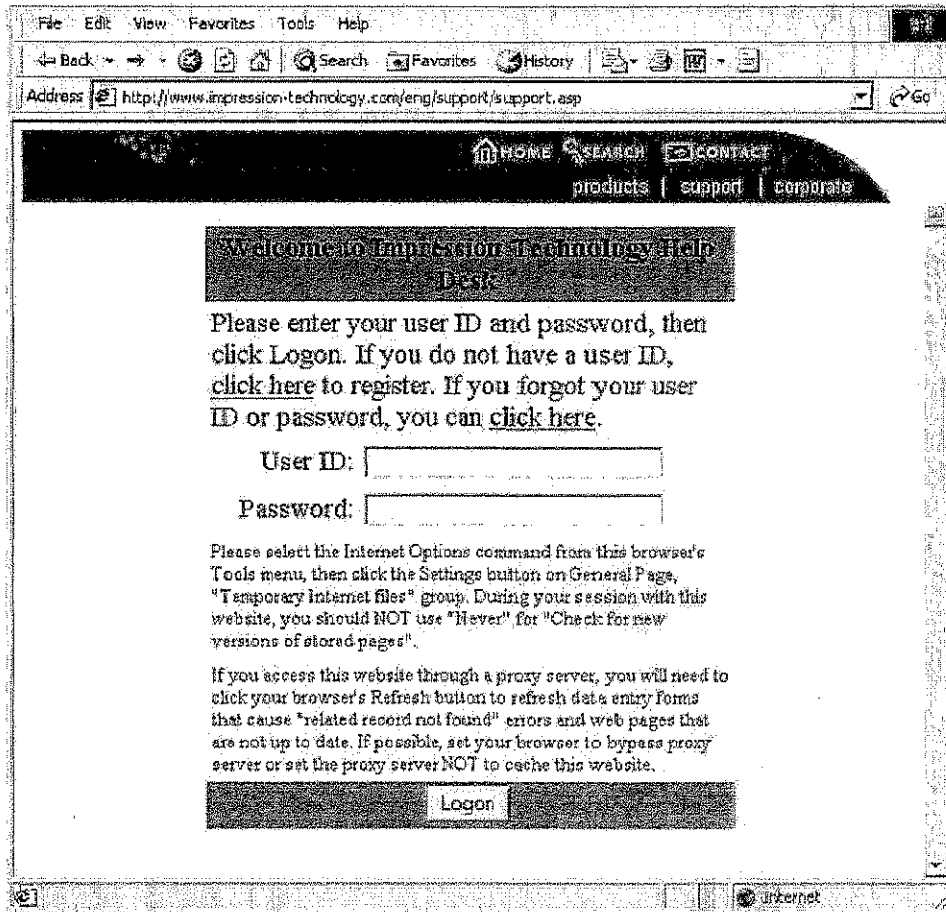


Figure 1: Support Login Screen

The Help Desk main menu option is displayed upon a successful login (as shown below).

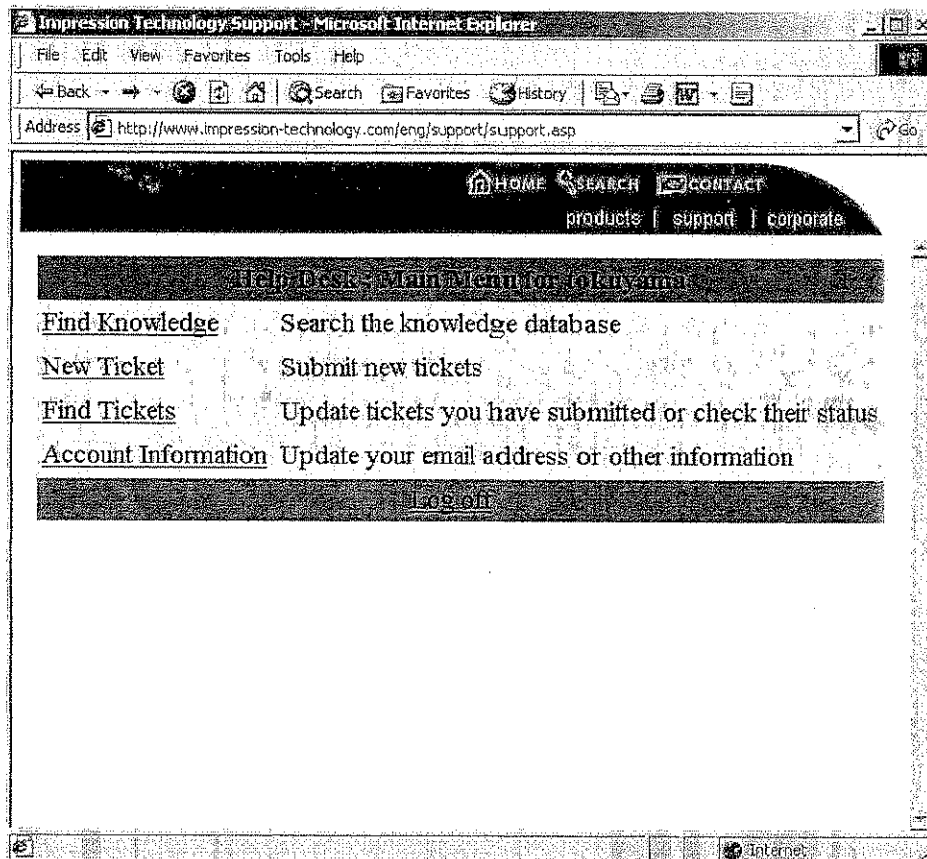


Figure 2 Main Menu

We maintain a knowledge database of trouble tickets resolved in the past to help the *iCapture* user community diagnose problems. The option to research our knowledge database is provided through the **Find Knowledge** option from the main menu. Specific topics may be searched by ID, product name, or by keywords as shown below. Blank fields will default to a wild-card search option.

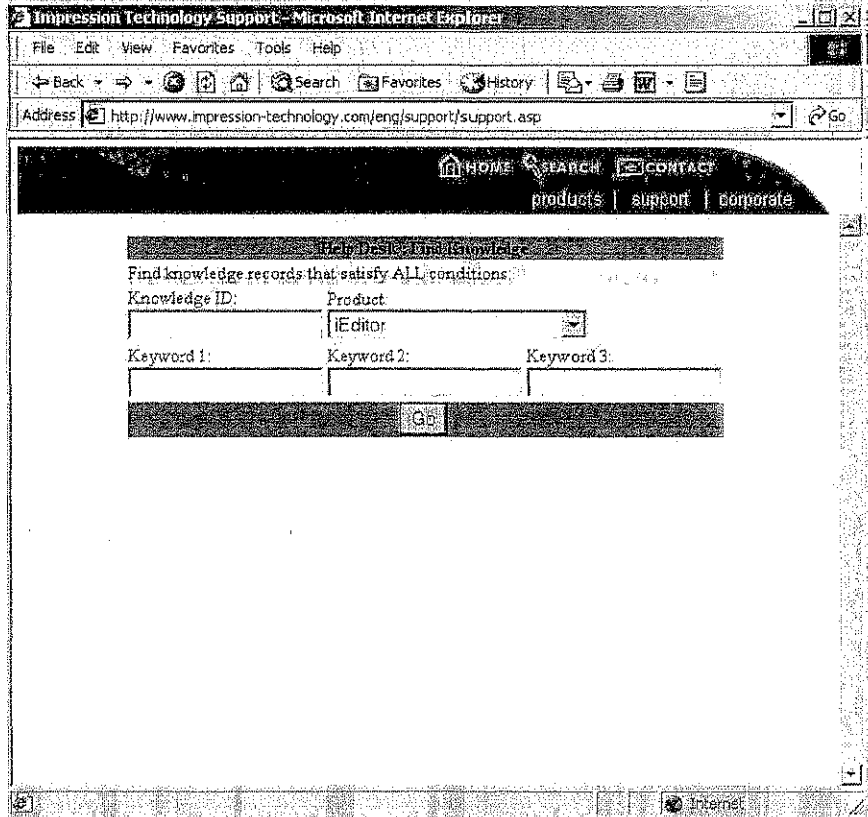


Figure 3 Find Knowledge Screen

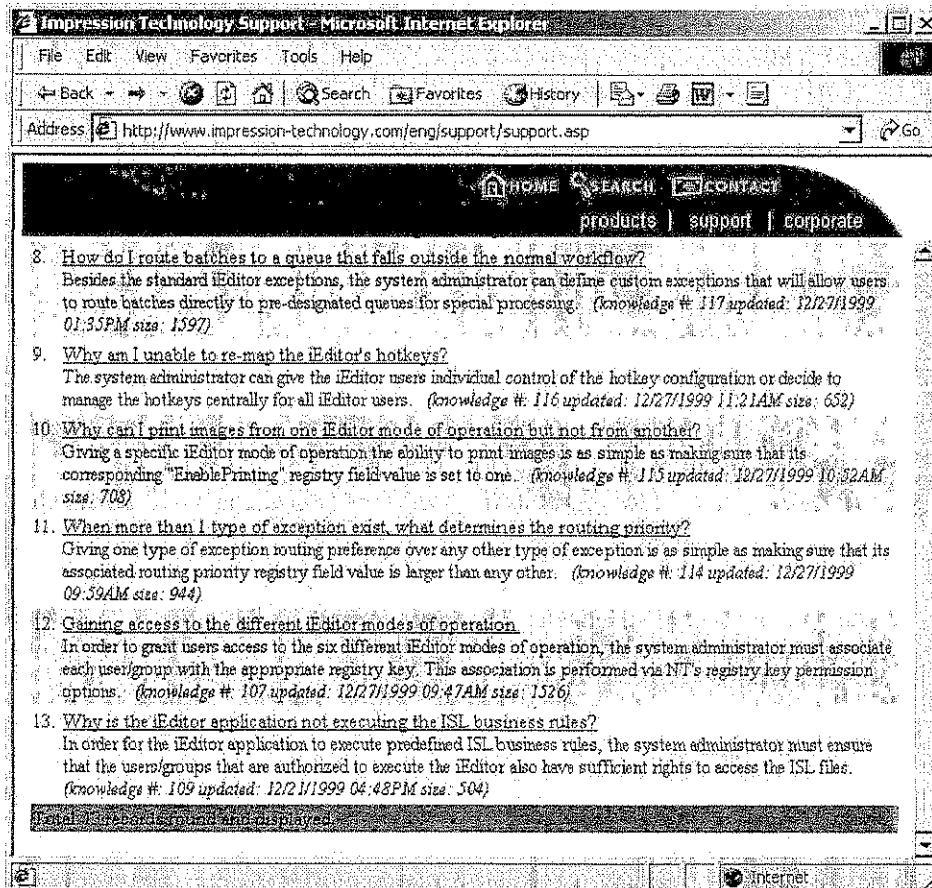


Figure 4 Find Knowledge Search Result

A new trouble ticket may be submitted for each and any application in the *iCapture* suite by using the New Ticket option in the main menu.

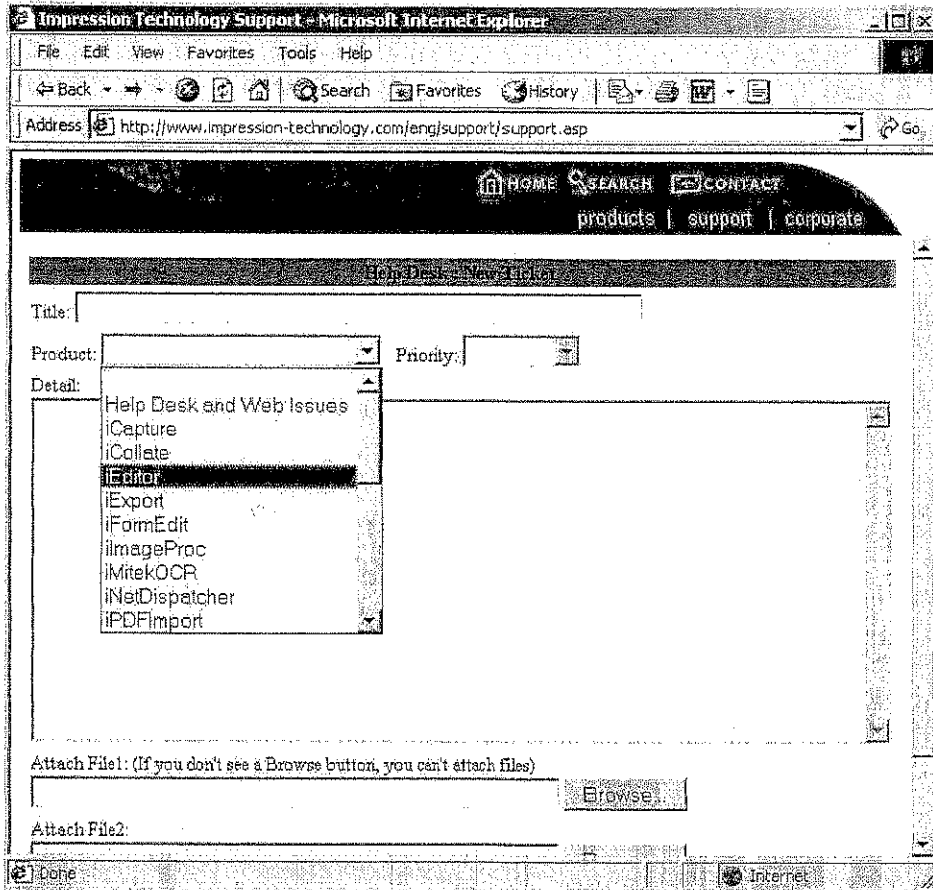


Figure 5: New Ticket Screen -- Application Selection

Once the application name is selected, a description of the problem with your return phone number and the appropriate ticket priority may be entered. Screen dumps, system log files, and any additional notes related to problem may also be submitted as attachments in the designated fields. We highly recommend the compression of the attachment files due to size of the screen dump and log files. Press the **Submit** button when you are finished entering the information.

The screenshot shows a web browser window titled "Impression Technology Support - Microsoft Internet Explorer". The address bar shows the URL "http://www.impression-technology.com/eng/support/support.asp". The page has a navigation bar with links for HOME, SEARCH, CONTACT, products, support, and corporate. Below the navigation bar is a header "New Ticket" and a "Title:" field containing "Editor problem observed today with form DE88". The "Product:" dropdown is set to "Editor" and the "Priority:" dropdown is set to "Normal". The "Detail:" text area contains the following text: "Problem: When entering field data for DE88 OCR error are not showing up. Is this normal? Please call back by close of business to confirm or deny. See attachment for screen print of the problem." Below the detail field are two "Attach File:" sections. The first section has a text input field containing "ScreenPrint.zip" and a "Browse" button. The second section has a text input field containing "log.zip" and a "Browse" button. At the bottom of the form is a "Submit" button.

Figure 6: New Ticket Screen – Problem Description

Once the **Submit** button is pressed, the Help Desk system will automatically generate a trouble ticket number as shown below. Please write this number down for subsequent follow-up sessions with the system to monitor the progress of the trouble ticket. The Help Desk system is designed to automatically page a support staff to review any new incoming trouble tickets wherever they are located.

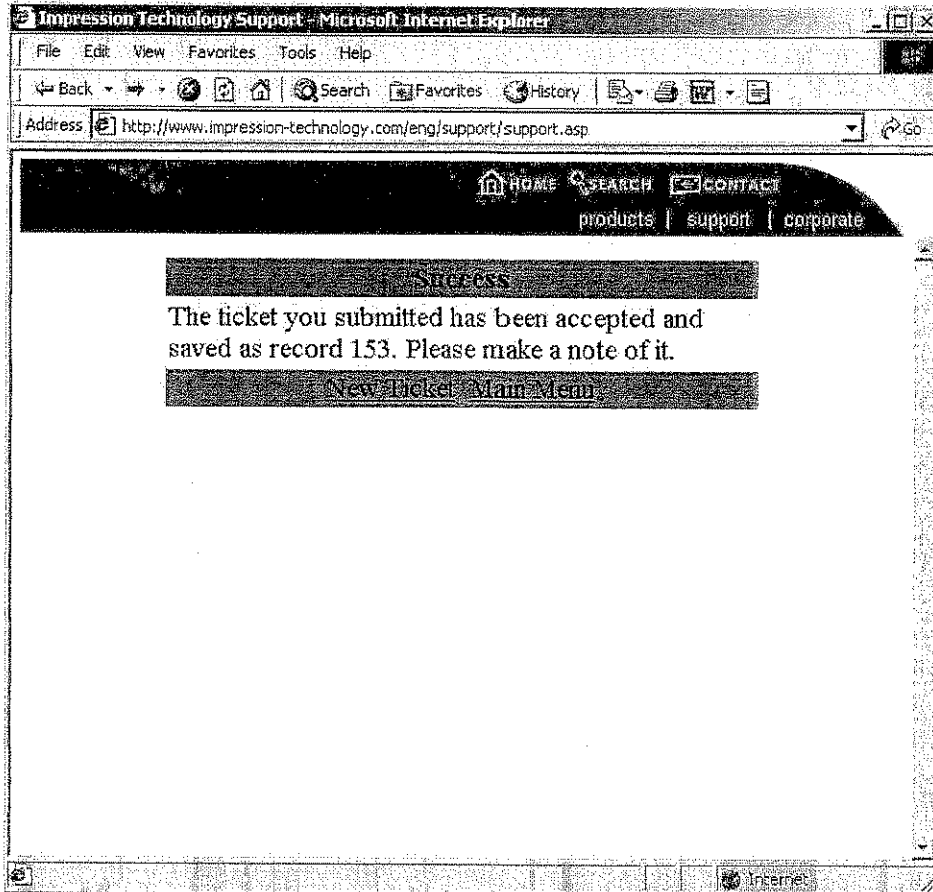


Figure 7 New Ticket Submit Acknowledgement Screen

The Find Ticket option from the main menu allows the user to locate and review the current status of the trouble tickets submitted by the user as shown below. If the trouble ticket number is known, enter the ticket number in the field labeled "Ticket ID". If the ticket ID number is lost, leaving the Ticket ID field blank will return all tickets numbers generated by the user. Press the Go button when ready to initiate the query. The system will display the result tickets found screen as shown in Figure 8.

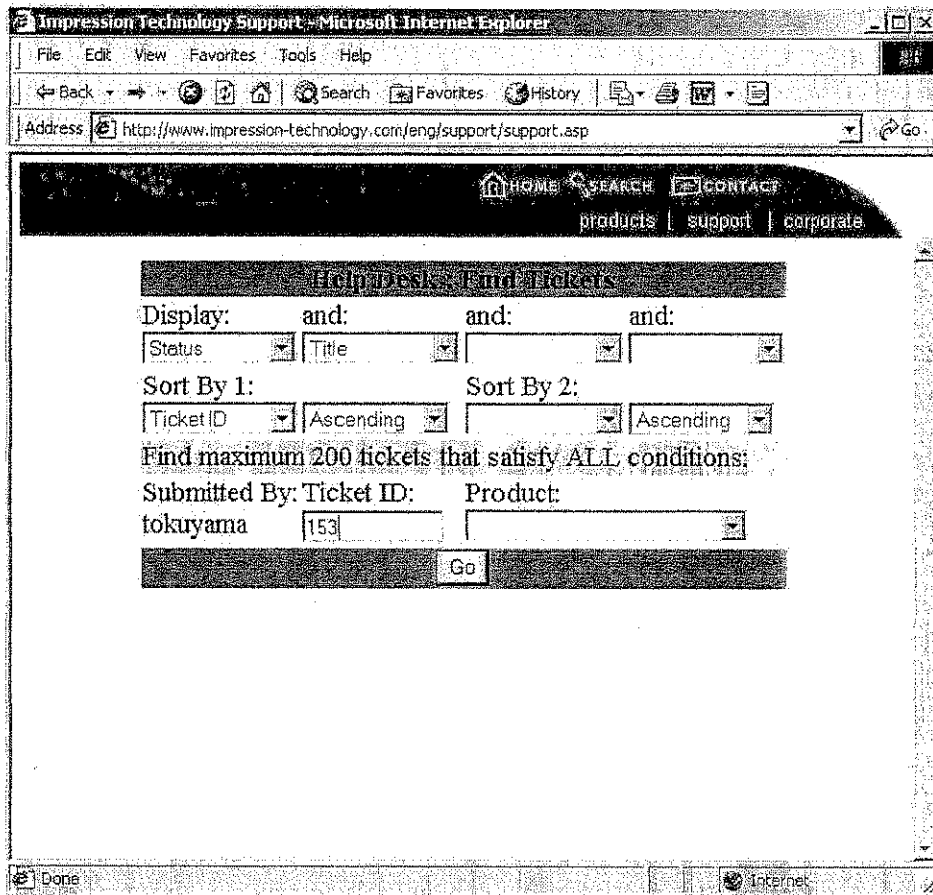


Figure 8 Find Tickets Screen

Press the Go button when ready to initiate the query. The system will display the tickets found as shown below.

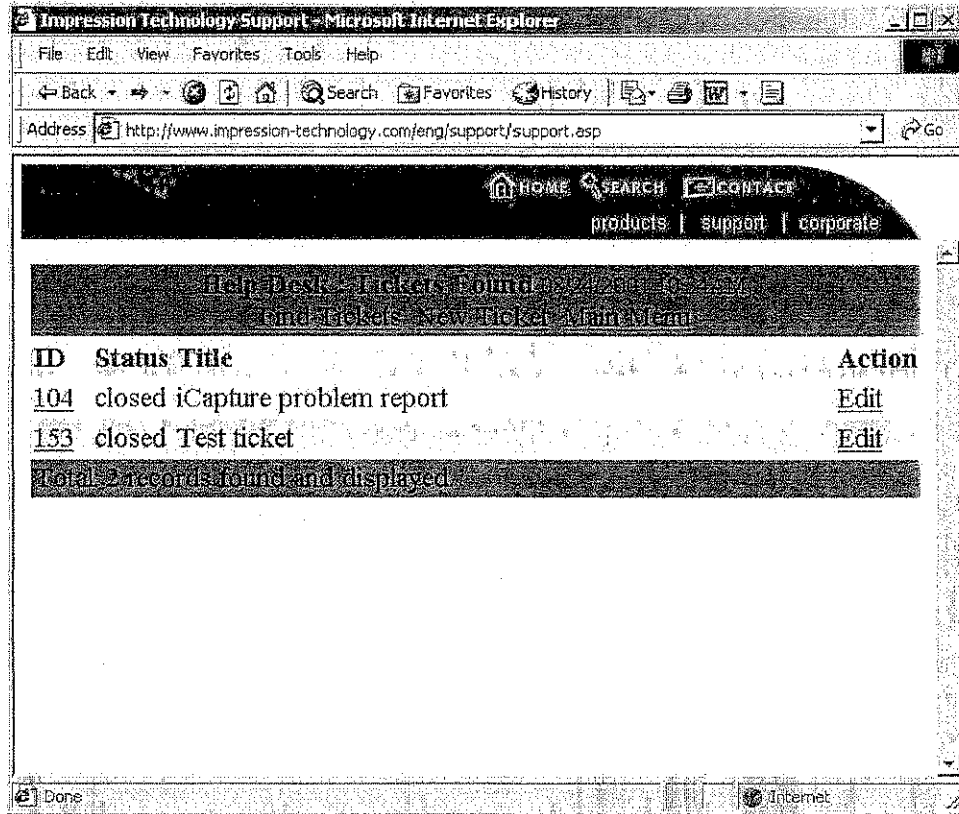


Figure 9 Tickets Found Screen

Select the desired trouble ticket from the list and the complete status of the trouble ticket may be viewed as shown below.

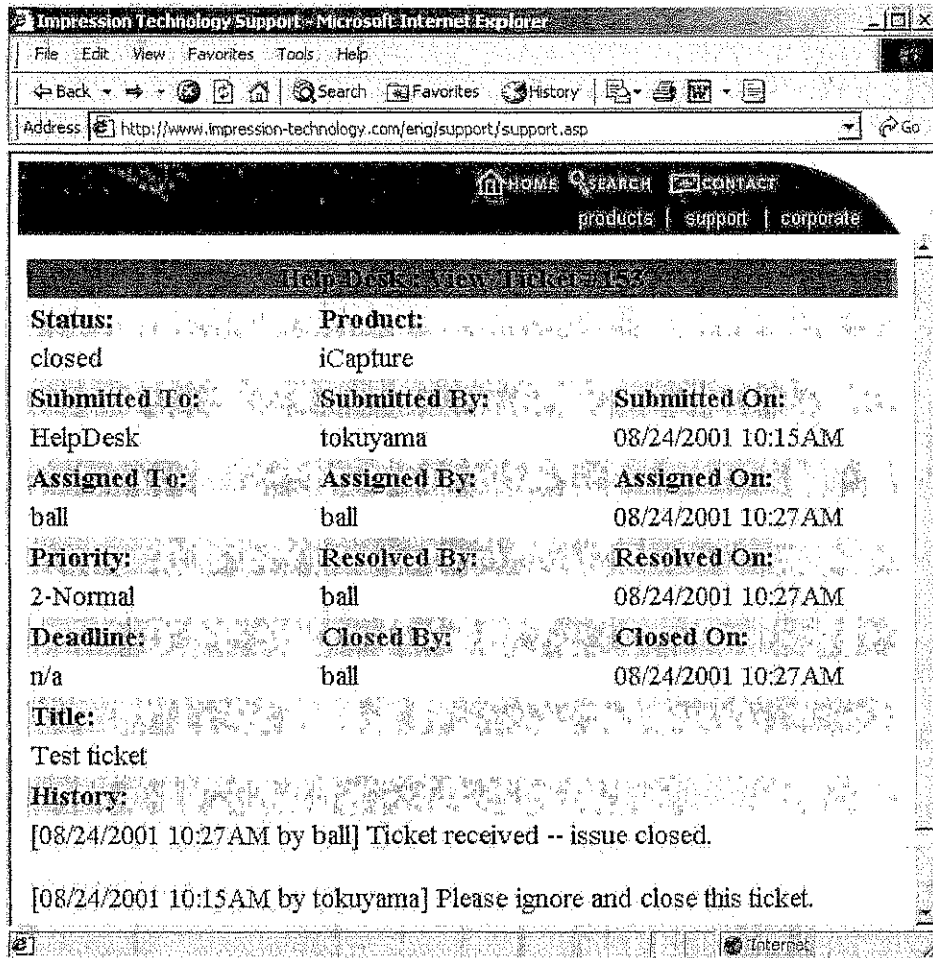


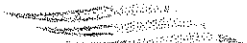
Figure 10 View Ticket Screen

Impression Technology has established a single telephone number to receive support and maintenance calls. *iCapture* users may call this number during normal business hours to speak with an Impression Technology support engineer. After hours, this same number may be used to page the Impression Technology support engineer on-call.

C-7133-1

City of Glendale, TALIS Project

Data Capture Change Order for Remittance
Processing Software and Hardware



Impression
TECHNOLOGY

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Impression
4/16/2010

Table of Contents

1	SCOPE.....	1
2	ASSUMPTIONS.....	1
3	OVERVIEW.....	1
4	MODIFIED DATA CAPTURE WORKFLOW.....	4
5	TAX/LICENSE PAYMENT PROCESSING.....	6
5.1	Assumptions.....	6
5.2	Sorting of Sales Tax Payment Forms.....	7
5.2.1	Singles.....	7
5.2.2	Complex Singles.....	8
5.2.3	Multiples.....	8
5.2.4	Checks-Only.....	8
6	MUNICIPAL BILLING.....	9
6.1	Assumptions.....	9
6.2	Water Bill Scanline.....	10
6.3	Water Bill Processing.....	12
6.3.1	Current Sorting Method.....	12
6.3.2	Change Impact.....	13
6.3.3	Proposed Sorting Method.....	14
6.3.4	Singles.....	14
6.3.5	Complex Singles.....	14
6.3.6	Multiples.....	14
6.3.7	Checks Only.....	15
6.3.8	Processing Rules.....	15
6.4	Water Bill Check Digit Algorithm.....	16
7	EXTERNAL SYSTEMS.....	17
7.1	Assumptions Related to Interfacing to External Systems.....	17
7.2	Output to Harris/NorthStar.....	17
7.2.5	Batch Header 'B' Record Format—Current.....	18
7.2.6	Detail Transaction 'D' Record Format—Current.....	19
7.2.7	Sample Output Records.....	20
8	COST.....	21
8.1	Software Cost.....	21
8.2	Scanner Hardware Lease Cost.....	21
8.2.1	Required Scanner Maintenance Cost.....	22
9	REQUIRED LEGAL PROVISIONS.....	22
9.1	Immigration.....	22
9.2	Prohibitions.....	23
9.3	Conflicts.....	23
10	INTEGRATION.....	23
11	PARTIES/NOTICES.....	23
11.1	Parties.....	23
11.2	Notices.....	24
	APPENDIX A: KODAK S1740 SCANNER SUBSYSTEM.....	A-1
	APPENDIX B: SCANNER LEASE AGREEMENT.....	B-1

City of Glendale, TALIS Project

Data Capture Change Order for Remittance Processing Software and Hardware

April 21, 2010

1 Scope

This Change Order addresses the City of Glendale, TALIS project's request to Impression Technology for a fixed-price quotation (CO) to extend the current scope of the TALIS contract to incorporate the additional requirements for remittance payment processing for Tax and Utility bills (water bills). The processing of tax payment transactions received within the Finance Department will be limited to the Sales Tax Return and related monetary documents including Audit Assessments, A/R Statements as well as payments received for Municipal Billing related to water bills. This change order only addresses the necessary adjustments to the software licenses, cost of the necessary scanning hardware, and the incremental annual software maintenance cost. For information related to the implementation cost for required services, please refer to the corresponding Change Order by TCS which addresses the implementation services including installation, integration, testing, and conversion support services to meet the requirements as stated herein. This CO consists of substitutions or upgrades from types of services, hardware or maintenance previously selected. Prior authorizations extended by the Glendale City Council in 2009 are not exceeded by this CO.

2 Assumptions

Due to the fixed-price nature of this quotation, the cost for the estimated labor is based on the set of assumptions that follows in the subsections below. As such, the final cost may be impacted by events not directly the responsibility of Impression Technology including additional labor required in supporting design modifications and/or supporting product re-configuration external to the iCapture suite of software.

3 Overview

The following is a description of the numbered work steps illustrated in Figure 1.

- 3.1 Mail Opening and Sorting staff will process all mail with priority given to payment then non-payment documents. Tax and License payment documents will be sorted and batched as described in Sections 5.2 and Municipal Billing Statements as described in 6.3.3.
- 3.2 The walkup counter will continue to perform the cashiering function via the iNovah system. Upon completion of cashiering, the completed Tax payment document is walked over to the Mail Opening and Sorting area in preparation of scanning.

- 3.3 The scanning operation will begin scanning the pre-sorted batches with priority given to utility and tax payments then non-payment tax and license documents as prepared by the Mail Opening and Sorting staff.
- 3.4 Upon completion of identifying and performing the optical character recognition of the forms, the data correction of the scanned documents will begin with priority given to utility and tax payments then non-payment tax and license documents.
- 3.5 Tax and License payment documents identified to be from the walk-up counter will be merged with the corresponding images of the check or payment receipt from the iNovah system.
- 3.6 Payment batches will be submitted to the Deposit21 application to deposit the checks immediately. Sales Tax and Municipal Billings will be deposited into their respective accounts at the City's bank. The status of the Deposit21 transactions will be fully accessible via multiple reports via web interface by authorized users only.
- 3.7 Upon completion of the payment processing and data correction/entry of the associated tax and license document, the XML output files are generated and submitted to TaxMantra.
- 3.8 Upon completion of the payment processing and data correction/entry of the associated Municipal Billing Statements, the output files are generated and submitted to Harris NorthStar.
- 3.9 Upon completion of all data correction/entry of the associated tax and license document including the water bills, the XML output files are generated and submitted to Documentum.

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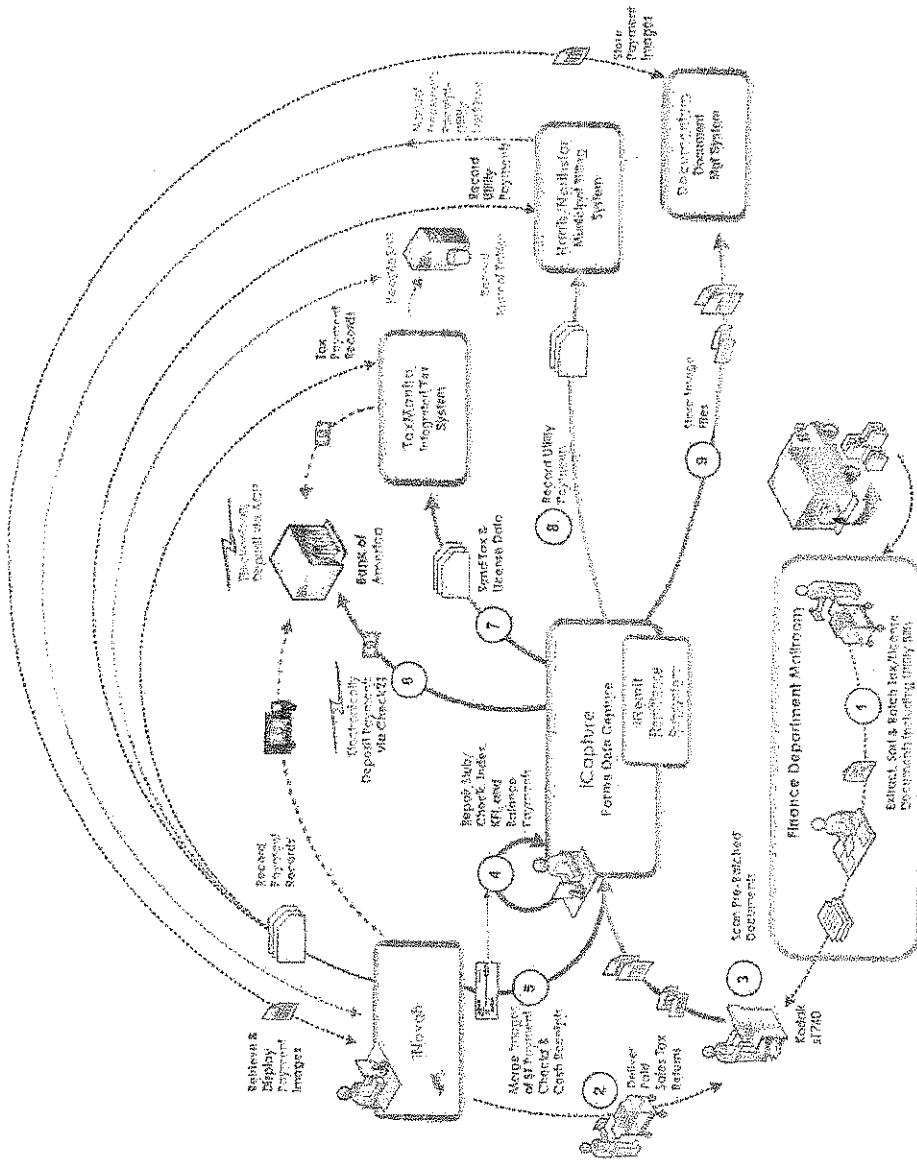


Figure 1 - Overview

4 Modified Data Capture Workflow

This change order is based on the approved detail design of the original data capture system for TALIS with the modified workflow as illustrated in Figure 2. For complete review of this workflow, please refer back to the original Data Capture Detail Design document.

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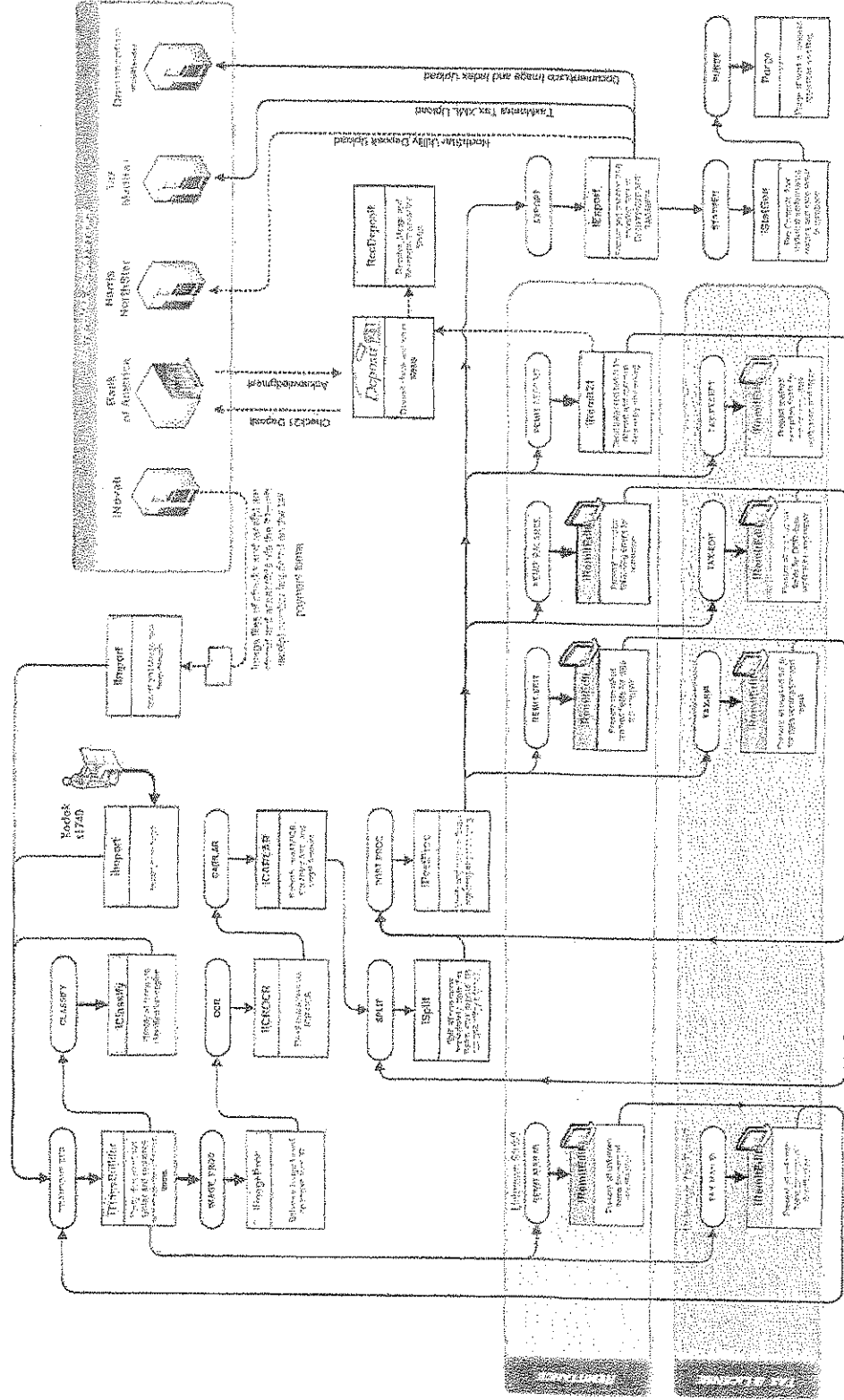


Figure 2 - Workflow

Data Capture Change Order for Remittance Processing Software and Hardware

Modified Data Capture Workflow

5 Tax/License Payment Processing

5.1 Assumptions

- 5.1.1 The majority of the tax payment processing activity will be associated with the Privilege (Sales) Tax returns received in the mailroom with volumes derived from the City's log during the 12 month period beginning July 1, 2008 through June 30, 2009, where the City processed approximately of 78,119 transactions annually with a peak of 1,745 returns in a single day and peak monthly volume of 6,510 transactions.
- 5.1.2 Using a +10% volume adjustment, the adjusted daily design volume of tax payment documents will be 1,920 payment transactions with an estimated 3,839 pages or 7,678 images daily. The total combined peak daily volume (including the miscellaneous tax documents, miscellaneous license documents, and water bills) is approximately 12,788 pages or 20,777 image pages.
- 5.1.3 The replacement of the originally configured Kodak i260 scanner with a newer Kodak s1740 scanner capable of scanning both the full-page and check size documents.
- 5.1.4 The majority of Sales Tax Returns will be received in the mailroom of the Finance Department. The returns along with the checks will be manually sorted and batched by the Finance Department's mailroom staff to be scanned on the new Kodak s1740 high-speed scanner.
- 5.1.5 Returns with payment will be pre-sorted to support the numerical stamping of both the returns and check payments automatically by the iCapture scanner application as a monetary scan-job configured for tax documents with payments.
- 5.1.6 The tax and license related payments cashiered at the walk-up counter via the iNovah system will be scanned at the iCapture scanner application with a special flag set. This is necessary to support the automated linkage and merging of the document to the images associated with the payment scanned by the iNovah application. System innovators will be responsible for defining the transfer of the documents to iCapture for bulk processing at the end of the day.
- 5.1.7 It is our expectation that iNovah will assign a unique transaction "receipt number" (or something equivalent to it) for each sales tax and license payment processed. This will include the imprinting of the receipt number on the lower-right corner of the front page of tax form including the checks to aid in the retrieval of the images that are digitally scanned and linked to the receipt number at the walk-up counter. For cash transactions, it is further assumed that the iNovah application will automatically generate a cash receipt image in place of the check image. In the event multiple returns are paid with a single check, the single check will be automatically linked to each sales tax return with multiple receipts

numbers such that each return will be uniquely associated with a receipt number.

- 5.1.8 The iNovah receipt number is the common index metadata associated with each payment transaction associating it with one or more checks or a combination of payments types, for example, checks, credit card payments and cash.
- 5.1.9 iNovah application will be configured to transmit a daily batch of image files associated with the tax payments at the end of the day. The format and protocol of this transfer will be supplied by the City or by the vendor responsible for the system.
- 5.1.10 To support the prioritized cashiering functionality within iCapture, the primary workflow path will be designed and configured to support the rapid data entry of the critical payment fields (amount due, amount paid, taxpayer ID) over the data entry of the non-critical data fields that will be deferred as the secondary workflow path.
- 5.1.11 As part of the primary payment workflow, the amount due from each payment form will be balanced to the sum of the checks received.
- 5.1.12 All payments will be validated against Tax Mantra for a NSF/CreditCard/ACH™ flag on the account. If found, the operator will be directed to void the entire transaction to remove it physically from the batch to process manually.
- 5.1.13 Upon completion of balancing, the transactions associated with each scan batch will be deposited electronically via Check21 to the Bank of America as required by the bank ICL specifications.

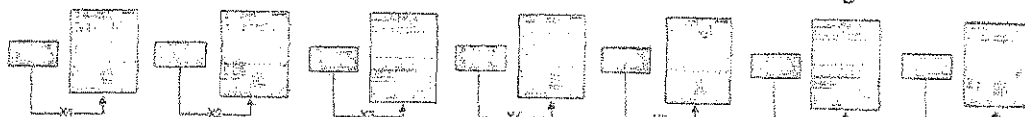
5.2 Sorting of Sales Tax Payment Forms

The mail received by the tax department is received daily and monetary documents will be manually prepared by the mailroom staff each morning for scanning. While the mail receiving and opening will remain mostly unchanged, the sorting of the return forms and payment and preparation of the scan batches will be simplified by the implementation of the following sort patterns for the creation of scanner ready tax payment batches:

- Singles
- Complex Singles
- Multiples
- Checks Only

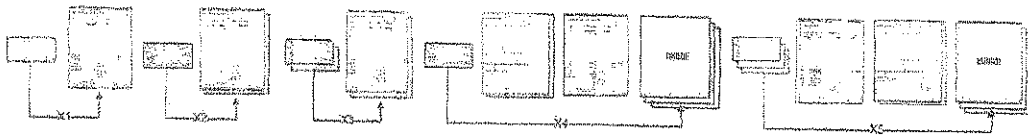
5.2.1 Singles

Straight Singles are a collection of payment transactions consisting of a single check payment followed by a single page of a payment form or stub. It is specifically designed to support the automated detection of missing items.



5.2.2 Complex Singles

A Complex Single is a monetary transaction that contains one or more check payments to a single account. The Complex Singles batch is a collection of sorted payment transactions consisting of one or more checks followed by a single payment document. Unlike Singles, the Complex Singles also allows the use of multi-paged documents as illustrated in transactions X2, X3 and X4 below. The document with the red border denotes the main payment document. The main payment document will always be associated with the single form containing the "Amount Due" field. On transactions X4 and X5 below, the yellow separator sheets were placed to indicate that the document (possibly without a barcode) was identified to be processed intact as a single document rather than to be processed as individual pages of separate documents.



5.2.3 Multiples

A Multiple is a monetary transaction that contains payments to multiple accounts. The Multiples batch is a collection of these transactions consisting of one or more checks followed by one or more payment stubs (red outline) as illustrated below. Balancing will occur by balancing the sum of all the "Amount Due" fields against the sum of all checks per each transaction. In the event an item within a transaction is identified to be void (no signature or within a transaction), the entire transaction must be voided and the transactions must be physically removed from the batch for manual processing.



5.2.4 Checks-Only

Checks Only batch is similar to a Singles batch wherein each check must be pre-assigned to a valid account. In order for the system to process this batch, every check must be manually researched to determine the license number and the other indexing information as required by the agency before scanning.



6 Municipal Billing

6.1 Assumptions

- 6.1.1 Remittance processing of municipal billings will be limited to the City's water bills received in the mailroom with volumes derived from the City's log during the 12 month period beginning July 1, 2008 through June 30, 2009, where the City processed approximately of 366,037 municipal water billing transactions with a peak of 4,199 bills in a single day and peak monthly volume of 30,503 transactions.
- 6.1.2 Using a +10% volume adjustment, the adjusted daily design volume of municipal payments will be 4,199 transactions with an estimated 8,398 pages or 12 images daily. The total combined peak daily volume (including the miscellaneous tax documents, miscellaneous license documents, and water bills) is approximately 12,788 pages or 20,777 image pages.
- 6.1.3 All municipal billings for iCapture will be received in the mailroom of the Finance Department. The billing stub along with the checks will be sorted by the Finance Department's mailroom staff with far less sorting rules than present to be scanned on the new Kodak s1740 high-speed scanner.
- 6.1.4 Bill payments will be pre-sorted to support the numerical stamping of both the payment stub and checks automatically by the iCapture scanner application via the monetary scan-job configured specifically for municipal billings.
- 6.1.5 Bill payments that are cashiered via the walk-up counter will not be scanned by iCapture system as the iNovah system will have already cashiered and updated the Harris/NorthStar system.
- 6.1.6 All payments will be validated against the Harris NorthStar system for a "NSF" flag on the account. If found, the operator will be directed to void the entire transaction to remove it physically from the batch to process manually. This further assumes one of the the following:
 - 1) that Harris will provide an electronic list of bad accounts; or
 - 2) that Harris will provide a stored procedure for iCapture to determine the bad account status given a valid account number.

6.2 Water Bill Scanline

The key information related to any given water payment is encoded on each payment stub as illustrated in Figure 1 below. The scanline is the pre-printed line of numbers in machine readable font (OCR-A) immediately above the lower edge of the payment stub also shown in Figure 2. The scanline is printed to support the automated recognition of the following numbered fields as highlighted in Figure 1 :

Figure 3 - Water Bill Scan-Line



A	Account Number: This is an 8 digit account number field as stored in the Harris system without leading zeros.
B	Occupancy Code: This is 2-digit field stored in the Harris system that is used to identify and enumerate an occupant associated with a given address in the City. The Occupancy Code differentiates the occupants who move into the location (e.g. Owner 1= Account #12345678/Occupancy Code#00; Owner 2= Account #12345678/Occupancy Code#01) and ensures the payment is applied correctly.
C	Previous Amount Due: This is the payment amount due for the previous period.
D	Current Amount Due: This is the payment amount due for the current period.
E	Total Billing Due: This is the total amount due collectively from all periods less the donation.
F	Total with Donation: This is the total amount due collectively from all periods including the donation.
G	Check Digit: This is a check digit to validate the data read from the scan line is correct. See the algorithm for computing the check digit in the subsection below.

UNIVERSITY MICROFILMS

Account 000-00
Billing Cycle 002

Current Amount Due 03/29/10 57.04

Bill Date 03/10/10

TOTAL BILLING DUE 57.04

VOLUNTARY "FROM THE HEART" DONATION 1.00

TOTAL WITH DONATION 58.04

Apply a portion of phone number 412-282-8787
Please check this box and fill in your own
information on the back of this payment stub.

9

UNIVERSITY MICROFILMS
300 N ZEEB RD
ANN ARBOR MI 48106-1500

JO [REDACTED] L
11 [REDACTED] N 4 [REDACTED] DR
GLENDALE AZ 8 [REDACTED] -4 [REDACTED]

DO NOT MAIL PAYMENTS WITH PAYMENT
FOR COMPANIES INFORMATION SA 0458

0002774600 0000000000 00000003704 00000006704 00000006004

Figure 4 - Water Bill

6.3 Water Bill Processing

6.3.1 Current Sorting Method

The City currently sort payment based on the 10 sort categories as described in the table below.

1.	Overpayments	Any payments where the check amount is greater than all amounts on the scanline (fields C, D, E, and F as shown in Figure 1).
2.	Equal to previous amount due	Any payments where the check amount is equal to field C. The document preparation staff will typically highlight the matching field on the stub with a marker.
3.	Equal to total with donation	Any payments where the check amount is equal to field F. The document preparation staff will typically highlight the matching field on the stub with a marker.
4.	Underpayments	Any payments where the check amount is less than any amounts on fields C, D, E, and F.
5.	Equal to current amount due	Any payments where the check amount is equal to field D. The document preparation staff will typically highlight the matching field on the stub with a marker.
6.	Checks only	Stub missing.
7.	Signature & Date Exceptions	Any payments with a check missing a signature or post-dated checks.
8.	Equal to total billing due	Any payments where the check amount is equal to field E. The document preparation staff will typically highlight the matching field on the stub with a marker.
9.	Stub with multiple checks	Payment for a single account with multiple checks.
10.	Multiple stubs with one check	Payment for multiple accounts with single check.

Note: Any correspondence is normally separated from the stub/check and routed separately.

6.3.2 Change Impact

While the mail receiving and opening of the mail will remain mostly unchanged, the new method eliminates 6 sorts currently utilized by the City from and additionally eliminates the need to highlight any of the stub fields with a marker pen as follows:

Sort	Old Sort	Status	Comments
1.	Overpayments	Eliminated	With the exception of verifying amounts greater than 10 times the amount due, the sorting of overpayment payment will be eliminated as it does not change the outcome of the deposit nor the information transmitted to the Harris/NorthStar accounting system. All overpayments will be automatically presented for verification during balancing in iCapture.
2.	Equal to previous amount due	Eliminated	The sorting of payments for the "Previous Amount Due" will be eliminated as it does not change the outcome of the deposit nor the information submitted to the Harris/NorthStar accounting system.
3.	Equal to total with donation	Eliminated	The sorting of payments for the "Total with donation" will be eliminated as it does not change the outcome of the deposit nor the information submitted to the Harris/NorthStar accounting system.
4.	Underpayments	Eliminated	The sorting of payments for the "Underpayments" will be eliminated as it does not change the outcome of the deposit nor the information submitted to the Harris/NorthStar accounting system. All underpayments will be automatically presented for verification during balancing in iCapture.
5.	Equal to current amount due	Eliminated	The sorting of payments for the "Current amount due" will be eliminated as it does not change the outcome of the deposit nor the information submitted to the Harris/NorthStar accounting system.
6.	Checks only	Same	The sorting of payments with missing stubs will continue to be separated and furthermore must be associated with a valid Account Number and Occupancy Code written on the "memo" field before scanning. Note the "memo" field is located near the bottom left of the check. Note the "memo" field of the check is located near the bottom left of the check.
7.	No Signature on Check/Date Exceptions	Same	Staff will continue to examine each check for No Signature and Date Exceptions as part of the preparation for scanning process. Absence of a signature or date exception is cause for rejection and the transaction must be fully removed prior to batching for scanning and processed using existing procedures.
8.	Equal to total billing due	Eliminated	The sorting of payments for the "Total Billing Due" will be eliminated as it does not change the outcome of the deposit nor the information submitted to the Harris/NorthStar accounting system.
9.	Stub with multiple checks	Same	Payment for a single account with multiple checks will be batched as "Singles" as described in the following subsection.
10.	Multiple stubs with one check	Revised	Payment for a single account with multiple checks will be batched as "Multiples" as described in the following subsection.

6.3.3 Proposed Sorting Method

This section describes the proposed method to sort and batch water bills reducing the sorts currently utilized by the City to just four. While the mail receiving and opening will remain mostly unchanged, the sorting of the water bills and preparation of the scan batches will be greatly simplified by the implementation of the following sort categories:

Singles	1. Complex Singles
2. Multiples	3. Checks Only

6.3.4 Singles

A Single is defined to be a transaction that associates a check payment to a single account only. The Singles batch is a collection of such payment transactions as illustrated below consisting of a single check followed by a single stub. It represents the majority of the payment transactions processed by the department and specifically designed to support the automated detection of missing items in the transaction during scanning.



6.3.5 Complex Singles

A Complex Single is defined to be a transaction that contains one or more check payments to a single account. The Complex Singles batch is a collection of sorted payment transactions consisting of one or more checks followed by single payment stub as illustrated below. Representing a superset of the singles type of batches, it also supports the processing of the standard Singles defined above.



6.3.6 Multiples

A Multiple is a monetary transaction that contains payments to multiple accounts. The Multiples batch is a collection of these transactions consisting of one or more checks followed by one or more payment stubs as illustrated below. Balancing will occur by balancing the sum of all the "Amount Due" fields against the sum of all checks per each transaction. In the event an item within a transaction is identified to be void (no signature or within a transaction), the entire transaction must be voided and the transactions must be physically removed from the batch for manual processing. We recommend that the agency use this batch specifically for rare instances of payments consisting of multiple stubs.



6.3.7 Checks Only

Checks Only batch is similar to a Singles batch wherein each check must be pre-assigned to a valid account. In order for the system to process this batch, every check must be manually researched to determine the Account Number and Occupancy Code before scanning. The operator will be presented with the field to be keyed in manually during check editing.



6.3.8 Processing Rules

During Check/Stub repair and balancing, perform the following validations:

- 1) During data entry, provide an option to void a transaction if the operator identifies a missing signature on a check or a post-dated check that may have been missed during sorting. The physical transaction must then be removed manually from the scanned batch.
- 2) Stub Correction: During data entry, allow the operator to inspect and repair any fields unrecognized or read with low confidence from the scanline of the stub.
- 3) Check Correction: During data entry, allow the operator to inspect and repair the courtesy amount (check amount field) unrecognized or read with low confidence.
- 4) Overpayment Inspection: During data entry, any transactions that contain a payment greater than ten (10) times the Total Billing amount will be automatically presented to the Operator for manual inspection and rejection if necessary.
- 5) Transaction Balancing: During balancing, present each transaction where the total payment amount does not match any of the four (4) amount fields on the stub, Previous, Current, Total Billing, or Total with Donation Amounts.
- 6) Check Digit Exceptions: In the event the check digit on a scanline is determined to be incorrect, all of the required fields associated with scanline will be presented to the operator for data correction or re-entry.
- 7) Mailing Address/Phone Change: If the Mailing Address/Phone Change checkbox is selected on the front of the bill, the address and phone number will be automatically processed for recognition. Any unrecognized characters or text read with low confidence results will be automatically presented to the operator for data correction and verification.

7 External Systems

7.1 Assumptions Related to Interfacing to External Systems

- 7.1.1 Impression will be fully responsible for defining the necessary document types and index fields to be associated with the storage of the Tax, License and Municipal Billing documents to the City's Documentum system.
- 7.1.2 Impression will be fully responsible for the development of the automated process to transfer the multi-paged TIFF documents to the existing Documentum system. It is expected that the City will assume responsibility related to providing the interface specification and provide the necessary support to test the Documentum interface. The City has contracted this responsibility to a 3rd party vendor, Binary Office, in support of the Documentum ApplicationXtender 5.6 product suite.
- 7.1.3 Impression will be fully responsible for the development of the automated process to import the scanned payment images from the existing iNovah system. It is expected that the City will assume all responsibility related to providing the complete interface specification and provide the necessary support to test the iNovah interface. The City has contracted this responsibility to a 3rd party vendor, System Innovators, in support of the iNovah product suite.
- 7.1.4 Impression will be fully responsible for the development of the automated process to send municipal billing transaction records to the existing Harris/Northstar system. It is expected that the protocol will remain as utilized by TMS and the format will have minor enhancements to include the Document Locator Number and Mailing Address/Phone Changes. The City will assume the responsibility in providing the interface specification and provide sample data transfer files including the necessary support to test the Harris/Northstar interface. The City has contracted this responsibility to a 3rd party vendor, Harris/NorthStar, in support of the Harris/Northstar product suite.
- 7.1.5 Impression will be fully responsible for the development of the automated process to export the scanned payment images to the City's bank. The City has notified the bank of its intention to implement Check21 functionality.
- 7.1.6 Impression will be fully responsible for the development of reconciliation reports for payment information sent to Tax Mantra, NorthStar, and the City's bank.

7.2 Output to Harris/NorthStar

Output of the water bill transaction records will be uploaded to the Harris/NorthStar system upon completion of the deposit of the batch.

- 7.2.1 Upon completion of iCapture balancing and deposit, batch export files will be generated automatically for each successfully deposited batch for near real-time transmission to the Harris system.

- 7.2.2 The files will be transferred specifically for processing by the Harris/NorthStar accounting system to a well-known network share, "Export-Harris," hosted by the iCapture server (TBD) and accessible by both iCapture and NorthStar.
- 7.2.3 Completed Batch Transaction files will be automatically named using the following Harris/NorthStar convention [MMDDYY]_[XXXXXX][YYYYYY] where:
- 1) [MMDDYY] is the current date;
 - 2) [XXXXXX] is the starting batch number with leading zeros;
 - 3) [YYYYYY] is the ending batch number with leading zeros.
 - 4) While the starting and ending batch number will always be the same for this implementation, this convention support any future options to submit multiple batch transactions in a single export file.
- 7.2.4 As the iCapture is required to send a batch in near real-time, upon completion of each batch deposited, the export file will be transmitted a single batch at a time. For example, batch #15 and batch #16 for Aug. 12, 2010 will be submitted as "081210_00015_00015.dat" and "081210_00016_00015.dat" respectively.

7.2.5 Batch Header 'B' Record Format—Current

There will be one Batch Header Record for each file produced.

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Field Name Description	Length/Value	Source	Comments
Record Type	1 A	iCapture	Literal "B"
Batch Number	5 N - Right Justified. Zero Filled.	iCapture	Batch Number
Payment Type	2 N - Right Justified. Zero Filled.	iCapture	Payment Type. Entered in Batch-Level Data Entry.
Entered By	10 A - Left Justified. Blank Filled.	iCapture	Operator User Name
Processed Date	MMDDCCYY - Right Justified. Zero Filled.	iCapture	System Date
Deposit Date	MMDDCCYY - Right Justified. Zero Filled.	iCapture	Receipt Date
Stub Total	14 N - Right Justified. Zero Filled. Implied Decimal.	iCapture	Total Dollars from Stubs
Check Total	14 N - Right Justified. Zero Filled. Implied Decimal.	iCapture	Total Dollars from Checks
Number of Checks	3 N - Right Justified. Zero Filled.	iCapture	Total Number of Checks in the Batch
Number of Stubs	3 N - Right Justified. Zero Filled.	iCapture	Total Number of Stubs in the Batch

7.2.6 Detail Transaction 'D' Record Format—Current

There will be one Detail Transaction Record for each stub processed.

Field Name Description	Length/Value	Source	Comments
Record Type	1 A	iCapture	Literal "D"
Batch Number	5 N - Right Justified. Zero Filled.	iCapture	Batch Number
Sequence Number	3 N - Right Justified. Zero Filled.	iCapture	Item Sequence Number
Account Number	8 N - Right Justified. Zero Filled.	iCapture	Account Number
Occupant Code	2 N - Right Justified. Zero Filled.	iCapture	Occupant Code
Stub Amount	11 N - Right Justified. Zero Filled. Implied Decimal.	iCapture	Dollar Amount Applied to the Stub
Donation Amount	11 N - Right Justified. Zero Filled. Implied Decimal.	iCapture	Dollar Amount Applied to the Donation for the Stub
Check Number	15 N - Right Justified. Zero Filled.	iCapture	If not available, will be zeroes. Entered in Item-Level Amount Entry.
Check Amount	11 N - Right Justified. Zero Filled. Implied Decimal.	iCapture	Check Amount from the first check of the transaction.

8 Cost

The proposed solution will require additional software licenses over the original scope, professional services, and maintenance charge as specified in the following subsections.

8.1 Software Cost

Impression Technology has determined the minimal requirements for additional software as listed in Table 1 below totaling \$26,865 with an incremental annual maintenance cost as shown in Table 2. Please note that the software license cost is limited to 500K checks annually. Additional seats for iRemitEdit data entry applications will be subject to a cost of \$1,500 per seat and an additional \$331 in annual maintenance fee.

Table 1 - Remittance Software Cost

Core Product	QTY	List Rate/Unit Price	Discount %*	Sell Price
iRemit Edit and Balance App	4	\$ 3,900.00	-60.0%*	\$ 6,240
iRemit CAR/LAR Processor (limited to 500K/year**)	1	\$ 12,500.00	-60.0%*	\$ 7,500
iRemit/Deposit21-Clearing Base (limited to 500K/year**)	1	\$ 21,875.00	-52.0%*	\$ 13,125
Total Impression Software				\$ 26,865

*special one-time discount
**transactions/annually

Table 2 - Annual Software Maintenance

Remittance Annual SW Maintenance	Quantity	Rate/Unit Price
Annual Maintenance - 1st Year	1	\$ 4,498
Annual Maintenance - 2nd Year	1	\$ 4,498
Annual Maintenance - 3rd Year	1	\$ 4,723
Annual Maintenance - 4th Year	1	\$ 4,959
Annual Maintenance - 5th Year	1	\$ 5,207

① This document is limited to the hardware and software cost only. Please refer to the TCS Change Order for the estimated cost of the professional services required to implement this Change Order.

8.2 Scanner Hardware Lease Cost

The monthly lease cost for a Kodak certified and refurbished 12-pocket Kodak s1740 scanner, exclusively provided by Impression Technology, is \$1,975 as shown in Table 5. Please also note that any manufacturer refurbished scanners will be subject to limited availability. Alternatively, the lease cost for a new 8-pocket scanner is estimated to be approximately \$2,536.

Table 3 - Optional Scanner Lease Cost

Kodak s1740 Capture System	Monthly Lease Cost
Monthly 5-Year Lease Cost of a fully configured 12 pocket s1740 Scanner (demo)	\$ 1,975

8.2.1 Required Scanner Maintenance Cost

The scanner will require the purchase of a certified Kodak maintenance with one, two or three year warranties as listed in Table 5. Kodak provides standard extended warranties on all Kodak certified scanners under the same policy as new scanners. Please note that upon the expiration of the initially warranty option selected below (one, two or three year extended warranty as shown below), upon expiration of the term, Kodak will require all subsequent years of maintenance to be purchased annually thereafter via their "1 Year Post Warranty Care Kit" maintenance listed below.

All Kodak warranty service is provided directly by Kodak and the Care kit prices shown below in Table 7 are subject to change by Kodak on an annual basis.

Table 4 - Scanner Hardware Annual Maintenance

KODAK s1740 Maintenance	Catalog#	Qty	Unit List Price
Kodak S1740 12p 1 Year Post Warranty Care Kit	1844901	0	\$ 13,973
Kodak S1740 12p 1 Year Extended Warranty Care Kit	1695782	1	\$ 10,518
Kodak S1740 12p 2 Year Extended Warranty Care Kit	1345297	0	\$ 24,542
Kodak S1740 12p 3 Year Extended Warranty Care Kit	1931419	0	\$ 38,584

9 Required Legal Provisions

9.1 Immigration

9.1.1 Impression, and on behalf any subcontractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.

9.1.2 Any breach of warranty under subsection 9.1.1 is considered a material breach of this CO and is subject to penalties up to and including termination of this CO.

9.1.3 City retains the legal right to inspect the papers of Impression or any subcontractor employee who performs work under this CO to ensure that Impression or any subcontractor is compliant with the warranty under subsection 9.1.1 above.

9.1.4 City may conduct random inspections, and upon request of the City, Impression shall provide copies of papers and records demonstrating

continued compliance with the warranty under subsection 9.1.1 above. Impression agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this Section 9.1.

- 9.1.5 Impression agrees to incorporate into any subcontracts under this CO the same obligations imposed upon itself and expressly accrue those obligations directly to the benefit of the City. Impression also agrees to require any subcontractor to incorporate into each of its own subcontracts under this CO the same obligations above and expressly accrue those obligations to the benefit of the City.
- 9.1.6 Impression's warranty and obligations under this Section 9.1 to the City are continuing throughout the term of this CO or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.
- 9.1.7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

9.2 Prohibitions.

Impression certifies under A.R.S. §§ 35-391 *et seq.* and 35-393 *et seq.*, that it does not have, and during the term of this CO will not have, "scrutinized" business operations, as defined in the preceding statutory sections, in the countries of Sudan or Iran.

9.3 Conflicts.

This CO is subject to cancellation for conflicts of interest under the provisions of A.R.S. § 38-511.

10 Integration

Appendices A and B attached hereto are fully incorporated into this CO as if fully stated. The signatures below also operate to make fully effective the Scanner Lease Agreement outlined in Appendix B.

11 Parties/Notices

11.1 Parties

Impression:

Impression Technology, Inc. a California Corporation
1777 North California Boulevard
Walnut Creek, California 94596
Attention: Charles Hou

City:

City of Glendale, an Arizona municipal corporation
5850 West Glendale Avenue
Glendale, Arizona 85301
Attention: Susan Matousek

with a copies to: City Manager
 5850 West Glendale Avenue
 Glendale, Arizona 85301

 City Attorney
 5850 West Glendale Avenue
 Glendale, Arizona 85301

11.2 Notices

- 11.2.1 Any notice required or otherwise given pursuant to this CO shall be in writing and mailed certified return receipt requested, postage prepaid, or delivered by overnight delivery as listed above.
- 11.2.2 All notices to City's representative must be given concurrently to City Manager and City Attorney.
- 11.2.3 A notice will not be deemed to have been received by City's representative until the time that it has also been received by City Manager and City Attorney.
- 11.2.4 City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Impression identifying the designee(s) and their respective addresses for notices.
- 11.2.5 Impression or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.
- 11.2.6 Notwithstanding the foregoing, day-to-day communications between the Parties may be made by phone, facsimile transmission, e-mail or any other method agreed to by the Parties.
- 11.2.7 Either party may change such addresses from time to time by providing notice as set forth above.

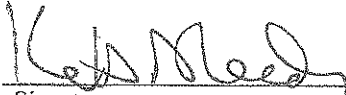
IN WITNESS WHEREOF, the parties have caused this Change Order to be executed.

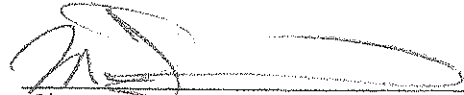
CITY:

IMPRESSION:

APPROVED BY

APPROVED BY


Signature


Signature

Kenneth A. Reedy
Print Name

Michael Tokuyama
Print Name

Interim Assistant City Manager
Title

President
Title

June 1, 2010
Date

May 21, 2010
Date

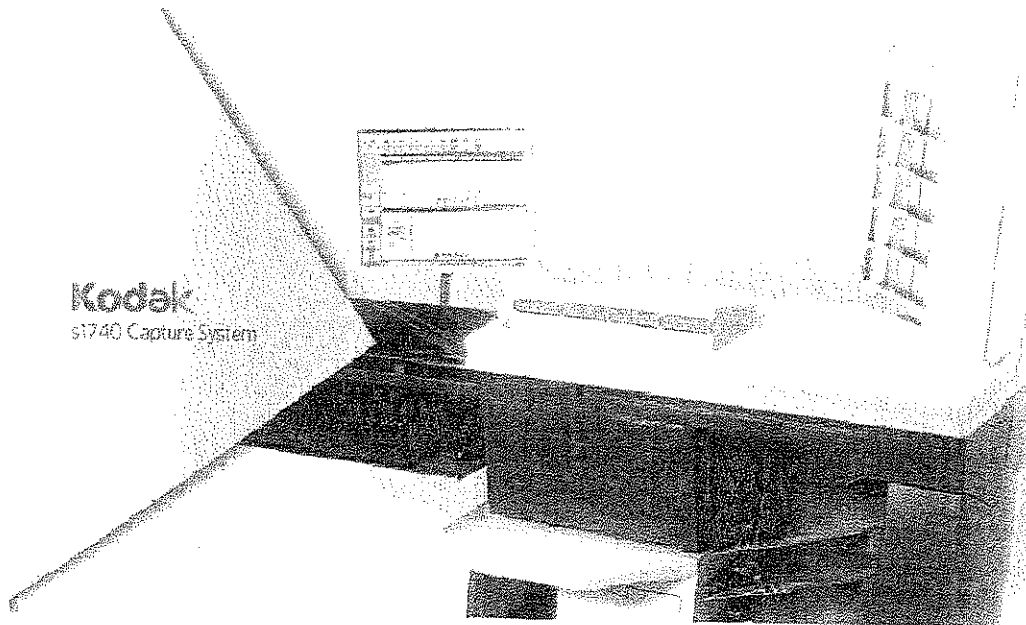
Attest:


Pamela Hanna, City Clerk (SEAL)

Approved as to form:


Craig Tindall, City Attorney

Appendix A: Kodak s1740 Scanner Subsystem



A fully integrated system to meet your business needs

It takes more than quality hardware to solve problems and provide the efficiency today's challenging business environments demand. That's why the Kodak s1740 Capture System integrates a highly capable scanner, advanced operating system software, and worldwide service and support to bring you capability, business efficiency and peace-of-mind.

Cost-cutting auto-sorting

The Kodak s1740 Capture System delivers advanced inline document separation performance, eliminating most manual pre-sorting to save employees' time.

With far less labor necessary to ensure accurate document separation, your savings will add up fast. Plus, the ease-of-use and automation deliver a great combination of low TCO (Total Cost of Ownership) and high TCB (Taking Care of Business).

Put more in—we'll sort it out

- In a single pass, Kodak s1740 Operating System Software, a

powerful control program, captures the information that enables automatic post-sorting into 2, 6, 8 or 12 pockets—based on smart imaging that leverages optical character recognition (OCR), barcodes, and even MICR data.

- Whether it's a credit card slip, a check or a complex document on legal-size paper, this dependable, high-volume solution's continuous feeder can handle it with ease. Intermixed size? Different weights of paper? No problem.
- For document completeness, easy separation and tracking, you can—in real-time—encode MICR data on documents. With the barcode encoding option, you can imprint the same barcode (up to three barcodes in one run) on every page of a document to keep pages from the same file together.
- You can separate documents as they are scanned by a variety of attributes (size, shape and more) or content (barcode, MICR, format or OCR). You can even sort by logos or other graphic elements.

Flexible output, too

- For electronic distribution or archiving, you can define tags (XML) to facilitate

the sharing of data and choose the image format (JPEG or TIFF) that best meets your specific application needs.

- You can easily specify up to six different images (color, grayscale and bitonal, both front and back) from just one pass.
- You'll have instant access to a wide range of statistical information on the documents processed—just what you need to make the best decisions.

Experience counts

When you choose the Kodak s1740 Capture System to enable new scanning productivity, you're selecting a solution from a company that's been a global leader in document imaging for almost 80 years. We offer the experience, expertise and commitment to enable smooth, one-vendor integration.

Kodak Service & Support

Our team of service experts is here for you around the clock and around the world—just what you need to ensure peace of mind. Choose from a variety of service plans and enjoy maximum uptime and real convenience.

s1740 Capture System

Operating Software	Kodak s1740 operating system software for intelligent capture, real-time interpretation and efficient management of information
Inline Document Separation	Available in 2-, 6-, 8- and 12-pocket configurations
Imaging/Endorsing/Encoding	Optional front post-scan and rear post-scan (front side marking is in E13B fonts only, rear side is endorsing only)
Scanning Technology	Scans both front and back sides of documents Fast In-line CCD Color capture with depth in 256 colors (3-bit); Color capture bit depth is 40-bit (10 bits per red, green, blue and black channels); Color output bit depth is 24-bit
Character Reading (Some optional)	Optical Single-line OCR-A, OCR-B or E13B 2 read-windows configurable by software; Read direction (horizontal and vertical) selectable Supported barcodes: Code 2 of 5 (Code 39); Code 2 of 5 interleaved, non-interleaved, with IATA, Industrial, MATRX, DATALOG; Code 128; EAN 8; EAN 13 with AddOn; EAN 13 with AddOn
On-board Imaging Features	Advanced aggressive crop, distortion image rotation, automatic color dropout, dual stream scanning, software removal of noise, optical line processing, automatic color detection
Illumination	Dual fluorescent lamps per side
Optical Resolution	300 different color images; 240 dpi for grayscale images
Output Resolution	Black and white: 300/240/300 dpi; Color/grayscale: 180/120/150/200/240/300 dpi
Recommended Daily Volume	Unlimited
Throughput Speeds (200 dpi, letter size/A4 documents)	Up to 110 ppm/220 ipm (Throughput speeds may vary depending on your choice of driver, application software, operating system and PC)
Feeder	Continuous feeder with up to a daily 1400-sheet capacity
Paper Thickness and Weight	Check sized documents: 70 g/m ² (14.3 lbs./sq. ft.) to 110 g/m ² (22.5 lbs./sq. ft.) Full page documents: 60 g/m ² (12.3 lbs./sq. ft.) to 130 g/m ² (26.6 lbs./sq. ft.)
Maximum Document Size	210 mm x 350 mm (8.3 in. x 14 in.)
Minimum Document Size	70 mm x 125 mm (2.75 in. x 4.9 in.)
Skew and Double-Feed Detection	Optical and ultrasonic double-feed/skew/stack intake point prevents multiple feeds. Additional security is provided by various sensors along paper path, which monitor document transport and detect double feeds.
Connectivity	SCSI-2 Interface
On-board Compression	CCITT Group III, 3/3PEF or Huffman code output
File Format Outputs	JPEG (for color and grayscale images); TIFF (for black and white images)
Electrical Requirements	120-240 VAC, 50-60 Hz, 2-4A
Power Consumption	Idle: 220 Watts; Running: 480 Watts
Environmental Factors	Lead-free; Operating temperatures 10°C (50°F) to 35°C (95°F); Relative humidity 40 to 80 percent, relative non-condensing
Acoustical Noise	In operation (closed cover) 65.0 dBA
Minimum PC Configuration	Pentium 4 500MHz processor with 512 MB RAM
Supported Operating Systems	Windows 2000, Windows XP SP2
Approvals and Product Certifications	CE, FCC, UL, UL 1950
Consumables Available	Ink Cartridge for Mark II Endorser (or ML2); Ink Cartridge for used ink (or ML2); Ribbon Cartridge MLCR (CMR-7 and E13B fonts); Feeder Belt separator (upper side); Feeder Belt separator (lower side); Feeder Wheel (diameter 100 mm, small version)
Accessories	Code line recognition for E13B fonts; Vertical Line Endorser; Endorser for E13B fonts; Enhanced Sorting Module; Barcode Reader Module
Dimensions	With 2 or 6 pockets: Weight: 252 kg (551.3 lbs.); Depth: 635 mm (25.0 in.); Width: 1675 mm (65.9 in.); Height: 1520 mm (59.8 in.) With 3 pockets: Weight: 232 kg (511.3 lbs.); Depth: 635 mm (25.0 in.); Width: 1675 mm (65.9 in.); Height: 1803 mm (71.0 in.) With 12 pockets: Weight: 250 kg (551.5 lbs.); Depth: 635 mm (25.0 in.); Width: 1675 mm (65.9 in.); Height: 1803 mm (71.0 in.)

For more:

www.kodak.com/gov/s1740

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343 State Street, Rochester, NY 14650
1-800-944-6171

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Toronto, Ontario M5M 1V3
1-800-485-6325

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852-2564-9330

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Tokyo, Japan
81-3-5540-2270
jp-41-mktg@kodak.com

Kodak de Mexico
Miraflores Otero 408
Guadalupe, Mexico
521 (291) 3619-6596

Appendix B: Scanner Lease Agreement

The Parties agree as follows:

- 1. EQUIPMENT:** Impression hereby leases to City the following equipment:
One (1) Kodak s1740 Capture Systems configured with 12 pockets, Multi-Line Endorser, Codeline Recognition for E138B fonts and Barcode Reader Module ("Equipment").
- 2. LEASE TERM:** The term of this lease shall be 60 months and the lease will start on June 1, 2010 and will end with the last lease payment on May 1, 2015.
- 3. LEASE PAYMENTS:** City agrees to pay Impression as rent for the Equipment the amount of \$1,975.00 ("Rent") each month in advance on the first day of each month at the following address or at any other address designated by Impression:

Impression Technology, Inc.
Attention: Charles Hou,
1777 North California Boulevard
Suite 240
Walnut Creek, California 94596

If the lease term does not start on the first day of the month or end on the last day of a month, the rent will be prorated accordingly.

- 4. LATE CHARGES:** If any amount under this Agreement is more than forty-five (45) days late, City agrees to pay a late fee of one percent (1%) of the monthly payment due for the subject period.

5. DELIVERY: City shall be responsible for all actual expenses and costs associated with the delivery and installation of the Equipment at the City's designated site. At least thirty (30) days prior to the delivery of the Equipment, Impression shall provide the City written specifications regarding the space, power, networking and other facility requirements associated with the installation and operation of the designated Equipment. The City shall be responsible for the preparation of the site in accordance with these specifications and all costs associated with site preparation.

6. DEFAULTS: If City fails to perform or fulfill any obligation under this Agreement, City shall be in default of this Agreement. Subject to any statute, ordinance or law to the contrary, City shall have seven (7) days from the date of notice of default by Impression to cure the default. In the event City does not cure a default, Impression may at Impression's option (a) cure such default and the cost of such action may be added to City's financial obligations under this Agreement; or (b) declare City in default of the Agreement. If City shall become insolvent, cease to do business as a going concern or if a petition has been filed by or against City under the Bankruptcy Act or similar federal or state statute, Impression may immediately declare City in default of this Agreement. In the event of default, Impression may, as permitted by law, re-take possession of the Equipment. Impression may, at its option, hold City liable for any difference between the rent that would have been payable under this Agreement during the balance of the unexpired term and any rent paid by any successor to City if the Equipment is re-let minus the cost and expenses of such re-letting. In the event Impression is unable to re-let the Equipment during any remaining

term of this Agreement, after default by City, Impression may at its option hold City liable for the balance of the unpaid rent under this Agreement as if this Agreement had continued in force.

7. POSSESSION AND SURRENDER OF EQUIPMENT: City shall be entitled to possession of the Equipment on the first day of the lease term. Unless this lease specifies the terms and condition for full ownership by the City at the expiration of the lease term (see paragraph 25), the City shall surrender the Equipment to Impression by delivering the Equipment at the City's site of installation to Impression or Impression's agent in good condition and working order, ordinary wear and tear excepted, as it was at the commencement of the Agreement. In the event the Equipment is surrendered to Impression at the end of the lease period as provided for herein, Impression shall be responsible for the de-installation of the Equipment and its removal from the City's site.

8. USE OF EQUIPMENT: City shall only use the Equipment in a careful and proper manner and in accordance with the operating and maintenance manuals provided by Impression. Impression shall provide the City training (included within the price of the Lease) on the use and routine maintenance associated with the operation of the equipment and Impression agrees to maintain the equipment in accordance with the documentation provided by Impression at the time of delivery and subsequent user training.

9. CONDITION OF EQUIPMENT AND REPAIR: City or City's agent will, at the time of delivery, inspect the Equipment and acknowledge that the Equipment is in good and absent of shipping damage or other visible defects. In the event any damage or defects are noted, City shall immediately inform Impression of the nature of the damage or defect and take no further action unless directed in writing by Impression.

10. MAINTENANCE: City will, at City's sole expense, maintain a maintenance support agreement with the Original Equipment Manufacturer (OEM) throughout the term of this lease. The monthly costs of this OEM maintenance and support are quoted separately within this Agreement and these monthly costs shall be paid directly to Impression who will then be responsible for the maintenance contract with the OEM.

11. LOSS AND DAMAGE: City shall be responsible for the risk of loss or damage to the Equipment for whatever reason during the term of the lease (excepting acts or omissions of Impression attributable to the loss or damage). No loss or damage to the Equipment or any part thereof shall impair any obligations of the City under the terms of this Agreement. In the event of loss or damage to the Equipment of any kind, City, at Impression's sole option may:

- a) Place the Equipment in good repair, condition and working order by contracting with the OEM for such repairs.
- b) Replace the Equipment via a direct purchase with the OEM
- c) Pay Impression the balance of payments due for the term of the lease.

12. INSURANCE: City shall be responsible to maintain all risk insurance against loss of and damage to the Equipment for not less than the full replacement value of the equipment, naming Impression as loss payee. City agrees to provide, if requested, a certificate of insurance or other evidence of such insurance.

13. ENCUMBRANCES, TAXES AND OTHER LAWS: City shall keep the Equipment free and clear of any liens or other encumbrances, and shall not permit any act where Impression's title or rights may be negatively affected. City shall be responsible for complying with and

conforming to all laws and regulations relating to the possession, use or maintenance of the Equipment. Furthermore, City shall promptly pay all taxes, fees, licenses and governmental charges, together with any penalties or interest thereon, relating to the possession, use or maintenance of the Equipment.

14. IMPRESSION REPRESENTATIONS: Impression represents and warrants that it has the right to lease the Equipment as provided in this Agreement and that City shall be entitled to operate and possess the Equipment, and Impression will not interfere with that right as long as City pays the monthly lease payments in a timely manner and performs all other obligations under this Agreement.

15. TITLE AND OWNERSHIP: Title and ownership of the Equipment is held by, and shall remain exclusively with, Impression until the end of the lease term at which time title and ownership may transfer upon the payment of \$1 by the City.

16. SEVERABILITY: If any part or parts of this Agreement shall be held unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect. If any provision of this Agreement is deemed invalid or unenforceable by any court of competent jurisdiction, and if limiting such provision would make the provision valid, then such provision shall be deemed to be construed as so limited.

17. ASSIGNMENT: Neither this Agreement nor City's rights hereunder are assignable except with Impression's prior, written consent.

18. BINDING EFFECT: The covenants and conditions contained in the Agreement shall apply to and bind the Parties and the heirs, legal representatives, successors and permitted assigns of the Parties.

19. GOVERNING LAW: This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona.

20. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement between the Parties and supersedes any prior understanding or representation of any kind preceding the date of this Agreement. There are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Agreement. This Agreement may be modified in writing and must be signed by both Impression and City.

21. CUMULATIVE RIGHTS: Impression's and City's rights under this Agreement are cumulative, and shall not be construed as exclusive of each other unless otherwise required by law.

22. WAIVER: The failure of either party to enforce any provisions of this Agreement shall not be deemed a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement. The acceptance of rent by Impression does not waive Impression's right to enforce any provisions of this Agreement.

23. INDEMNIFICATION: Except for damages, claims or losses due to Impression's acts or negligence, City, to the extent permitted by law, will indemnify and hold Impression and Impression's property, free and harmless from any liability for losses, claims, injury to or death of any person, including City, or for damage to property arising from City using and possessing the

Equipment or from the acts or omissions of any person or persons, including City, using or possessing the Equipment with City's express or implied consent.

24. ADDITIONAL TERMS & CONDITIONS: The lease quotation associated with this Agreement is based on the City purchasing the Equipment at the end of the Lease Term for \$1.

[End of Appendix B]



Legislation Description

File #: 17-194, Version: 1

AUTHORIZATION TO RATIFY THE EXPENDITURE OF FUNDS FOR REQUIRED UPGRADES AND QUARTERLY OPERATING AND MAINTENANCE COSTS IN FISCAL YEAR 2016-17 FOR THE REGIONAL WIRELESS COOPERATIVE

Staff Contact: Rick St. John, Police Chief

Purpose and Recommended Action

This is a request for City Council to ratify the expenditure of funds in the amount of \$582,994.15 for required upgrades and quarterly operating and maintenance costs in fiscal year (FY) 2016-17 for the Regional Wireless Cooperative.

Background

On February 22, 2011, Council adopted a resolution (No. 4462 New Series) authorizing the entering into of an intergovernmental agreement (C-7606) to plan, design, construct, operate, maintain, and finance the Regional Wireless Cooperative (RWC). The RWC is a coalition designed to create efficiency and reduce costs for a valley-wide public safety communications system that includes both fire and police departments. The RWC includes the following cities and towns: Avondale, Buckeye, Chandler, El Mirage, Glendale, Goodyear, Guadalupe, Maricopa, Peoria, Phoenix, Scottsdale, Surprise, Tempe, and Tolleson. The RWC also includes the following fire districts: Daisy Mountain, Sun City, and Sun Lakes, as well as the Maricopa County Community College District and the North County Fire & Medical District.

The City of Glendale continues participation in the RWC to provide public safety personnel with true radio interoperability between disciplines and departments in the Phoenix metropolitan area and for safety and coordination during major events and emergency situations. Additional benefits include enhanced radio coverage, system redundancy, and a mechanism for controlling network costs through the economy of scale provided by the cooperative. Ongoing costs for the RWC are built into the annual Police Department, Fire Department, and Field Operations budgets as a specific line item prior to the budget being presented to Council for approval each fiscal year. Because the annual amount paid to the RWC exceeds \$50,000, the expenditure must also be brought forward as an agenda item for Council approval.

Analysis

The total amount of the operating and maintenance costs for FY 2016-17 is \$395,213.49. The total amount of the required system upgrades for FY 2016-17 is \$187,780.66. The total expenditure authority being requested is \$582,994.15. Ratification is necessary as all quarterly invoices were inadvertently paid without the item being brought forward on a Council agenda. Staff is requesting Council ratify the expenditure of funds in the amount of \$582,994.15 for the required upgrades and operating and maintenance costs in FY 2016-17 as part

of the Regional Wireless Cooperative.

Previous Related Council Action

On January 12, 2016, Council ratified the expenditure of funds for payment of fees for required upgrades as part of the RWC, ratified the expenditure of funds for the two quarterly payments made to the RWC for operating and maintenance costs for July through December 2015, and approved expenditure authorization for future payments necessary for operating and maintenance costs remaining in FY 2015-16, for a total expenditure request of \$1,481,158.80.

Budget and Financial Impacts

Expenses for the RWC upgrade costs and operating and maintenance costs will be charged to the Police Department operating budget and subsequently allocated to the other user departments. The required system upgrades costs are funded in the CIP budget.

Cost	Fund-Department-Account
\$582,994.15	1000-12230-522200, Police Radio Repairs

Capital Expense? Yes

Budgeted? No

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?



Legislation Description

File #: 17-195, **Version:** 1

EXPENDITURE AUTHORIZATION FOR REQUIRED UPGRADES AND QUARTERLY OPERATING AND MAINTENANCE COSTS IN FISCAL YEAR 2017-18 FOR THE REGIONAL WIRELESS COOPERATIVE

Staff Contact: Rick St. John, Police Chief

Purpose and Recommended Action

This is a request for City Council to approve expenditure authorization in the amount of \$769,625 for required upgrades and quarterly operating and maintenance costs in fiscal year (FY) 2017-18 for the Regional Wireless Cooperative.

Background

On February 22, 2011, Council adopted a resolution (No. 4462 New Series) authorizing the entering into of an intergovernmental agreement (C-7606) to plan, design, construct, operate, maintain, and finance the Regional Wireless Cooperative (RWC). The RWC is a coalition designed to create efficiency and reduce costs for a valley-wide public safety communications system that includes both fire and police departments. The RWC includes the following cities and towns: Avondale, Buckeye, Chandler, El Mirage, Glendale, Goodyear, Guadalupe, Maricopa, Peoria, Phoenix, Scottsdale, Surprise, Tempe, and Tolleson. The RWC also includes the following fire districts: Daisy Mountain, Sun City, and Sun Lakes, as well as the Maricopa County Community College District and the North County Fire & Medical District.

The City of Glendale continues participation in the RWC to provide public safety personnel with true radio interoperability between disciplines and departments in the Phoenix metropolitan area and for safety and coordination during major events and emergency situations. Additional benefits include enhanced radio coverage, system redundancy, and a mechanism for controlling network costs through the economy of scale provided by the cooperative. Ongoing costs for the RWC are built into the annual Police Department, Fire Department, and Field Operations budgets as a specific line item prior to the budget being presented to Council for approval each fiscal year. Because the annual amount paid to the RWC exceeds \$50,000, the expenditure must also be brought forward as an agenda item for Council approval.

Analysis

For planning purposes, the RWC provides a budget proposal with a FY estimate of costs for each member agency. For FY 2017-18, the operating and maintenance costs for the City of Glendale are estimated at \$468,114, and the required system upgrade costs for the City of Glendale are estimated at \$301,511; for a total cost estimate in the amount of \$769,625. Invoices will be received on a quarterly basis and the amounts may differ slightly from the budget proposal estimate of costs. To avoid a ratification request for the expenditure after the invoices have been paid, staff is requesting Council approve an expenditure of funds in

the amount of \$769,625 for the required upgrades and operating and maintenance costs due in FY 2017-18 as part of the Regional Wireless Cooperative.

Previous Related Council Action

On January 12, 2016, Council ratified the expenditure of funds for payment of fees for required upgrades as part of the RWC, ratified the expenditure of funds for the two quarterly payments made to the RWC for operating and maintenance costs for July through December 2015, and approved expenditure authorization for future payments necessary for operating and maintenance costs in the remaining 2015-16 FY, for a total expenditure request of \$1,481,158.80.

Budget and Financial Impacts

Expenses for the RWC upgrade costs and operating and maintenance costs will be charged to the Police Department operating budget and subsequently allocated to the other user departments. The required system upgrades costs are funded in the CIP budget.

Cost	Fund-Department-Account
\$769,625	1000-12230-522200, Police Radio Repairs

Capital Expense? Yes

Budgeted? No

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?



Legislation Description

File #: 17-152, Version: 1

AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH PEORIA PEST CONTROL, INC., FOR SEWER MANHOLE INSECTICIDE TREATMENT

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into a Linking Agreement with Peoria Pest Control, Inc., (Peoria) for sewer manhole insecticide treatment and to authorize the City Manager, at the City Manager's discretion, to renew the agreement for an additional two (2) two-year terms, in an amount not to exceed \$375,000 for the entire term of agreement. This cooperative purchase is available through an agreement between the Pima County and Peoria, Master Agreement No. 16-196, and can be extended through March 6, 2022.

Background

The Water Services Department provides safe and reliable water and wastewater services for City of Glendale residents and businesses. In the wastewater collection system there are 707 miles of lines and over 14,000 sewer manholes and cleanouts. Pest control treatment within the manhole is required to control insect infestation in the system.

Analysis

Cooperative purchasing allows counties, municipalities, schools, colleges and universities in Arizona to use a contract that was competitively procured by another governmental entity or purchasing cooperative. Such purchasing helps reduce the cost of procurement, allows access to a multitude of competitively bid contracts, and provides the opportunity to take advantage of volume pricing. The Glendale City Code authorizes cooperative purchases when the solicitation process utilized complies with the intent of Glendale's procurement processes. This cooperative purchase is compliant with Chapter 2, Article V, Division 2, Section 2-149 of the Glendale City Code, per review by Materials Management.

On March 7, 2016, Peoria was awarded their contract by Pima County through a competitive bid process and includes a provision for cooperative purchasing under the S.A.V.E. Cooperative Purchasing Agreement. Materials Management and the City Attorney's Office have reviewed and approved the utilization of the agreement for the defined services, and concur the cooperative purchase is in the best interest of the city.

Previous Related Council Action

On February 24, 2015, Council approved a linking agreement with Peoria Pest for manhole insecticide treatment services.

On June 10, 2014, City Council approved the expenditure of funds for pest control services from Peoria Pest Control, Inc. in an amount not to exceed \$75,000 for the fiscal year 2014-15.

Community Benefit/Public Involvement

Pest control treatment is an essential component of the water and wastewater infrastructure. Purchasing from cooperative contracts provides both competitive and optimal pricing for equipment and services.

Budget and Financial Impacts

Funding is available in the Water Services FY2016-17 operating budget. Annual budget appropriation thereafter is contingent upon Council approval. Total expenditures are not to exceed \$375,000 for the entire term of this agreement.

Cost	Fund-Department-Account
\$375,000	2420-17630-518200, Wastewater Collection

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
PEORIA PEST CONTROL, INC.**

THIS LINKING AGREEMENT (this “Agreement”) is entered into as of this _____ day of _____, 20____, between the City of Glendale, an Arizona municipal corporation (the “City”), and Peoria Pest Control, Inc., an Arizona company (“Contractor”), collectively, the “Parties.”

RECITALS

- A. On March 7, 2016, under the S.A.V.E Cooperative Purchasing Agreement, the Pima County entered into a contract with Contractor to purchase the goods and services described in the Vector Manhole Cockroach Treatment IFB 189982 Master Agreement No. 16-196 (“Cooperative Purchasing Agreement”), which is attached hereto as Exhibit A. The Cooperative Purchasing Agreement permits its cooperative use by other governmental agencies including the City.
- B. Section 2-149 of the City’s Procurement Code permits the Materials Manager to procure goods and services by participating with other governmental units in cooperative purchasing agreements when the best interests of the City would be served.
- C. Section 2-149 also provides that the Materials Manager may enter into such cooperative agreements without meeting the formal or informal solicitation and bid requirements of Glendale City Code Sections 2-145 and 2-146.
- D. The City desires to contract with Contractor for supplies or services identical, or nearly identical, to the supplies or services Contractor is providing other units of government under the Cooperative Purchasing Agreement. Contractor consents to the City’s utilization of the Cooperative Purchasing Agreement as the basis of this Agreement, and Contractor desires to enter into this Agreement to provide the supplies and services set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated by reference, and the covenants and promises contained in this Linking Agreement, the parties agree as follows:

- 1. Term of Agreement. The City is purchasing supplies and/or services from Contractor pursuant to the Cooperative Purchasing Agreement. According to the Cooperative Purchasing Agreement, purchases can be made by governmental entities from the date of award, which was March 7, 2016, until the date the contract expires on March 6, 2018, unless the term of the Cooperative Purchasing Agreement is extended by the mutual agreement of the original contracting parties. The Cooperative Purchasing Agreement, however, may not be extended beyond March 6, 2022. The initial period of this Agreement, therefore, is the period from the Effective Date of this Agreement until March 6, 2018. The City Manager or designee, however, may renew the term of this Agreement for two (2) two-year periods until

the Cooperative Purchasing Agreement expires on March 6, 2022. Renewals are not automatic and shall only occur if the City gives the Contractor notice of its intent to renew. The City may give the Contractor notice of its intent to renew this Agreement 30 days prior to the anniversary of the Effective Date to effectuate such renewal.

2. Scope of Work; Terms, Conditions, and Specifications.

- A. Contractor shall provide City the supplies and/or services identified in the Scope of Work attached as Exhibit B.
- B. Contractor agrees to comply with all the terms, conditions and specifications of the Cooperative Purchasing Agreement. Such terms, conditions and specifications are specifically incorporated into and are an enforceable part of this Agreement.

3. Compensation.

- A. City shall pay Contractor compensation at the same rate and on the same schedule as provided in the Cooperative Purchasing Agreement, which is attached hereto as Exhibit C.
- B. The total purchase price for the supplies and/or services purchased under this Agreement shall not exceed three hundred seventy-five thousand dollars (\$375,000) for the entire term of the Agreement (initial term plus any renewals).

4. Cancellation. This Agreement may be cancelled pursuant to A.R.S. § 38-511.

5. Non-discrimination. Contractor must not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Contractor will require any Sub-contractor to be bound to the same requirements as stated within this section. Contractor, and on behalf of any subcontractors, warrants compliance with this section.

6. Insurance Certificate. A certificate of insurance applying to this Agreement must be provided to the City prior to the Effective Date.

7. E-verify. Contractor complies with A.R.S. § 23-214 and agrees to comply with the requirements of A.R.S. § 41-4401.

8. No Boycott of Israel. The Parties agree that they are not currently engaged in, and agree that for the duration of the Agreement they will not engage in, a boycott of Israel, as that term is defined in A.R.S. §35-393.

9. Attestation of PCI Compliance. When applicable, the Contractor will provide the City annually with a Payment Card Industry Data Security Standard (PCI DSS) attestation of compliance certificate signed by an officer of Contractor with oversight responsibility.

10. Notices. Any notices that must be provided under this Agreement shall be sent to the Parties' respective authorized representatives at the address listed below:

City of Glendale
c/o Anthony Weathersby
7070 W Northern Ave
Glendale, Arizona 85303
623-930-4108

and

Peoria Pest Control, Inc.
c/o Corrine Jones
P.O. Box 9137
Avondale, AZ 85374
623-977-3089

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year set forth above.

“City”

“Contractor”

City of Glendale, an Arizona
municipal corporation

Peoria Pest Control, Inc.,
an Arizona Corporation

By: _____
Kevin R. Phelps
City Manager

By: Corrine Jones
Name: CORRINE JONES
Title: PRESIDENT

ATTEST:

Julie K. Bower (SFAL)
City Clerk

APPROVED AS TO FORM:

Michael D. Bailey
City Attorney

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
PEORIA PEST CONTROL, INC.**

EXHIBIT A

Vector Manhole Cockroach Treatment IFB 189982 Master Agreement No. 16-196

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 1 of 28

1. INTENT:

This document is intended to establish an "As Required" indefinite delivery/indefinite quantity (IDIQ) "Master" agreement contract to provide Pima County ("County") with such quantities of Vector Manhole Cockroach Treatment as County may order from time to time by issue of Delivery Order (DO) pursuant to a resulting contract. As defined by the attached Pima County Standard terms and Conditions (STC) this contract is non-exclusive and may be terminated for any reason without penalty or cost to County.

Although particular County Departments may be identified in the solicitation, unless otherwise documented by the executed contract, all County Departments may utilize the resulting agreement.

All Goods and Services offered or provided pursuant to the contract will conform to the requirements defined by or referred to by the solicitation documents including *Solicitation Addenda, Instructions to Bidders, Standard Terms and Conditions* and this *Offer Agreement*, all of which are incorporated herein.

This document, including all attachments and documents incorporated by reference, constitutes the entire contract between the parties pertaining to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. This Contract may be modified, amended, altered or extended only by a written amendment signed by the parties.

2. CONTRACT TERM EXTENSIONS-RENEWALS & REVISIONS:

The initial term of the contract will be for a one (1) two-year period and include two (2) two-year renewals that may be exercised upon the written agreement of the parties as follows:

Proposed extension or renewals of the contract if included in the contract and revisions to the contract shall be made through the issuance by County to Contractor of a revised Master Agreement (MA) document setting forth the requested changes. Failure by Contractor to object in writing to the proposed revisions, terms, conditions and/or specifications within ten (10) calendar days of issuance by County will signify acceptance of all such changes by Contractor and the amendment will be binding upon the parties, effective on the date of issuance.

3. CONTRACTOR MINIMUM QUALIFICATIONS :

The Contractor certifies that it is competent, willing and responsible for performing the services or providing the products in accordance with all requirements of the solicitation and this contract. Contractor certifies that it possesses all licenses required by applicable Agencies to satisfy the requirements of this contract.

Contractor will research the designated Issuing Agency requirements to perform the requested work and will list currently active license number(s), Description & Class for the required licenses and will agree to continuously maintain said license(s) for the term of the contract if awarded by County and to notify County within ten (10) workdays of any change in license status.

MQ Line#	MINIMUM QUALIFICATIONS	CHECK <input checked="" type="checkbox"/> appropriate response certifying agreement with the requirement.
1	CONTRACTOR certifies that it is competent, willing and responsible for performing the services and/or providing the products in accordance with all requirements of the solicitation and this contract.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 2 of 28

MQ Line#	License Name/Title	Issuing Agency	License Number	License Initial Issue	License Expire Date (Must be Current)	Copy of License Attached
2	OPM Business License B1 (General & Public Health Pest Management). License must show at least five (5) years continuous service immediately prior to the date of this solicitation (the last date of IFB addendum if any addendum is issued.)	Arizona Office of Pest Management (OPM).	<u>8122</u> License #	<u>12-14-2001</u> Date	<u>05-31-2016</u> Date	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3	Qualifying Party Licensee applicable to Item No.1.	Arizona Office of Pest Management (OPM).	<u>30784</u> License #	<u>8-17-2013</u> Date	<u>05-31-2016</u> Date	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MQ Line#	Description	Documentation
4	<p>Reference: Attachment A <u>MUST</u> be submitted with Offer Agreement.</p> <p>One (1) verifiable <u>and satisfactory</u> reference from a governmental agency with a conveyance system containing a minimum of 5,000 manholes and cleanouts, in an arid environment similar to that of Pima County. Areas that will be considered are west Texas, New Mexico, Arizona, Nevada and California with all areas at an elevation of 4,000 feet or less and an annual rainfall of 15 inches or less.</p> <p>The verifiable and satisfactory reference must be bidder's current or past client, for whom the bid product has been used for the treatment of cockroach abatement within the past five (5) years.</p> <p>The reference must demonstrate, at a minimum, the successful completion of two (2) year warranty for Green Zone applications (Locations with clear vehicle access or pavement) and successful completion of one (1) year warranty for Yellow Zone applications (Locations with limited or no vehicle access).</p> <p>Reference may reflect use of a different insecticide than Insecta EPA #45600-1 or D-Fense SC Insecticide as the product satisfies specifications listed in #5 below.</p>	<p>1) Client's Agency Name: <u>City of Peoria</u> City/State: <u>Peoria, Arizona</u> Insecticide Mfr. and Mfr. Catalog No.: <u>Jabco/ J+G Coatings Insecta #1 45600-1</u></p> <p>Number of manholes/cleanouts treated: <u>7,000 approx</u> Service Time Frame: <u>yearly</u> Contact Name and Title: <u>James Cavanaugh</u> Contact Phone: <u>(623) 773-7475</u> Contact Email: <u>James.cavanaugh@peoriaaz.gov</u></p> <p>ATTACHMENT A SUBMITTED WITH OFFER AGREEMENT</p> <p align="center"> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </p>

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 3 of 28

<p>5</p>	<p>WARRANTY</p> <p>The cockroach abatement applied to a manhole or cleanout must be guaranteed by bidder for a minimum of 2-years for Green Zone application and 1-year for Yellow Zone application from the date of application. If fifty (50) or more live cockroaches are found at a treated structure during the warranty period, the structure must be re-treated by the awarded bidder within ten (10) calendar days at no additional cost to the County.</p> <p>Insecticide Manufacturer Label with a verifiable EPA Active registration number for both Green and Yellow Zone insecticides, if different. Insecticide label(s) must indicate the product is for treatment of "Sewer Manholes" for control of cockroaches.</p> <p>Material Safety Data Sheets (SDS) and descriptive literature must be provided for the product(s) offered.</p> <p>Must also include documentation to verify the EPA Registration Number is Active.</p>	<p>I agree MQ Line Item #5 Warranty. (Check One)</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Bid insecticide Manufacturer Name(s) and Verifiable Active EPA Registration Numbers <u>Jabco</u></p> <p>Manufacturer Name: <u>T+G Coatings, Inc</u></p> <p>Registration Number: <u>45600-1</u></p> <p>Bid Insecticide Manufacturer Label(s) included: (Check One)</p> <p><input checked="" type="checkbox"/> Yes Total Pages <u>1</u> <input type="checkbox"/> No</p> <p>Bid Insecticide product(s) SDS and literature are included: (Check One)</p> <p><input checked="" type="checkbox"/> Yes Total Pages <u>3</u> <input type="checkbox"/> No</p> <p>Proof of Active EPA Registration Number(s) documentation included: (Check One)</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>6</p>	<p>DEDICATED PERSONNEL</p> <p>CONTRACTOR will designate a Contact who will be available to receive and process map/work orders and Delivery Orders and communicate with County on an as needed basis regarding the status of map/work orders and Delivery Orders, completion dates, etc.</p> <p>CONTRACTOR will designate at least one employee dedicated to perform work as described under this contract.</p>	<p>Contact Information:</p> <p>Name and Title: <u>Roger Jones - Vice President</u></p> <p>Contact Phone: <u>(623) 204-8224</u></p> <p>Contact Email: <u>peoriapestctrl@aol.com</u></p> <p>Days/Hours of Operation: <u>Mon-Fri 7am-4pm</u></p> <p>Contact Information:</p> <p>Name and Title: <u>Jeffrey Valunas-GM (Prime Co)</u></p> <p>Contact Phone: <u>(623) 256-7622</u></p> <p>Contact Email: <u>peoriapestctrl@aol.com</u></p> <p>Days/Hours Available: <u>Mon-Fri 7am-4pm</u></p>

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 4 of 28

4. PRODUCT OR SERVICE SPECIFICATIONS & SCOPE:

All goods and services shall conform to the *Instructions to Bidders* and *Standard Terms and Conditions* as modified or added to by the **EXHIBIT A SCOPE OF SERVICES**.

5. OFFER ACCEPTANCE AND ORDER RELEASES:

County will accept offers and execute contracts by issue of a Master Agreement (MA) to be effective on the document's date of issue without further action by either party. Master Agreement (MA) and Contract documents will document the term of the agreement.

County will order products or services pursuant to an executed Master Agreement by issue of Delivery Order (DO) documents. Order documents will be furnished to Contractor via facsimile, e-mail or telephone. **If the order is given verbally, the County Department that issued the order will transmit a confirming order document to Contractor within five workdays of the date the verbal order is given.**

Contractor must not supply materials or services pursuant to the contract that are not documented or authorized by a Delivery Order (DO) at the time of provision. County accepts no responsibility for control of or payment for materials or services not documented by a COUNTY Delivery Order (DO).

Contractor will establish, monitor, and manage an effective contract administration process that assures compliance with all requirements of this contract. In particular, Contractor will not provide goods or services in excess of the executed contract items, item quantity, item amount, or contract amount without prior written authorization by contract revision properly executed and issued by County. Any items provided in excess of that stated in the contract are at Contractor's own risk. Contractor will decline verbal requests to deliver items in excess of the contract and will report all such requests in writing to the COUNTY Procurement Department within one (1) workday of the request. The report must include the name of the requesting individual and the nature of the request.

6. ACCEPTANCE OF GOODS AND SERVICES:

The County Department designated on the issued Order will accept goods and services only in accordance with this contract. Such acceptance is required prior to commencement of Payment terms.

7. COMPENSATION & PAYMENT:

All pricing will conform to Pima County's Living Wage ordinance if applicable, including required annual adjustments of the wage. **Respondent must complete and submit EXHIBIT B LIVING WAGE CERTIFICATE in order to be considered for bid evaluation.**

Contractor will submit Request(s) for Payment or Invoices to the location and entity defined by County's Order document.

All Invoice documents will reference the County's Purchase Order (PO), Delivery Order (DO) or Contract number under which the services or products were ordered. **ALL** Invoice line items will utilize the item description, precise unit price **and** unit of measure defined by the County's Order or Contract document. Invoices that include line items **or** unit prices that do not match those documented by the County's order or contract may be returned to Contractor unprocessed for correction. **Contractor will not accept orders, or provide services or products that cumulatively exceed the contract amount.**

Standard payment terms are net thirty (30) days from the date of valid invoice document and do not commence until the later of receipt of goods into payment system by the receiving Department and Contractor's Invoice is received and verified by County Financial Operations.

The Master Agreement (MA) or Purchase Order (PO) issued to accept Contractor's offer will define the not to exceed amount of the contract.

The parties may negotiate and establish unit pricing in writing under the contract for items included in the scope of the contract for which unit pricing has not been previously defined.

Unless the parties otherwise agree in writing, all pricing will be *F.O.B. Destination & Freight Prepaid Not Billed ("F.O.B. Destination")*, delivered to and unloaded at the destination(s) defined by the delivery article of this contract or accepted Order for services or products and all freight costs must be included in the offered Unit Price.

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 5 of 28

Although State and City sales tax may not be fully or accurately defined on an order, they will be paid when they are DIRECTLY applicable to Pima County and invoiced as a separate line item. Such taxes should not be included in the item unit price.

CONTRACTOR will provide detailed documentation in support of payment requests which will document, be consistent with and not exceed COUNTY's order. Contractor will bill COUNTY within one (1) month after the date on which Contractor's right to payment accrues ("Payment Accrual Date"), which, unless this contract specifically provides otherwise, is the date goods are delivered, services are performed, or costs are incurred. Invoices must assign each amount billed to an appropriate line item of COUNTY's order and document each Payment Accrual Date. COUNTY may refuse to pay any amount billed in an untimely manner or which is not conforming to COUNTY's order. County will refuse to pay any amount billed more than six (6) months after the Payment Accrual Date, pursuant to A.R.S. § 11-622(C).

UNIT PRICES (Net 30 day Payment Terms) Complete and Submit Exhibit C

8. DELIVERY:

As defined by the Standard Terms, "On-Time" delivery is an essential part of the consideration to be given to COUNTY under the contract. Delivery will be made in accordance with the Instructions to Bidders, Standard Terms and Conditions and to the location(s) referenced on the Delivery Order (DO) or Contract.

Delivery locations:

Conveyance Division
3355 N Dodge Blvd.
Tucson, AZ 85716

CONTRACTOR must complete at least half of the originally issued map/work orders before any new map/work orders are issued.

9. TAXES, FEES, EXPENSES:

Articles sold to COUNTY are exempt from federal excise taxes. COUNTY is subject to State and City sales tax. COUNTY will pay no separate charges for delivery, drayage, express, parcel post, packing, insurance, license fees, permits, costs of bonds, surcharges, or bid preparation unless expressly included in the contract and itemized by the solicitation documents.

10. OTHER DOCUMENTS

Contractor and COUNTY in entering into this contract have relied upon information provided or referenced by Pima County Solicitation No. 189982 including the Invitation For Bids, Instructions to Bidders, Standard Terms and Conditions, Solicitation Addenda, Contractor's Bid Offer, documents submitted by Contractor or References to satisfy Minimum Qualifications and on other information and documents submitted by Contractor's response to County's Solicitation. These documents are hereby incorporated into and made a part of this Contract as if set forth in full herein, to the extent not inconsistent with the provisions of this contract.

11. INSURANCE:

The Insurance Requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. Pima County in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that arise out of the performance of the work under this Contract. The Contractor is free to purchase additional insurance.

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. Pima County in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

11.1 Minimum Scope and Limits of Insurance:

Contractor shall procure and maintain, until all of their obligations have been discharged, coverage with limits of liability not less than those stated below.

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 6 of 28

- 11.1.1 **Commercial General Liability (CGL)** – Occurrence Form with limits of \$1,000,000 Each Occurrence and \$1,000,000 General Aggregate. Policy shall include bodily injury, property damage, and broad form contractual liability coverage, and products – completed operations.
- 11.1.2 **Business Automobile Liability** – Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract with a Combined Single Limit (CSL) of \$1,000,000.
- 11.1.3 **Workers' Compensation and Employers' Liability** - Statutory requirements and benefits. Coverage is compulsory for employers of one or more employees. Employer's Liability - \$500,000.

Note: The Workers' Compensation requirement shall not apply to a Contractor that is exempt under A.R.S. § 23-901, and when such Contractor executes the appropriate Pima County Sole Proprietor or Independent Contractor Waiver form.

11.2 Additional Insurance Requirements:

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

- 11.2.1 **Additional Insured Endorsement:** The General Liability and Business Automobile Liability Policies shall each be endorsed to include Pima County, its departments, districts, boards, commissions, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.
- 11.2.2 **Subrogation Endorsement:** The General Liability, Business Automobile Liability and Workers' Compensation Policies shall each contain a waiver of subrogation endorsement in favor of Pima County, and its departments, districts, boards, commissions, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- 11.2.3 **Primary Insurance Endorsement:** The Contractor's policies shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by Pima County, its agents, officials, employees or Pima County shall be excess and not contributory insurance.
- 11.2.4 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

11.3 Notice of Cancellation:

For each insurance policy required by the insurance provisions of this Contract, the Contractor must provide to Pima County, within two (2) business days of receipt of notice, if a policy is suspended, voided, or cancelled for any reason. Such notice shall be mailed, emailed, hand-delivered or sent by facsimile transmission to the Pima County Contracting Representative. Notice shall include the Pima County project or contract number and project description.

11.4 Verification of Coverage:

Contractor shall furnish Pima County with certificates of insurance (valid ACORD form or equivalent approved by Pima County) as required by this Contract. An authorized representative of the insurer shall sign the certificates.

- 11.4.1 All certificates and endorsements, as required by this written agreement, are to be received and approved by Pima County before work commences. Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance coverages or policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.
- 11.4.2 All certificates required by this Contract shall be sent directly to the appropriate County Department. The Certificate of Insurance shall include the Pima County project or contract number and project

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 7 of 28

description on the certificate. Pima County reserves the right to require complete copies of all insurance policies required by this Contract at any time.

11.5 Approval and Modifications:

Pima County Risk Management reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

11.6 Subcontractors:

Contractor's certificate(s) will include all subcontractors as additional insureds under its policies OR Contractor will furnish to COUNTY upon request separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

12. PERFORMANCE BOND:

None

13. ACKNOWLEDGEMENT of SOLICITATION ADDENDA:

Contractor acknowledges that the following solicitation addenda have been incorporated in its offer and this contract:

Addendum #	Date	Addendum #	Date	Addendum #	Date
1	12-18-2015	3	12-31-2015		
2	12-24-2015				

14. SMALL BUSINESS ENTERPRISE (SBE) CERTIFICATION:

Is your firm SBE certified as defined by the solicitation's 'Instruction To Bidders'? Yes No (Select one)
If 'Yes', have you included your certification document? Yes No (Select one) NOTE: If the SBE Certification document is not submitted with your bid the SBE Preference cannot be applied

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OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 8 of 28

15. BID/OFFER CERTIFICATION:

CONTRACTOR LEGAL NAME: Peoria Pest Control Inc

BUSINESS ALSO KNOWN AS: _____

MAILING ADDRESS: PO Box 9137

CITY/STATE/ZIP: Surprise, Az 85374

REMIT TO ADDRESS: PO Box 9137

CITY/STATE/ZIP: Surprise, Az 85374

CONTACT PERSON NAME/TITLE: Roger Jones

PHONE: (623) 204-8224 FAX: (623) 977-3089

CONTACT PERSON EMAIL ADDRESS: peoriapestctrl@aol.com

EMAIL ADDRESS TO WHICH ORDERS & CONTRACTS SHALL BE TRANSMITTED:

peoriapestctrl@aol.com

CORPORATE HEADQUARTERS LOCATION:

STREET ADDRESS CITY, STATE, ZIP: 12009 S. 209th Ave

Buckeye, Az 85326

By signing and submitting these Offer Agreement documents, the undersigned certifies that they are legally authorized to represent and bind Contractor to legal agreements, that all information submitted is accurate and complete, that Contractor has reviewed the Pima County Procurement website for solicitation addenda and has incorporated all such addenda to its offer, that Contractor is qualified and willing to provide the items requested, and that Contractor will comply with all requirements of the solicitation. The Unit Pricing includes all costs incidental to the provision of the items in compliance with the above documents; no additional payment will be made. Conditional offers that modify the solicitation requirements may be deemed not 'responsive' and may not be evaluated. Contractor's submission of a signed offer agreement shall constitute a firm offer and upon the issuance of a Master Agreement (MA) or Purchase Order (PO) document signed by the Pima County Procurement Director or authorized designate a binding contract is formed that will require Contractor to provide the services and materials described in this solicitation. The undersigned hereby offers to furnish the material or service in compliance with all terms, conditions, specifications, defined or referenced by the solicitation, which includes Pima County Standard Terms & Conditions, this Offer Agreement and other documents listed in this Offer Agreement's Other Documents article.

SIGNATURE: 

DATE: 1/4/2016

Roger Jones - Vice President (VP)

PRINTED NAME & TITLE OF AUTHORIZED CONTRACTOR REPRESENTATIVE EXECUTING OFFER

PHONE AND E-MAIL: 623-204-8224 peoriapestctrl@aol.com

OFFER AGREEMENT (Addendum #3)
Vector Manhole Cockroach Treatment
PIMA COUNTY STANDARD TERMS AND CONDITIONS (03/18/15)

1. OPENING:

Responses will be publicly opened and each respondent's name, and if a Bid the amount, will be read on the date and at the location defined in the *Invitation for Bid (IFB)* or *Request For Proposals (RFP)*. Proposals shall be opened so as to avoid disclosure of the contents of any proposal to competing offerors during the process of negotiation. All interested parties are invited to attend.

2. EVALUATION:

Responses shall be evaluated to determine which are most advantageous to Pima County (COUNTY) considering evaluation criteria, conformity to the specifications and other factors.

If an award is made, COUNTY will enter into an agreement with the one or multiple respondent(s) that submitted the lowest responsive bid(s) that were determined responsible for supplying the required goods or services. Unless otherwise specified on the Bid/Offer document determination of the low/lowest bids will be made considering the total bid amount.

COUNTY, at its sole discretion, reserves the following rights: 1) to waive informalities in the bid or bid procedure; 2) to reject the response of any persons or corporations that have previously defaulted on any contract with COUNTY or who have engaged in conduct that constitutes a cause for debarment or suspension as set forth in COUNTY Code section 11.32; 3) to reject any and all responses; 4) to re-advertise for bids previously rejected; 5) to otherwise provide for the purchase of such equipment, supplies materials and services as may be required herein; 6) to award on the basis of price and other factors, including but not limited to such factors as delivery time, quality, uniformity of product, suitability for the intended task, and bidder's ability to supply; 7) to increase or decrease the item quantity or eliminate any item of this solicitation prior to the award. Pricing evaluations will be based on pre-tax pricing offered by Contractor.

3. AWARD NOTICE:

A *Notice of Recommendation for Award* for IFB or RFP will be posted on the Procurement website and available for review by interested parties. A tabulation of responses will be maintained at the Procurement Department.

4. AWARD:

Awards will be made by either the Procurement Director or the Board of Supervisors in accordance with the Pima County Procurement Code. COUNTY reserves the right to reject any or all offers, bids or proposals or to waive irregularities and informalities if it is deemed in the best interest of COUNTY. Unless expressly agreed otherwise, resulting contracts are not exclusive, are for the sole convenience of COUNTY, and COUNTY reserves the right to obtain like goods or services from other sources.

5. WAIVER:

Each offeror, by submission of an offer, bid or proposal waives any and all claims for damages against COUNTY or its officers or employees when COUNTY exercises any of its reserved rights.

6. ACKNOWLEDGEMENT AND ACCEPTANCE:

If Contractor's terms of sale are inconsistent with the terms of the resultant contract, the terms herein shall govern, unless COUNTY accepts Contractor's terms in writing. No oral agreement or understanding shall in any way modify this contract or the terms and conditions herein. Contractor's acceptance, delivery or performance called for herein shall constitute unqualified acceptance of the terms and conditions of the resultant contract.

7. INTERPRETATION and APPLICABLE LAW:

The contract will be interpreted, construed and given effect in all respects according to the laws of the State of Arizona. If any of Contractors' terms or conditions is not in agreement with County's terms and conditions as set forth herein, COUNTY's shall govern. This contract incorporates the complete agreement of the parties with respect to the subject matter of this contract. No oral agreement or other understanding will in any way modify the terms and conditions of this contract.

8. WARRANTY:

Contractor warrants goods or services to be satisfactory and free from defects.

9. QUANTITY:

Contractor will not exceed or reduce the quantity of goods ordered without written permission from COUNTY in the form of a properly executed Master Agreement (MA), Purchase Order (PO) Delivery Order (DO) or Delivery Order Maximo (DOM) revision or amendment as required by COUNTY Procurement Code. All quantities are estimates and COUNTY provides no guarantee regarding actual usage.

10. PACKING:

Contractor will make no extra charges for packaging or packing material. Contractor is responsible for safe packaging conforming to carrier's requirements.

11. DELIVERY:

On-time delivery of goods and services is an essential part of the consideration to be received by COUNTY.

A guaranteed delivery date, or interval period from order release date to delivery, must be given if requested by the Price offer document. Upon receipt of notification of delivery delay, COUNTY at its sole option and at no cost to COUNTY may cancel the order or extend delivery times. Such extension of delivery times will not be valid unless extended in writing by an authorized representative of COUNTY.

To mitigate or prevent damages caused by delayed delivery, COUNTY may require Contractor to deliver additional quantity utilizing express modes of transport, and or overtime, all costs to be Contractor's responsibility. COUNTY reserves the right to cancel any delinquent order, procure from alternate source, or refuse receipt of or return delayed deliveries, at no cost to COUNTY. COUNTY reserves the right to cancel any order or refuse delivery upon default by Contractor concerning time, cost, or manner of delivery.

Contractor will not be held responsible for unforeseen delays caused by fires, strikes, acts of God, or other causes beyond Contractor's control, provided that Contractor provides COUNTY immediate notice of delay.

12. SPECIFICATION CHANGES:

COUNTY has the right to make changes in the specifications, services, or terms and conditions of an order. If such changes cause an increase or decrease in the amount due under an order or in time required for performance, an acceptable adjustment will be made and the order modified in writing. Any agreement for adjustment must be made in writing.

Nothing in this clause reduces Contractor's responsibility to proceed without delay in the delivery or performance of an order.

13. INSPECTION:

All goods and services are subject to inspection and testing at place of manufacture, destination or both by COUNTY. Goods failing to meet specifications of the order or contract will be held at Contractor's risk and may be returned to Contractor with costs for transportation, unpacking, inspection, repacking, reshipping, restocking or other like expenses to be the responsibility of Contractor. In lieu of return of nonconforming supplies, COUNTY, at its sole discretion and without prejudice to COUNTY's rights, may waive any nonconformity, receive the delivery, and treat the defect(s) as a warranty item, but waiver of any condition will not be considered a waiver of that condition for subsequent shipments or deliveries.

14. SHIPPING TERMS:

Unless stated otherwise by the contract, delivery terms are to be F.O.B. Destination & Freight Prepaid Not Billed ("F.O.B. Destination") and are to be included in the Unit Price offered by Contractor and accepted by COUNTY.

15. PAYMENT TERMS:

Payment terms are net thirty (30) days, unless otherwise specified by the contract.

16. ACCEPTANCE OF MATERIALS AND SERVICES:

COUNTY will not execute an acceptance or authorize payment for any service, equipment or component prior to delivery and verification that all specification requirements have been met.

17. RIGHTS AND REMEDIES OF COUNTY FOR DEFAULT:

In the event any item furnished by Contractor in the performance of the contract should fail to conform to the specifications thereof, or to the sample submitted by Contractor, COUNTY may reject same, and it thereupon becomes the duty of Contractor to reclaim and remove the same, without expense to COUNTY, and immediately replace all such rejected items with others conforming to the specifications or samples. Should Contractor fail, neglect, or refuse immediately to do so, COUNTY has the right to purchase in the open market, in lieu thereof, a corresponding quantity of any such items and to deduct from any monies due or that may become due to Contractor the difference between the price named in the Master Agreement or Purchase Order and actual cost to COUNTY.

In the event Contractor fails to make prompt delivery as specified of any item, the same conditions as to the rights of COUNTY to purchase in the open market and invoke the reimbursement condition above apply, except when delivery is

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 11 of 28

delayed by fire, strike, freight embargo, or acts of god or of the government. In the event of cancellation of the Master Agreement, Purchase Order or associated orders, either in whole or in part, by reason of the default or breach by Contractor, Contractor will bear and pay for any loss or damage sustained by COUNTY in procuring any items which the Contractor agreed to supply. The rights and remedies of COUNTY provided above are not exclusive and are in addition to any other rights and remedies provided by law or under the contract.

18. FRAUD AND COLLUSION:

Each Contractor, by submission of a bid, certifies that no officer or employee of COUNTY or of any subdivision thereof: 1) has aided or assisted Contractor in securing or attempting to secure a contract to furnish labor, materials or supplies at a higher price than that proposed by any other Contractor; 2) has favored one Contractor over another by giving or withholding information or by willfully misleading the bidder in regard to the character of the material or supplies called for or the conditions under which the proposed work is to be done; 3) will knowingly accept materials or supplies of a quality inferior to those called for by any contract; 4) has any direct or indirect financial interest in the offer or resulting contract. Additionally, during the conduct of business with COUNTY, Contractor will not knowingly certify, or induce others to certify, to a greater amount of labor performed than has been actually performed, or to the receipt of a greater amount or different kind of material or supplies that has been actually received. If at any time it shall be found that Contractor has in presenting any offer(s) colluded with any other party or parties for the purpose of preventing any other offer being made, then any contract so awarded shall be terminated and that person or entity shall be liable for all damages sustained by COUNTY.

19. COOPERATIVE USE OF RESULTING CONTRACT:

As allowed by law, COUNTY has entered into cooperative procurement agreements that enable other Public Agencies to utilize procurement agreements developed by COUNTY. Contractor may be contacted by participating agencies and requested to provide services and products pursuant to the pricing, terms and conditions defined by the COUNTY Master Agreement, or Purchase Order. Minor adjustments are allowed subject to agreement by both Contractor and Requesting Party to accommodate additional cost or other factors not present in the COUNTY's agreement and required to satisfy particular Public Agency code or functional requirements and are within the intended scope of the solicitation and resulting contract. Any such usage shall be in accordance with State, COUNTY and other Public Agency procurement rules, regulations and requirements and shall be transacted between the requesting party and Contractor. Contractor shall hold harmless COUNTY, its officers, employees, and agents from and against all liability, including without limitation payment and performance associated with such use. A list of agencies that are authorized to use COUNTY contracts can be viewed at the Procurement Department Internet home page: <http://www.pima.gov/procure> by selecting the link titled *Authorized Use of COUNTY Contracts*.

20. PATENT INDEMNITY:

Contractor will indemnify, defend and hold COUNTY, its officers, agents and employees, harmless from liability of any nature or kind, including costs and expenses, for infringement or use of any copyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in connection with the Master Agreement, Purchase Order, and associated orders. Contractor may be required to furnish a bond or other indemnification to COUNTY against any and all loss, damage, costs, expenses, claims and liability for patent or copyright infringement.

21. INDEMNIFICATION:

Contractor will indemnify, defend, and hold harmless COUNTY, its officers, employees and agents from and against any and all suits, actions, legal administrative proceedings, claims or demands and costs attendant thereto, arising out of any act, omission, fault or negligence by Contractor, its agents, employees or anyone under its direction or control or on its behalf in connection with performance of the Master Agreement, Purchase Order or associated orders. Contractor warrants that all products and services provided under this contract are non-infringing. Contractor will indemnify, defend and hold COUNTY harmless from any claim of infringement arising from services provided under this contract or from the provision, license, transfer or use for their intended purpose of any products provided under this Contract.

22. UNFAIR COMPETITION AND OTHER LAWS:

Responses must be in accordance with Arizona trade and commerce laws (Title 44 A.R.S.) and all other applicable COUNTY, State, and Federal laws and regulations.

23. COMPLIANCE WITH LAWS:

Contractor will comply with all federal, state, and local laws, rules, regulations, standards and Executive Orders, without limitation. In the event any services provided under this contract require a license issued by the Arizona Registrar of Contractors (ROC), Contractor certifies that those services will be provided by a contractor licensed by ROC to perform those services in Arizona. The laws and regulations of the State of Arizona govern the rights, performance and disputes of

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 12 of 28

and between the parties. Any action relating to this Contract must be brought in a court of the State of Arizona in Pima County.

Any changes in the governing laws, rules, and regulations during an agreement apply, but do not require an amendment or revisions.

24. ASSIGNMENT:

CONTRACTOR may not assign its rights to the contract, in whole or in part, without prior written approval of COUNTY. COUNTY may withhold approval at its sole discretion, provided that COUNTY will not unreasonably withhold such approval.

25. CONFLICT OF INTEREST:

This contract is subject to the provisions of A.R.S. § 38-511, the pertinent provisions of which are incorporated into and made part of all COUNTY Master Agreements or Purchase Orders as if set forth in full therein.

26. NON-DISCRIMINATION:

CONTRACTOR agrees to comply with all provisions and requirements of Arizona Executive Order 2009-09 which is hereby incorporated into this contract as if set forth in full herein including flow down of all provisions and requirements to any subcontractors. During the performance of this contract, CONTRACTOR must not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

27. NON-APPROPRIATION OF FUNDS:

COUNTY may cancel this contract pursuant to A.R.S. § 11-251(42) if for any reason the COUNTY Board of Supervisors does not appropriate funds for the stated purpose of maintaining the contract. In the event of such cancellation, COUNTY has no further obligation, other than payment for services or goods that COUNTY has already received.

28. PUBLIC INFORMATION:

Pursuant to A.R.S. § 39-121 et seq., and A.R.S. § 34-603(H) in the case of construction or Architectural and Engineering services procured under A.R.S. Title 34, Chapter 6, all information submitted in response to this solicitation, including, but not limited to, pricing, product specifications, work plans, and any supporting data becomes public information and upon request, is subject to release or review by the general public including competitors.

Any records submitted in response to this solicitation that Contractor reasonably believes constitute proprietary, trade secret or otherwise confidential information must be appropriately and prominently marked as CONFIDENTIAL by Contractor **prior** to the close of the solicitation.

Notwithstanding the above provisions, in the event records marked CONFIDENTIAL are requested for public release pursuant to A.R.S. § 39-121 et seq., COUNTY will release records marked CONFIDENTIAL ten (10) business days after the date of notice to Contractor of the request for release, unless Contractor has, within the ten (10) day period, secured a protective order, injunctive relief or other appropriate order from a court of competent jurisdiction, enjoining the release of the records. For the purposes of this paragraph, the day of the request for release is not counted in the time calculation. Contractor will be notified of any request for such release on the same day of the request for public release or as soon thereafter as practicable.

COUNTY will not, under any circumstances, be responsible for securing a protective order or other relief enjoining the release of records marked CONFIDENTIAL, nor is COUNTY in any way financially responsible for any costs associated with securing such an order.

29. CUSTOM TOOLING, DOCUMENTATION AND TRANSITIONAL SUPPORT:

Costs to develop all tooling and documentation, such as and not limited to dies, molds, jigs, fixtures, artwork, film, patterns, digital files, work instructions, drawings, etc. necessary to provide the contracted services or products and unique to the services or products supplied to COUNTY are included in the agreed upon Unit Price unless specifically stated otherwise in the contract. Such tools and documentation are the property of COUNTY and will be marked, as is practical, as the "Property of Pima County" and if requested by COUNTY a copy of the tooling and documentation will be delivered to COUNTY within twenty (20) days of acceptance by COUNTY of the first article sample, or not later than ten (10) days of termination of the contract associated with their development, without additional cost to COUNTY. Contractor also agrees to act in good faith to facilitate the transition of work to a subsequent Contractor if and as reasonably requested by COUNTY at no additional cost. Should exceptional circumstances be present that may justify an additional charge, Contractor may submit said justification and proposed cost and negotiate an agreement acceptable

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 13 of 28

to both Contractor and COUNTY, but Contractor may not withhold any requested tooling, document or support as defined above that would delay the orderly, efficient and prompt transition of work. Should conduct by Contractor result in additional costs to COUNTY, Contractor will reimburse COUNTY for said actual and incremental costs provided that COUNTY had given Contractor reasonable time to respond to COUNTY's requests for support.

30. AMERICANS WITH DISABILITIES ACT:

Contractor will comply with all applicable provisions of the Americans with Disabilities Act (public law 101-336, 42 USC 12101-12213) and all applicable federal regulations under the act, including 28 CFR parts 35 and 36.

31. NON-EXCLUSIVE:

Contracts resulting from this solicitation are non-exclusive and are for the sole convenience of COUNTY, which reserves the right to obtain like goods and services from other sources for any reason.

32. PROTESTS:

An interested party may file a protest regarding any aspect of a solicitation, evaluation, or recommendation for award. Protests must be filed in accordance with the Pima County Procurement Code, Section 11.20.010.

33. TERMINATION:

COUNTY reserves the right to terminate any Master Agreement, Purchase Order, Delivery Order, Delivery Order Maximo or award, in whole or in part, at any time, without penalty or recourse, when in the best interests of COUNTY. Upon receipt of written notice, Contractor will immediately cease all work as directed by the notice, notify all subcontractors of the effective date of termination and take appropriate actions to minimize further costs to COUNTY. In the event of termination under this paragraph, all documents, data, and reports prepared by Contractor under the contract become the property of and must be promptly delivered to COUNTY. Contractor is entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures defined by A.A.C. R2-7-701 apply.

34. ORDER OF PRECEDENCE-CONFLICTING DOCUMENTS:

In the event of inconsistencies between contract documents, the following is the order of precedence, superior to subordinate, that will apply to resolve the inconsistency: Master Agreement, Delivery Order or Delivery Order Maximo, Purchase Order, offer agreement or contract attached to a Master Agreement, Purchase Order, Delivery Order or Delivery Order Maximo; these standard terms and conditions; any other solicitation documents.

35. INDEPENDENT CONTRACTOR:

The status of Contractor is that of an independent Contractor. Contractor and Contractor officer's agents or employees are not considered employees of COUNTY and are not entitled to receive any employment-related fringe benefits under the COUNTY Merit System. Contractor is responsible for payment of all federal, state and local taxes associated with the compensation received pursuant to this Contract and will indemnify and hold COUNTY harmless from any and all liability which COUNTY may incur because of Contractor's failure to pay such taxes. Contractor is solely responsible for its program development and operation.

36. BOOKS AND RECORDS:

Contractor will keep and maintain proper and complete books, records and accounts, which will be open at all reasonable times for inspection and audit by duly authorized representatives of COUNTY. In addition, Contractor will retain all records relating to this contract at least five (5) years after its termination or cancellation or, if later, until any related pending proceeding or litigation has been closed.

37. COUNTERPARTS:

The Master Agreement or Purchase Order awarded pursuant to this solicitation may be executed in any number of counterparts and each counterpart is considered an original, and together such counterparts constitute one and the same instrument. For the purposes of the Master Agreement and Purchase Order, the signed offer of Contractor and the signed acceptance of COUNTY are each considered an original and together constitute a binding Master Agreement, if all other requirements for execution have been met.

38. AUTHORITY TO CONTRACT:

Contractor warrants its right and power to enter into the Master Agreement or Purchase Order. If any court or administrative agency determines that COUNTY does not have authority to enter into the Master Agreement or Purchase Order, COUNTY is not liable to Contractor or any third party by reason of such determination or by reason of the Master Agreement or Purchase order.

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 14 of 28

39. FULL AND COMPLETE PERFORMANCE:

The failure of either party to insist on one or more instances upon the full and complete performance with any of the terms or conditions of the Master Agreement, Purchase Order, Delivery Order or Delivery Order Maximo to be performed on the part of the other, or to take any action permitted as a result thereof, is not a waiver or relinquishment of the right to insist upon full and complete performance of the same, or any other covenant or condition, either in the past or in the future. The acceptance by either party of sums less than may be due and owing it at any time is not an accord and satisfaction.

40. SUBCONTRACTORS:

CONTRACTOR is fully responsible for all acts and omissions of any subcontractor and of persons directly or indirectly employed by any subcontractor, and of persons for whose acts CONTRACTOR may be liable to the same extent that CONTRACTOR is responsible for the acts and omissions of persons directly employed by it. Nothing in this contract creates any obligation on the part of COUNTY to pay or see to the payment of any money due any subcontractor, except as may be required by law.

41. SEVERABILITY:

Each provision of this Contract stands alone, and any provision of this Contract found to be prohibited by law is ineffective to the extent of such prohibition without invalidating the remainder of this Contract.

42. LEGAL ARIZONA WORKERS ACT COMPLIANCE:

CONTRACTOR hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to CONTRACTOR's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). CONTRACTOR will further ensure that each subcontractor who performs any work for CONTRACTOR under this contract likewise complies with the State and Federal Immigration Laws.

COUNTY has the right at any time to inspect the books and records of CONTRACTOR and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of CONTRACTOR's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, is a material breach of this Contract subjecting CONTRACTOR to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, CONTRACTOR will take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

CONTRACTOR will advise each subcontractor of COUNTY's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form:

"SUBCONTRACTOR hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to SUBCONTRACTOR's employees, and with the requirements of A.R.S. § 23-214 (A). SUBCONTRACTOR further agrees that COUNTY may inspect the SUBCONTRACTOR's books and records to insure that SUBCONTRACTOR is in compliance with these requirements. Any breach of this paragraph by SUBCONTRACTOR is a material breach of this contract subjecting SUBCONTRACTOR to penalties up to and including suspension or termination of this contract."

Any additional costs attributable directly or indirectly to remedial action under this Article is the responsibility of CONTRACTOR. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of CONTRACTOR's approved construction or critical milestones schedule, such period of delay will be excusable delay for which CONTRACTOR is entitled to an extension of time, but not costs.

43. CONTROL OF DATA PROVIDED BY COUNTY:

For those projects and contracts where COUNTY has provided data to enable the Contractor to provide contracted services or products, unless otherwise specified and agreed to in writing by COUNTY, Contractor will treat, control and limit access to said information as confidential and will under no circumstances release any data provided by COUNTY during the term of this contract and thereafter, including but not limited to personal identifying information as defined by A.R.S. § 44-1373, and Contractor is further prohibited from selling such data directly or through a third party. Upon termination or completion of the contract, Contractor will either return all such data to COUNTY or will destroy such data and confirm destruction in writing in a timely manner not to exceed sixty (60) calendar days.

END OF PIMA COUNTY STANDARD TERMS AND CONDITIONS

OFFER AGREEMENT (Addendum #3)
Vector Manhole Cockroach Treatment
EXHIBIT A: SCOPE OF SERVICES

Solicitation #189982

Page 15 of 28

I. INTRODUCTION

The purpose of this contract is to specify the terms and conditions whereby the Contractor agrees to provide Vector Control through manhole treatment services using Regional Wastewater Reclamation Department (RWRD) Conveyance approved insecticides as described herein, also referred to as the "program". This contract will provide for a pro-active application process where one half of the system manholes are treated each year, taking advantage of the insecticide product's two-year warranty.

The RWRD Conveyance sewerage systems consist of nearly 3,462 miles of separate public sanitary sewers. The estimated 74,000 manholes and 9,000 cleanouts in the system are located throughout Eastern Pima County. This includes the jurisdictions of the City of Tucson, South Tucson, and the neighboring towns of Marana, Oro Valley, and Sahuarita. This also includes the unincorporated communities of Summerhaven (Mt. Lemmon), Arivaca Junction, Avra Valley, Green Valley, Corona de Tucson, and Catalina. It is estimated that 2% of the manholes in the Tucson metropolitan area will be difficult to access, while 10% of the manholes in the outlying regions will be difficult to access.

The Contractor shall operate the program as currently designed by RWRD Conveyance and shall serve as a representative of Pima County in the field. RWRD Conveyance will maintain daily oversight and control of all work order issuances, work order returns, and associated database management tasks. These map/work orders are processed through the Hansen system. The end result is a Delivery order.

All references to manholes in this scope of work are inclusive of features of the public sanitary sewerage conveyance system; such as manholes (proper) and cleanouts unless otherwise noted.

II. SCOPE OF WORK (SOW)

The purpose of the manhole treatment services for Vector Control is to minimize the cockroach population for the health protection of the general public and for the workers maintaining the system. This population resides primarily in the public sanitary sewerage conveyance system. The program will be designed to treat 50% of the involved public system features each year. Treatment of all individual manholes and cleanouts shall be every two years, coinciding with the warranty period of the specific insecticide used.

Contractor will be required to:

1. Coordinate all of the work activities so as to guarantee minimum interference with normal sanitary sewer operating conditions and procedures while ensuring no release of sewage. "Release of Sewage" in this context is defined as any activity performed by the applicator or use of product which impedes the normal flow of the sewer system, creating a surcharge resulting in raw sewage overflowing from manhole rim. In other words, any activity that will result in regulatory non-compliance, known in the industry as Sanitary Sewer Overflow (SSO).
2. Plan and schedule all program activities for each week to insure the timely completion of the SOW.
3. Comply with all Municipal, County, State, and Federal regulations and ordinances pertaining to the activities and materials of this contract (i.e. impact on endangered species and protected ecosystems, traffic control requirements and limitations, noise ordinances, work hour restrictions, application certification, and OSHA requirements).
4. Perform field reconnaissance to locate and access manholes and cleanouts when necessary.
5. Develop procedures for accessing and treating welded, bolted, and access restricted manholes.
6. Coordinate all traffic control requirements with appropriate jurisdictions.
7. Inspect the condition of the system/feature and notify RWRD Conveyance of any maintenance requirements. Contact information for RWRD Conveyance will be provided during training.
8. Communicate with the public in an effective, efficient, and professional manner.
9. Apply a RWRD Conveyance approved insecticide in accordance with the manufacturer's recommendations.
10. Complete the treatment of all exposed manholes and cleanouts within each Section.
11. Notify RWRD Conveyance of any sewer base map corrections, errors, or additions.
12. Perform all required quality control of field crew application and documentation.
13. Submit completed Section Map/work orders as required by RWRD Conveyance.
14. Maps and work orders are picked up by the Contractor to be completed with areas that need to be sprayed, start and end times, and other information.

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 16 of 28

III. TRAINING

1. Classroom Training Session:

During the classroom training session, the Contractor's personnel will be presented with an overview of the operation of Pima County's sanitary sewerage conveyance system, characteristics unique to this system (i.e. manhole inserts, flow meters, H2S meters) and examples of abnormal conditions that shall require emergency or immediate notification to RWRD Conveyance. Personnel will be instructed on how to use the sewer base maps and how to fill out the RWRD Conveyance Cover sheet for the individual Quarter Sections. During this classroom session, personnel will also be instructed in the RWRD Conveyance health and safety standard procedures and applicable environmental impact issues.

2. Field Training Session:

The field session will contain a sampling of access and locating problems, signs of abnormal conditions, and review of established protocols for the variety of situations that field crews will encounter in their daily work. Proper manhole cover removal techniques and manhole insert removal and inspection procedures will be demonstrated. Potential environmental impacts and related avoidance or mitigation protocols will be observed and discussed.

3. Attendance Requirements:

All field and supervisory personnel shall attend. After completing the initial training, Contractor will schedule all replacement personnel for training by RWRD Conveyance as provided in the initial training program. The training of replacement personnel will be performed at the earliest convenience by RWRD Conveyance.

IV. PROGRAM MANAGEMENT

The Contractor selected for providing Vector Manhole Cockroach Treatment shall be responsible for the effective, timely, efficient, and environmentally sound completion of the required work by planning and scheduling all related activities for each week.

Planning shall include a review of the sewer base maps and all field reconnaissance to locate and access manholes and cleanouts in remote areas and in areas with difficult access such as washes and restricted easements; and specific maintenance instructions within each Section as provided by RWRD Conveyance.

Scheduling includes providing for appropriate traffic control and work notification during restricted time periods or at restricted locations.

1. Subcontractor Management

Due to the extent of this program, it is possible that one or more subcontractors or subcontractor crews may be required to complete the tasks. With RWRD Conveyance pre-approval, Contractor may utilize qualified, pre-trained subcontractors to assist in the work that the Contractor is performing. Contractor will be responsible for ensuring that the work of the subcontractors is performed within the guidelines established herein, completed in a timely manner, and shall not adversely impact the overall program schedule. Subcontractors must legally operate a pesticide business within the State of Arizona and maintain a current Pesticide license.

2. Traffic Control

If work takes place in the traveled portion of a public right-of-way, Contractor will be responsible for providing, operating, and maintaining all necessary traffic control and safety devices as required by the appropriate regulating departments or agencies of all towns or jurisdictions included in Pima County. Contractor will contact the Traffic Engineers of the respective Public Works or Transportation Departments of each governmental agency to comply with the traffic control requirements of that jurisdiction prior to the start of any work. Traffic control requirements and notification procedures from each affected jurisdiction shall be submitted to RWRD Conveyance prior to the Notice to Proceed. Contractor will acquire and document all necessary permits.

If the work is within or across a State of Arizona or Southern Pacific Railroad right-of-way or the right-of-way or property of another public or private entity, Contractor will be required to secure the proper rights of entry, permits and/or permission required to perform work within these properties.

3. Map/Work Order Management

The cover sheet and quarter section map is the formal documentation of the work performed. These maps and work orders will also serve as regulatory documentation as required by the Arizona Office of Pest Management.

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 17 of 28

Contractor will receive a cover sheet and four quarter section maps of the area to be treated. These maps will be used to locate and treat manholes and cleanouts within that section. Contractor will complete the cover sheets and maps to document for each manhole or feature: which ones were treated, which ones were Unable to Locate (UTL), and what level of infestation is present (high = 501 – higher – live cockroaches visible; medium = 51 – 500 live cockroaches visible; low = less than or equal to 50 live cockroaches visible) in each. The quantity of insecticide sprayed for each Quarter Section shall also be documented. All required fields must be completed prior to acceptance by RWRD Conveyance.

Cover sheets and maps will be issued in the sequence established by RWRD Conveyance and must be completed in the order given. A maximum of ten (10) will be issued at one time, and at least half of the cover sheets and maps must be completed and accepted by RWRD Conveyance prior to the issuance of additional ones. It is the Contractor's responsibility to track the status of each cover sheet and map.

Every completed cover sheet and map submitted will be reviewed and approved prior to submitting it to the Financial Department for payment. Each review will take no more than ten (10) business days from the time the documents are received by RWRD Conveyance. Any deficiencies found during RWRD Conveyance review shall be corrected and re-submitted by the Contractor. A re-submitted invoice will take no more than five (5) business days for review from the time it is received by RWRD Conveyance.

4. Quality Control

Contractor will be responsible for daily quality control of work performed by its staff and subcontractors and will ensure that all work is performed to the highest standards and that documentation is complete and accurate.

V. FIELD REQUIREMENTS

1. Health and Safety Requirement

Contractor will follow the health and safety procedures as described under Training.

Contractor will make every effort to clearly identify its equipment, vehicles, and personnel as RWRD Conveyance authorized agents for this program. Contractor and subcontractor field personnel shall wear safety vests at all times and carry a copy of a RWRD Conveyance map/work order at all times.

Contractor will utilize all measures necessary to protect all equipment and personnel from contact with wastewater. This includes protecting the spray wand and other equipment that have the potential to contact the interior of the manhole, from cross contaminating equipment and personnel.

Good general personal and equipment hygiene principles and protection must be adhered to, and Contractor's/Subcontractor's employees must wear personal protection equipment (PPE) at all times to prevent or minimize the exposure to raw sewage.

Contractor/Subcontractor must obtain prior, express consent from RWRD Conveyance to gain entrance into the public sanitary sewage system's confined spaces and must adhere to all required safety provisions. RWRD Conveyance maintains a record of all manhole entries by authorized personnel and contractors.

Contractor will be responsible to inform its personnel that most of the field work in this contract is to be carried out in operating, active gravity sanitary sewerage conveyance lines and related facilities (manholes, cleanouts, and meters). Any entry into the related sanitary manholes may involve, but not be limited to, exposure to one or more of the following hazards:

- Pathogenic micro-organisms
- Oxygen-Deficient atmosphere
- Flammable atmosphere
- Toxic atmosphere
- Temperature extremes
- Engulfing hazards
- Excessive noise
- Slick or wet surfaces
- Falling objects
- Insects; including Bees, Spiders, Snakes, and Cockroaches
- Insect Pesticides

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 18 of 28

- Lifting heavy objects
- Climbing at the Pump Stations
- Septic Sewage
- Water depth in wet wells
- Electrical Hazards

All insecticide containers must be properly labeled and identified, and a copy of all product Safety Data Sheets (SDS) must be carried by field personnel at all times. Empty containers must be disposed of by the Contractor and in accordance with all applicable regulations.

2. Easement and Access Requirements

Contractor is expected to access manholes and cleanouts within public rights of way or easements while, at the same time respecting private property rights. The manholes to be encountered shall fall into three (3) classes for application feasibility:

- 1) Primary green (clear access or pavement);
- 2) Secondary yellow (limited or no vehicle access); and
- 3) Red (no access due to terrain, buried or environmental/easement issue).

Insecticide shall be applied to *only* the green and yellow class manholes. RWRD Conveyance shall make the determination of the class of manhole for application feasibility. The Contractor shall contact RWRD Conveyance concerning any manholes the Contractor considers red for reclassification.

Contractor will notify residents in advance when operating vehicle(s) outside the sewer easement over private property. Contractor must make every attempt to minimize the environmental impact when utilizing non-standard access to private property.

Contractor should expect many of the involved easements to be heavily vegetated or landscaped. This situation is found in or around residential neighborhoods where public easements are not clearly marked or established, and some degree of landscaping encroachment has been tolerated. Contractor will be expected to make a reasonable attempt at locating all hard to find manholes and cleanouts.

Vehicular access to manholes and cleanouts will be limited to cleared right-of-ways and access roads. An ATV or other low-impact access vehicle must be used when necessary to minimize damage to the existing vegetation. Contractor or Subcontractor must obtain prior approval from RWRD Conveyance to access through washes and other viable routes.

3. Public Contact

Any requests from news agencies or private citizens for information or coverage must be directed to the RWRD's Community Relations Specialist.

At all times Contractor's personnel shall be courteous and professional when dealing with the general public.

4. Observation and Emergency Notification Requirements

Contractor will visually inspect each manhole or cleanout when it is opened, and prior to application of the insecticide to identify sanitary sewer overflows, hazardous materials, waste, or any other type of potential problem that could have a negative environmental impact on the immediate area.

Contractor will immediately report to RWRD Conveyance any condition found in the system requiring maintenance.

If a situation is deemed an emergency, Contractor will *immediately* report the situation to:

24 Hours a day	Operations Control Center / Central Control Room	(520) 724-3400
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The following information must be provided:

- Facility feature number
- Address
- Location (major cross streets and local area description)

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 19 of 28

- How to access the area, and if there are any special conditions that the response team needs to know about the area (private property, gates, fences, or vehicle size limitations)
- Best description of the situation/problem

Contractor will not spray a manhole with an emergency condition until after RWRD Conveyance has cleared the emergency.

Emergency conditions include but are not limited to:

- Partial and full line blockages
- Surcharging manholes
- Collapsed structures (benches, crowns, and walls)
- Missing or offset manhole covers, frames, and cement collars
- Bee Hives

5. Application Site Requirements

Contractor will supply all the necessary equipment and supplies to treat every exposed manhole and cleanout identified on the quarter section sewer base maps. Exposed manholes are those manholes at grade, uncovered, or above grade. Quarter section maps shall be used to document the completion of work within any Township/Range/Section (TRS).

All manholes and cleanouts will be sprayed with the County approved insecticide (see section VI).

Contractor will make substantial effort when searching for all exposed manholes. Crews must be aware that the manhole locations depicted on sewer base maps are not exact, and that actual location(s) may vary substantially.

Contractor will also supply all equipment and supplies necessary to open rectangular, watertight, hatch, welded and bolted manhole covers. Opened welded manhole covers must be noted on the map in order for RWRD Conveyance to complete welding follow-up.

After insecticide is applied, Contractor will mark next to every sprayed feature the letter designating which product was applied, the month, and the year (i.e. I 09-15= Insecta applied in Sept. 2015). The paint color shall be Blue Stake "sewer green"; writing must be legible and no more than four (4) inches tall.

Contractor will be responsible for properly removing, cleaning, and re-installing all manhole inserts located in the manholes. Carbon inserts are to be left intact, and silt cannot be dumped back into the manhole. Silt must be removed by Contractor and disposed of properly. Mark on the map for welded and rain inserts.

6. Insecticide Application Requirements

The selected insecticides shall be in compliance with the manufacturer's recommendation. Once approved by RWRD Conveyance, Contractor will use same product throughout term of contract.

Contractor/Subcontractor staff assigned to spray the manholes and cleanouts are required to maintain current certification from the Arizona Office of Pest Management for the application of each insecticide used in this program for the duration of the contract, including all renewals.

Any spill or over-spray of insecticide product or application of product outside of the manholes or cleanouts must be reported to RWRD Conveyance immediately. Contractor will be responsible for all costs associated with the remediation of the spill or over-spray, and must report all incidents of same to the proper authorities.

Contractor will reimburse County for the mitigation of any damage caused by over-spraying and/or spilling of the insecticide that adversely impacts either the Conveyance System and/or the involved treatment plant. County will deduct the mitigation expenses from Contractor's outstanding invoices whenever applicable.

Contractor will be responsible for cleaning manhole walls to ensure proper adhesion. "Proper Adhesion" in this context is defined as the product must adhere to the walls of the manhole. Any adhesion problems due to surface conditions must be corrected by the Contractor at no additional cost to RWRD Conveyance. If a severe surface issue exists, Contractor will immediately notify RWRD Conveyance for further evaluation and consideration of corrective action.

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 20 of 28

VI. INSECTICIDE REQUIREMENTS

- Primary Green Zone Insecticide

The cockroach abatement applied to a sewer line must be guaranteed by Contractor for a minimum of 2-years for Green Zone from the date of application. Resident complaint(s) will generate site check to be performed by RWRD Conveyance. If fifty (50) or more live cockroaches are found at a treated structure during the warranty period, the structure must be re-treated by the awarded Contractor within ten (10) calendar days at no additional cost to the County.

The product to be applied in the Primary Green Zone will be a white, latex-based insecticide coating (Insecta EPA #45600-1, D-Fense SC Insecticide or equivalent approved by RWRD conveyance). The product must be proven effective for a minimum of two (2) years from date of application for controlling cockroach infestations and carry a two (2) year warranty on application and product effectiveness.

- Secondary Yellow Zone Insecticide

The cockroach abatement applied to a sewer line must be guaranteed by Contractor for a minimum of 1-year for Yellow Zone from the date of application. Resident complaint(s) will generate site checks to be performed by RWRD Conveyance. If fifty (50) or more live cockroaches are found at a treated structure during the warranty period, the structure must be re-treated by the awarded Contractor within ten (10) calendar days at no additional cost to the County.

The product to be applied in the Yellow Zone will also be a white, latex based insecticide with less thickener and less viscosity that may be applied through a B & G pump or equivalent sprayer (Insecta, D-Fense SC Insecticide or equivalent approved by RWRD Conveyance) The product must be proven effective for a minimum of one (1) year from date of application for controlling cockroach infestations and carry a one (1) year warranty on application and product effectiveness. The secondary chemical is used for hard to reach areas, including but not limited to washes, desert areas, etc.

County reserves the right to reject any equivalent insecticide offered by Contractor.

Cleanouts are smaller and at the beginning of the sewer line.

VII. FINAL SUMMARY REPORT

A summary report shall be submitted at the end of the contract term. This report shall summarize the work performed during the program. Observations and recommendations for modifications to the program shall be included in the report.

VIII. COUNTY RESPONSIBILITIES

RWRD Conveyance will review the submittals to determine if quality control procedures are being applied and if they are adequate and appropriate for the work presented.

RWRD Conveyance will do a quality check of ten percent (10%) of each billing that is turned in.

RWRD Conveyance will provide section cover sheets and sewer base maps.

RWRD Conveyance will provide advice and guidance in addressing issues that may arise during the program.

RWRD Conveyance will respond to all questions and issues that arise in as timely a manner as possible, given the limited resources and diverse tasks of the RWRD Conveyance Field Operations Division.

END OF EXHIBIT A

EXHIBIT B: LIVING WAGE CERTIFICATE

CERTIFICATION OF LIVING WAGE PAYMENTS

This firm certifies that it will meet all specifications, terms, and conditions contained in the Living Wage Contract Ordinance; AND that if labor is subcontracted, subcontractors will be held to the exact terms that are required of this firm.

Yes No If no, you must explain all deviations in writing.

Company Name: Peoria Pest Control Inc.

Description of Services: Spraying Manholes with Insecta

Job Location: Varies (Pima County)

(PLEASE CHECK ONE(S) THAT APPLY)

I do hereby agree to pay all eligible employees working on the above listed contract at least eleven dollars and eighty-five cents (\$11.85) per hour.

AND/OR

I do hereby agree to pay all eligible employees working on the above contract a wage of no less than ten dollars and fifty-five cents (\$10.55) per hour and provide health benefits with a monthly value at least as high as the difference between a monthly wage based on eleven dollars and eighty-five cents (\$11.85) per hour and the requested monthly wage if no less than ten dollars and fifty-five cents (\$10.55) per hour. In essence, the employer paid portion of benefits must have a *monthly* value of two-hundred twenty-five dollars and thirty-three cents (\$225.33). This equals the one dollar and thirty cents (\$1.30) per hour difference.

Providers Name: _____

Address: _____

Phone: _____ Fax: _____

Plan or Program Number: _____ Type of Benefit: _____

Total premium paid per month: _____ Amount paid by employee: _____

(Attach pages if needed for additional providers)

COMPANY NAME: Peoria Pest Control Inc.

AUTHORIZED SIGNATURE: [Signature] DATE: 1/4/2016

Roger Jones
PRINTED NAME

Vice President (VP)
TITLE OF AUTHORIZED

END OF EXHIBIT B

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 22 of 28

EXHIBIT C: UNIT PRICES (NET 30 DAY PAYMENT TERMS)

COMPANY NAME: Peoria Pest Control Inc

Refer to Exhibit A: Scope of Services, Section V.2 for Easement and Access Requirements for Green and Yellow Zones.

ITEM #	ITEM NAME Items to include and satisfy all requirements, General & Item Specifications	ESTIMATED ANNUAL USAGE QUANTITY	UOM	UNIT PRICE \$	EXTENDED AMOUNT \$
1	<p>Manhole (Green Zone)</p> <ul style="list-style-type: none"> • Locations with clear vehicle access or pavement • Complete sewer system treatment. Depth of application from bench (if exists) or invert to rim of manhole. • Two-year warranty • White, latex-based insecticide coating Insecta EPA #45600-1, D-Fense SC Insecticide <p>OR</p> <p><u>Equivalent product</u> may be quoted. Complete Exhibit D: Equivalency, attach product and warranty description/brochure and submit as a part of your quote.</p> <p>Equivalent: Name: Registration No:</p>	35,000	EACH	\$ 8.60	\$ 301,000.00
2	<p>Clean-out (Green Zone)</p> <ul style="list-style-type: none"> • Locations with clear vehicle access or pavement • Two-year warranty • White, latex-based insecticide coating Insecta EPA #45600-1, D-Fense SC Insecticide • Depth of application: As far as the application wand will provide for a cleanout. This implies that the applicator must open the cleanout cap/lid and perform the application. <p>OR</p> <p><u>Equivalent product</u> may be quoted. Complete Exhibit D: Equivalency, attach product and warranty description/brochure and submit as a part of your quote.</p> <p>Equivalent: Name: Registration No:</p>	4,000	EACH	\$ 4.00	\$ 16,000.00

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 23 of 28

ITEM #	ITEM NAME Items to include and satisfy all requirements. General & Item Specifications	ESTIMATED ANNUAL USAGE QUANTITY	UOM	UNIT PRICE \$	EXTENDED AMOUNT \$
3	<p>Manhole (Yellow Zone)</p> <ul style="list-style-type: none"> • Locations with limited or no vehicle access; insecticide packed in sewer using portable sprayer. • Complete sewer system treatment. Depth of application from bench (if exists) or invert to rim of manhole. • One-year warranty • White, latex-based insecticide with less thickener and viscosity Insecta EPA #45600-1, D-Fense SC Insecticide or equivalent pre-approved by RWRD <p>OR</p> <p><u>Equivalent product</u> may be quoted. Complete Exhibit D: Equivalency, attach product and warranty description/brochure and submit as a part of your quote.</p> <p>Equivalent: Name: Registration No:</p>	1,927	EACH	\$ 6.00	\$ 11,562.00
4	<p>Clean-out (Yellow Zone)</p> <ul style="list-style-type: none"> • Locations with limited or no vehicle access; insecticide packed in sewer using portable sprayer. • One-year warranty • White, latex-based insecticide with less thickener and viscosity (Insecta , D-Fense SC Insecticide or equivalent pre-approved by RWRD • Depth of application: As far as the application wand will provide for a cleanout. This implies that the applicator must open the cleanout cap/lid and perform the application. <p>OR</p> <p><u>Equivalent product</u> may be quoted. Complete Exhibit D: Equivalency, attach product and warranty description/brochure and submit as a part of your quote.</p> <p>Equivalent: Name: Registration No:</p>	500	EACH	\$ 4.00	\$ 2,000.00
5	<p>ONE-YEAR TOTAL (Items #1 - #4)</p> <p><i>NOTE: Although taxes will be paid IF applicable do NOT include sales tax in unit price.</i></p>				\$ 330,562.00
	<p align="center">TWO-YEAR TOTAL BID (Item #5 x 2 YR)</p>				\$ 661,124.00

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 24 of 28

SUSTAINABILITY: In accordance with BOS Resolution 2007-84, Pima County values and encourages sustainable practices. Please CHECK which of the following your business incorporates:

- Waste prevention/reduction or material recycling/reuse?
- Alternative energy/fuels (such as solar/wind energy, bio-diesel, alternative fuels, hybrid vehicles) in your program's preparation, transportation, and demonstration?
- Environmentally preferable materials (such as recycled materials; locally produced/manufactured products)?
- Sustainable practices that lessen impact on non-renewable resources and global climate change (such as reduction in water/energy/paper use; minimization of hazardous materials; use of compressed/flexible work schedules)?
- Other practices which coincide with the County's definition of sustainable practices (such as alternative modes of transportation; transportation minimization; life-cycle costs; product/packaging "take back" practices; preference to firms located within Pima County)?

OPTIONAL EARLY PAYMENT DISCOUNT TERM: Pima County Administrative Procedure No. 22-35 section II.B.4 defines the County's practice regarding discounts for early payment. Supplier hereby offers the following discounts to those prices to be used for all orders issued pursuant to this agreement. County will utilize the existing payment code that best matches that offered and does not exceed the offered discount percentage. Payment days cannot be less than ten (10) calendar days. Supplier shall submit valid invoice document consistent with the associated purchase order to County Finance Department at least seven (7) calendar days prior to the date on which the discounted payment is due. If desired, for any order issued pursuant with this agreement, the Supplier may offer early payment discounts that exceed this Standard Early Payment Discount.

Standard Early Payment Discount Percent: 0 % if payment tendered within N/A Days as above

All pricing shall satisfy and conform to Pima County's Living Wage ordinance if applicable including required annual adjustments of the wage.

Price Warranty: Seller shall give Pima County benefit of any price reduction before actual time of shipment. Sellers agree that all pricing given includes all costs required to conduct aggressive and active cost control and reduction activities.

Price Escalation: It is agreed that all Unit Prices include compensation for the Seller to implement and actively conduct cost and price control activities. It is the intention of both parties that pricing shall remain firm during the initial year of the agreement and that the parties intend to consider price increases no more frequently than once per year. Seller shall submit a written request to COUNTY that includes supporting documents justifying requested increases at least 90 days prior to the desired implementation date; Seller shall provide evidence, cite sources, specific conditions and document how those conditions affect the cost of its performance, and specific efforts Seller has taken to control and reduce those and other costs to avoid the need to increase prices. COUNTY will review proposed pricing and determine if it is allowable, fair and reasonable, and in the best interest of COUNTY to accept the proposal. County reserves the right to continue, accept or reject the price proposal, or terminate and re-solicit the contract.

Quantities referred to are estimated quantities. Pima County reserves the right to increase or decrease the quantities and amounts. No guarantee is made regarding actual orders issued for items or quantities during the term of the agreement. Pima County shall not be responsible for Supplier inventory or order commitment.

Unit Prices offered shall include all incidentals and associated costs required to comply with and satisfy all requirements referred to or included in this solicitation which includes the *Instructions to Bidders, Specific Terms and Conditions, Standard Terms and Conditions and Sample Contract*. No payments will be made for items not included in the agreement.

SIGNATURE: 

DATE: 11/4/2016

Roger Jones - Vice President

PRINTED NAME & TITLE OF AUTHORIZED SUPPLIER REPRESENTATIVE EXECUTING OFFER

OFFER AGREEMENT (Addendum #3)
Vector Manhole Cockroach Treatment
Exhibit D – Equivalency Determination

CRITERIA	PERFORMANCE SPECIFICATIONS	EQUIVALENT PRODUCT INFORMATION Indicate/describe how proposed product is equivalent to the Performance Specifications. Attach Product Brochure and Warranty
Product Name:	Insecta	
Product Manufacturer:	Insecta Marketing, Inc.	
Product Registration No.	#45600-1	
Product Registration Status	Active	
Active Ingredient:	Chlorpyrifos 0.86%	
Formulation:	Ready-to-Use Solution	
Acute Hazard Warning Label:	3 Caution	
Restricted Use Product	No	
Uses:	Insecticide, Miticide	
Pests:	Crawling insects, Flying insects, House fly, Cockroaches, Roaches, German cockroach, American cockroach	
Application:	White, latex based	
Effectiveness:	Two (2) years in green zones; one (1) year in yellow zones	
Warranty:	Two (2) years on application and product effectiveness in green zones; one (1) year on application and product effectiveness in yellow zones.	
Applied with B&G pump or equivalent sprayer	Yes	

OFFER AGREEMENT (Addendum #3)
Vector Manhole Cockroach Treatment
Exhibit D – Equivalency Determination (continued)

CRITERIA	PERFORMANCE SPECIFICATIONS	EQUIVALENT PRODUCT INFORMATION Indicate/describe how proposed product is equivalent to the Performance Specifications. Attach Product Brochure and Warranty
Product Name:	D-Fense SC (aka Delta 4.75% sc)	
Product Manufacturer:	Control Solutions, Inc.	
Product Registration No.	#53883-276	
Product Registration Status	Active	
Active Ingredient:	Deltamethrin 4.75%	
Formulation:	Soluble concentrate	
Acute Hazard Warning Label:	3 Caution	
Restricted Use Product	No	
Uses:	Insecticide	
Pests:	Ants, fleas, centipedes, firebrats, gnats, bees, bedbugs, carpet beetles, cockroaches, crickets, flies, hornets, pillbugs, scorpions, spiders, yellow jackets, wasps, carpenter ants	
Application:	White, latex based	
Effectiveness:	Two (2) years in green zones; one (1) year in yellow zones	
Warranty:	Two (2) years on application and product effectiveness in green zones; one (1) year on application and product effectiveness in yellow zones.	
Applied with B&G pump or equivalent sprayer	Yes	

End of Exhibit D

JABco

Jim Lawrence
President
16410 Shore Oaks Court
Noblesville, IN 46060

Office: (317) 776-9375
Toll Free: (888) 781-6955
Cell: (727) 365-6995
Fax: (317) 776-9376
Email: jimmer777@verizon.net

December 4, 2015

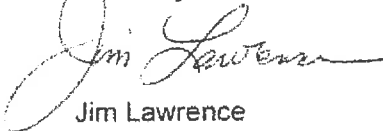
Pima County Procurement Department
130 West Congress
3rd Floor,
Tucson, AZ 85701

RE: Manufacturer's Warranty for Insecta

To Whom It May Concern:

Lawrence Business, Inc., dba JABco, holds sole manufacturing rights in the world for the product Insecta. These rights have been granted per an agreement with Insecta Marketing Inc., holder of Insecta's EPA registration number 45600-1. As the approved manufacturer, JABco guarantees Insecta for a full two year (2) year period from the date of application in sewer manholes when applied according to label instructions. We, JABco, guarantees there will be no re-infestations of cockroaches for this two year (2) year period. If for some reason Insecta would fail in its performance, JABco will supply free replacement of materials for the manholes in which Insecta has failed.

Sincerely,



Jim Lawrence
President

Peoria Pest Control, Inc.

P.O. Box 9137

Surprise, AZ 85374

(623) 204-8224 Office

(623) 977-3089 Fax

peoriapestctrl@aol.com

1-4-16

RE: Warranty for Insecta

To Whom It May Concern:

As an approved applicator for the product Insecta, Peoria Pest Control Inc will guarantee a 2 year warranty in the Green Zone application and a 1 year guarantee for Yellow Zone application.

Sincerely,

A handwritten signature in black ink, appearing to be 'RJ', is written over a horizontal line.

Roger Jones
VP

DIRECTIONS FOR USE

It is a violation of Federal Law to use this product in a manner inconsistent with its labeling. Do not apply this product in a way that will contact workers or other persons, either directly or through drift. Do not use this product in manholes in storm drain systems.

Application Restrictions

Do not enter or allow others to enter manholes until spray has dried.

Do not allow spray to drift from the application site and contact people, structures people occupy at any time and the associated property, parks and recreation areas, non-target crops, aquatic and wetland areas, woodlands, pastures, rangelands, or animals.

The applicator also must use all other measures to control drift.

Insure that all surfaces are clean and dry prior to applying this product. Each gallon covers approximately 500 square feet. Apply by using a coarse, low pressure spray by using conventional aerosol spray equipment. For best results, use without dilution. If necessary, dilute with up to 5% water.

TREATMENT OF SEWER MANHOLES: (For control of cockroaches).

Manholes: Apply product only on manhole walls. Product is to be applied via coarse spray using conventional aerosol spray wand with minimum of 2 spray tips (for even application). The application of Insecta to sewer manhole walls must be applied only from above ground and the applicator is not to enter the manhole. Apply no more than 46 ounces (3 pints) of product to each manhole. Do not discharge spray or unused material directly into sewer system. Do not apply product within 36 hours of predicted heavy rainfall.

ATTENTION: Dries quickly and rinses easily with water. Allow to dry for several days before washing. As contact between the insect and the treated surface is necessary, any time that the latter becomes coated with dust or dirt, the treated surface should be washed with water in order to re-establish maximum possible contact. INSECTA applied on exposed glass, glazed tile, metal or other non-porous surfaces may dry leaving a light film.

KILLS BY CONTACT: American Cockroaches, German Cockroaches and Houseflies.



Kills cockroaches in sewer manholes for up to one year when exposed to treated painted surfaces. Kills Houseflies alighting on treated painted surfaces for up to 10 months.

KILLS LISTED CRAWLING AND FLYING INSECTS

Outdoor Non-Residential:

For use on the inside of sewer manhole walls to control American and German cockroaches.

Active Ingredient:
 Chlorpyrifos (O,O-Diethyl O-(3,5,6-trichloro-2-pyridinyl) phosphorothioate).....0.86%
Inert Ingredients:.....99.14%
Total 100.00%

Net Contents: _____ gallons (minimum 15 gallons)
**KEEP OUT OF REACH OF CHILDREN
 CAUTION**

See side panels for additional precautionary statements.

**Precautionary Statements
 Hazards to Humans and Domestic Animals
 CAUTION**

Harmful if absorbed through skin. Harmful if inhaled. Causes moderate eye irritation. Avoid contact with skin, eyes, or clothing. Avoid breathing spray mist.

Personal Protective Equipment (PPE)

When working with product with open containers including drum lid changes in the field.

All mixers, loaders, applicators and handlers must wear:

- coveralls over long-sleeved shirt and long pants;
- chemical-resistant gloves such as neoprene;
- chemical-resistant apron when mixing or loading or exposed to the concentrate;
- chemical-resistant footwear plus socks;
- chemical-resistant headgear for overhead exposure;
- a NIOSH-approved dust filter (filtering respirator with NIOSH/NIOSH approval number prefix TC-21C or a NIOSH-approved respirator any N, R, P, or HE filter.

Personal Protective Equipment (PPE)

Application of product with closed container systems.

For above ground application of Insecta on sewer manhole walls using product that is pumped from a closed container, applicators and handlers must wear:

- long sleeved shirt and long pants;
- chemical-resistant gloves such as neoprene;
- chemical-resistant footwear plus socks

Follow manufacturer's instructions for cleaning/maintaining PPE. If no such instructions for washing exist, use detergent and hot water. Keep and wash PPE separately from other laundry. Discard clothing and other absorbent materials that have been drenched or heavily contaminated with this product's concentrate. Do not reuse them.

FIRST AID

If in eyes: Hold eyes open and rinse slowly and gently with water for 15-20 minutes. Remove contact lenses, if present, after the first 5 minutes, then continue rinsing eyes. Call a poison control center or doctor for treatment advice.

If inhaled: Move person to fresh air. If person is not breathing, call 911 or an ambulance, then give artificial respiration, preferably by mouth-to-mouth, if possible. Call a poison control center or doctor for treatment advice.

If on skin or clothing: Take off contaminated clothing. Rinse skin immediately with plenty of water for 15-20 minutes. Call a poison control center or doctor for treatment advice.

If swallowed: Call a poison control center or doctor immediately for treatment advice. Have a person sip a glass of water if able to swallow. Do not induce vomiting unless told to do so by the poison control center or doctor. Do not give anything by mouth to an unconscious person.

Have the product container or label with you when calling a poison control center or doctor, or going for treatment.

Note to Physicians: Chlorpyrifos is a cholinesterase inhibitor. Treat symptomatically. Atropine, only by injection is the preferable antidote. **HOTLINE INFORMATION:** Emergency Telephone Number: 1-800-525-5053, Registrant 79020.

User Safety Recommendations

Users should wash hands before eating, drinking, chewing gum, using tobacco or using the toilet.

Users should remove clothing/PPE immediately if pesticide gets inside. Then wash thoroughly and put on clean clothing.

Users should remove PPE immediately after handling this product. Wash the outside of gloves before removing. As soon as possible, wash thoroughly and change into clean clothing.

Environmental Hazards

This product is toxic to fish, aquatic invertebrates, small mammals and birds. Do not apply directly to water, or to areas where surface water is present or to material issues below the mean high water mark. Do not runoff spray to hazardous to aquatic organisms in water subject to treated areas. Do not contaminate water when disposing of equipment wash water or rinsate. This product is highly toxic to bees exposed to direct treatment or residues on blooming crops or weeds. Do not apply this product or allow it to drift to blooming crops or weeds if bees are visiting the treated areas.

Storage and Disposal

Pesticide Storage: Store in a cool, dry area under lock and key. Post as a pesticide storage area. Always store pesticides in the original container. Store away from food, feed, seed, fertilizers, and veterinary supplies. Place liquid formulations on lower shelves and dry formulations above. Do not allow to freeze.

Pesticide Disposal: To avoid wastes, use all material in this container by application according to label directions. If wastes cannot be avoided, offer remaining product to a waste disposal facility or pesticide disposal program (often such programs are run by state or local governments or by industry).

Container Handling: Reusable container. Refill with Insecta only. Do not reuse this container for any other purpose. Keep container tightly closed prior to cleaning to prevent contents from drying. Cleaning the container before final disposal is the responsibility of the person disposing of the container. To clean the container before final disposal, empty the remaining contents from this container into application equipment or a mix tank and clean for 10 seconds after the flow begins to stop. Fill the container about 10 percent full with water. Agitate vigorously or recirculate water with the pump for 2 minutes. Pour or pump rinsate into application equipment or drainage collection system. Repeat this rinsing procedure two more times. Then offer for recycling if available or reconditioning if appropriate or puncture and dispose of in a sanitary landfill or by other procedures approved by state and local authorities.

NOTICE

Seller warrants that this product conforms to its chemical description and is reasonably fit for purposes stated on the label when used in accordance with directions under normal conditions of use. To the extent allowed by applicable laws, neither this warranty nor any other warranty of MERCHANTABILITY or FITNESS FOR A PARTICULAR PURPOSE, expressed or implied, extends to the use of this product contrary to label instructions or under abnormal conditions, or under conditions not reasonably foreseeable to seller.

Product of USA

Manufactured For: Insecta Marketing, Inc.
 16410 Shore Oaks Court—Noblesville, IN 46060-7162
 "Insecta" is a Registered Trade Mark
 Patent No. 5023247

Batch Code: _____ Product Code: W

EPA Reg. No. 45600-1 EPA Est. No. _____
 See side panels for additional precautionary statements.

MATERIAL SAFETY DATA SHEET

PRODUCT: **Insecta** (for use in manholes)

PRODUCT CODE: IMC

HMIS HAZARD: 2 0 0 B HANDLING 2 0 0 G SPRAYING

SECTION I – Manufacturer Information

Manufacturer: J & G Coatings Inc.
Emergency Phone #: 602-510-2451
Original Date Prepared: June 18, 1992

Address: 23043 N. 15th Lane, Phoenix, AZ 85027
Information Phone #: 602-510-2451
Revised: December 5, 2015

SECTION II - HAZARDOUS INGREDIENTS/IDENTITY INFORMATION

HAZARDOUS INGREDIENT	CAS #	OSHA PEL	ACGIH PEL	OTHER	%
Propylene glycol	57-55-6	*NE	*NE	SEE VI	< 1.0
Chlorpyrifos [O,O diethyl O (3,5,6 trichloro 2 pyridinyl) phosphorothioate]	002921-88-2	0.6 mg/m ³ STEL	0.2 mg/m ³	SEE VI	0.86
Tributoxyethyl phosphate	78-51-3	*NE	*NE	SEE VI	< 1.0
Poly(oxy 1,2 ethandiyl) alpha(4 nonylphenyl) omega hydroxyl	127087-87-0	*NE	*NE		< 0.2

This product contains no components subject to the reporting requirements of Section 313 of the Superfund Amendment and Reauthorization Act (SARA) of 1986

SECTION III - PHYSICAL/CHEMICAL CHARACTERISTICS

Boiling Point: >100^o C Specific Gravity (H₂O=1): 1.16 Vapor Pressure (mm Hg) NE
Melting Point: NE Vapor Density (Air = 1) NE Evaporation Rate: (Butyl Acetate=1) <0.1
pH: 7.2 – 7.5 VOC: (138g/L.) = 1.15#/Gallon Solubility in water: DILUTABLE
Appearance and Odor: Medium viscosity liquid with mild insecticidal odor.

SECTION IV - FIRE AND EXPLOSION HAZARD DATA

Flash Point (Method Used): NE (WATER BASED PRODUCT) Flammable Limits: NE LEL-NE UEL-NE
Extinguishing Media: CO₂ OR DRY CHEMICAL. WATER AGGRAVATES SPILL CLEANUP.
Special Fire Fighting Procedures: WEAR NIOSH/MSHA APPROVED SELF CONTAINED BREATHING APPARATUS.
Unusual Fire & Explosion Hazards: MATERIAL CAN SPATTER ABOVE 100^oC. DRIED FILM MAY BURN.

SECTION V - REACTIVITY DATA

Stability: XX Stable ___ Unstable Conditions to Avoid: NONE KNOWN
Incompatibility (materials to avoid): MATERIALS THAT REACT WITH WATER; OXIDIZERS
Hazardous Decomposition Byproducts: PRINCIPALLY OXIDES OF CARBON, NITROGEN, SULPHUR, PHOSPHORUS AND HYDROGEN CHLORIDE AT FIRE CONDITIONS.
Hazardous Polymerization: ___ May occur XX Will not occur

SECTION VI - HEALTH HAZARD DATA

Routes of entry: Inhalation? YES Skin? YES Ingestion? YES
Health hazards (Acute and Chronic): **INHALATION**-(ACUTE) NAUSEA, HEADACHE, and RESPIRATORY IRRITATION POSSIBLE ORGANOPHOSPHATE TYPE CHOLINESTERASE INHIBITION; (CHRONIC) PROLONGED OCCUPATIONAL EXPOSURE TO SOLVENTS HAVE BEEN ASSOCIATED WITH PERMANENT BRAIN AND NERVOUS SYSTEM DAMAGE; ALSO SEE MEDICAL CONDITIONS BELOW;
SKIN-(ACUTE) MILD DELAYED IRRITATION; (CHRONIC) DERMATITIS, ALSO SEE MEDICAL CONDITIONS BELOW. **EYES** (ACUTE) IRRITATION, IRREVERSIBLE CORNEAL DAMAGE IF NOT RINSED OR TREATED. (CHRONIC) SAME.
Carcinogenicity: NTP? NO IARC Monographs? NO OSHA Regulated? NO
NONE OF THE INGREDIENTS ARE KNOWN OR SUSPECTED OF BEING A CARCINOGEN.
Signs and Symptoms of Exposure: INHALATION; TRANSIENT NARCOSIS OR HEADACHE WITH PROLONGED EXPOSURE **SKIN**; MILD DELAYED SKIN IRRITATION EYE; TEARING, REDNESS, IRRITATION. **CHLORPYRIFOS** EXHIBITS A HOST OF POSSIBLE SYMPTOMS, SOME OF WHICH ARE LISTED HERE; **SKIN**: MILD DELAYED SKIN IRRITATION, REDNESS, AND TINGLING OR SENSITIZATION.

SECTION VI – HEALTH HAZARD DATA (continued)

EYE: TEARING REDNESS, IRRITATION. **INHALATION / INGESTION:** NAUSEA, HEADACHE, TINGLING SENSATION, TREMORS, PIN-POINT PUPILS. **Medical Conditions Generally Aggravated by Exposure:** MAY ADVERSELY AFFECT RENAL, HEPATIC, NEUROLOGICAL PROCESSES, SPLEEN AND THYROID. **Emergency and First Aid Procedures:** INHALATION; REMOVE TO FRESH AIR, SEEK MEDICAL ATTENTION. SKIN; WASH WITH WARM SOAPY WATER AS SOON AS POSSIBLE. IF IRRITATION PERSISTS, SEEK MEDICAL ATTENTION. EYES; FLUSH WITH CLEAN WATER FOR 15 MINUTES AND SEEK MEDICAL ATTENTION.

SECTION VII - PROCEDURES FOR SAFE HANDLING AND USE:

Steps to be taken in case material is released or spilled: KEEP ALL SPECTATORS AWAY! WEAR NIOSH/MSHA APPROVED RESPIRATOR FOR ORGANIC VAPORS IF IN POORLY VENTILATED AREA. DIKE AND CONTAIN SPILL WITH INERT MATERIAL. RECOVER USABLE MATERIAL TO CONTAINER FOR USE. SEPARATE UNUSABLE MATERIALS. KEEP SPILLS FROM SEWERS OR WATER. ALSO SEE SECTION VIII CONTROL MEASURES.

Waste disposal method: SPREAD MATERIAL EVENLY ON PLASTIC FILM AND ALLOW TO DRY THOROUGHLY. DISPOSE OF IN ACCORDANCE WITH LOCAL, STATE AND FEDERAL REGULATIONS.

Precautions to be taken in handling and storing: USE AND STORE WITH ADEQUATE VENTILATION. AVOID EYE CONTACT. KEEP CONTAINER CLOSED. PROTECT FROM FREEZING. AVOID TEMPERATURES IN EXCESS OF 45° C.

Shipping: INSECTA IS NOT A MARINE POLLUTANT AS IT CONTAINS LESS THAN 1% CHLORPYRIFOS.

Other precautions: AVOID BREATHING VAPORS, ESPECIALLY IN THE HEAD SPACE ABOVE LIQUID. DELIBERATE INGESTION OR CONCENTRATING AND INHALING VAPORS MAY BE HARMFUL OR FATAL. SEE LABEL PRECAUTIONS.

SECTION VIII - CONTROL MEASURES

Respiratory protection: AS PER LABEL INSTRUCTIONS FOR OPEN OR CLOSED CONTAINERS.

Ventilation: Local Exhaust: RECOMMENDED

Mechanical (General): RECOMMENDED

Protective Gloves: IMPERVIOUS

Eye Protection: WHEN HANDLING ANY CHEMICAL PRODUCT IT IS RECOMMENDED THAT PROPER EYE PROTECTION BE WORN.

Other protective clothing or Equipment: AS REQUIRED TO PREVENT SKIN CONTACT.

Work/Hygenic Practices: GOOD INDUSTRIAL HYGIENE

SECTION IX DISCLAIMER OF EXPRESSED AND IMPLIED WARRANTIES

This Material Safety Data Sheet has been prepared in accordance with 29 CFR 1910.1200 and contains information believed to be accurate and complete at the date of preparation. The statements contained herein are offered for informational purposes only and are based upon technical data. Acry-Tech Coatings, Inc. (ACI) believes them to be accurate but does not purport to be all-inclusive. The above-stated product is intended for use only by persons having the necessary technical skills and facilities for handling the product at their discretion and risk. Since conditions and manner of use are outside our control, we (ACI) make no warranty of merchantability or any such warranty, express or implied with respect to information and we assume no liability resulting from the above product or its use. Users should make their own investigations to determine suitability of information and product for their particular purposes.

LEGEND: NA = Not Applicable

NE = Not Evaluated

NR = Not Required

OSHA/ACGIH TERMS:

PEL = Permissible Exposure Limit

STEL = Short Term Exposure Limit

TWA = Time Weighted Average

TLV = Threshold Limit Value

*NE = Not Established

HMIS Hazard Ranking 0=least 1 = Slight

2 = Moderate

3 = Serious

4=Severe

For further information on Personal Protection refer to HMIS Personal Protection Index.



Pesticide Product Label System



You will need Adobe Reader to view some of the files on this page. See EPA's PDF page to learn more.

Provided below is the information for the product you selected. To view the label, click on the date in the Accepted Date Field. The latest label is at the top of the list.

Search Again

Details for INSECTA

EPA Registration Number:45600-1

Company Name: INSECTA MARKETING, INC.

Address: 18410 SHORE OAKS COURT

City, State Zip: NOBLESVILLE, IN 46060

Current State (Date):Active - Conditionally Registered (DECEMBER 22, 1981)

Labels and Amendments

Q
Go

1 - 15 of 18 >

EPA Reg. No.	Product Name	Accepted Date
45600-1	INSECTA	December 21, 2015 (PDF)
45600-1	INSECTA	March 02, 2012 (PDF)
45600-1	INSECTA	February 14, 2012 (PDF)
45600-1	INSECTA	July 27, 2010 (PDF)
45600-1	INSECTA	March 19, 2009 (PDF)
45600-1	INSECTA	December 12, 2007 (PDF)
45600-1	INSECTA	February 05, 2003 (PDF)
45600-1	INSECTA	November 30, 2000 (PDF)
45600-1	INSECTA	November 07, 2000 (PDF)
45600-1	INSECTA	April 17, 1997 (PDF)
45600-1	INSECTA	January 31, 1997 (PDF)
45600-1	INSECTA	January 07, 1992 (PDF)
45600-1	INSECTA	August 16, 1991 (PDF)
45600-1	INSECTA	August 01, 1991 (PDF)
45600-1	INSECTA	November 08, 1990 (PDF)

1 - 15 of 18 >



BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

Requested Board Meeting Date: February 16, 2016

or Procurement Director Award

Contractor/Vendor Name (DBA): Peoria Pest Control, Inc. (Headquarters: Buckeye, AZ)

Project Title/Description:

Vector Manhole Cockroach Treatment

Purpose:

Award of Contract: Master Agreement No. MA-PO-16-196. Contract is for an initial term of two years in an amount of \$662,000.00 and includes two (2) two-year renewals. Administering Department: Regional Wastewater Reclamation Department (RWRD).

Procurement Method:

Pursuant to Pima County Procurement Code 11.12.010, Competitive Sealed Bidding, Solicitation No. 189982 was conducted. Three (3) responsive and responsible bids were received. Award is to low bidder.

Attached Documents: Notice of Recommendation For Award, Master Agreement.

Program Goals/Predicted Outcomes:

To reduce the American Cockroach population throughout Pima County's sanitary sewer system. The two-year term is necessary to treat each of the more than 74,000 manholes located throughout Pima County, including the jurisdictions of the City of Tucson, South Tucson, Marana, Oro Valley and Sahuarita, and the communities of Summerhaven (Mt Lemmon), Arivaca Junction, Avra Valley, Green Valley, Corona de Tucson, and Catalina.

Public Benefit:

To ensure the health of workers maintaining the sewer system as well as the general public.

Metrics Available to Measure Performance:

Timeliness and effectiveness of treatment per specifications in scope of work.

Retroactive:

No.

NOTICE OF RECOMMENDATION FOR AWARD

Date of Issue: January 11, 2016

The Procurement Department hereby issues formal notice to respondents to Solicitation #189982 for Vector Manhole Cockroach Treatment that the following listed respondent(s) will be recommended for award as indicated below. The award action is scheduled to be performed by the Pima County Board of Supervisors on or after January 20, 2016.

Award is recommended to the Respondent submitting the Low Bid

<u>AWARDEE NAME(S)</u>	<u>BID AMOUNT</u>	<u>AWARD AMOUNT</u>
Peoria Pest Control, Inc.	1-year \$330,562.00 2-year \$661,124.00	\$662,000.00 2-year term

<u>OTHER RESPONDENT NAMES</u>	<u>BID AMOUNT</u>
City Wide Pest Control, Inc.	No Bid
National Environmental Solutions, LLC	1-year \$339,651.75 / 2-year \$679,303.50
Northwest Exterminating	Minimum Qualifications Not Met
Proficient Pest Specialists, LLC	1-year \$347,629.50 / 2-year \$695,259.00

Issued by: Julie K McWilliams, Contracts & Commodity Officer
Telephone Number: 520-724-3718

This notice is in compliance with Pima County Procurement Code §11.20.010(C).

Electronic Copy to: Hyewon.shin@pima.gov – Pima County SBE Division

Handwritten initials and date: JS 1/11/16



MASTER AGREEMENT

PIMA COUNTY, ARIZONA

THIS IS NOT AN ORDER - TRANSMISSION CONSTITUTES CONTRACT EXECUTION

Master Agreement No: 16000000000000000196

MA Version: 1

Page: 1

Description: Vector Manhole Cockroach Treatment IFB 189982

I S S U E R	Pima County Procurement Department 130 W. Congress St. 3rd Fl Tucson AZ 85701
	Issued By: JULIE MCWILLIAMS
	Phone: 5207243718
	Email: julie.mcwilliams@pima.gov

T E R M S	Initiation Date: 03-07-2016
	Expiration Date: 03-06-2018
	NTE Amount: \$662,000.00
	Used Amount: \$0.00

V E N D O R	PEORIA PEST CONTROL INC	Contact: ROGER JONES
	PO BOX 9137	Phone: 623-204-8224
	SURPRISE AZ 85374	Email:
		Terms: 0.0000 %
		Days: 30

Shipping Method:	Vendor Method
Delivery Type:	STANDARD GROUND
FOB:	FOB Dest, Freight Prepaid
Modification Reason	
Initial award of contract not to exceed (NTE) amount of \$662,000.00 for an initial term of two (2) years; includes two (2) two-year renewals that may be exercised at the sole discretion of Pima County. Attachments: NORFA, Master Agreement	

This Master Agreement incorporates the attached documents, and by reference all instructions, Standard Terms and Conditions, Special Terms and Conditions, and requirements that are included in or referenced by the solicitation documents used to establish this agreement. All Transactions and conduct are required to conform to these documents.

Original Information

Document Type: MA Department Code: PO Contract Number (i.e.,15-123): 16-196

Effective Date: 03/07/16 Termination Date: 03/06/18 Prior Contract Number (Synergen/CMS): _____

Expense Amount: \$ 662,000.00 Revenue Amount: \$ _____

Funding Source(s): RWRD Enterprise Fund

Cost to Plma County General Fund: \$0.00

Contract is fully or partially funded with Federal Funds? Yes No Not Applicable to Grant Awards

Were Insurance or Indemnity clauses modified? Yes No Not Applicable to Grant Awards

Vendor is using a Social Security Number? Yes No Not Applicable to Grant Awards

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment Information

Document Type: _____ Department Code: _____ Contract Number (i.e.,15-123): _____

Amendment No.: _____ AMS Version No.: _____

Effective Date: _____ New Termination Date: _____

Expense Revenue Increase Decrease Amount This Amendment: \$ _____

Funding Source(s): _____

Cost to Plma County General Fund: _____

Contact: Julie K McWilliams, Commodity Contracts Officer Julie K McWilliams 1/20/16 1/25/16

Department: Procurement Mary Gandy 1/25/16 Telephone: 520-724-3718

Department Director Signature/Date: [Signature] 1/25/16

Deputy County Administrator Signature/Date: [Signature] 1/26/16

County Administrator Signature/Date: [Signature] 1/26/16
 (Required for Board Agenda/Addendum Items)



MASTER AGREEMENT DETAILS

Master Agreement No: 1600000000000000196

MA Version: 1

Page: 2

Line	Description	Discount	UOM	Unit Price	Stock Code	VPN	MPN
1	Manhole Green Zone:clear access; treat complete sewer system	0.0000 %	EA	\$8.6		EID 29001	MPN
2	Clean-out Green Zone:clear access; depth to length of wand	0.0000 %	EA	\$4		EID 29001	MPN
3	Manhole Yellow Zone:limited access; treat complete system	0.0000 %	EA	\$6		EID 29001	MPN
4	Clean-out Yellow Zone;limited access;depth to length of wand	0.0000 %	EA	\$4		EID 29001	MPN

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
PEORIA PEST CONTROL, INC.**

**EXHIBIT B
Scope of Work**

PROJECT

Contractor shall provide all labor, material, equipment and insecticide required to treat sanitary sewer manholes and cleanouts.

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
PEORIA PEST CONTROL, INC.**

EXHIBIT C

METHOD AND AMOUNT OF COMPENSATION

The method and amount of compensation is outlined in the Vector Manhole Cockroach Treatment IFB 189982 Master Agreement No. 16-196

NOT TO EXCEED AMOUNT

The total amount of compensation paid to Contractor for full completion of all work required by the Project must not exceed \$375,000 for the entire term of the Agreement.

DETAILED PROJECT COMPENSATION

See attached Exhibit C.

OFFER AGREEMENT (Addendum #3)

Vector Manhole Cockroach Treatment

EXHIBIT C: UNIT PRICES (NET 30 DAY PAYMENT TERMS)

COMPANY NAME: Peoria Pest Control Inc

Refer to Exhibit A: Scope of Services, Section V.2 for Easement and Access Requirements for Green and Yellow Zones.

ITEM #	ITEM NAME Items to include and satisfy all requirements, General & Item Specifications	ESTIMATED ANNUAL USAGE QUANTITY	UOM	UNIT PRICE \$	EXTENDED AMOUNT \$
1	<p>Manhole (Green Zone)</p> <ul style="list-style-type: none"> • Locations with clear vehicle access or pavement • Complete sewer system treatment. Depth of application from bench (if exists) or invert to rim of manhole. • Two-year warranty • White, latex-based insecticide coating Insecta EPA #45600-1, D-Fense SC Insecticide <p>OR</p> <p><u>Equivalent product</u> may be quoted. Complete Exhibit D: Equivalency, attach product and warranty description/brochure and submit as a part of your quote.</p> <p>Equivalent: Name: Registration No:</p>	35,000	EACH	\$ 8.60	\$ 301,000.00
2	<p>Clean-out (Green Zone)</p> <ul style="list-style-type: none"> • Locations with clear vehicle access or pavement • Two-year warranty • White, latex-based insecticide coating Insecta EPA #45600-1, D-Fense SC Insecticide • Depth of application: As far as the application wand will provide for a cleanout. This implies that the applicator must open the cleanout cap/lid and perform the application. <p>OR</p> <p><u>Equivalent product</u> may be quoted. Complete Exhibit D: Equivalency, attach product and warranty description/brochure and submit as a part of your quote.</p> <p>Equivalent: Name: Registration No:</p>	4,000	EACH	\$ 4.00	\$ 16,000.00

OFFER AGREEMENT (Addendum #3)

Solicitation #189982

Vector Manhole Cockroach Treatment

Page 23 of 28

ITEM #	ITEM NAME Items to include and satisfy all requirements, General & Item Specifications	ESTIMATED ANNUAL USAGE QUANTITY	UOM	UNIT PRICE \$	EXTENDED AMOUNT \$
3	<p>Manhole (Yellow Zone)</p> <ul style="list-style-type: none"> • Locations with limited or no vehicle access; insecticide packed in sewer using portable sprayer. • Complete sewer system treatment. Depth of application from bench (if exists) or invert to rim of manhole. • One-year warranty • White, latex-based insecticide with less thickener and viscosity Insecta EPA #45600-1, D-Fense SC Insecticide or equivalent pre-approved by RWRD <p>OR</p> <p><u>Equivalent product</u> may be quoted. Complete Exhibit D: Equivalency, attach product and warranty description/brochure and submit as a part of your quote.</p> <p>Equivalent: Name: Registration No:</p>	1,927	EACH	\$ 6.00	\$ 11,562.00
4	<p>Clean-out (Yellow Zone)</p> <ul style="list-style-type: none"> • Locations with limited or no vehicle access; insecticide packed in sewer using portable sprayer. • One-year warranty • White, latex-based insecticide with less thickener and viscosity (Insecta, D-Fense SC Insecticide or equivalent pre-approved by RWRD • Depth of application: As far as the application wand will provide for a cleanout. This implies that the applicator must open the cleanout cap/lid and perform the application. <p>OR</p> <p><u>Equivalent product</u> may be quoted. Complete Exhibit D: Equivalency, attach product and warranty description/brochure and submit as a part of your quote.</p> <p>Equivalent: Name: Registration No:</p>	500	EACH	\$ 4.00	\$ 2,000.00
5	<p>ONE-YEAR TOTAL (Items #1 - #4)</p> <p><i>NOTE: Although taxes will be paid IF applicable do NOT include sales tax in unit price.</i></p>				\$ 330,562.00
	<p align="center">TWO-YEAR TOTAL BID (Item #5 x 2 YR)</p>				\$ 661,124.00



Legislation Description

File #: 17-153, Version: 1

AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH IAC/INSTRUMENTATION AND CONTROLS, LLC, FOR ENDRESS+HAUSER PRODUCTS AND AUMA ACTUATORS PARTS AND SERVICE

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into a Linking Agreement with IAC/Instrumentation and Controls, LLC (IAC), for the purchase of Endress+Hauser Products and AUMA Actuators parts and service and to authorize the City Manager, at the City Manager's discretion, to renew the agreement for an additional four (4) one-year terms, in an amount not to exceed \$300,000 for the entire term of the agreement. This cooperative purchase is available through an agreement between the City of Goodyear and IAC, contract CON-17-3708, and can be extended through December 4, 2021.

Background

The Water Services Department (WSD) provides safe and reliable water and wastewater services to City of Glendale residents and businesses. To facilitate these services, valve actuators, including AUMA brand actuators, remotely open, close, and modulate valves to direct water and wastewater through the physical and biological processes and to distribute water to customers. Actuators similarly operate valves used to isolate individual pieces of equipment, sections of a plant and complete processes for required maintenance. WSD uses Endress+Hauser flow, level, and pressure measurement instruments to provide accurate information for process control and automation. These measurement technologies are utilized to determine chemical dosage, available potable water storage levels, water distribution system pressures, wastewater system flows and supply pump control inputs, in addition to monitoring numerous other process parameters. AUMA brand actuators and Endress+Hauser brand instruments are deployed in several of the City's water and wastewater treatment plants and remote sites.

Analysis

Cooperative purchasing allows counties, municipalities, schools, colleges, and universities in Arizona to use a contract that has been competitively procured by another governmental entity or purchasing cooperative. Such purchasing helps reduce the cost of procurement, allows access to a multitude of competitively bid contracts, and provides the opportunity to take advantage of volume pricing. The Glendale City code authorizes cooperative purchases when the solicitation process utilized complies with the intent of Glendale's procurement processes. The cooperative purchase is compliant with Chapter 2, article V, Division 2, Section 2-149 of the Glendale City Code, per review by Materials Management.

On December 5, 2016, IAC was awarded their contract by City of Goodyear through a competitive bid process and includes a provision for cooperative purchasing under the S.A.V.E. Cooperative Purchasing Agreement.

Procurement and the City Attorney's Office have reviewed and approved the utilization of the agreement for the defined services, and concur the cooperative purchase is in the best interest of the city.

Previous Related Council Action

On August 9, 2016, Council approved a Linking Agreement with IAC for MSA gas monitors, parts and accessories.

Community Benefit/Public Involvement

This purchase will maintain quality of life and add to the safety and security of Glendale's citizens.

Budget and Financial Impacts

Funding for the annual amount is available in the Water Services FY2016-17 operating budget. Annual budget appropriation thereafter is contingent upon Council approval.

Cost	Fund-Department-Account
\$300,000	2360-17160-523400, Arrowhead Water Reclamation Facility
	2360-17170-523400, West Area Water Reclamation Facility
	2400-17280-523400, Central System Maintenance
	2400-17250-523400, Pyramid Peak Water Treatment Plant
	2400-17260-523400, Cholla Water Treatment Plant
	2400-17310-523400, Oasis Surface Water Treatment Plant

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
IAC/INSTRUMENTATION AND CONTROLS, LLC**

THIS LINKING AGREEMENT (this "Agreement") is entered into as of this _____ day of _____, 20____, between the City of Glendale, an Arizona municipal corporation (the "City"), and IAC/Instrumentation and Controls, LLC, an Arizona limited liability company ("Contractor"), collectively, the "Parties."

RECITALS

- A. On December 5, 2016, under the S.A.V.E Cooperative Purchasing Agreement, the City of Goodyear entered into a contract with Contractor to purchase the goods and services described in the City of Goodyear Goods/Services Contract No. CON-17-3708 ("Cooperative Purchasing Agreement"), which is attached hereto as Exhibit A. The Cooperative Purchasing Agreement permits its cooperative use by other governmental agencies including the City.
- B. Section 2-149 of the City's Procurement Code permits the Materials Manager to procure goods and services by participating with other governmental units in cooperative purchasing agreements when the best interests of the City would be served.
- C. Section 2-149 also provides that the Materials Manager may enter into such cooperative agreements without meeting the formal or informal solicitation and bid requirements of Glendale City Code Sections 2-145 and 2-146.
- D. The City desires to contract with Contractor for supplies or services identical, or nearly identical, to the supplies or services Contractor is providing other units of government under the Cooperative Purchasing Agreement. Contractor consents to the City's utilization of the Cooperative Purchasing Agreement as the basis of this Agreement, and Contractor desires to enter into this Agreement to provide the supplies and services set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated by reference, and the covenants and promises contained in this Linking Agreement, the parties agree as follows:

1. Term of Agreement. The City is purchasing supplies and/or services from Contractor pursuant to the Cooperative Purchasing Agreement. According to the Cooperative Purchasing Agreement, purchases can be made by governmental entities from the date of award, which was December 5, 2016, until the date the contract expires on December 4, 2017, unless the term of the Cooperative Purchasing Agreement is extended by the mutual agreement of the original contracting parties. The Cooperative Purchasing Agreement, however, may not be extended beyond December 4, 2021. The initial period of this Agreement, therefore, is the period from the Effective Date of this Agreement until December

4, 2017. The City Manager or designee, however, may renew the term of this Agreement for four (4) one-year periods until the Cooperative Purchasing Agreement expires on December 4, 2021. Renewals are not automatic and shall only occur if the City gives the Contractor notice of its intent to renew. The City may give the Contractor notice of its intent to renew this Agreement 30 days prior to the anniversary of the Effective Date to effectuate such renewal.

2. Scope of Work; Terms, Conditions, and Specifications.
 - A. Contractor shall provide City the supplies and/or services identified in the Scope of Work attached as Exhibit B.
 - B. Contractor agrees to comply with all the terms, conditions and specifications of the Cooperative Purchasing Agreement. Such terms, conditions and specifications are specifically incorporated into and are an enforceable part of this Agreement.
3. Compensation.
 - A. City shall pay Contractor compensation at the same rate and on the same schedule as provided in the Cooperative Purchasing Agreement, which is attached hereto as Exhibit C.
 - B. The total purchase price for the supplies and/or services purchased under this Agreement shall not exceed three hundred thousand dollars (\$300,000) for the entire term of the Agreement (initial term plus any renewals).
4. Cancellation. This Agreement may be cancelled pursuant to A.R.S. § 38-511.
5. Non-discrimination. Contractor must not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Contractor will require any Sub-contractor to be bound to the same requirements as stated within this section. Contractor, and on behalf of any subcontractors, warrants compliance with this section.
6. Insurance Certificate. A certificate of insurance applying to this Agreement must be provided to the City prior to the Effective Date.
7. E-verify. Contractor complies with A.R.S. § 23-214 and agrees to comply with the requirements of A.R.S. § 41-4401.
8. No Boycott of Israel. The Parties agree that they are not currently engaged in, and agree that for the duration of the Agreement they will not engage in, a boycott of Israel, as that term is defined in A.R.S. §35-393.

9. Attestation of PCI Compliance. When applicable, the Contractor will provide the City annually with a Payment Card Industry Data Security Standard (PCI DSS) attestation of compliance certificate signed by an officer of Contractor with oversight responsibility.
10. Notices. Any notices that must be provided under this Agreement shall be sent to the Parties' respective authorized representatives at the address listed below:

City of Glendale
c/o Anthony Weathersby
7070 W Northern Ave
Glendale, Arizona 85303
623-930-4108

and

IAC/Instrumentation and Controls, LLC
c/o Deb Coye
6829 W Frye Rd
Chandler, AZ 85226

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year set forth above.

"City"

City of Glendale, an Arizona
municipal corporation

By: _____

Kevin R. Phelps
City Manager

"Contractor"

IAC/Instrumentation and Controls, LLC,
an Arizona limited liability company

By:  _____

Name: Ritch Shank
Title: Managing/Partner

ATTEST:


Julie K. Bower (SEAL)
City Clerk

APPROVED AS TO FORM:

Michael D. Bailey
City Attorney

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
IAC/INSTRUMENTATION AND CONTROLS, LLC**

EXHIBIT A
City of Goodyear Goods/Services Contract No. CON-17-3708

	CITY OF GOODYEAR	OFFICE OF PROCUREMENT 190 North Litchfield Road P.O. Box 5100 Goodyear, Arizona 85338 Phone: 623-882-7845
	GOODS/SERVICES CONTRACT CONTRACT NO. CON-17-3708	

DESCRIPTION OF SERVICES: Auma and Endress + Hauser Equipment, Parts and Service

OFFER

To the City of Goodyear: The undersigned, on behalf of the entity, firm, company, partnership, or other legal entity listed below, offers to the City an Agreement that contains all terms, conditions, specifications, amendments, and addenda in this Agreement. The term Contract shall mean, and consists of, the following documents: 1) This Contract for Goods/Services, version 11092012; 2) Standard Terms and Conditions; 3) Scope of Work and Fee Schedule; 4) Specifications, Attachments, Exhibits; and 5) Solicitation, Instructions to Offerors (including documents referenced and included therein).

Arizona Transaction (Sales):

Arizona Contractor License Number:

Privilege Tax License #

City of Goodyear Business Registration No.:

For clarification of this offer contact:

Name:

Telephone:

E-Mail Address:

IAC/Instrumentation and Controls LLC

Company Name

6829 W. Frye Road

Address

Chandler, AZ 85226

City

State

Zip Code

Sign:

Authorized Signature for Offer

RITCH SHAW

Printed Name

Managing Partner 12/2/2016

Title

Date

ACCEPTANCE OF OFFER AND CONTRACT AWARD (For City of Goodyear Use Only)

Your offer is accepted by the City. The term Agreement shall have the same meaning as above. As the Contractor, upon execution of this portion, you are now legally bound to provide the goods and/or services under this Contract in compliance with all terms conditions, specifications, amendments, etc. The Contractor is hereby cautioned not to start any billable work or provide any goods, material, or services for this contract until Contractor receives an executed **Purchase Order**.

N/A
City Manager, City of Goodyear (if applicable)

Attested by:

Margaret Scott

City Clerk



Official File

City of Goodyear, Arizona.

Eff. Date: 12-5-16

Awarded on 12-5-16

Approved as to form:

Roric Massey

Roric Massey, City Attorney

FOR

Jacqueline Behrens

Jacqueline Behrens, CPPB, Procurement Manager

STANDARD TERMS AND CONDITIONS

GOODS/SERVICES CONTRACT CON-17 -3708

This Contract, entered into on December 5, 2016, by and between the City of Goodyear, a municipal corporation of the State of Arizona, ("City"), and IAC/Instrumentation and Controls LLC, ("Contractor"). The City and Contractor may be referred to individually as a Party or collectively as the Parties. The City engages the Contractor to perform professional services for the project known as: Auma and Endress + Hauser Equipment, Parts and Service, ("Project").

RECITALS

WHEREAS, the City is in need of the services that Contractor is able and willing to provide;

NOW THEREFORE, the Parties agree as follows:

AGREEMENT

SECTION 1. SERVICES

- 1.1 The Contractor shall provide the following goods and services called for in this Contract to City standards and in accordance with the degree of care and skill other professionals providing such services in Arizona would exercise under similar conditions.
- 1.2 Contractor shall provide the goods and services described in the attached Scope of Work.
- 1.3 The Contractor shall comply with all guidelines provided by the City which relate to the goods and services to be provided.

SECTION 2. DEFINITIONS

- 2.1 "City" means the City of Goodyear.
- 2.2 "City Manager" means the manager of the City of Goodyear or designee.
- 2.3 "Contract" means this Goods/Services Contract and any attachments referenced herein, fully completed and executed between the City of Goodyear and the Contractor.
- 2.4 "Contractor" means the individual, partnership, entity or corporation who, as a result of the competitive process, is awarded a contract by the City of Goodyear to provide goods and/or services.
- 2.5 "Days" means calendar days unless otherwise specified herein.
- 2.6 "Litigation Expense" means any court filing fee and costs, arbitration fees or costs, witness fee, arbitration fees, and each other fee and cost of investigating and defending or asserting any claim for indemnification under this Contract, including, without limitation, in each case, attorneys' fees, professional fees, disbursements and each other fee and cost of investigating and defending, appealing or asserting any claim for indemnification under this Contract.
- 2.7 "Loss" means any liability, loss, claim, settlement payment, cost and expense, interest, award, judgment, damages (including punitive damages), diminution in value, fines, fees and penalties or other charge, other than a litigation expense.
- 2.8 "Project" "Services" or "Work" means the subject matter of this Contract as more fully set forth in the attached Scope of Work, which may include delivery of goods and/or services.

- 2.9 “Subcontractor” means any individual, corporation, company, or other entity who contracts to perform work or render services or provide goods to a Contractor or to another subcontractor as part of this Contract with the City.

SECTION 3. TERM OF CONTRACT

- 3.1 The term of this Contract shall be one (1) year commencing on the effective date, which is the date last signed by both Parties, and may be extended or renewed for consecutive additional one (1) year periods, not to exceed a total of five (5) years, subject to appropriations and mutual agreement of the Parties. The City has no obligation to extend or renew this contract, and any decision to do so is at the sole discretion of the City.
- 3.2 The term of the contract may be automatically extended to include the warranty period.
- 3.3 Contractor shall not commence work until Contractor receives a Purchase Order signed by the City of Goodyear Procurement Manager or designee.

SECTION 4. COMPENSATION AND PAYMENTS

- 4.1 COMPENSATION: Total compensation to be paid under this Contract shall not exceed the purchase order amount.
- 4.2 Contractor shall invoice City on or before the 10th day of each month for goods and/or services provided under this contract during the prior month. All invoices shall contain itemized hourly fees, unit cost, extended cost of goods and supporting documentation for all invoiced amounts. All invoices to the City shall identify the specific item(s) being billed and the Purchase Order number. Items are to be identified by the name, model number, and/or serial number most applicable.
- 4.3 City shall make every effort to process payments to Contractor within thirty (30) calendar days after the receipt of a correct and approved invoice, unless a good faith dispute exists to any obligation to pay all or a portion of the invoice or account.
- 4.4 PRICE ADJUSTMENT/CONTRACT EXTENSION: The City’s Office of Procurement will review fully documented requests for price increase after any contract has been in effect for one (1) year. Any price increase adjustment will only be made at the time of contract extension and will be a factor in the extension review process. The Office of Procurement will determine whether the requested price increase or alternate option is in the best interest of the City. Any price adjustment will be effective upon the effective date of the contract extension.
- 4.5 PRICE REDUCTION: A price reduction may be offered at any time during the term of the contract and shall become effective upon notice.
- 4.6 LATE SUBMISSION OF CLAIM BY CONTRACTOR: The City will not honor any invoices or claims which are tendered one (1) year after the last item of the account accrued.
- 4.7 ESTIMATED QUANTITIES: Quantities identified in the Solicitation are the City’s best estimate and do not obligate the City to order or accept more than the City’s actual requirements during the period of this Contract as determined by actual needs and availability of appropriate funds. It is expressly understood and agreed that Contractor is to supply the City with its complete and actual requirements for the contract period.
- 4.8 PRODUCT DISCONTINUANCE: In the event that a product or model identified in the offer is subsequently discontinued by the manufacturer, the City at its sole discretion may allow the Contractor

to provide a substitute for the discontinued item. The Contractor shall request permission to substitute a new product or model and provide all of the following:

1. A formal announcement from the manufacturer that the product or model has been discontinued;
 2. Documentation from the manufacturer that names the replacement product or model;
 3. Documentation that provides clear and convincing evidence that the replacement meets or exceeds all specifications required by the original solicitation;
 4. Documentation that provides clear and convincing evidence that the replacement will be compatible with all the functions or uses of the discontinued product or model; and
 5. Documentation confirming that the price for the replacement is the same as or less than the discontinued product or model.
- 4.9 USAGE REPORT: The Contractor may be required to provide a usage report to the Procurement Manager.
- 4.10 DISCOUNTS: Payment discounts will be computed from the date receiving acceptable goods, materials and/or services or correct invoice, whichever is later to the date payment is mailed.
- 4.11 NO ADVANCE PAYMENT: Advance payments will not be authorized; payment will be made only for actual goods or services that have been received.
- 4.12 FUND APPROPRIATION CONTINGENCY: The Parties recognize that the continuation of any contract after the close of any given fiscal year of the City of Goodyear, which fiscal year ends on June 30 of each year, shall be subject to appropriation and allocation of funds by the Goodyear City Council.
- 4.13 F.O.B. POINT: All prices are to be quoted F.O.B final destination, unless otherwise specified elsewhere in the solicitation.
- 4.14 TAXES: Contractor shall be solely responsible for any and all tax obligations that may result from Contractor's performance of this Contract.

SECTION 5. TERMINATION

- 5.1 TERMINATION FOR CONVENIENCE: City at any time and for any reason and without cause may terminate, suspend or abandon any portion, or all, of this Contract at City's convenience. In the event that the City terminates, suspends or abandons any part of the services, the City shall provide notice to the Contractor. Upon receipt of notice, the Contractor shall, unless the notice directs otherwise, immediately discontinue further services and placing of orders for materials, facilities and supplies in connection with the performance of this Agreement.

The Contractor shall appraise the services completed prior to receiving notice of the termination, abandonment or suspension and deliver to the City all drawings, special provisions, field survey notes, reports, estimates and any and all other documents or work product generated by the Contractor under the contract, entirely or partially completed, together with all unused materials supplied by the City.

In the event of termination, abandonment or suspension, Contractor shall be paid for services satisfactorily performed prior to receipt of such notice including reimbursable expenses then incurred. However, in no event shall the fee exceed that set forth in Section 4 of this Contract. Contractor shall not be entitled to any claim or claim of lien against Owner for any additional compensation or damages in the event of such termination and payment.

The City shall make final payment within thirty (30) days after the Contractor has fully complied with the provisions of Section 5 and Contractor submits a correct and approved final invoice for the fee that has been agreed to by the Parties.

- 5.2 Any attempt to represent any material and/or service not specifically awarded as being under contract with the City of Goodyear is a violation of the contract and the City of Goodyear Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the Contractor.

SECTION 6. RISK OF LOSS AND LIABILITY

- 6.1 INDEMNIFICATION: Unless a federal and state statute that expressly prohibits such indemnification, Contractor shall defend, indemnify, save and hold harmless the City of Goodyear, its officials, directors, officers, employees, agents, and representatives (hereinafter referred to as "Indemnitee") at all times after the date of this Contract from and against any and all Claims, caused by, relating to, arising out of, or alleged to have resulted from, in whole or in part, any negligent, reckless or intentional acts, errors, fault, mistakes, omissions, work, goods or service of the Contractor, its directors, officers, employees, agents, representatives, or any tier of subcontractors or any other person for whose acts, errors, fault, mistakes omissions, work, goods or service the Contractor may be legally liable in the performance of this Contract. The Indemnification provided hereunder shall extend to Claims arising out of, or recovered under, Arizona's Workers' Compensation Law or the failure of Contractor to conform to any applicable and appropriate federal, state, or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the Parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all Claims. It is agreed that the Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable.

In consideration of the award of this contract, Contractor agrees to waive all rights of subrogation against Indemnitee for Claims arising from the work performed by Contractor, its directors, officers, employees, agents, representatives, or any tier of subcontractors pursuant to this Contract. This indemnification provision shall survive the expiration or earlier termination of this Contract.

For purposes of this Indemnification provision the term Claims shall mean claims, suits, actions, demands, proceedings, losses, settlement payments, disbursements, expenses, and damages of every kind and description (including but not limited to costs, interest, awards, judgments, diminution in value, fines, penalties or other charges, reasonable attorneys' fees, other professionals' fees, court filing fees and costs, arbitration fees, witness fees, and each other fee and cost of investigating and defending, negotiating, appealing or asserting any claim for indemnification under this Contract) (collectively referred to "Litigation Expenses").

- 6.2 INDEMNIFICATION – PATENT, COPYRIGHT AND TRADEMARK: The Contractor shall indemnify and hold harmless the City against any liability, including costs and expenses, for infringement of any patent, copyright or trademark or other proprietary rights of any third parties arising out of contract performance or use by the City of materials furnished or Services performed under this Contract. The Contractor agrees upon receipt of notification to promptly assume full responsibility for the defense of any claim, suit or proceeding which is, has been, or may be brought against the City and its agents for alleged infringement, as well as for the alleged unfair competition resulting from similarity in design, trademark or appearance of goods by reason of the use or sale of any goods furnished under this Contract and the Contractor further agrees to indemnify the City against any and all expenses, losses, royalties, profits and damages including courts costs and attorney's fees resulting from the bringing of such suit or proceedings including any settlement or decree of judgment entered therein. The City may be represented by and actively participate through its own counsel in such suit or proceedings, it is so desires. It is expressly agreed by the Contractor that these covenants are irrevocable and perpetual.
- 6.3 TITLE AND RISK OF LOSS: The title and risk of loss of material or services shall not pass to the City until the City actually receives and accepts the materials or services at the point of delivery; and such loss, injury or destruction shall not release the Contractor from any obligation hereunder.

- 6.4 **ACCEPTANCE:** All materials or services are subject to final inspection and acceptance by the City. Materials or services failing to conform to the specifications of this Contract shall be held at Contractor's risk and may be returned to the Contractor. If returned, all costs are the responsibility of the Contractor. The City may elect to do any or all of the following: a) Waive the non-conformance; b) Stop the work immediately; c) Bring materials into compliance; and/or d) Terminate the Contract and seek all remedies available in law and in equity. This shall be accomplished by a written determination by the City.
- 6.5 **LOSS OF MATERIALS:** The City does not assume any responsibility, at any time, for the protection of or for the loss of materials, from the execution of this Contract until the final acceptance of the work by the City.
- 6.6 **DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Contractor shall deliver conforming materials in each installment of lot of this Contract and may not substitute nonconforming materials and/or services. Delivery of nonconforming materials or a default of any nature, at the option of the City, shall constitute a breach of the Contract as a whole.
- 6.7 **SHIPMENT UNDER RESERVATION PROHIBITED:** Contractor is not authorized to ship goods or perform services under reservation, and no tender of an invoice or bill of lading will operate as a tender of the goods or services.
- 6.8 **WORK PERFORMED AT CONTRACTOR'S RISK:** Contractor shall take all precautions reasonably necessary and shall be responsible for the safety of its employees, agents and subcontractors in the performance of the work hereunder and shall utilize all protections reasonably necessary for that purpose. All work shall be done at Contractor's own risk, and Contractor shall be responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.
- 6.9 **SAFETY STANDARDS:** All items supplied pursuant to this Contract shall comply with the current applicable Occupational Safety and Health Standards of the State of Arizona Industrial Commission, the National Electric Code, and the National Fire Protection Association Standards.
- 6.10 **PROJECT STAFFING:** Prior to the start of any Services under this Contract, the Contractor shall submit to the City detailed resumes of key personnel that will be involved in performing Services prescribed in the Contract for review and approval. At any time hereafter that the Contractor desires to change key personnel while performing under the Scope, the Contractor shall submit the qualifications of the new personnel to the City for prior approval. Key personnel include but are not limited to the Contractor's principal-in-charge, project manager, project designer, project architect, system architect, system manager and system engineer.
- The Contractor will maintain an adequate and competent staff of qualified persons throughout the performance of this Contract as necessary for acceptable and timely completion of the services. If the City objects, with reasonable cause, to any of the Contractor's staff, the Contractor shall take prompt corrective action and, if required, remove such personnel from the Project and replace them with the new personnel agreed to by the City.
- 6.11 **SUBCONTRACTORS:** Prior to beginning the work, the Contractor shall furnish the City for approval the names of subcontractors to be used on this Project. Any subsequent changes are subject to the approval of the City.
- 6.12 **DAMAGE TO CITY PROPERTY:** Contractor shall perform all work so that no damage to any City buildings or property results. Contractor shall repair any damage caused to the satisfaction of the City at no cost to the City. Contractor shall take care to avoid damage to adjacent finished materials that are to remain. If finished materials are damaged, Contractor shall repair and finish in a manner which matches existing material as approved by the City at the Contractor's expense.

- 6.13 **FORCE MAJEURE:** Neither Party shall be in default by reason of any failure in performance of this Contract if such failure arises out of causes beyond their reasonable control and without the fault or negligence of said Party including, unforeseeable Acts of God; terrorism or other acts of public enemy; war and epidemics or quarantine restrictions.

If either Party is delayed at any time in the progress of the Work by force majeure, the delayed Party shall notify the other Party in writing of such delay, as soon as is practical, of the commencement thereof and shall specify the causes of such delay in the notice. The notice shall be hand-delivered or mailed certified-return receipt and shall make a specific reference to this provision.. The delayed Party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by contract modification for a period of time equal to the time that results or effects of such delay prevent the delayed Party from performing in accordance with this contract.

Section 7 INSURANCE

- 7.1 **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractors shall obtain, maintain and keep in full force and effect during the life of this Contract, and any warranty period, all of the following minimum scope of insurance coverages with an insurance company duly licensed by the State of Arizona with a current A.M. Best Company, Inc rating of not less than A- or above and a category rating of not less than "8" with policies and forms satisfactory to the City. Use of alternative insurers requires prior written approval from City.

7.1.1 **COMMERCIAL GENERAL LIABILITY:** Commercial General Liability insurance with a limit of not less than \$1,000,000, for each occurrence and \$2,000,000 in the aggregate. The policy shall include coverage for premises-operations, products/completed operations, contractual covering, personal injury/bodily injury, property damage, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office policy form CG 00 01 07 98 or any replacement thereof. The certificate of insurance for the Commercial General Liability insurance policy shall expressly cover the indemnification obligations of indemnification required by this agreement. A general liability insurance policy may not be written on a "claims made" basis. These limits may be met through a combination of primary and excess liability coverage.

7.1.2 **AUTOMOBILE LIABILITY:** Commercial and Business Automobile Liability insurance for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than \$1,000,000, combined single limits, per occurrence for bodily injury and property damage. Coverage will be at least as broad as coverage Code 1 "any auto" under Insurance Service Office policy form CA 00 01 10 01 or any replacement thereof.

7.1.3 **WORKERS' COMPENSATION:** Workers' Compensation as required by State and federal law statutes having jurisdiction over its employees engaged in the performance of any Services herein. Contractor agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the City, its officers, agents, employees, and volunteers arising from work performed by Contractor for the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

7.2 **CLAIM REPORTING:** Any failure to comply with the claim reporting provisions of the policies or any breach of a policy warranty shall not affect coverage afforded under the policy to protect the City.

7.3 **NOTICE OF CANCELLATION:** Each certificate for each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided,

canceled, or reduced in coverage by endorsement to limits lower than those required by this Contract, except after prior written consent from the City. Notice will be sent as required herein.

- 7.4 ENDORSEMENTS/CERTIFICATES OF INSURANCE: The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:
- 7.4.1 ADDITIONAL INSUREDS: “The City of Goodyear and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of, or related to, activities performed by or on behalf of the Contractor pursuant to its contract with the City; products and completed operations of the Contractor; premises owned, occupied or used by the Contractor; automobiles owned, leased, hired, or borrowed by the Contractor.”
- 7.4.2 Contractor’s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respects to the limits of insurer’s liability. Contractor’s policy shall be primary and non-contributory.
- 7.4.3 CERTIFICATES OF INSURANCE: Contractor shall provide the City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Contract. The insurance certificates shall be attached hereto and incorporated hereby by this reference.
- 7.5 NO REPRESENTATION OF COVERAGE ADEQUACY: The insurance requirements herein are *minimum requirements* for this Contract and the City in no way warrants that the minimum requirements contained herein are sufficient to protect Contractor from liabilities that might arise out of the performance of the Work under this Contract by Contractor, its agents, representatives, employees or subcontractors and the Contractor is free to purchase additional insurance. Any insurance coverage carried by the City or its employees is excess coverage and not contributory coverage to that provided by the Contractor. The amount and type of insurance coverage requirements set forth herein shall in no way be construed as limiting the scope of the indemnification obligations under this Contract.
- 7.6 NON-WAIVER: The City reserves the right to review any and all of the insurance policies and/or an endorsement required by this Contract, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Contract or failure to identify any insurance deficiency shall not relieve the Contractor from, nor be construed or deemed a waiver of its obligation to maintain the required insurance at all times during the performance of the Contract. Any failure of Contractor to comply with the reporting provisions of the policies shall not affect coverage provided to the City, its officers, officials, agents, employees and volunteers.
- 7.7 NOTICE OF CANCELLATION: Each certificate for each insurance policy required by this Section shall provide the required coverage and shall not be suspended, voided, canceled, reduced in coverage by endorsement to limits lower than those required by this Contract except after prior written consent from the City.
- 7.8 CLAIM REPORTING: Any failure to comply with the claim reporting provisions of the policies or any breach of a policy warranty shall not affect coverage afforded under the policy to protect the City.
- 7.9 OTHER CONTRACTORS OR VENDORS: Contractor shall ensure that its subcontractors and any vendors that may be contracted with in connection with the Project procure and maintain insurance coverage as is appropriate for their particular contract and properly endorse the City as required in this Section 9.

- 7.10 PRIMACY OF COVERAGE: Coverage required in this section shall be primary, any other insurance maintained by the City shall be excess and not contributing with the insurance provided by Contractor pursuant to this Contract.

SECTION 8. CONTRACT INTERPRETATION

- 8.1 DISPUTES, GOVERNING LAW, ATTORNEY FEES: Should any dispute, misunderstanding or conflict arise as to the terms or provisions contained in this Contract, the matter shall first be referred to the City, and the City shall determine the term or provision's true intent and meaning.

This Contract shall be deemed to be made under, shall be construed in accordance with, and shall be governed by the laws of the State of Arizona, without regard to choice of law or conflicts of laws principles thereof. Any action arising out of this Contract shall be commenced and maintained in the Superior Court of the State of Arizona in and for the County of Maricopa. The prevailing Party shall be reimbursed by the other Party for all attorney fees and all costs and expenses, including but not limited to all service of process, filing fees, court and court report costs, investigative costs, and expert witness fees which are incurred in any legal proceeding whatsoever arising out of this Contract, including, bankruptcy, arbitration, declaratory relief or other litigation, including appeals or rehearing.

- 8.2 PROVISIONS REQUIRED BY LAW: Each and every provision of law and any clause required by federal, state or local law to be in this Contract shall be read and enforced as though it were included herein and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either Party the Contract shall forthwith be physically amended to make such insertion or correction.

- 8.3 PAROL EVIDENCE: This Contract is intended by the parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of this agreement. No course of prior dealings between the parties and no usage in trade shall be relevant to contradict, supplement or explain any term used in this Contract.

- 8.4 SEVERABILITY: If any provision in this Contract or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Contract and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

- 8.5 CONTRACT ORDER OF PRECEDENCE: In the event of a conflict in the provisions of the Contract, as accepted by the City and as they may be amended, the following shall prevail in the order set forth below:

1. Goods and Services Contract
2. Scope of Work
3. Fee Schedule

- 8.6 INTEGRATION: This Contract contains the full agreement of the parties hereto. Any prior or contemporaneous written or oral agreement between the parties regarding the subject matter hereof is merged and superseded hereby.

- 8.7 INDEPENDENT CONTRACTOR: Each Party will act in its individual capacity and not as an agent, employee, partner, joint venture, or associate of the other. An employee or agent of one Party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor is advised that taxes or Social Security payments will not be withheld from any City payments issued hereunder and that the Contractor should make arrangements to directly pay such expenses, if any.

- 8.8 NON-WAIVER MONIES DUE: The City of Goodyear as a public entity supported by tax monies, in execution of its public trust, cannot agree to waive any lawful or legitimate right to recover monies

lawfully due it. Therefore, Contractor agrees that it will not insist upon or demand any statement whereby the City agrees to limit in advance or waive any right the City might have to recover actual lawful damages in any court of law under applicable Arizona law.

- 8.9 **AMBIGUITIES NOT HELD AGAINST DRAFTER:** This Contract having been freely and voluntarily negotiated by all parties and the rule of contract construction that ambiguities, if any, in any term or condition of an agreement are held against the drafter of the agreement is not applicable to this Contract.
- 8.10 **NON-WAIVER CONTRACT PROVISION:** The failure of either Party to enforce any of the provisions of this Contract or to require performance of the other Party of any of the provisions hereof shall not be construed to be a waiver of such provisions, nor shall it affect the validity of this Contract or any part thereof, or the right of either Party to thereafter enforce each and every provision.
- 8.11 **COOPERATION AND FURTHER DOCUMENTATION:** The Contractor agrees to provide the City all duly executed documents as shall be reasonably requested by the City to implement the intent of this Contract.

SECTION 9. **CONTRACT ADMINISTRATION AND OPERATION**

- 9.1 **WORK PRODUCT, EQUIPMENT AND MATERIALS:** All work product, equipment, or materials created or purchased under this Contract are considered the sole property of the City and must be delivered to the City upon termination, abandonment of the Contract or final payment to the Contractor and shall not be used or released by the Contractor without prior authorization from the City. Work product includes, but is not limited to, plans, specifications, cost estimates, tracings, studies, design analyses, original Mylar drawings, computer aided drafting and design (CADD) file, computer disks and/or other electronic records and media. Contractor agrees that all materials prepared under this Contract are “works for hire” within the meaning of the copyright laws of the United States and assigns to City all rights and interest Contractor may have in the materials it prepares under this Contract, including any right to derivative use of the materials. Contractor shall place the professional seal of Contractor on all plans and documents prepared in the performance of this Contract.
- 9.2 **CONFIDENTIALITY AND ENCRYPTION:** All data, regardless of form, including originals, images and reproductions, prepared by, obtained by, or transmitted to Contractor in connection with this Contract are confidential, proprietary information owned by the City. Except as specifically provided in this Contract, the Contractor shall not disclose data generated in the performance of the Service to any third person without the prior written consent of the City Manager.

Personal identifying information, financial account information or restricted City information, whether electronic format or hard copy, are considered confidential information and must be secured and protected at all times to avoid unauthorized access. At a minimum Contractor shall ensure that all electronic transmissions of confidential data are encrypted and any cryptographic algorithm implementations used must have been validated by the National Institute of Standards and Technology (NIST). The use of proprietary encryption algorithms will not be allowed for any purpose. The export of encryption technologies is restricted by the U.S. Government.

In the event that data collected or obtained by Contractor in connection with this Contract is believed to have been compromised, Contractor shall notify the City Attorney immediately. Contractor agrees to reimburse the City for any costs incurred by the City to investigate potential breaches of this data and, where applicable, the cost of notifying individuals who may be impacted by the breach.

Contractor agrees that the requirements of this section shall be incorporated into all subcontractor agreements entered into by the Contractor. It is further agreed that a violation of this section shall be deemed to cause irreparable harm and justifies injunctive relief in court. A violation of this section

may result in immediate termination of this Contract without further notice. The obligations of Contractor under this section shall survive the termination of this Contract.

- 9.3 **CONFLICT OF INTEREST/THIRD PARTIES:** Contractor shall provide written notice to the City as set forth in this section, of any work or Services performed by the Contractor for third parties that, to the extent that the Contractor is aware, involves or is associated with any real property or personal property owned or leased by the City or which may be adverse to the City. Notice shall be given seven (7) days prior to commencement of the Services by the Contractor for a third party. Written notice and disclosure shall be sent to:

Roric Massey, City Attorney
City of Goodyear
190 N. Litchfield Rd
Goodyear, Arizona 85338

Actions that are considered to be adverse to the City include but are not limited to:

1. Using data acquired in connection with this Contract to assist a third party in pursuing administrative or judicial action against the City;
2. Testifying or providing evidence on behalf of any third party in connection with an administrative or judicial action against the City; and
3. Using data to produce income for the Contractor, its subcontractors or employees independently of performing the services under this Contract, without the prior written consent of the City.

The Contractor represents that except for those persons, entities and projects identified to the City, the Services to be performed by the Contractor under this Contract are not expected to create an interest with any person, entity, or third party project that is or may be adverse to the interests of the City. The Contractor's failure to provide a written notice and disclosure of the information as set forth in this section shall constitute a material breach of Contract.

- 9.4 **CONFLICT AUDIT:** Within thirty (30) days of being requested to do so, Contractor agrees to provide the City an itemized summary of any and all gifts a Contractor, its directors, officers, managers, employees, agents and/or representatives have made to any City employee during the year prior to the date of the Contract through the date of the request. The summary shall include the date the gift was made, a description of the gift, the City employee(s) that received the gift, and the value of the gift. The summary shall be signed and its truthfulness certified by Contractor. For purposes of this section the terms "Gift" means anything of value that is provided to the employee and includes, by way of example, but not limitation, meals, free use of vacation homes, low interest or no interest loans, tickets to sporting events, tickets to charitable events, entertainment expenses, travel expenses, drinks, and the like. The failure to comply with any request made pursuant to this section and/or the submission of a summary that contains material misrepresentations constitutes grounds for debarment and the refusal to allow Contractor to participate in any future contracts with the City.

- 9.5 **AUDIT OF RECORDS:** Contractor shall retain, and shall contractually require each and every subcontractor that performs any Work under this Contract to retain all books, accounts, reports, files and any and all other records relating to the contract (hereinafter referred to as "Contract Documents") for six (6) years after completion of the Contract. City, upon written request and at reasonable times, shall have the right to review, inspect, audit and copy all Contract Documents of the Contractor and any subcontractors. Contractor shall produce the original Contract Documents at City Hall, currently located at 190 N. Litchfield Road, Goodyear, Arizona, or at such other City facility within the City as designated by the City in writing. If approved by City Attorney in writing, photographs, microphotographs, or other authentic reproductions may be maintained instead of original Contract Documents.

- 9.6 **AUDIT/BILLING AND EXPENSES:** The City reserves the right to request supporting documentation for all hourly amounts, cost of goods and reimbursable expenses charged to the City. Such records will

be subject to audit at any time during the term of this Contract and for a period not to exceed two (2) years after any amount is billed. Within thirty (30) days of receiving a request, the Contractor will furnish to the City original invoices to support all charges and complete payroll records to support such hourly labor charges. The City reserves the right to audit any other supporting evidence necessary to substantiate charges related to this Contract, both direct and indirect costs, including overhead allocations if they apply to hourly costs associated with this Contract. If requested by the City, the Contractor will provide supporting records electronically in addition to a hard copy.

If the audit reveals overcharge, the Contractor will reimburse the City upon demand for the amount of such overcharges plus interest thereon from the date paid by the City through the date of reimbursement. If the overcharges exceed 5% of Contractor's compensation, then Contractor shall also reimburse the City for the cost of the audit.

The Contractor shall include a similar provision in all of its agreements with subcontractor providing goods and/or services under this Contract to ensure the City, its authorized representative, and/or the appropriate federal agency, has access to the subcontractor records to verify the accuracy of any similar amounts charged to the City.

- 9.7 ADVERTISING: Contractor and all subcontractors shall not advertise or publish new releases concerning this Contract, goods or services provided to the City without prior written consent of the City Attorney.
- 9.8 CITY MARKS: The Contractor and all subcontractors shall not use any trade name, trademark, service mark, or logo of the City (or any name, mark or logo confusingly similar thereto) in any advertising, promotions, or otherwise, without the City's express prior written consent.
- 9.9 LICENSES AND PERMITS: Contractor and all subcontractors shall keep current federal, state, and local licenses and permits required for the operation of the business conducted by the Contractor as applicable to this contract.
- 9.10 E-VERIFY. Contractor and all subcontractors warrant compliance with the e-verify statute, A.R.S. § 23-214(A). A breach of this warranty shall be deemed a material breach of this contract, and shall subject this contract to penalties up to and including termination of the contract. The City retains the right to inspect the papers and records of any of Contractor's employees or any subcontractor employees working on the contract to ensure compliance with this requirement. For this section, Contractor shall have the meaning of Contractor as found in A.R.S. § 41-4401, and subcontractor has the same meaning as found in A.R.S. § 41-4401.
- 9.11 NON-DISCRIMINATION: Contractor and all subcontractors will not discriminate against any person on the basis of race, color, religion, age, gender, or national origin in the performance of this Contract, and shall comply with the terms and intent of Title VI of the Civil Rights Act of 1964, P.L. 88-354.
- 9.12 COMPLIANCE: The Contractor and all subcontractors understand and agree to comply with the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989 as amended. The Contractor agrees to comply with these laws and Arizona Executive Order 2009-09 in performing this Contract and to permit the City to verify such compliance.
- 9.13 CONTINUATION OF SERVICES – ISRAEL: Contractor certifies that it is not currently engaged in, and agrees for the duration of this Contract that it will not engage in a boycott of Israel, as that term is defines in A.R.S. § 35-393.
- 9.14 CONTINUATION DURING DISPUTES: Contractor agrees that notwithstanding the existence of any dispute between the parties, insofar as is possible, under the terms of the contract, the Contractor shall continue to perform the obligations required of the Contractor during the continuation of any such dispute unless enjoined or prohibited by the City or an Arizona Court of competent jurisdiction.

- 9.15 COOPERATIVE STATEMENT: This contract shall be for the use of the City of Goodyear. In addition, specific eligible specific political subdivisions and nonprofit educational or public health institutions may also participate at their discretion. Any eligible agency may elect to participate (piggyback) on this contract if the Contractor agrees to do so.
- 9.16 CAPTIONS: The captions used herein are for convenience only and are not a part of this Contract and do not in any way limit or amplify the terms and provisions hereof.
- 9.17 BANKRUPTCY: This Agreement, at the option of the City, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of the Contractor.

SECTION 10. CONTRACT CHANGES

- 10.1 MODIFICATION: No supplement, modification, or amendment of any term of this Contract will be deemed binding or effective unless in writing and signed by the Parties with authority to do so. This section does not prohibit the City from unilaterally extending the contract term.
- 10.2 SUCCESSORS AND ASSIGNS: This Contract is binding on the parties' respective partners, successors, assigns, and legal representatives. Contractor will not assign, sublet, or transfer its right or interest in this Contract nor monies due, in whole or in part, or delegation any duty of Contractor without the prior written consent of the City. Any assignment or delegation made in violation of this section shall be void. In no event does this Contract create any contractual relationship between the City and any third party.
- 10.3 THIRD PARTY BENEFICIARY: Nothing under this Contract shall be construed to give any rights or benefits in the Contract to anyone other than the City and the Contractor, and all duties and responsibilities undertaken pursuant to this Contract will be for the sole and exclusive benefit of City and the Contractor, and not for the benefit of any other Party.
- 10.4 AUTHORIZED CHANGES: The City reserves the right at any time to make changes in any one or more of the following: (i) specifications; (ii) methods of shipment or packing; (iii) place of delivery; (iv) time of delivery; and/or (v) quantities. If the change causes an increase or decrease in the cost of or the time required for performance, an equitable adjustment may be made in the price or deliver schedule, or both. Any claim for adjustment shall be deemed waived unless asserted in writing within thirty (30) days from the receipt of the change. Prior increases or extensions of delivery time shall not be binding on the City unless evidenced in writing and approved by the City.
- 10.5 SUBCONTRACTS: No subcontract shall be entered into by the Contractor with any other party to furnish any of the goods, Service or Work specified herein without the advance written approval of the City.
- 10.6 CONTINGENT FEES: Contractor warrants that no person has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, and that no member of the City Council, or any employee of the City of Goodyear has any interest, financially, or otherwise, in the Contractor's business/firm. For breach or violation of this warranty, the City of Goodyear shall have the right to annul this Contract without liability, or at its discretion to deduct from the Contract price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.
- 10.7 LIENS: Contractor shall hold the City harmless from claimants supplying labor or materials to the contractor or subcontractors in the performance of the work required under this Contract.

SECTION 11. WARRANTY

- 11.1 **GUARANTEE:** Unless otherwise specified, all items shall be guaranteed for a minimum period of one (1) year from the date of acceptance by the City against defects in material and workmanship. At any time during that period, if a defect should occur in any item that item shall be replaced or repaired by the Contractor at no obligation to the City except where it is shown that the defect was caused solely by misuse of the City.
- 11.2 **QUALITY:** Contractor expressly warrants that all goods and services furnished under this Contract shall conform to the specifications, appropriate standards, and will be new and free from defects in material or workmanship. Contractor warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods or services, and that any goods will be adequately contained, packaged, marked and labeled. Contractor warrants that all goods and services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose which goods or services of that kind are normally used. If Contractor knows or has reason to now the particular purpose for which City intends to use the goods or services, Contractor warrants that goods and services furnished will conform in all respect to samples. Inspection, test, acceptance of use of the goods or services furnished hereunder shall not affect the Contractors obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Contractor's warranty shall run to City, its successors and assigns.
- 11.3 **RESPONSIBILITY FOR CORRECTION:** Any defects of design, workmanship, or materials that would result in non-compliance with the contract specification shall be fully corrected by the Contractor (including parts, labor, shipping or freight) without cost to the City. This includes any necessary labor to remove, repair, install, or to ship or transport any item to a point of repair and return. It is agreed that the Contractor shall be fully responsible for making any correction, replacement, or modification necessary for specification or legal compliance. Contractor agrees that if the product or service offered does not comply with the foregoing, the City has the right to cancel the purchase at any time with full refund within 30 calendar days after notice of non-compliance and Contractor further agrees to be fully responsible for any consequential damages suffered by the City.
- 11.4 **INVESTIGATION OF CONDITIONS:** The Contractor warrants and agrees familiarity of the work that is required, is satisfied as to the conditions under which it is to perform and enters into this Contract based upon the Contractors own investigation.
- 11.5 **WORKMANSHIP:** Where not more specifically described in any of the various sections of the specifications, workmanship shall conform to all of the methods and operations of best standards and accepted practices of the trade or trades involved and shall include all items of fabrication, construction or installation regularly furnished or required for completion of the services or goods. All goods and services shall be provided and executed by personnel skilled in their respective lines of work. Contractor warrants that all goods and services delivered under this contract shall conform to the specifications of this contract Additional warranty requirements may be set forth in the Solicitation.
- 11.6 **RIGHT TO INSPECT PLANT:** The City may, at reasonable times, inspect the part of the plant or place of business of a Contractor or subcontractor which is related to the performance of any contract as awarded or to be awarded.
- 11.7 **PREPARATION OF SPECIFICATIONS BY PERSONS OTHER THAN CITY PERSONNEL:** All specifications shall seek to promote overall economy for the purposes intended and encourage competition and not be unduly restrictive in satisfying the City's needs. No person preparing specifications shall receive any direct or indirect benefit from the utilization of specifications, other than fees paid for the preparation of specifications.
- 11.8 **SURVIVAL:** Sections 6, 7, 8, 9, 10 and 11 will survive the completion, termination and/or abandonment of this Contract.

- 11.9 COMPLIANCE WITH APPLICABLE LAW: Contractor shall comply with all applicable federal, state and local laws, codes and regulations; including all applicable building regulations, license and permits requirements.

SECTION 12. CITY CONTRACTUAL RIGHTS

- 12.1 RIGHT OF ASSURANCE: Whenever the City in good faith has a reason to question the Contractor's intent or ability to perform, the City may demand that the Contractor give written assurance of the intent and ability to perform. In the event that a demand is made and no written assurance is given within five (5) work days, the City may treat this failure as an anticipatory repudiation of this contract.
- 12.2 NON-EXCLUSIVE REMEDIES: The rights and remedies of the City under this Contract are non-exclusive.
- 12.3 DEFAULT IN ONE INSTALLMENT TO CONSTITUTE BREACH: Each installment or lot of this Contract is dependent on every other installment or lot and a delivery of non-conforming goods or services or a default of any nature under one installment or lot will impair the value of the whole Contract and constitutes a breach of the Contract as a whole.
- 12.4 TIME IS OF THE ESSENCE: Time of each of the terms, covenants, and conditions of this Contract is hereby expressly made of the essence. The City is providing services which involve health, safety and welfare of the general public, delivery time is of the essence. Delivery must be made in accordance with the delivery schedule promised by the Contractor.
- 12.5 NON-EXCLUSIVE CONTRACT: The City reserves the right to purchase goods or services from another source only when necessary and determined appropriate by the City's Procurement Manager.
- 12.6 STRICT PERFORMANCE: Failure of either Party to insist upon the strict performance of any item or condition of the Contract or to exercise or delay the exercise of any right or remedy provided in the Contract, or by law, or the acceptance of materials or services, obligations imposed by this Contract or by law shall not be deemed a waiver of any right of either Party to insist upon the strict performance of the Contract.
- 12.7 CONFLICT OF INTEREST: This Contract is subject to the provisions of A.R.S. § 38-511 and may be canceled by the City, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of the City is, or becomes, an employee, consultant, or agent of Contractor in any capacity with respect to the subject matter of the Contract while the Contract or any extension or amendment thereof, is in effect.
- 12.8 DEFAULT: In the case of default by the Contractor, the City may, by written notice, cancel this contract and repurchase from another source and may recover the excess costs by (i) deduction from an unpaid balance due; (ii) collection against the bid and/or performance bond, or (iii) a combination of the aforementioned remedies or other remedies as provided by law.
- 12.9 NOTICES: Unless otherwise provided herein, demands under this Contract will be in writing and will be deemed to have been duly given and received either (a) on the date of service if personally delivered to the Party to whom notice is to be given, or (b) on the third day after the date of the postmark of deposit by first class United States mail, registered or certified postage prepaid and properly addressed as follows:

To City:
Rob Koontz
City of Goodyear, Public Works
190 N. Litchfield Road
Goodyear, AZ 85338

To Contractor:
IAC/Instrumentation and Controls, LLC
6829 W Frye Road
Chandler, AZ 85226

Copy to:
Roric Massey
City of Goodyear, City Attorney
190 N. Litchfield Road
Goodyear, AZ 85338

- 12.10 This Contract shall be in full force and effect only when it has executed by duly authorized City officials and the duly authorized agent of the Contractor.

SECTION 13. CERTIFICATION

- 13.1 By signing on the offer and acceptance page, the individual certifies that they are authorized to sign on behalf of Contractor and further certifies that (a) No collusion or other anti-competitive practices were engaged in to arrive at the terms of this Contract, and that this Contract is subject to the provisions of A.R.S. Section 38-511; (b) The Contractor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip favor, or service to a public servant in connection with this Contract. Failure to sign the offer, or signing it with a false statement, shall void the submitted offer or any resultant contract, and the Contractor may be debarred.

END OF STANDARD TERMS AND CONDITIONS

**SCOPE OF WORK
AND
FEE SCHEDULE**

The City Public Works Department seeks to procure various equipment and support/installation services relating to Auma and Endress + Hauser Equipment, Parts and Service. This includes but is not limited to: Auma Actuator with motor controls, mounting hardware, gaskets, boards, gears and Endress + Hauser Equipment such as analyzers, control components, and essential equipment used in chemical dosage control and monitoring.

Instrumentation and controls is the authorized representative in Arizona for parts and service which are a design standard at the Public Works Facilities which includes but is not limited to: Well sites, Booster stations, RO treatment facilities, Lift stations, and Water Production and Reclamation facilities.

The City anticipates expending on an as needed, if needed basis up to \$130,000 annually. The Contractor agrees to provide a written quote for each item procured prior to ordering. The Contractor further understands no items shall be ordered and or installed without a Purchase Order.

END OF SCOPE OF WORK



Phone 480-921-0498
 Toll Free 888-715-6203
 Fax 480-921-7391
 Email sales@instandcontrols.com
 Web www.instandcontrols.com

City of Goodyear
Goods/Services Contract
Contract No. CON-17-3708

Endress + Hauser Products	Discount From List
Magmeters	60%
Thermal Mass Flowmeters	45%
Ultrasonic Flowmeters	30%
Pressure Sensors	40%
Temperature Products	20%
Level Sensors	32%
Analysis Sensors (pH, Conductivity, DO, Chlorine, Nitrate)	31%
Analysis Transmitters	31%
Service - Start-up, Commissioning & Calibration	10%
 Auma Actuators	
SQR05.2/ AC01.2	15%
SQR07.2/ AC01.2	15%
PA Automation Brackets, Hardware	15%
 Auma Start-up and Service	
Actuator Field Service	\$120.00/hour
Trip Charge	\$85.00 each

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
IAC/INSTRUMENTATION AND CONTROLS, LLC**

**EXHIBIT B
Scope of Work**

PROJECT

Purchase of support/installation and equipment relating to Auma and Endress + Hauser Equipment, parts and service on an as-needed basis.

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
IAC/INSTRUMENTATION AND CONTROLS, LLC**

EXHIBIT C

METHOD AND AMOUNT OF COMPENSATION

The method and amount of compensation is outlined in the City of Goodyear Goods/Services Contract No. CON-17-3708.

NOT TO EXCEED AMOUNT

The total amount of compensation paid to Contractor for full completion of all work required by the Project must not exceed \$300,000 for the entire term of the Agreement.

DETAILED PROJECT COMPENSATION

See attached Exhibit C.



Phone 480-921-0498
Toll Free 888-715-6203
Fax 480-921-7391
Email sales@instandcontrols.com
Web www.instandcontrols.com

City of Goodyear
Goods/Services Contract
Contract No. CON-17-3708

Endress + Hauser Products	Discount From List
Magmeters	60%
Thermal Mass Flowmeters	45%
Ultrasonic Flowmeters	30%
Pressure Sensors	40%
Temperature Products	20%
Level Sensors	32%
Analysis Sensors (pH, Conductivity, DO, Chlorine, Nitrate)	31%
Analysis Transmitters	31%
Service - Start-up, Commissioning & Calibration	10%
Auma Actuators	
SQR05.2/ AC01.2	15%
SQR07.2/ AC01.2	15%
PA Automation Brackets, Hardware	15%
Auma Start-up and Service	
Actuator Field Service	\$120.00/hour
Trip Charge	\$85.00 each



Legislation Description

File #: 17-154, Version: 1

AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH ARCHAEOLOGICAL CONSULTING SERVICES, LTD, FOR ON-CALL ENVIRONMENTAL CONSULTING SERVICES

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into a Professional Services Agreement with Archaeological Consulting Services, Ltd., to conduct environmental site assessments (ESAs) and related work, and to authorize the City Manager, at the City Manager's discretion, to renew the agreement for an additional two (2) one-year terms, and approve expenditure of funds in an amount not to exceed \$100,000.

Background

The City's demand for environmental consulting has increased across all departments. The City's environmental due diligence policy requires an environmental review when the City acquires property. This includes large land transfers as well as comparatively small transactions. An ESA is required when the City acquires property for new water and sewer infrastructure, new or widened right-of-way, or new city facilities.

The purpose of a Phase I ESA is to avoid legal liability for pre-existing contamination. Phase I ESAs are standardized assessments intended to identify conditions indicating surface and subsurface contamination. If done properly, a Phase I report provides a buyer with legal defenses under federal law that otherwise would make landowners strictly liable for pre-existing contamination, even if they were not the cause.

A Phase I ESA report must be timely. If it pre-dates the property transaction by more than 180 days, the report must be updated to qualify for legal protection. If the analysis and report are more than one year old, a new report must be prepared. Having an environmental consultant on-call to work with City staff will help ensure that environmental reviews are done accurately and within the proper time frame. A key goal is to avoid delays to either routine or complex property transactions. In addition to Phase I ESAs, the scope of the City's environmental consulting needs includes soil sampling, investigations, and related material surveys

Analysis

In October of 2015, the City of Glendale Engineering Department issued a request for Statement of Qualifications (SOQ) for on-call consulting services. One of the consulting areas needed was Environmental Consulting. Services in this area could include the following:

- Phase I & Phase II environmental site assessments
- Characterization/investigation and remediation services

- Assessment and abatement of asbestos, lead-based paint and mold
- Permit applications, reports and other compliance assistance activities
- NEPA studies and investigations

The list of on-call project services covered those typically needed by the City. It was not intended to be comprehensive and the City reserved the right to add related services as necessary.

After careful consideration of all the submittals received, the City selected 3 firms shown on the on-call list for Environmental Consulting: Ninyo & Moore, Terracon, and Archaeological Consulting Services, Ltd. The on-call list became effective for 2016-2017, with an option of renewal for two (2) additional one-year periods, if determined to be in the City's best interest.

The City plans to execute separate on-call contracts with each of the three firms to allow for flexibility in completing needed work and to ensure that each firm has an equal chance in receiving work from the City. Although each on-call contract will be for \$100,000, actual billed expenditures will depend on the number and complexity of specific Departmental environmental projects.

Community Benefit/Public Involvement

In 2002, Glendale's City Manager issued Directive No. 6, which established the City's environmental due diligence policy. This policy was revised in 2015 to reflect changes in the US Environmental Protection Agency's CERCLA liability exemptions and the updated ASTM E1527-13 standard for environmental site assessments. The environmental due diligence policy requires an environmental review for all real property transactions (buying, leasing, operating or other use or transfer) involving the City of Glendale. Prior to any property transfer, the City or the party selling, leasing or otherwise transferring an interest in property to the City must investigate the prior uses of the property to identify any possible or suspected environmental issues. The policy allows the City to identify and minimize legal and environmental liabilities related to real property transactions.

Budget and Financial Impacts

Funds are available in City Department operating budgets on an as-needed and project basis.

Cost	Fund-Department-Account
\$100,000	To be designated on a Department basis as transactions are required.

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

PROFESSIONAL SERVICES AGREEMENT

C-

This Professional Services Agreement ("Agreement") is entered into and effective between CITY OF GLENDALE, an Arizona municipal corporation ("City") and Archaeological Consulting Services, Ltd., an Arizona limited corporation, authorized to do business in the State of Arizona, ("Consultant") as of the ____ day of _____, 20 ____ ("Effective Date").

RECITALS

- A. City intends to undertake a project for the benefit of the public and with public funds that is more fully set forth in **Exhibit A**, Project (the "Project");
- B. City desires to retain the professional services of Consultant to perform certain specific duties and produce the specific work as set forth in the attached **Exhibit B**, Project Scope of Work ("Scope");
- C. Consultant desires to provide City with professional services ("Services") consistent with best consulting or architectural practices and the standards set forth in this Agreement, in order to complete the Project; and
- D. City and Consultant desire to memorialize their agreement with this document.

AGREEMENT

The parties hereby agree as follows:

1. Key Personnel; Other Consultants and Subcontractors.

- 1.1 Professional Services. Consultant will provide all Services necessary to assure the Project is completed timely and efficiently consistent within Project requirements, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other consultants or contractors, retained by City.
- 1.2 Project Team.
 - a. Project Manager.
 - (1) Consultant will designate an employee as Project Manager with sufficient training, knowledge, and experience to, in the City's opinion, complete the project and handle all aspects of the Project such that the work produced by Consultant is consistent with applicable standards as detailed in this Agreement; and
 - (2) The City must approve the designated Project Manager.
 - b. Project Team.
 - (1) The Project Manager and all other employees assigned to the Project by Consultant will comprise the "Project Team."
 - (2) Project Manager will have responsibility for and will supervise all other employees assigned to the Project by Consultant.
 - c. Discharge, Reassign, Replacement.
 - (1) Consultant acknowledges the Project Team is comprised of the same persons and roles for each as may have been identified in **Exhibit A**.
 - (2) Consultant will not discharge, reassign, replace or diminish the responsibilities of any of the employees assigned to the Project who have been approved by City without City's prior written consent unless that person leaves the employment of Consultant, in which event the substitute must first be approved in writing by City.

- (3) Consultant will change any of the members of the Project Team at the City's request if an employee's performance does not equal or exceed the level of competence that the City may reasonably expect of a person performing those duties, or if the acts or omissions of that person are detrimental to the development of the Project.

d. Subcontractors.

- (1) Consultant may engage specific technical contractors (each a "Subcontractor") to furnish certain service functions.
- (2) Consultant will remain fully responsible for Subcontractor's services.
- (3) Subcontractors must be approved by the City.
- (4) Consultant will certify by letter that all contracts with Subcontractors have been executed incorporating requirements and standards as set forth in this Agreement.

2. **Schedule.** The Services will be undertaken in a manner that ensures the Project is completed timely and efficiently in accordance with the Project.

3. **Consultant's Work.**

3.1 Standard. Consultant must perform Services in accordance with the standards of due diligence, care, and quality prevailing among consultants having substantial experience with the successful furnishing of Services for projects that are equivalent in size, scope, quality, and other criteria under the Project and identified in this Agreement.

3.2 Licensing. Consultant warrants that:

- a. Consultant and its Subconsultants or Subcontractors will hold all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of Services ("Approvals"); and
- b. Neither Consultant nor any Subconsultant or Subcontractor has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment").
 - (1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments, or to examine Consultant's contracting ability.
 - (2) Consultant must notify City immediately if any Approvals or Debarment changes during the Agreement's duration. The failure of the Consultant to notify City as required will constitute a material default under the Agreement.

3.3 Compliance.

- a. Services will be furnished in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, and other standards and criteria designated by City.
- b. Consultant must not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Consultant will require any Sub-contractor to be bound to the same requirements as stated within this section. Consultant, and on behalf of any subcontractors, warrants compliance with this section.

3.4 Coordination; Interaction.

- a. For projects that the City believes requires the coordination of various professional services, Consultant will work in close consultation with City to proactively interact with

any other professionals retained by City on the Project ("Coordinating Project Professionals").

- b. Consultant will meet to review the Project, Schedule and in-progress work with Coordinating Project Professionals and City as often and for durations as City reasonably considers necessary in order to ensure the timely work delivery and Project completion.
- c. For projects not involving Coordinating Project Professionals, Consultant will proactively interact with any other contractors when directed by City to obtain or disseminate timely information for the proper execution of the Project.

3.5 Work Product.

- a. Ownership. Upon receipt of payment for Services furnished, Consultant grants to City, and will cause its Subconsultants or Subcontractors to grant to the City, the exclusive ownership of and all copyrights, if any, to evaluations, reports, drawings, specifications, project manuals, surveys, estimates, reviews, minutes, all "architectural work" as defined in the United States Copyright Act, 17 U.S.C § 101, *et seq.*, and other intellectual work product as may be applicable ("Work Product").
 - (1) This grant is effective whether the Work Product is on paper (e.g., a "hard copy"), in electronic format, or in some other form.
 - (2) Consultant warrants, and agrees to indemnify, hold harmless and defend City for, from and against any claim that any Work Product infringes on third-party proprietary interests.
- b. Delivery. Consultant will deliver to City copies of the preliminary and completed Work Product promptly as they are prepared.
- c. City Use.
 - (1) City may reuse the Work Product at its sole discretion.
 - (2) In the event the Work Product is used for another project without further consultations with Consultant, the City agrees to indemnify and hold Consultant harmless from any claim arising out of the Work Product.
 - (3) In such case, City will also remove any seal and title block from the Work Product.

4. **Compensation for the Project.**

- 4.1 Compensation. Consultant's compensation for the Project, including those furnished by its Subconsultants or Subcontractors will not exceed **\$100,000.00** as specifically detailed in **Exhibit D** ("Compensation").
- 4.2 Change in Scope of Project. The Compensation may be equitably adjusted if the originally contemplated Scope as outlined in the Project is significantly modified.
 - a. Adjustments to Compensation require a written amendment to this Agreement and may require City Council approval.
 - b. Additional services which are outside the Scope of the Project contained in this Agreement may not be performed by the Consultant without prior written authorization from the City.
 - c. Notwithstanding the incorporation of the Exhibits to this Agreement by reference, should any conflict arise between the provisions of this Agreement and the provisions found in the Exhibits and accompanying attachments, the provisions of this Agreement shall take priority and govern the conduct of the parties.
- 4.3 Allowances. An "Allowance" may be identified in **Exhibit D** only for work that is required by the Scope and the value of which cannot reasonably be quantified at the time of this Agreement.

- a. As stated in Sec. 4.1 above, the Compensation must incorporate all Allowance amounts identified in **Exhibit D** and any unused allowance at the completion of the Project will remain with City.
- b. Consultant may not add any mark-up for work identified as an Allowance and which is to be performed by a Subconsultant.
- c. Consultant will not use any portion of an Allowance without prior written authorization from the City.
- d. Examples of Allowance items include, but are not limited to, subsurface pothole investigations, survey, geotechnical investigations, public participation, radio path studies and material testing.

4.4 Expenses. City will reimburse Consultant for certain out-of-pocket expenses necessarily incurred by Consultant in connection with this Agreement, without mark-up (the "Reimbursable Expenses"), including, but not limited to, document reproduction, materials for book preparation, postage, courier and overnight delivery costs incurred with Federal Express or similar carriers, travel and car mileage, subject to the following:

- a. Mileage, airfare, lodging and other travel expenses will be reimbursable only to the extent these would, if incurred, be reimbursed to City of Glendale personnel under its policies and procedures for business travel expense reimbursement made available to Consultant for review prior to the Agreement's execution, and which policies and procedures will be furnished to Consultant;
- b. The Reimbursable Expenses in this section are approved in advance by City in writing; and
- c. The total of all Reimbursable Expenses paid to Consultant in connection with this Agreement will not exceed the "not to exceed" amount identified for Reimbursable Services in the Compensation.

5. **Billings and Payment.**

5.1 Applications.

- a. Consultant will submit monthly invoices (each, a "Payment Application") to City's Project Manager and City will remit payments based upon the Payment Application as stated below.
- b. The period covered by each Payment Application will be one calendar month ending on the last day of the month.

5.2 Payment.

- a. After a full and complete Payment Application is received, City will process and remit payment within 30 days.
- b. Payment may be subject to or conditioned upon City's receipt of:
 - (1) Completed work generated by Consultant and its Subconsultants and Subcontractors; and
 - (2) Unconditional waivers and releases on final payment from all Subconsultants and Subcontractors as City may reasonably request to assure the Project will be free of claims arising from required performances under this Agreement.

5.3 Review and Withholding. City's Project Manager will timely review and certify Payment Applications.

- a. If the Payment Application is rejected, the Project Manager will issue a written listing of the items not approved for payment.

- b. City may withhold an amount sufficient to pay expenses that City reasonably expects to incur in correcting the deficiency or deficiencies rejected for payment.

6. Termination.

6.1 For Convenience. City may terminate this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than 15 days following the date of delivery.

- a. Consultant will be equitably compensated for Services furnished prior to receipt of the termination notice and for reasonable costs incurred.
- b. Consultant will also be similarly compensated for any approved effort expended, and approved costs incurred, that are directly associated with Project closeout and delivery of the required items to the City.

6.2 For Cause. City may terminate this Agreement for cause if Consultant fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach.

- a. Consultant will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Consultant for Services furnished, City will pay the amount due to Consultant, less City's damages, in accordance with the provision of Sec. 5.
- b. If City's direct damages exceed amounts otherwise due to Consultant, Consultant must pay the difference to City immediately upon demand; however, Consultant will not be subject to consequential damages more than \$1,000,000 or the amount of this Agreement, whichever is greater.

7. **Conflict.** Consultant acknowledges this Agreement is subject to A.R.S. § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on City's behalf is also an employee, agent, or consultant of any other party to this Agreement.

8. **Insurance.** Consultant and subconsultants shall procure and maintain, until all of their obligations, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his agents, representatives, employees or subconsultants.

The *insurance requirements* herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The City of Glendale in no way warrants that the minimum limits contained herein are sufficient to protect the Consultant from liabilities that might arise out of the performance of the work under this Contract by the Consultant, its agents, representatives, employees or subconsultants, and Consultant is free to purchase such additional insurance as may be determined necessary.

8.1 Minimum Scope and Limits of Insurance. Consultant shall provide coverage with limits of liability not less than those stated below:

a. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage, personal and advertising injury and broad form contractual liability and XCU coverage.

General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Damage to Rented Premises (if applicable)	\$ 100,000
Each Occurrence	\$1,000,000

- b. The policy shall be endorsed to include the following additional insured language: *“The City of Glendale, and directors, officers, officials, agents and employees (hereinafter referred to as "Indemnitee") shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Consultant.”* Such additional insured shall be covered to the full limits of liability purchased by the Consultant, even if those limits of liability are in excess of those required by this Contract.
- c. Policy shall contain a waiver of subrogation in favor of the **“City of Glendale, and its directors, officers, officials, agents and employees”** for losses arising from work performed by or on behalf of the Consultant.

8.2 Business Automobile Liability

- a. **Bodily Injury and Property Damage** for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.
Combined Single Limit (CSL) \$1,000,000
- b. The policy shall be endorsed to include the following additional insured language: *“The City of Glendale, and its directors, officers, officials, agents and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Consultant, involving automobiles owned, leased, hired or borrowed by the Consultant.”* Such additional insured shall be covered to the full limits of liability purchased by the Consultant, even if those limits of liability are in excess of those required by this Contract.
- c. Policy shall contain a waiver of subrogation endorsement in favor of the **“City of Glendale, its directors, officers, officials, agents and employees”** for losses arising from work performed by or on behalf of the Consultant.

8.3 Worker's Compensation and Employers' Liability

- a. **Workers' Compensation** Statutory
- b. **Employers' Liability**

Each Accident	\$1,000,000
Disease – Each Employee	\$1,000,000
Disease – Policy Limit	\$1,000,000
- c. Policy shall contain a waiver of subrogation endorsement in favor of the **“City of Glendale, its directors, officers, officials, agents and employees”** for losses arising from work performed by or on behalf of the Consultant.
- d. This requirement shall not apply to: Separately, EACH Consultant or subconsultant exempt under A.R.S. § 23-901, AND when such Consultant or subconsultant executes the appropriate waiver (Sole Proprietor/Independent Consultant) form.

8.4 Professional Environmental Liability (Errors & Omissions)

- a. Each Occurrence \$1,000,000
- b. Annual Aggregate \$2,000,000
- c. Consultant warrants that if policy is written on a claims-made basis, any retroactive date under the policy precedes the effective date of this Contract; and that continuous coverage will be maintained or extended discovery period will be exercised for a period of two (2) years beginning from the completion of the work under this Contract.
- e. The professional liability insurance **must include coverage** for claims of bodily injury or property damage arising out of **pollution for environmental work, asbestos, laboratory**

analysis and/or the operations of a treatment plant, if required by the Scope of Services.

- f. The policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

- 8.5 Additional Insurance Requirements: The policies are to contain, or be endorsed to contain, the following provisions:
- a. The Consultant's policies shall stipulate that the insurance afforded the Consultant shall be primary insurance and that any self-insurance, insurance or excess insurance carried by its agents, officials, employees or the City of Glendale shall be excess and not contribute to it.
 - b. Coverage provided by the Consultant shall not be limited to the liability assumed under the indemnification provisions of this Contract.
- 8.6 Notice of Cancellation: With the exception of (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require (30) days written notice to the City of Glendale. Such notice shall be sent directly to **the Department**.
- 8.7 Acceptability of Insurers: Consultants insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The City of Glendale in no way warrants that the above-required minimum insurer rating is sufficient to protect the Consultant from potential insurer insolvency.
- 8.8 Verification of Coverage: Consultant shall furnish the City of Glendale with certificates of insurance (ACORD form or equivalent) as required by this Contract. The certificates for each insurance policy are to be signed by an authorized representative. All certificates and endorsements are to be received and approved by the City of Glendale before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract. All certificates required shall be sent directly to **the Department**. The City of Glendale project/contract number and project description are to be noted on the certificate of insurance. The City of Glendale reserves the right to require complete copies of all insurance policies required by this Contract at any time.
- 8.9 Subconsultants: Consultant's certificate(s) shall include all subconsultants as insureds under its policies or Consultant shall furnish to the City of Glendale separate certificates for each subconsultant. All coverages for subconsultants shall be subject to the minimum requirements identified above. Consultant may at its discretion furnish as partial coverage for a subconsultant, certificates with lesser limits of liability than the minimum amounts identified above, provided that Consultant also includes said subconsultant as insured under Consultant's insurance for all amounts exceeding such lesser limits of liability.
- 8.10 Approval: Any modification or variation from the *insurance requirements* in this Contract shall be made by the contracting agency in consultation with City's Risk Manager. Such action will not require a formal Contract amendment, but may be made by administrative action.

8.11 Indemnification.

- a. To the fullest extent permitted by law, Consultant must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties") for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense" collectively "Demands or Expenses") asserted by a third-party (i.e. a person or entity other than City or Consultant) and that arises out of actual or alleged bodily injury or personal injury of any person (including death) or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Consultant or any of Consultant's directors, officers, agents, employees, volunteers or subconsultants. This indemnity includes any claim or amount arising or recovered under the Workers' Compensation Law or arising out of the failure of Consultant to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree.
- b. This indemnity and hold harmless provision applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Consultant will be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Consultant or of any person or entity for whom Consultant is responsible.
- c. Consultant is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party.

8.12 Special Risk or Circumstances. The City reserves the right to modify these insurance requirements, including any limits of coverage, based on the nature of the risk, prior experience, insurer, coverage or other circumstances unique to the Consultant, the Project or the insurer.

9. **E-verify, Records and Audits.** To the extent applicable under A.R.S. § 41-4401, the Consultant warrant their compliance and that of its subconsultants with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under A.R.S. § 23-214(A). The Consultant or subconsultant's breach of this warranty shall be deemed a material breach of the Agreement and may result in the termination of the Agreement by the City under the terms of this Agreement. The City retains the legal right to randomly inspect the papers and records of the other party to ensure that the other party is complying with the above-mentioned warranty. The Consultant and subconsultant warrant to keep their respective papers and records open for random inspection during normal business hours by the other party. The parties shall cooperate with the City's random inspections, including granting the inspecting party entry rights onto their respective properties to perform the random inspections and waiving their respective rights to keep such papers and records confidential.
10. **No Boycott of Israel.** The Parties agree that they are not currently engaged in, and agree that for the duration of the Agreement they will not engage in, a boycott of Israel, as that term is defined in A.R.S. §35-393.
11. **Attestation of PCI Compliance.** When applicable, the Contractor will provide the City annually with a Payment Card Industry Data Security Standard (PCI DSS) attestation of compliance certificate signed by an officer of Contractor with oversight responsibility.
12. **Notices.**
 - 12.1 A notice, request or other communication that is required or permitted under this Agreement (each a "Notice") will be effective only if:
 - a. The Notice is in writing; and

- b. Delivered in person or by overnight courier service (delivery charges prepaid), certified or registered mail (return receipt requested).
- c. Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of receipt, if:
 - (1) Received on a business day before 5:00 p.m. at the address for Notices identified for the Party in this Agreement by U.S. Mail, hand delivery, or overnight courier service; or
 - (2) As of the next business day after receipt, if received after 5:00 p.m.
- d. The burden of proof of the place and time of delivery is upon the Party giving the Notice.
- e. Digitalized signatures and copies of signatures will have the same effect as original signatures.

12.2 Representatives.

- a. Consultant. Consultant's representative (the "Consultant's Representative") authorized to act on Consultant's behalf with respect to the Project, and his or her address for Notice delivery is:

Archaeological Consulting Services, Ltd.
 Tracy McCarthy
 424 West Broadway Road
 Tempe, Arizona 85282-1339

- b. City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is:

City of Glendale
 c/o Megan Sheldon - Water Services
 7070 West Glendale Avenue
 Glendale, Arizona 85303

With required copy to:

City Manager
 City of Glendale
 5850 West Glendale Avenue
 Glendale, Arizona 85301

City Attorney
 City of Glendale
 5850 West Glendale Avenue
 Glendale, Arizona 85301

- c. Concurrent Notices.
 - (1) All notices to City's representative must be given concurrently to City Manager and City Attorney.
 - (2) A notice will not be deemed to have been received by City's representative until the time that it has also been received by the City Manager and the City Attorney.
 - (3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Consultant identifying the designee(s) and their respective addresses for notices.
- d. Changes. Consultant or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.

- 13. **Financing Assignment.** City may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the Project.

- 14. Entire Agreement; Survival; Counterparts; Signatures.**
- 14.1 Integration. This Agreement contains, except as stated below, the entire agreement between City and Consultant and supersedes all prior conversations and negotiations between the parties regarding the Project or this Agreement.
- a. Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter.
 - b. Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties.
 - c. Inconsistencies between the solicitation, any addenda attached to the solicitation, the response or any excerpts attached as **Exhibit A**, and this Agreement, will be resolved by the terms and conditions stated in this Agreement.
- 14.2 Interpretation.
- a. The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate.
 - b. The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement.
 - c. The Agreement will be interpreted in accordance with the laws of the State of Arizona.
- 14.3 Survival. Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every other right, remedy and responsibility of a Party, will survive completion of the Project, or the earlier termination of this Agreement.
- 14.4 Amendment. No amendment to this Agreement will be binding unless in writing and executed by the parties. Electronic signature blocks do not constitute execution for purposes of this Agreement. Any amendment may be subject to City Council approval.
- 14.5 Remedies. All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law.
- 14.6 Severability. If any provision of this Agreement is voided or found unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be reformed to conform with applicable law.
- 14.7 Counterparts. This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.
- 15. Term.** The term of this Agreement commences upon the Effective Date and continues for a one year initial period. The City may, at its option and with the approval of the Consultant, extend the term of this Agreement an additional two years, renewable on an annual basis. Consultant will be notified in writing by the City of its intent to extend the Agreement period at least thirty (30) calendar days prior to the expiration of the original or any renewal Agreement period. Price adjustments will only be reviewed during the Agreement renewal period and will be a determining factor for any renewal. There are no automatic renewals of this Agreement.
- 16. Dispute Resolution.** Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered according to the American Arbitration Association's Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.
- 17. Exhibits.** The following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference.

Exhibit A	Project
Exhibit B	Scope of Work
Exhibit C	Schedule
Exhibit D	Compensation

(Signatures appear on the following page.)

The parties enter into this Agreement effective as of the date shown above.

City of Glendale,
an Arizona municipal corporation

By: Kevin R. Phelps
Its: City Manager

ATTEST:

Julie K. Bower (SEAL)
City Clerk

APPROVED AS TO FORM:

Michael D. Bailey
City Attorney

Archaeological Consulting Services, Ltd,
an Arizona Corporation



By: Margerie Green
Its: President

EXHIBIT A
Professional Services Agreement

PROJECT

As requested by the City of Glendale, Consultant will complete Phase I environmental site assessments in accordance with American Society for Testing and Materials (ASTM) E1527-13 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process. Additional work may include building material surveys for asbestos-containing material and/or lead-based paint at the request of the City.

Additionally, if requested by the City of Glendale, Consultant will update or review Phase I ESAs previously completed by the Consultant or others.

In addition, if requested by the City of Glendale, consultant will conduct environmental site assessments and investigations including analysis of surface or subsurface soil and water and provide recommendations regarding treatment of found conditions.

In addition, if requested by the City of Glendale, consultant will provide services in environmental planning, compliance assistance and permitting (such as Clean Water Act 401 certification, 404 permitting, SWPPPS, hazardous materials and waste management), health and safety program development and personnel training, Brownfields grant assistance, and GIS and GPS applications.

Projects may involve one or more parcels of land, or portions of parcels, that the City may own or acquire through purchase, easement, or dedication.

EXHIBIT B
Professional Services Agreement

SCOPE OF WORK

When requested by the City of Glendale, Consultant will complete Phase I Environmental Site Assessments (ESA) for parcels or portions of parcels. Each Phase I ESA will be conducted in accordance with ASTM E1527-13 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process.

Each Phase I ESA will include but not be limited to:

- Review of readily available environmental reports;
- Review environmental records from the federal, tribal, state and local government, including a search for environmental liens;
- Review of readily available historic land use records and files, including aerial photographs;
- Review readily available information for the area of the subject property to determine the topography, soils, geology, and other applicable physical characteristics of the subject property;
- Interview current and past owners, facility personnel, and/or operators, and interview state and/or local government officials, as available and applicable;
- Perform a site visit to the subject property and surrounding area; and
- Provide a written report that includes conclusions and recommendations.

When requested by the City of Glendale, Consultant will update Phase I ESAs previously completed by the Consultant or others. The update of the Phase I ESA will include but is not limited to:

- Interviews with current owners, operators, and occupants, as applicable;
- Review updated pertinent federal, tribal, state and local government records, and search for environmental liens;
- Conduct a visual inspection of the property and adjoining properties;
- Update the declaration of the environmental professional responsible for the update; and
- Update the Phase I ESA report as applicable.

When requested by the City of Glendale, Consultant will review Phase I ESAs on behalf of the City. The City will provide the Phase I ESA report in hard copy or electronic format. Consultant will complete the City's review form.

When requested by the City of Glendale, Consultant will complete a building materials survey for asbestos-containing material (ACM) and/or lead-based paint. The building materials survey will be conducted by an AHERA certified Building Inspector in accordance with OSHA, NESHAP, and AHERA guidelines. The building materials survey includes, but is not limited to, the collection of bulk samples of suspect ACM. Samples will be analyzed by a NVLAP-accredited laboratory. Asbestos-containing material will be classified as Regulated ACM, Category I ACM, or Category II ACM.

When requested by the City of Glendale, Consultant will complete environmental site assessments, investigations, and other planning / permitting services for parcels or portions of parcels. Services may include environmental planning, compliance assistance and permitting (such as Clean Water Act 401 certification, 404 permitting, SWPPS, hazardous materials and waste management), health and safety program development and personnel training, Brownfields grant assistance, and GIS and GPS applications.

EXHIBIT C
Professional Services Agreement

SCHEDULE

Unless an expedited schedule is requested by the City of Glendale, a draft of a requested Phase I Environmental Site Assessment Report will be provided to the City within four weeks of Consultant receiving a notice to proceed.

A final Phase I Environmental Site Assessment Report will be provided to the City within one week of Consultant's receipt of comments from the City.

Updated Phase I ESA reports will follow the same schedule, a draft report within four weeks of the Consultant receiving a notice to proceed and a final report within one week of receiving comments from the City, unless an expedited schedule is requested by the City of Glendale.

Phase I ESA reviews will be completed within two weeks of the Consultant receiving a notice to proceed unless an expedited schedule is requested by the City of Glendale.

For building materials surveys for asbestos-containing material and/or lead-based paint, the City of Glendale will work with the Consultant on a schedule.

For environmental site assessments, investigations, and other planning / permitting services, the City of Glendale will work with the Consultant on a schedule.

Each schedule is weather and site access dependent.

EXHIBIT D
Professional Services Agreement

COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

Time and materials not to exceed \$100,000.00.

NOT-TO-EXCEED AMOUNT

The total amount of compensation paid to Consultant for full completion of all work required by the Project during the entire term of the Project must not exceed \$100,000.00.

DETAILED PROJECT COMPENSATION

Up to \$5,000 per Phase I ESA, or as quoted on a site-specific or project-specific basis utilizing provided unit rates.

Up to \$3,000 per update / review of Phase I ESA, or as quoted on a site-specific or project-specific basis utilizing provided unit rates.

Building material surveys will be quoted on a site-specific or project-specific basis utilizing provided unit rates.

Environmental site assessments, investigations, and other planning / permitting services will be quoted on a site-specific or project-specific basis utilizing provided unit rates.

ACS WILL USE THEIR FULLY LOADED RATES FOR EACH CLASSIFICATION THEY UTILIZE. EACH PROJECT WILL BILL HOURS AS USED BY CLASSIFICATION AND THE INVOICE PREPARED IN THAT FASHION.

Director of Environmental and Safety - \$143.50

Senior GIS Coordinator - \$128.20

Senior Environmental Consultant- \$177.40/hr.

Senior Environmental Planner - \$112.90

Environmental Planner - \$86.40

Senior Project Manager - \$93.30

Project Administrator - \$85.90/hr.

Biologist III - \$90.60

Biologist II - \$69.70

HazMat Specialist II - \$85.00/hr.

HazMat Specialist I - \$64.10/hr.

GIS Analyst II - \$72.50

GIS Analyst I - \$64.10

Administrative Assistant - \$58.50

Document Production Coordinator - \$69.70/ hr.



Legislation Description

File #: 17-155, Version: 1

**AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH NINYO AND MOORE, INC.,
FOR ON-CALL ENVIRONMENTAL CONSULTING SERVICES**

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter a Professional Services Agreement with Ninyo and Moore, Inc., to conduct environmental site assessments (ESAs) and related work, and to authorize the City Manager, at the City Manager's discretion, to renew the agreement for an additional two (2) one-year terms, and approve expenditure of funds in an amount not to exceed \$100,000.

Background

The City's demand for environmental consulting has increased across all departments. The City's environmental due diligence policy requires an environmental review when the City acquires property. This includes large land transfers as well as comparatively small transactions. An ESA is required when the City acquires property for new water and sewer infrastructure, new or widened right-of-way, or new city facilities.

The purpose of a Phase I ESA is to avoid legal liability for pre-existing contamination. Phase I ESAs are standardized assessments intended to identify conditions indicating surface and subsurface contamination. If done properly, a Phase I report provides a buyer with legal defenses under federal law that otherwise would make landowners strictly liable for pre-existing contamination, even if they were not the cause.

A Phase I ESA report must be timely. If it pre-dates the property transaction by more than 180 days, the report must be updated to qualify for legal protection. If the analysis and report are more than one year old, a new report must be prepared. Having an environmental consultant on-call to work with City staff will help ensure that environmental reviews are done accurately and within the proper time frame. A key goal is to avoid delays to either routine or complex property transactions. In addition to Phase I ESAs, the scope of the City's environmental consulting needs includes soil sampling, investigations, and related material surveys.

Analysis

In October of 2015, the City of Glendale Engineering Department issued a request for Statement of Qualifications (SOQ) for on-call consulting services. One of the consulting areas needed was Environmental Consulting. Services in this area could include the following:

- Phase I & Phase II environmental site assessments
- Characterization/investigation and remediation services
- Assessment and abatement of asbestos, lead-based paint and mold

- Permit applications, reports and other compliance assistance activities
- NEPA studies and investigations

The list of on-call project services covered those typically needed by the City. It was not intended to be comprehensive and the City reserved the right to add related services as necessary.

After careful consideration of all the submittals received, the City selected 3 firms shown on the on-call list for Environmental Consulting: Ninyo & Moore, Terracon, and Archaeological Consulting Services, LTD. The on-call list became effective for 2016-2017, with an option of renewal for two (2) additional one-year periods, if determined to be in the City's best interest.

The City plans to execute separate on-call contracts with each of the three firms to allow for flexibility in completing needed work and to ensure that each firm has an equal chance in receiving work from the City. Although each on-call contract will be for \$100,000, actual billed expenditures will depend on the number and complexity of specific Departmental environmental projects.

Community Benefit/Public Involvement

In 2002, Glendale's City Manager issued Directive No. 6, which established the City's environmental due diligence policy. This policy was revised in 2015 to reflect changes in the US Environmental Protection Agency's CERCLA liability exemptions and the updated ASTM E1527-13 standard for environmental site assessments. The environmental due diligence policy requires an environmental review for all real property transactions (buying, leasing, operating or other use or transfer) involving the City of Glendale. Prior to any property transfer, the City or the party selling, leasing or otherwise transferring an interest in property to the City must investigate the prior uses of the property to identify any possible or suspected environmental issues. The policy allows the City to identify and minimize legal and environmental liabilities related to real property transactions.

Budget and Financial Impacts

Funds will be available in City Department operating budgets on an as-needed and project basis.

Cost	Fund-Department-Account
\$100,000	To be designated on a Department basis as transactions are required.

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement ("Agreement") is entered into and effective between CITY OF GLENDALE, an Arizona municipal corporation ("City") and Ninyo & Moore, a California corporation, authorized to do business in the State of Arizona, ("Consultant") as of the ____ day of _____, 20 ____ ("Effective Date").

RECITALS

- A. City intends to undertake a project for the benefit of the public and with public funds that is more fully set forth in **Exhibit A**, Project (the "Project");
- B. City desires to retain the professional services of Consultant to perform certain specific duties and produce the specific work as set forth in the attached **Exhibit B**, Project Scope of Work ("Scope");
- C. Consultant desires to provide City with professional services ("Services") consistent with best consulting or architectural practices and the standards set forth in this Agreement, in order to complete the Project; and
- D. City and Consultant desire to memorialize their agreement with this document.

AGREEMENT

The parties hereby agree as follows:

1. Key Personnel; Other Consultants and Subcontractors.

- 1.1 Professional Services. Consultant will provide all Services necessary to assure the Project is completed timely and efficiently consistent within Project requirements, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other consultants or contractors, retained by City.
- 1.2 Project Team.
 - a. Project Manager.
 - (1) Consultant will designate an employee as Project Manager with sufficient training, knowledge, and experience to, in the City's opinion, complete the project and handle all aspects of the Project such that the work produced by Consultant is consistent with applicable standards as detailed in this Agreement; and
 - (2) The City must approve the designated Project Manager.
 - b. Project Team.
 - (1) The Project Manager and all other employees assigned to the Project by Consultant will comprise the "Project Team."
 - (2) Project Manager will have responsibility for and will supervise all other employees assigned to the Project by Consultant.
 - c. Discharge, Reassign, Replacement.
 - (1) Consultant acknowledges the Project Team is comprised of the same persons and roles for each as may have been identified in **Exhibit A**.
 - (2) Consultant will not discharge, reassign, replace or diminish the responsibilities of any of the employees assigned to the Project who have been approved by City without City's prior written consent unless that person leaves the employment of Consultant, in which event the substitute must first be approved in writing by City.

(3) Consultant will change any of the members of the Project Team at the City's request if an employee's performance does not equal or exceed the level of competence that the City may reasonably expect of a person performing those duties, or if the acts or omissions of that person are detrimental to the development of the Project.

d. Subcontractors.

- (1) Consultant may engage specific technical contractors (each a "Subcontractor") to furnish certain service functions.
- (2) Consultant will remain fully responsible for Subcontractor's services.
- (3) Subcontractors must be approved by the City.
- (4) Consultant will certify by letter that all contracts with Subcontractors have been executed incorporating requirements and standards as set forth in this Agreement.

2. **Schedule.** The Services will be undertaken in a manner that ensures the Project is completed timely and efficiently in accordance with the Project.

3. **Consultant's Work.**

3.1 Standard. Consultant must perform Services in accordance with the standards of due diligence, care, and quality prevailing among consultants having substantial experience with the successful furnishing of Services for projects that are equivalent in size, scope, quality, and other criteria under the Project and identified in this Agreement.

3.2 Licensing. Consultant warrants that:

- a. Consultant and its Subconsultants or Subcontractors will hold all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of Services ("Approvals"); and
- b. Neither Consultant nor any Subconsultant or Subcontractor has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment").
 - (1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments, or to examine Consultant's contracting ability.
 - (2) Consultant must notify City immediately if any Approvals or Debarment changes during the Agreement's duration. The failure of the Consultant to notify City as required will constitute a material default under the Agreement.

3.3 Compliance.

- a. Services will be furnished in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, and other standards and criteria designated by City.
- b. Consultant must not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Consultant will require any Sub-contractor to be bound to the same requirements as stated within this section. Consultant, and on behalf of any subcontractors, warrants compliance with this section.

3.4 Coordination; Interaction.

- a. For projects that the City believes requires the coordination of various professional services, Consultant will work in close consultation with City to proactively interact with

any other professionals retained by City on the Project ("Coordinating Project Professionals").

- b. Consultant will meet to review the Project, Schedule and in-progress work with Coordinating Project Professionals and City as often and for durations as City reasonably considers necessary in order to ensure the timely work delivery and Project completion.
- c. For projects not involving Coordinating Project Professionals, Consultant will proactively interact with any other contractors when directed by City to obtain or disseminate timely information for the proper execution of the Project.

3.5 Work Product.

- a. Ownership. Upon receipt of payment for Services furnished, Consultant grants to City, and will cause its Subconsultants or Subcontractors to grant to the City, the exclusive ownership of and all copyrights, if any, to evaluations, reports, drawings, specifications, project manuals, surveys, estimates, reviews, minutes, all "architectural work" as defined in the United States Copyright Act, 17 U.S.C § 101, *et seq.*, and other intellectual work product as may be applicable ("Work Product").
 - (1) This grant is effective whether the Work Product is on paper (e.g., a "hard copy"), in electronic format, or in some other form.
 - (2) Consultant warrants, and agrees to indemnify, hold harmless and defend City for, from and against any claim that any Work Product infringes on third-party proprietary interests.
- b. Delivery. Consultant will deliver to City copies of the preliminary and completed Work Product promptly as they are prepared.
- c. City Use.
 - (1) City may reuse the Work Product at its sole discretion.
 - (2) In the event the Work Product is used for another project without further consultations with Consultant, the City agrees to indemnify and hold Consultant harmless from any claim arising out of the Work Product.
 - (3) In such case, City will also remove any seal and title block from the Work Product.

4. **Compensation for the Project.**

- 4.1 Compensation. Consultant's compensation for the Project, including those furnished by its Subconsultants or Subcontractors will not exceed \$100,000 as specifically detailed in **Exhibit D** ("Compensation").
- 4.2 Change in Scope of Project. The Compensation may be equitably adjusted if the originally contemplated Scope as outlined in the Project is significantly modified.
 - a. Adjustments to Compensation require a written amendment to this Agreement and may require City Council approval.
 - b. Additional services which are outside the Scope of the Project contained in this Agreement may not be performed by the Consultant without prior written authorization from the City.
 - c. Notwithstanding the incorporation of the Exhibits to this Agreement by reference, should any conflict arise between the provisions of this Agreement and the provisions found in the Exhibits and accompanying attachments, the provisions of this Agreement shall take priority and govern the conduct of the parties.
- 4.3 Allowances. An "Allowance" may be identified in **Exhibit D** only for work that is required by the Scope and the value of which cannot reasonably be quantified at the time of this Agreement.

- a. As stated in Sec. 4.1 above, the Compensation must incorporate all Allowance amounts identified in **Exhibit D** and any unused allowance at the completion of the Project will remain with City.
 - b. Consultant may not add any mark-up for work identified as an Allowance and which is to be performed by a Subconsultant.
 - c. Consultant will not use any portion of an Allowance without prior written authorization from the City.
 - d. Examples of Allowance items include, but are not limited to, subsurface pothole investigations, survey, geotechnical investigations, public participation, radio path studies and material testing.
- 4.4 Expenses. City will reimburse Consultant for certain out-of-pocket expenses necessarily incurred by Consultant in connection with this Agreement, without mark-up (the "Reimbursable Expenses"), including, but not limited to, document reproduction, materials for book preparation, postage, courier and overnight delivery costs incurred with Federal Express or similar carriers, travel and car mileage, subject to the following:
- a. Mileage, airfare, lodging and other travel expenses will be reimbursable only to the extent these would, if incurred, be reimbursed to City of Glendale personnel under its policies and procedures for business travel expense reimbursement made available to Consultant for review prior to the Agreement's execution, and which policies and procedures will be furnished to Consultant;
 - b. The Reimbursable Expenses in this section are approved in advance by City in writing; and
 - c. The total of all Reimbursable Expenses paid to Consultant in connection with this Agreement will not exceed the "not to exceed" amount identified for Reimbursable Services in the Compensation.

5. Billings and Payment.

5.1 Applications.

- a. Consultant will submit monthly invoices (each, a "Payment Application") to City's Project Manager and City will remit payments based upon the Payment Application as stated below.
- b. The period covered by each Payment Application will be one calendar month ending on the last day of the month.

5.2 Payment.

- a. After a full and complete Payment Application is received, City will process and remit payment within 30 days.
- b. Payment may be subject to or conditioned upon City's receipt of:
 - (1) Completed work generated by Consultant and its Subconsultants and Subcontractors; and
 - (2) Unconditional waivers and releases on final payment from all Subconsultants and Subcontractors as City may reasonably request to assure the Project will be free of claims arising from required performances under this Agreement.

5.3 Review and Withholding. City's Project Manager will timely review and certify Payment Applications.

- a. If the Payment Application is rejected, the Project Manager will issue a written listing of the items not approved for payment.

- b. City may withhold an amount sufficient to pay expenses that City reasonably expects to incur in correcting the deficiency or deficiencies rejected for payment.

6. Termination.

6.1 For Convenience. City may terminate this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than 15 days following the date of delivery.

- a. Consultant will be equitably compensated for Services furnished prior to receipt of the termination notice and for reasonable costs incurred.
- b. Consultant will also be similarly compensated for any approved effort expended, and approved costs incurred, that are directly associated with Project closeout and delivery of the required items to the City.

6.2 For Cause. City may terminate this Agreement for cause if Consultant fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach.

- a. Consultant will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Consultant for Services furnished, City will pay the amount due to Consultant, less City's damages, in accordance with the provision of Sec. 5.
- b. If City's direct damages exceed amounts otherwise due to Consultant, Consultant must pay the difference to City immediately upon demand; however, Consultant will not be subject to consequential damages more than \$1,000,000 or the amount of this Agreement, whichever is greater.

7. **Conflict.** Consultant acknowledges this Agreement is subject to A.R.S. § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on City's behalf is also an employee, agent, or consultant of any other party to this Agreement.

8. **Insurance.** Consultant and subconsultants shall procure and maintain, until all of their obligations, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his agents, representatives, employees or subconsultants.

The *insurance requirements* herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The City of Glendale in no way warrants that the minimum limits contained herein are sufficient to protect the Consultant from liabilities that might arise out of the performance of the work under this Contract by the Consultant, its agents, representatives, employees or subconsultants, and Consultant is free to purchase such additional insurance as may be determined necessary.

8.1 Minimum Scope and Limits of Insurance. Consultant shall provide coverage with limits of liability not less than those stated below:

a. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage, personal and advertising injury and broad form contractual liability and XCU coverage.

General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Damage to Rented Premises (if applicable)	\$ 100,000
Each Occurrence	\$1,000,000

- b. The policy shall be endorsed to include the following additional insured language: *“The City of Glendale, and directors, officers, officials, agents and employees (hereinafter referred to as "Indemnitee") shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Consultant.”* Such additional insured shall be covered to the full limits of liability purchased by the Consultant, even if those limits of liability are in excess of those required by this Contract.
- c. Policy shall contain a waiver of subrogation in favor of the **“City of Glendale, and its directors, officers, officials, agents and employees”** for losses arising from work performed by or on behalf of the Consultant.

8.2 Business Automobile Liability

- a. **Bodily Injury and Property Damage** for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL)	\$1,000,000
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- b. The policy shall be endorsed to include the following additional insured language: *“The City of Glendale, and its directors, officers, officials, agents and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Consultant, involving automobiles owned, leased, hired or borrowed by the Consultant.”* Such additional insured shall be covered to the full limits of liability purchased by the Consultant, even if those limits of liability are in excess of those required by this Contract.
- c. Policy shall contain a waiver of subrogation endorsement in favor of the **“City of Glendale, its directors, officers, officials, agents and employees”** for losses arising from work performed by or on behalf of the Consultant.

8.3 Worker's Compensation and Employers' Liability

- a. **Workers' Compensation** Statutory
- b. **Employers' Liability**

Each Accident	\$1,000,000
Disease – Each Employee	\$1,000,000
Disease – Policy Limit	\$1,000,000
- c. Policy shall contain a waiver of subrogation endorsement in favor of the **“City of Glendale, its directors, officers, officials, agents and employees”** for losses arising from work performed by or on behalf of the Consultant.
- d. This requirement shall not apply to: Separately, EACH Consultant or subconsultant exempt under A.R.S. § 23-901, AND when such Consultant or subconsultant executes the appropriate waiver (Sole Proprietor/Independent Consultant) form.

8.4 Professional Environmental Liability (Errors & Omissions)

- a. Each Occurrence \$1,000,000
- b. Annual Aggregate \$2,000,000
- c. Consultant warrants that if policy is written on a claims-made basis, any retroactive date under the policy precedes the effective date of this Contract; and that continuous coverage will be maintained or extended discovery period will be exercised for a period of two (2) years beginning from the completion of the work under this Contract.
- e. The professional liability insurance **must include coverage** for claims of bodily injury or property damage arising out of **pollution for environmental work, asbestos, laboratory**

analysis and/or the operations of a treatment plant, if required by the Scope of Services.

- f. The policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

8.5 Additional Insurance Requirements: The policies are to contain, or be endorsed to contain, the following provisions:

- a. The Consultant's policies shall stipulate that the insurance afforded the Consultant shall be primary insurance and that any self-insurance, insurance or excess insurance carried by its agents, officials, employees or the City of Glendale shall be excess and not contribute to it.
- b. Coverage provided by the Consultant shall not be limited to the liability assumed under the indemnification provisions of this Contract.

8.6 Notice of Cancellation: With the exception of (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require (30) days written notice to the City of Glendale. Such notice shall be sent directly to **the Department**.

8.7 Acceptability of Insurers: Consultants insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The City of Glendale in no way warrants that the above-required minimum insurer rating is sufficient to protect the Consultant from potential insurer insolvency.

8.8 Verification of Coverage: Consultant shall furnish the City of Glendale with certificates of insurance (ACORD form or equivalent) as required by this Contract. The certificates for each insurance policy are to be signed by an authorized representative. All certificates and endorsements are to be received and approved by the City of Glendale before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract. All certificates required shall be sent directly to **the Department**. The City of Glendale project/contract number and project description are to be noted on the certificate of insurance. The City of Glendale reserves the right to require complete copies of all insurance policies required by this Contract at any time.

8.9 Subconsultants: Consultant's certificate(s) shall include all subconsultants as insureds under its policies or Consultant shall furnish to the City of Glendale separate certificates for each subconsultant. All coverages for subconsultants shall be subject to the minimum requirements identified above. Consultant may at its discretion furnish as partial coverage for a subconsultant, certificates with lesser limits of liability than the minimum amounts identified above, provided that Consultant also includes said subconsultant as insured under Consultant's insurance for all amounts exceeding such lesser limits of liability.

8.10 Approval: Any modification or variation from the *insurance requirements* in this Contract shall be made by the contracting agency in consultation with City's Risk Manager. Such action will not require a formal Contract amendment, but may be made by administrative action.

8.11 Indemnification.

- a. To the fullest extent permitted by law, Consultant must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties") for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense" collectively "Demands or Expenses") asserted by a third-party (i.e. a person or entity other than City or Consultant) and that arises out of actual or alleged bodily injury or personal injury of any person (including death) or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Consultant or any of Consultant's directors, officers, agents, employees, volunteers or subconsultants. This indemnity includes any claim or amount arising or recovered under the Workers' Compensation Law or arising out of the failure of Consultant to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree.
- b. This indemnity and hold harmless provision applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Consultant will be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Consultant or of any person or entity for whom Consultant is responsible.
- c. Consultant is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party.

8.12 Special Risk or Circumstances. The City reserves the right to modify these insurance requirements, including any limits of coverage, based on the nature of the risk, prior experience, insurer, coverage or other circumstances unique to the Consultant, the Project or the insurer.

9. **E-verify, Records and Audits.** To the extent applicable under A.R.S. § 41-4401, the Consultant warrant their compliance and that of its subconsultants with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under A.R.S. § 23-214(A). The Consultant or subconsultant's breach of this warranty shall be deemed a material breach of the Agreement and may result in the termination of the Agreement by the City under the terms of this Agreement. The City retains the legal right to randomly inspect the papers and records of the other party to ensure that the other party is complying with the above-mentioned warranty. The Consultant and subconsultant warrant to keep their respective papers and records open for random inspection during normal business hours by the other party. The parties shall cooperate with the City's random inspections, including granting the inspecting party entry rights onto their respective properties to perform the random inspections and waiving their respective rights to keep such papers and records confidential.
10. **No Boycott of Israel.** The Parties agree that they are not currently engaged in, and agree that for the duration of the Agreement they will not engage in, a boycott of Israel, as that term is defined in A.R.S. §35-393.
11. **Attestation of PCI Compliance.** When applicable, the Contractor will provide the City annually with a Payment Card Industry Data Security Standard (PCI DSS) attestation of compliance certificate signed by an officer of Contractor with oversight responsibility.
12. **Notices.**
 - 12.1 A notice, request or other communication that is required or permitted under this Agreement (each a "Notice") will be effective only if:
 - a. The Notice is in writing; and

- b. Delivered in person or by overnight courier service (delivery charges prepaid), certified or registered mail (return receipt requested).
- c. Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of receipt, if:
 - (1) Received on a business day before 5:00 p.m. at the address for Notices identified for the Party in this Agreement by U.S. Mail, hand delivery, or overnight courier service; or
 - (2) As of the next business day after receipt, if received after 5:00 p.m.
- d. The burden of proof of the place and time of delivery is upon the Party giving the Notice.
- e. Digitalized signatures and copies of signatures will have the same effect as original signatures.

12.2 Representatives.

- a. Consultant. Consultant's representative (the "Consultant's Representative") authorized to act on Consultant's behalf with respect to the Project, and his or her address for Notice delivery is:

Ninyo and Moore, Geotechnical Consultants, Inc.
 Mark J. Guatney, PE
 3202 East Harbour Drive
 Phoenix, Arizona 85034

- b. City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is:

City of Glendale
 c/o Tom Kaczmarowski - Engineering
 5850 West Glendale Avenue
 Glendale, Arizona 85301

With required copy to:

City Manager
 City of Glendale
 5850 West Glendale Avenue
 Glendale, Arizona 85301

City Attorney
 City of Glendale
 5850 West Glendale Avenue
 Glendale, Arizona 85301

- c. Concurrent Notices.
 - (1) All notices to City's representative must be given concurrently to City Manager and City Attorney.
 - (2) A notice will not be deemed to have been received by City's representative until the time that it has also been received by the City Manager and the City Attorney.
 - (3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Consultant identifying the designee(s) and their respective addresses for notices.
- d. Changes. Consultant or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.

- 13. **Financing Assignment.** City may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the Project.

14. **Entire Agreement; Survival; Counterparts; Signatures.**

14.1 **Integration.** This Agreement contains, except as stated below, the entire agreement between City and Consultant and supersedes all prior conversations and negotiations between the parties regarding the Project or this Agreement.

- a. Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter.
- b. Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties.
- c. Inconsistencies between the solicitation, any addenda attached to the solicitation, the response or any excerpts attached as **Exhibit A**, and this Agreement, will be resolved by the terms and conditions stated in this Agreement.

14.2 **Interpretation.**

- a. The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate.
- b. The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement.
- c. The Agreement will be interpreted in accordance with the laws of the State of Arizona.

14.3 **Survival.** Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every other right, remedy and responsibility of a Party, will survive completion of the Project, or the earlier termination of this Agreement.

14.4 **Amendment.** No amendment to this Agreement will be binding unless in writing and executed by the parties. Electronic signature blocks do not constitute execution for purposes of this Agreement. Any amendment may be subject to City Council approval.

14.5 **Remedies.** All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law.

14.6 **Severability.** If any provision of this Agreement is voided or found unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be reformed to conform with applicable law.

14.7 **Counterparts.** This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.

15. **Term.** The term of this Agreement commences upon the Effective Date and continues for a one year initial period. The City may, at its option and with the approval of the Consultant, extend the term of this Agreement an additional two years, renewable on an annual basis. Consultant will be notified in writing by the City of its intent to extend the Agreement period at least thirty (30) calendar days prior to the expiration of the original or any renewal Agreement period. Price adjustments will only be reviewed during the Agreement renewal period and will be a determining factor for any renewal. There are no automatic renewals of this Agreement.

16. **Dispute Resolution.** Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered according to the American Arbitration Association's Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

17. **Exhibits.** The following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference.

Exhibit A	Project
Exhibit B	Scope of Work
Exhibit C	Schedule
Exhibit D	Compensation

(Signatures appear on the following page.)

The parties enter into this Agreement effective as of the date shown above.

City of Glendale,
an Arizona municipal corporation

By: Kevin R. Phelps
Its: City Manager

ATTEST:

Julie K. Bower (SEAL)
City Clerk

APPROVED AS TO FORM:

Michael D. Bailey
City Attorney

Ninyo & Moore,
a California Corporation



By: Steven D. Nowaczyk, P.E.
Its: Managing Principal Engineer

EXHIBIT A
Professional Services Agreement

PROJECT

As requested by the City of Glendale, Consultant will complete Phase I environmental site assessments in accordance with American Society for Testing and Materials (ASTM) E1527-13 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process.

Additional work may include soil sampling for contaminants of concern.

Additional work may also include building material surveys for asbestos-containing material and/or lead-based paint at the request of the City.

Additionally, if requested by the City of Glendale, Consultant will update Phase I ESAs previously completed by the Consultant.

Projects may involve one or more parcels of land, or portions of parcels, that the City may acquire through purchase, easement, or dedication.

EXHIBIT B
Professional Services Agreement

SCOPE OF WORK

When requested by the City of Glendale, Consultant will complete Phase I Environmental Site Assessments (ESA) for parcels or portions of parcels. Each Phase I ESA will be conducted in accordance with ASTM E1527-13 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process.

Each Phase I ESA will include but not be limited to:

- Review of readily available environmental reports;
- Review environmental records from the federal, tribal, state and local government, including a search for environmental liens;
- Review of readily available historic land use records and files, including aerial photographs;
- Review readily available information for the area of the subject property to determine the topography, soils, geology, and other applicable physical characteristics of the subject property;
- Interview current and past owners, facility personnel, and/or operators, and interview state and/or local government officials, as available and applicable;
- Perform a site visit to the subject property and surrounding area; and
- Provide a written report that includes conclusions and recommendations.

When requested by the City of Glendale, Consultant will update Phase I ESAs previously completed by the Consultant. The update of the Phase I ESA will include:

- Interviews with current owners, operators, and occupants, as applicable;
- Review updated pertinent federal, tribal, state and local government records, and search for environmental liens;
- Conduct a visual inspection of the property and adjoining properties;
- Update the declaration of the environmental professional responsible for the update; and
- Update the Phase I ESA report as applicable.

When requested by the City of Glendale, Consultant will conduct soil sampling activities for contaminants of concern. Scope of work will be determined based on site-specific or project-specific conditions. Soil samples will be submitted to an ADHS-licensed environmental laboratory for analysis of contaminants of concern.

When requested by the City of Glendale, Consultant will complete a building materials survey for asbestos-containing material (ACM) and/or lead-based paint. The building materials survey will be conducted by an AHERA certified Building Inspector in accordance with OSHA, NESHAP, and AHERA guidelines. The building materials survey includes, but is not limited to, the collection of bulk samples of suspect ACM. Samples will be analyzed by a NVLAP-accredited laboratory. Asbestos-containing material will be classified as Regulated ACM, Category I ACM, or Category II ACM. Lead-based paint inspections will be conducted using a hand-held X-ray Fluorescence (XRF) instrument or paint chip collection and analysis by ICP or Flame AA laboratory.

EXHIBIT C
Professional Services Agreement

SCHEDULE

Unless an expedited schedule is requested by the City of Glendale, a draft of a requested Phase I Environmental Site Assessment Report will be provided to the City within four weeks of Consultant receiving a notice to proceed.

A final Phase I Environmental Site Assessment Report will be provided to the City within one week of Consultant's receipt of comments from the City.

Updated Phase I ESA reports will follow the same schedule, a draft report within four weeks of the Consultant receiving a notice to proceed and a final report within one week of receiving comments from the City.

For soil sampling activities, the City of Glendale will work with the Consultant on a schedule.

For building material surveys for asbestos-containing material and/or lead-based paint, the City of Glendale will work with the Consultant on a schedule.

Each schedule is weather and site access dependent.

EXHIBIT D
Professional Services Agreement

COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

Time and materials not to exceed \$100,000.00

NOT-TO-EXCEED AMOUNT

The total amount of compensation paid to Consultant for full completion of all work required by the Project during the entire term of the Project must not exceed \$100,000.

DETAILED PROJECT COMPENSATION

Up to \$5,000 per Phase I ESA, or as quoted on a site-specific or project-specific basis utilizing provided unit rates.

Up to \$3,000 per update to Phase I ESA, or as quoted on a site-specific or project-specific basis utilizing provided unit rates.

Soil sampling will be quoted on a site-specific or project-specific basis utilizing provided unit rates.

Building material surveys will be quoted on a site-specific or project-specific basis utilizing provided unit rates.

Fully-Loaded Rate Schedule:

Principal Engineer/Geologist - \$164/hr.

Senior Engineer/Geologist - \$142/hr.

Senior Project Engineer/Geologist - \$130/hr.

Project Engineer/Geologist - \$120/hr.

Staff Engineer/Geologist - \$116/hr.

Supervisory Field Technician - \$83/hr.

Field Technician - \$60/hr.

Computer Aided Draftsperson - \$63/hr.

Clerical / Admin. - \$57/hr.



Legislation Description

File #: 17-157, Version: 1

AUTHORIZATION TO ENTER AN AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT C17-0031 WITH TERRACON CONSULTANTS, INC., FOR ON CALL ENVIRONMENTAL CONSULTING SERVICES

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter an Amendment No. 1 to Professional Services Agreement C17-0031 with Terracon Consultants, Inc., to conduct environmental site assessments (ESAs) and related work, and to authorize the City Manager, at the City Manager's discretion, to renew the agreement for an additional two (2) one-year terms, in an amount not to exceed \$100,000.

Background

The City's demand for environmental consulting has increased across all departments, focusing on Water Services and Public Works. The City's environmental due diligence policy requires an environmental review when the City acquires property. This includes large land transfers as well as comparatively small transactions. An ESA is required when the City acquires property for new water and sewer infrastructure, new or widened right-of-way, or new city facilities.

The purpose of a Phase I ESA is to avoid legal liability for pre-existing contamination. Phase I ESAs are standardized assessments intended to identify conditions indicating surface and subsurface contamination. If done properly, a Phase I report provides a buyer with legal defenses under federal law that otherwise would make landowners strictly liable for pre-existing contamination, even if they were not the cause.

A Phase I ESA report must be timely. If it pre-dates the property transaction by more than 180 days, the report must be updated to qualify for legal protection. If the analysis and report are more than one year old, a new report must be prepared. Having an environmental consultant on-call to work with City staff will help ensure that environmental reviews are done accurately and within the proper time frame. A key goal is to avoid delays to either routine or complex property transactions. In addition to Phase I ESAs, the scope of the City's environmental consulting needs includes soil sampling, investigations, and related material surveys.

Analysis

In October of 2015, the City of Glendale Engineering Department issued a request for Statement of Qualifications (SOQ) for on-call consulting services. One of the consulting areas requested (#8) was Environmental Consulting. Services in this area could include the following:

- Phase I & Phase II environmental site assessments
- Characterization/investigation and remediation services

- Assessment and abatement of asbestos, lead-based paint and mold
- Permit applications, reports and other compliance assistance activities
- NEPA studies and investigations

Terracon Consultants, Inc., was contracted to perform some initial review and analysis in an amount not to exceed \$20,000. This amendment will increase the compensation to an amount not to exceed \$100,000 with an option of renewal for two (2) additional one-year periods.

In addition to Terracon Consultants, Inc., the department will in separate requests, asks Council to authorize agreements for Archaeological Consulting Services and Ninyo & Moore for the same on-call services.

Community Benefit/Public Involvement

In 2002, Glendale’s City Manager issued Directive No. 6, which established the City’s environmental due diligence policy. This policy was revised in 2015 to reflect changes in the US Environmental Protection Agency’s CERCLA liability exemptions and the updated ASTM E1527-13 standard for environmental site assessments. The environmental due diligence policy requires an environmental review for all real property transactions (buying, leasing, operating or other use or transfer) involving the City of Glendale. Prior to any property transfer, the City or the party selling, leasing or otherwise transferring an interest in property to the City must investigate the prior uses of the property to identify any possible or suspected environmental issues. The policy allows the City to identify and minimize legal and environmental liabilities related to real property transactions.

Previous Related Council Action

On January 20, 2017, the City executed contract C17-0031 with Terracon Consultants, Inc., in the amount of \$20,000 for environmental services.

Budget and Financial Impacts

Funds are available in City Department operating budgets on an as-needed and project basis.

Cost	Fund-Department-Account
\$100,000	To be designated on a Department basis as transactions are required.

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

AMENDMENT NO. 1
PROFESSIONAL SERVICES AGREEMENT
(Contract No. C17-0031)

This Amendment No. 1 (“Amendment”) to the On Call Engineering Contract is made this _____ day of _____, 2017, (“Effective Date”), by and between the City of Glendale, an Arizona municipal corporation (“City”) and Terracon Consultants, Inc, a Delaware corporation authorized to do business in Arizona (“Contractor”).

RECITALS

- A. In accordance with City of Glendale Fiscal Year 2016-2017 RFQ, the City requested bids for on-call engineering services, including environmental consulting services; and
- B. Terracon Consultants, Inc. (“Contractor”) was originally contracted to perform only Phase I Environmental Site Assessments pursuant to City Contract No. C17-0031, dated January 20, 2017 (“Agreement”); and
- C. The City and Contractor now wish to modify and amend the Agreement, subject to and strictly in accordance with the terms of this Amendment, to contract Terracon Consultants, Inc. to perform additional environmental consulting services, which may include Phase II environmental site assessments and other characterization/remediation activities.

AGREEMENT

In consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Contractor hereby agree as follows:

1. **Recitals.** The recitals set forth above are not merely recitals, but form an integral part of this Amendment.
2. **Term.** The term of the Agreement is unchanged.
3. **Scope of Work.** The Scope of Work is modified to include environmental consulting services as identified in Exhibit A.
4. **Compensation.** The Contractor's total compensation for the entire term of this Agreement (the initial term and any renewal terms) is increased to \$100,000. This total compensation amount shall not be exceeded unless there is a subsequent amendment of this Agreement in a written amendment executed by both parties.
5. **Insurance.** Section 8.1 (Minimum Scope and Limits of Insurance) of the Agreement is amended by removing the existing provisions in the section and replacing it with the following language:

Section 8.1 INSURANCE REQUIREMENTS:

Consultant and subconsultants shall procure and maintain, until all of their obligations, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his agents, representatives, employees or subconsultants.

The *insurance requirements* herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The City of Glendale in no way warrants that the minimum limits contained herein are sufficient to protect the Consultant from liabilities that might arise out of the performance of the work under this Contract by the Consultant, its agents, representatives, employees or subconsultants, and Consultant is free to purchase such additional insurance as may be determined necessary.

a. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Consultant shall provide coverage with limits of liability not less than those stated below:

1. Commercial General Liability – Occurrence Form

Policy shall include bodily injury, property damage, personal and advertising injury and broad form contractual liability and XCU coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Damage to Rented Premises (if applicable)\$ \$100,000
- Each Occurrence \$1,000,000

A. The policy shall be endorsed to include the following additional insured language: ***“The City of Glendale, and directors, officers, officials, agents and employees*** (hereinafter referred to as "Indemnitee") ***shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Consultant.*** Such additional insured shall be covered to the full limits of liability purchased by the Consultant, even if those limits of liability are in excess of those required by this Contract.

B. Policy shall contain a waiver of subrogation in favor of the **“City of Glendale, and its directors, officers, officials, agents and employees”** for losses arising from work performed by or on behalf of the Consultant.

2. Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

- Combined Single Limit (CSL) \$1,000,000
 - A. The policy shall be endorsed to include the following additional insured language: ***“The City of Glendale, and its directors, officers, officials, agents and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Consultant, involving automobiles owned, leased, hired or borrowed by the Consultant.”*** Such additional insured shall be covered to the full limits of liability purchased by the Consultant, even if those limits of liability are in excess of those required by this Contract.
 - B. Policy shall contain a waiver of subrogation endorsement in favor of the **“City of Glendale, its directors, officers, officials, agents and employees”** for losses arising from work performed by or on behalf of the Consultant.

3. Worker's Compensation and Employers' Liability

- Workers' Compensation Statutory
- Employers' Liability
 - Each Accident \$1,000,000
 - Disease – Each Employee \$1,000,000
 - Disease – Policy Limit \$1,000,000
 - A. Policy shall contain a waiver of subrogation endorsement in favor of the **“City of Glendale, its directors, officers, officials, agents and employees”** for losses arising from work performed by or on behalf of the Consultant.
 - B. This requirement shall not apply to: Separately, EACH Consultant or subconsultant exempt under A.R.S. § 23-901, AND when such Consultant or subconsultant executes the appropriate waiver (Sole Proprietor/Independent Consultant) form.

4. Professional Environmental Liability (Errors & Omissions)

- Each Occurrence \$1,000,000
- Annual Aggregate \$2,000,000
 - A. Consultant warrants that if policy is written on a claims-made basis, any retroactive date under the policy precedes the effective date of this Contract; and that continuous coverage will be maintained or extended discovery period will be exercised for a period of two (2) years beginning from the completion of the work under this Contract.

- B. The professional liability insurance **must include coverage** for claims of bodily injury or property damage arising out of **pollution for environmental work, asbestos, laboratory analysis and/or the operations of a treatment plant**, if required by the Scope of Services.
 - C. The policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.
- b. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies are to contain, or be endorsed to contain, the following provisions:
 - 1. The Consultant's policies shall stipulate that the insurance afforded the Consultant shall be primary insurance and that any self-insurance, insurance or excess insurance carried by its agents, officials, employees or the City of Glendale shall be excess and not contribute to it.
 - 2. Coverage provided by the Consultant shall not be limited to the liability assumed under the indemnification provisions of this Contract.
- c. **NOTICE OF CANCELLATION:** With the exception of (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require (30) days written notice to the City of Glendale. Such notice shall be sent directly to **the Department**.
- d. **ACCEPTABILITY OF INSURERS:** Consultants insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The City of Glendale in no way warrants that the above-required minimum insurer rating is sufficient to protect the Consultant from potential insurer insolvency.
- e. **VERIFICATION OF COVERAGE:** Consultant shall furnish the City of Glendale with certificates of insurance (ACORD form or equivalent) as required by this Contract. The certificates for each insurance policy are to be signed by an authorized representative. All certificates and endorsements are to be received and approved by the City of Glendale before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract. All certificates required shall be sent directly to **the Department**. The City of Glendale project/contract number and project description are to be noted on the certificate of insurance. The City of Glendale reserves the right to require complete copies of all insurance policies required by this Contract at any time.

- f. **SUBCONSULTANTS:** Consultant's certificate(s) shall include all subconsultants as insureds under its policies or Consultant shall furnish to the City of Glendale separate certificates for each subconsultant. All coverages for subconsultants shall be subject to the minimum requirements identified above. Consultant may at its discretion furnish as partial coverage for a subconsultant, certificates with lesser limits of liability than the minimum amounts identified above, provided that Consultant also includes said subconsultant as insured under Consultant's insurance for all amounts exceeding such lesser limits of liability.
- g. **APPROVAL:** Any modification or variation from the *insurance requirements* in this Contract shall be made by the contracting agency in consultation with City's Risk Manager. Such action will not require a formal Contract amendment, but may be made by administrative action.

6. Indemnification. The Indemnification provision of the Agreement found in Section 8.2(a) is amended and replaced with the following language:

Section 8.2 Indemnification.

- a. To the fullest extent permitted by law, Consultant must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties") for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense" collectively "Demands or Expenses") asserted by a third-party (i.e. a person or entity other than City or Consultant) and that arises out of actual or alleged bodily injury or personal injury of any person (including death) or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Consultant or any of Consultant's directors, officers, agents, employees, volunteers or subconsultants. This indemnity includes any claim or amount arising or recovered under the Workers' Compensation Law or arising out of the failure of Consultant to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree.
7. **Ratification of Agreement.** City and Contractor hereby agree that except as expressly provided herein, the provisions of the Agreement shall be, and remain in full force and effect and that if any provision of this Amendment conflicts with the Agreement, then the provisions of this Amendment shall prevail.

[Signatures on following page]

CITY OF GLENDALE, an Arizona
municipal corporation

Kevin R. Phelps, City Manager

ATTEST:

Julie K. Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

Terracon Consultants, Inc.
an Delaware corporation



By: Brent M. Borchers, P.E.
Its: Principal / Office Manager

AMENDMENT NO. 1

**AGREEMENT FOR ON-CALL ENGINEERING SERVICES
(City of Glendale On-Call Contract No. C17-0031)**

EXHIBIT A

SCOPE OF WORK

The Scope of Work shall be amended to include service **Environmental Consulting** services including:

- Phase I & Phase II environmental site assessments
- Characterization/investigation and remediation services
- Assessment and abatement of asbestos, lead-based paint and mold
- Permit applications, reports and other compliance assistance activities
- NEPA studies and investigations



Legislation Description

File #: 17-187, Version: 1

AUTHORIZATION TO APPROVE EXPENDITURE OF FUNDS FOR THE PURCHASE OF RAW WATER FROM CENTRAL ARIZONA PROJECT

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to approve expenditure authority by the City Manager for the purchase of raw water from Central Arizona Project (CAP) in an amount not to exceed \$3,990,000 for Fiscal Year (FY) 2017-18.

Background

The Water Services Department functions to provide safe and reliable water and wastewater services for City of Glendale residents and businesses. The water production process begins by procuring raw, untreated water to produce safe, clean drinking water for public use.

The City of Glendale's water supply portfolio includes the surface water from CAP from water received via the Colorado River, and the Salt River Valley Water Users' Association (SRP) water originating in the Salt and Verde Rivers watershed. Raw, or untreated, water is purchased under Council-approved contracts with CAP and SRP and is treated to produce safe high-quality drinking water. The city will use part of the year's purchased water to develop long-term water storage credits

Analysis

The city has entered into long-term inter-governmental agreements to supply raw water for treatment at the Pyramid Peak Water Treatment Plant and distribution to the city water retail customers. Rates and fees are determined by the Central Arizona Project board of directors.

Previous Related Council Action

On May 24, 2016, Council approved expenditure of funds for the purchase of raw water from CAP in an amount not to exceed \$3,850,000 for FY2016-17.

On June 9, 2015, Council approved expenditure of funds for the purchase of raw water from CAP in an amount not to exceed \$3,735,000 for FY2015-16.

Budget and Financial Impacts

Funding is available in the FY2017-18 Water Services operating and capital budgets contingent upon council

approval of the budgets.

Cost	Fund-Department-Account
\$3,490,000	2400-17230-524625, Raw Water
\$500,000	2400-61051-518200, Accrual of Long-term Water Storage

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?



Legislation Description

File #: 17-188, Version: 1

AUTHORIZATION TO APPROVE EXPENDITURE OF FUNDS FOR THE PURCHASE OF RAW WATER FROM SALT RIVER VALLEY WATER USERS' ASSOCIATION

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to approve expenditure authority by the City Manager for the purchase of raw water from Salt River Valley Water Users' Association (SRP) in an amount not to exceed \$680,000 for Fiscal Year (FY) 2017-18.

Background

The Water Services Department functions to provide safe and reliable water and wastewater services for City of Glendale residents and businesses. The water production process begins by procuring raw, untreated water to produce safe, clean drinking water for public use.

The City of Glendale's water supply portfolio includes the surface water from Central Arizona Project (CAP) from water received via the Colorado River, and SRP water originating in the Salt and Verde Rivers watershed. Raw, or untreated, water is purchased under Council-approved contracts with CAP and SRP and is treated to produce safe high-quality drinking water.

Analysis

The city has entered into long-term inter-governmental agreements to supply raw water for treatment at the Cholla and Oasis Water Treatment Plants and distribution to the city water retail customers. Rates and fees are determined by the Salt River Project board of directors.

Previous Related Council Action

On May 24, 2016, Council approved expenditure of funds for the purchase of raw water from SRP in an amount not to exceed \$630,000 for FY2016-17.

On June 9, 2015, Council approved expenditure of funds for the purchase of raw water from SRP in an amount not to exceed \$600,000 for FY2015-16.

Budget and Financial Impacts

Funding is available in the FY2017-18 Water Services operating budget contingent upon council approval of the budget.

Cost	Fund-Department-Account
\$680,000	2400-17230-524625, Raw Water
	2400-17230-518200, Raw Water

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?



Legislation Description

File #: 17-189, Version: 1

AUTHORIZATION TO APPROVE EXPENDITURE OF FUNDS FOR ORGANIZATIONAL MEMBERSHIP IN THE ARIZONA MUNICIPAL WATER USERS ASSOCIATION

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to approve expenditure authority by the City Manager for organizational membership in the Arizona Municipal Water Users Association (AMWUA) in an amount not to exceed \$115,000 for Fiscal Year (FY) 2017-18.

Background

The mission of the Water Services Department is to provide safe and reliable water and wastewater services for City of Glendale residents and businesses. The water and wastewater treatment industry is heavily monitored by county, state, and federal agencies which have stringent regulations in place to ensure that safe and efficient water services are provided to the public. Rules and regulations are continually changing and being updated as environmental standards are revised. Organizational membership in the AMWUA allows the city a proactive approach to upcoming issues for the water industry and the region, and develops policies to safeguard water supplies for the future.

AMWUA advocates for its members at the Arizona Legislature, the Governor's Office, the U.S. Bureau of Reclamation, the Arizona Department of Water Resources, the Central Arizona Project and the Greater Phoenix Chamber of Commerce. AMWUA also works collaboratively with other water stakeholders to devise practical solutions to water and wastewater problems to ensure sustainable growth for Arizona. Membership in AMWUA allows staff as well as Council to participate in and benefit from these joint efforts to enhance and conserve the Valley's water supply. The city is represented on the AMWUA board by Councilman Bart Turner.

Analysis

AMWUA fees are assessed to the members based on population and equally shared expenses. The members set the annual operating budget and fund reserve for AMWUA's operations. The membership period is the fiscal year. The city pays half the annual membership fee in July and the other in December.

Previous Related Council Action

On May 24, 2016, Council approved expenditure of funds for organization membership in AMWUA in an amount not to exceed \$115,000 for FY2016-17.

On June 9, 2015, Council approved expenditure of funds for organization membership in AMWUA in an

amount not to exceed \$95,000 for FY2015-16.

Community Benefit/Public Involvement

Membership in AMWUA provides the city a proactive approach to upcoming issues for the water industry and the region, and develops policies to safeguard water supplies for the future.

Budget and Financial Impacts

Funding is available in the FY2017-18 Water Services operating budget contingent upon Council approval of the budget.

Cost	Fund-Department-Account
\$115,000	2360-17110-529000, Water Services Administration

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?



Legislation Description

File #: 17-190, Version: 1

AUTHORIZATION TO APPROVE EXPENDITURE OF FUNDS FOR THE COSTS ASSOCIATED WITH PARTIAL OWNERSHIP IN THE SUB-REGIONAL OPERATING GROUP

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to approve expenditure authority by the City Manager for the costs associated with partial ownership in the Sub-Regional Operating Group (SROG) in an amount not to exceed \$4,828,000 for Fiscal Year (FY) 2017-18.

Background

One of Water Services primary functions is to safely transport and treat wastewater from Glendale residential and commercial sewer customers. This service is accomplished with 707 miles of sewer lines, the 99th Avenue sewer interceptor, two Wastewater Reclamation Facilities and the 91st Avenue Wastewater Treatment Plant (WWTP), a regional facility operated by the City of Phoenix.

On September 25, 1979, Council authorized Glendale to enter into a partnership of cities to form the Sub-Regional Operating Group (SROG) to treat wastewater at the facility. The five cities (Glendale, Tempe, Phoenix, Mesa, and Scottsdale) share ownership in the 91st Avenue WWTP. In another related agreement, Glendale share's in the ownership of the 99th Avenue Interceptor sewer transmission line. The Interceptor transports sewage from the Glendale to the 91st Avenue WWTP. Glendale owns a 6.5 percent share in 91st Avenue WWTP and 59.8 percent in the 99th Avenue Interceptor. The annual operating and capital improvement costs are allocated based on the Glendale's capacity ownership and usage requirements.

Analysis

Glendale has entered into long-term inter-governmental agreements for the transport and treatment of the City's wastewater. Rates and fees are approved by the SROG Committee that includes representatives from the five cities. Actual costs are settled against monthly payments after the end of the fiscal year. The financial statements are audited by independent auditors.

Previous Related Council Action

On May 24, 2016, Council approved expenditure of funds for wastewater transportation and treatment services from SROG in an amount not to exceed \$5,766,000 for FY2016-17.

On June 9, 2015, Council approved expenditure of funds for wastewater transportation and treatment services from SROG in an amount not to exceed \$6,616,000 for FY2015-16.

Community Benefit/Public Involvement

Partnership in SROG provides necessary wastewater transportation and treatment services and provides effluent to the Palo Verde nuclear generating facility. In addition, participation assists with meeting or exceeding mandatory regulatory requirements in the continual safe treatment of wastewater.

Budget and Financial Impacts

Funding is available in the FY2017-18 Water Services operating and capital budgets contingent upon Council approval of budgets.

Cost	Fund-Department-Account
\$3,543,000	2420-17620-518200, SROG (91st Ave WWTP)
\$75,000	2420-17625-518200, 99th Avenue Interceptor
\$710,000	2420-63010-518200, 91st Avenue Construction
\$500,000	2420-63003-518200, 99th Ave Interceptor Line

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?



Legislation Description

File #: 17-199, **Version:** 1

AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH ELONTEC, LLC FOR MOVING AND RELOCATION SERVICES

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into a Linking Agreement with Elontec, LLC, to provide moving and relocation services in an amount not to exceed \$250,000 for the entire term of the Agreement, and to authorize the City Manager to renew the Agreement, at the City Manager's discretion, for an additional three, one-year renewals. The initial term of the Agreement is effective until January 30, 2018.

Background

The Agreement with Elontec, LLC, will be used for moving and relocation services at City of Glendale facilities on an as-needed basis.

Elontec, LLC, was awarded a bid by the State of Arizona as described in the Moving/Relocation Services Contract and staff is requesting to utilize the Arizona Procurement Cooperative Purchasing Agreement, of which Glendale is a member. Contract ADSPO17-160375 was awarded on January 31, 2017 and is effective through January 30, 2018, and includes an option to renew the contract an additional three, one-year renewals, allowing the contract to be extended through January 30, 2021.

Cooperative purchasing allows counties, municipalities, schools, colleges and universities in Arizona to use a contract that was competitively procured by another governmental entity or purchasing cooperative. Such purchasing helps reduce the cost of procurement, allows access to a multitude of competitively bid contracts, and provides the opportunity to take advantage of volume pricing. The Glendale City Code authorizes cooperative purchases when the solicitation process utilized complies with the intent of Glendale's procurement processes. This cooperative purchase is compliant with Chapter 2, Article V, Division 2, Section 2-149 of the Glendale City Code, per review by Materials Management.

Analysis

City departments will be able to utilize this contract for moving and relocation of offices and furniture on an as-needed basis.

Community Benefit/Public Involvement

Cooperative purchasing typically produces the lowest possible volume prices and allows for the most effective use of available funding. The bids are publicly advertised and all Arizona firms have an opportunity to

participate.

Budget and Financial Impacts

Funding is available in the Fiscal Year 2016-17 Operating and Maintenance budgets for the various city departments. Expenditures with Elontec, LLC are not to exceed \$250,000 for the entire term of the Agreement, contingent upon Council budget approval.

Cost	Fund-Department-Account
\$250,000	Various

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
ELONTEC, LLC**

THIS LINKING AGREEMENT (this "Agreement") is entered into as of this _____ day of _____, 20____, between the City of Glendale, an Arizona municipal corporation (the "City"), and Elontec, LLC, an Arizona limited liability company authorized to do business in Arizona, ("Contractor"), collectively, the "Parties."

RECITALS

- A. On January 31, 2017, under the Arizona State Procurement Cooperative Purchasing Agreement, the State of Arizona entered into a contract with Contractor to purchase the goods and services described in the Moving/Relocation Services, Contract No. ADSPO17-160375 ("Cooperative Purchasing Agreement"), which is attached hereto as Exhibit A. The Cooperative Purchasing Agreement permits its cooperative use by other governmental agencies including the City.
- B. Section 2-149 of the City's Procurement Code permits the Materials Manager to procure goods and services by participating with other governmental units in cooperative purchasing agreements when the best interests of the City would be served.
- C. Section 2-149 also provides that the Materials Manager may enter into such cooperative agreements without meeting the formal or informal solicitation and bid requirements of Glendale City Code Sections 2-145 and 2-146.
- D. The City desires to contract with Contractor for supplies or services identical, or nearly identical, to the supplies or services Contractor is providing other units of government under the Cooperative Purchasing Agreement. Contractor consents to the City's utilization of the Cooperative Purchasing Agreement as the basis of this Agreement, and Contractor desires to enter into this Agreement to provide the supplies and services set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated by reference, and the covenants and promises contained in this Linking Agreement, the parties agree as follows:

1. **Term of Agreement.** The City is purchasing supplies and/or services from Contractor pursuant to the Cooperative Purchasing Agreement. According to the Cooperative Purchasing Agreement, purchases can be made by governmental entities from the date of award, which was January 31, 2017, until the date the contract expires on January 30, 2018, unless the term of the Cooperative Purchasing Agreement is extended by the mutual agreement of the original contracting parties. The Cooperative Purchasing Agreement, however, may not be extended beyond January 30, 2021. The initial period of this Agreement, therefore, is the period from the Effective Date of this Agreement until January 30, 2018. The City Manager or designee, however, may renew the term of this Agreement for three (3) one-year periods until the Cooperative Purchasing Agreement expires on January 30, 2021.

Renewals are not automatic and shall only occur if the City gives the Contractor notice of its intent to renew. The City may give the Contractor notice of its intent to renew this Agreement 30 days prior to the anniversary of the Effective Date to effectuate such renewal.

2. Scope of Work; Terms, Conditions, and Specifications.

- A. Contractor shall provide City the supplies and/or services identified in the Scope of Work attached as Exhibit B.
- B. Contractor agrees to comply with all the terms, conditions and specifications of the Cooperative Purchasing Agreement. Such terms, conditions and specifications are specifically incorporated into and are an enforceable part of this Agreement.

3. Compensation.

- A. City shall pay Contractor compensation at the same rate and on the same schedule as provided in the Cooperative Purchasing Agreement, which is attached hereto as Exhibit C.
- B. The total purchase price for the supplies and/or services purchased under this Agreement shall not exceed two hundred and fifty thousand dollars (\$250,000) for the entire term of the Agreement (initial term plus any renewals).

4. Cancellation. This Agreement may be cancelled pursuant to A.R.S. § 38-511.

5. Non-discrimination. Contractor must not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Contractor will require any Sub-contractor to be bound to the same requirements as stated within this section. Contractor, and on behalf of any subcontractors, warrants compliance with this section.

6. Insurance Certificate. A certificate of insurance applying to this Agreement must be provided to the City prior to the Effective Date.

7. E-verify. Contractor complies with A.R.S. § 23-214 and agrees to comply with the requirements of A.R.S. § 41-4401.

8. No Boycott of Israel. The Parties agree that they are not currently engaged in, and agree that for the duration of the Agreement they will not engage in, a boycott of Israel, as that term is defined in A.R.S. §35-393.

9. Attestation of PCI Compliance. When applicable, the Contractor will provide the City annually with a Payment Card Industry Data Security Standard (PCI DSS) attestation of compliance certificate signed by an officer of Contractor with oversight responsibility.

10. Notices. Any notices that must be provided under this Agreement shall be sent to the Parties' respective authorized representatives at the address listed below:

City of Glendale
c/o Vern Baker
6210 W. Myrtle Avenue, Suite 111
Glendale, Arizona 85301
623-930-2679

and

Elontec LLC
c/o Ginger Clayton
5502 W. Buckeye Rd., Suite 100
Phoenix, Arizona 85043
602-759-5500

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year set forth above.

"City"

City of Glendale, an Arizona
municipal corporation

By: _____

Kevin R. Phelps
City Manager

"Contractor"

Elontec, LLC,
an Arizona limited liability company

By: _____

Name: Ginger Clayton
Title: CEO and President

ATTEST:

Julie K. Bower (SEAL)
City Clerk

APPROVED AS TO FORM:

Michael D. Bailey
City Attorney

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
ELONTEC LLC**

**EXHIBIT A
STATE OF ARIZONA ADSP017-160375
MOVING/RELOCATION SERVICES**



Master Blanket Purchase Order ADSP017-160375

Header Information

Purchase Order Number:	ADSP017-160375	Release Number:	0	Short Description:	Moving/Relocation Services Statewide
Status:	3PS - Sent	Purchaser:	Jodie Neff	Receipt Method:	Quantity
Fiscal Year:	2017	PO Type:	Blanket	Minor Status:	
Organization:	State of Arizona	Location:	SPO - State Procurement Office	Type Code:	Statewide
Department:	ADSP0 - State Procurement Office	Entered Date:	01/31/2017 06:13:34 PM	Control Code:	
Alternate ID:		Retainage %:	0.00%	Discount %:	0.00%
Days ARO:	0	Print Dest Detail:	If Different	Pcard Enabled:	No
Catalog ID:		Release Type:	Direct Release	Actual Cost:	\$1.00
Contact Instructions:	Jodie Neff jodie.neff@azdoa.gov 602-542-0036	Tax Rate:			
Master Blanket/Contract End Date (Maximum):	01/30/2021 05:00:00 PM				
Project No.:					
Building Code:					
Cost Code:					
Special Purchase Types:					
PIJ NUMBER:					
Coop Spend To Date:					
Commodity Reference Id:					
PO External Doc Type:	None				

PO Terms & Conditions ADSP017-00006782 Moving - Relocation Services Statewide Solicitation Docs.pdf ADSP017-00006782 & OfferForms Attachments--Moving-

Agency Attachments: [Relocation.pdf](#) [ANNEX 1 to Pricing Sheet-Moving Materials Price Book.pdf](#) [ANNEX 1 to Pricing Sheet-Moving Materials Price Book.xlsx](#) [Solicitation Amendment I-30.pdf](#) [Pre Offer Sign in Sheet.pdf](#) [ANNEX 1 to Pricing Sheet-Moving Materials Price Book Amended 1.pdf](#) [ANNEX 1 to Pricing Sheet-Moving Materials Price Book Amended 1.xlsx](#) [Solicitation Amendment II-14.pdf](#) [Solicitation Amendment III-7.pdf](#) [Legal Ad Confirmed.pdf](#) [Significant Role.zip](#) [Offer and Acceptance Form Elontec.pdf](#) [Letters~1.zip](#) [Determinations~8.zip](#) [Scope Document and Amendments I-III for Ref.~2.pdf](#) [Evaluation Report MOVING Final 1-31-17~1.pdf](#) [Award Determination ADSP017-00006782~1.pdf](#) [Verification Elontec.zip](#) [AWARDED Moving By Firm Per Region 1.31.17~5.pdf](#) [End Users Tool Box~1.zip](#)

Vendor Attachments: [Elontec Intro Letter Attachment 1 - Offer and Acceptance Form Attachment 2-A - Experience and Capacity Questionnaire Attachment 3-A - Method Proposal Attachment 3-B - Key Personnel Proposal Attachment 3-C - Proposed Subcontractors Attachment 3-D - Performance Guarantee Attachment 3-E - ISRAEL BOYCOTT FORM Attachment 4 - Pricing Sheet Attachment 5-A - Confidential Information Designation Attachment 5-B - Conformance Statements Attachment 5-C - Insurance and Bonding Evidence Attachment 5-D - Offer Checklist ANNEX 1 to Attachment 4 - Pricing Sheet in Excel Elontec - COI Elontec Letter - Best and Final Offer Elontec Annex 1 Pricing Sheet - BAF 1-18-17](#)

Agency Attachment Forms:

Vendor Attachment Forms:

Primary Vendor Information & PO Terms

Vendor: 000007223 - ELONTEC LLC **Payment Terms:** Net 30 **Shipping Method:** Best Way
 Joe Clayton, Allan Curthoys **Shipping Terms:** F.O.B., Destination **Freight Terms:** Freight Prepaid
 5502 W. Buckeye Road Suite 100
 Phoenix, AZ 85043
 US
 Email: admin@elontec.com

PO Acknowledgements:

Document	Notifications	Acknowledged Date/Time
Alt. Reference: 2000 Order	Emailed to admin@elontec.com at 02/02/2017 09:10:28 PM	02/03/2017 07:57:41 AM
Change Order 1	Emailed to admin@elontec.com at 02/22/2017 03:17:33 PM	02/23/2017 07:56:34 AM

Master Blanket/Contract Vendor Distributor List

Vendor ID	Alternative ID	Vendor Name	Preferred Delivery Method	Vendor Distributor Status
000007223	PZ000007223	ELONTEC LLC	Email	Active

Master Blanket/Contract Controls

Master Blanket/Contract Begin Date: 01/31/2017 **Master Blanket/Contract End Date:** 01/30/2018
Cooperative Purchasing Allowed: Yes

Organization	Department	Dollar Limit	Dollars Spent to Date	Minimum Order Amount
ALL ORG - Organization Umbrella Master Control	AGY - Agency Umbrella Master Control	\$0.00	\$101,112.05	\$0.00

Item Information

1-5 of 9
1 2

Print Sequence # 1.0, Item # 1: To be considered responsive, please complete the Line Item for ProcureAZ 3PS - processing. Input the Unit Cost to \$1.00 to indicate intent to submit pricing Sent utilizing Attachment: ADSP016-00006782 Price Sheet.

NIGP Code: 952-56
 Moving Services

Bid # / Bid Item #: ADSP017-00006782 / 1 Quote # / Quote Item #: 000041412-R2 / 1

Receipt Method	Qty	Unit Cost	UOM	Discount %	Total Discount Amt.	Tax Rate	Tax Amount	Total Cost
Quantity	1.0	\$1.00	EA - Each	0.00	\$0.00		\$0.00	\$1.00

Manufacturer: _____ Brand: _____ Model: _____
 Make: _____ Packaging: _____
 Project No.: _____
 Building Code: _____
 Cost Code: _____
 Property Number: _____

Print Sequence # 2.0, Item # 2: User please refer to documents: AWARDED Moving BY Firm Per Region 3PS -
 1.31.17 and Scope Document and Amendments I-III for Ref., to audit the Sent
 pricing provided in your quotes and cross reference the invoices upon
 completion of service. The Scope doc and specifically Amendment II will
 provide detail of the contracted service the user can expect.

Receipt Method	Qty	Unit Cost	UOM	Discount %	Total Discount Amt.	Tax Rate	Tax Amount	Total Cost
This item is narrative								

Print Sequence # 3.0, Item # 3: 578-14 Boxes, Suggestion Type: 1.5 of Small Carton; 3.0 of Medium carton; 3PS -
 4.5 of Large carton; 6.0 of Extra Large carton; 2.3 of Picture Carton (Small); Sent
 3.7 of Picture Carton (Large); 3.33 of Lamp Carton; Tri-Wall Dishpack
 Carton; 1.0 of Book Carton; 2.8 of Small Electronics Carton; 9.55 of Large
 Electronics Carton; 1.5 of Auto Bottom Carton; Blueprint Box

NIGP Code: 578-14
 Boxes, Suggestion Type

Receipt Method	Qty	Unit Cost	UOM	Discount %	Total Discount Amt.	Tax Rate	Tax Amount	Total Cost
Quantity	0.0	\$0.00	EACH - Each	0.00	\$0.00		\$0.00	\$0.00

Manufacturer: _____ Brand: _____ Model: _____
 Make: _____ Packaging: _____
 Project No.: _____
 Building Code: _____
 Cost Code: _____
 Property Number: _____

Print Sequence # 4.0, Item # 4: 832-24 Tape, Duct, Adhesive Type: 2" x 55 yd Packing/Mailing Tape; 3PS -
 Masking Tape; 2" x 55 yd Box/Packing Paper Tape; 1-3/4" x 60 yd Sent
 Shipping/Strapping Tape

NIGP Code: 832-24
 Tape, Duct, Adhesive Type

Receipt Method	Qty	Unit Cost	UOM	Discount %	Total Discount Amt.	Tax Rate	Tax Amount	Total Cost
Quantity	0.0	\$0.00	EACH - Each	0.00	\$0.00		\$0.00	\$0.00

Manufacturer:	Brand:	Model:
Make:	Packaging:	
Project No.:		
Building Code:		
Cost Code:		
Property Number:		

Print Sequence # 5.0, Item # 5: 640-43 Packing Materials for Mailing and Shipping (Not Containers): 15 cf 3PS Bag Peanuts; Steel Banding; 5" x 1000' Stretch Wrap; 10" x 1000' Stretch Wrap; 15" x 1000' Stretch Wrap; 20" x 1000' Stretch Wrap; 24" x 375' Large Bubble Wrap; 48" x 250' Large Bubble Wrap; 24" x 750' Small Bubble Wrap; 48" x 750' Small Bubble Wrap; 12" x 125' Anti-Static Bubble Wrap; 24" x 125' Anti-Static Bubble Wrap; 48" x 100' Anti-Static Bubble Wrap; Cushion Foam; Cushion Foam Pouches; Labels- Small Pack; Computer Bags; 24" x 30" Bulk Wrapping Paper

NIGP Code: 640-43

Packing Materials for Mailing and Shipping (Not Containers)

Receipt Method	Qty	Unit Cost	UOM	Discount %	Total Discount Amt.	Tax Rate	Tax Amount	Total Cost
Quantity	0.0	\$0.00	EACH - Each	0.00	\$0.00		\$0.00	\$0.00

Manufacturer:	Brand:	Model:
Make:	Packaging:	
Project No.:		
Building Code:		
Cost Code:		
Property Number:		

1-5 of 9
12

Exit



Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / relocation Services Statewide

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Attachment 1
Offer and Acceptance Form

SUBMISSION OF OFFER: Undersigned hereby offers and agrees to provide **Moving / Relocation Services Statewide** to in compliance with the Solicitation indicated above and our Offer indicated by the latest dated version below:

Initial Offer:	1.	X November 1, 2016	AC			
		date	initial			
Revised Offers:	2.	X	AC	3.	X	
		date #1	initial	date #1	initial	date #1
	5.	X	AC	6.	X	
		date #4	initial	date #5	initial	date #6
Best and Final Offer:	8.	X January 17, 2017	AC			
	date	initial				

Elontec LLC

Offeror company name

5502 W Buckeye Road Suite 100

Address

Phoenix AZ 85043

City | State | ZIP

52-2438205

Federal tax identifier (EIN or SSN)

Allan Curthoys

Signature of person authorized to sign Offer

Allan Curthoys, VP of Sales

Printed name and title

Allan Curthoys, VP of Sales

Contact name and title

acurthoys@elontec.com

602-759-5500

AC

Initials

CERTIFICATION: By signature in the above, Offeror certifies that it:

- will not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, [Arizona] State Executive Order 2009-9 or A.R.S. §§ 41-1461 through 1465;
- has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. Failure to provide a valid signature affirming the stipulations required by this clause will result in rejection of the Offer. Signing the Offer with a false statement will void the Offer, any resulting contract, and may be subject to legal penalties under law;
- complies with A.R.S. § 41-3532 when offering electronics or information technology products, services, or maintenance; and
- is not debarred from, or otherwise prohibited from participating in any contract awarded by federal, state, or local government.

ACCEPTANCE OF OFFER: State hereby accepts the initial Offer, Revised Offer, or Best and Final Offer identified by number ADSP017-00006782 at the top of this form, and which was dated date (the Accepted Offer). Offeror is now bound (as Contractor) to carry out the Work under the attached Contract, of which the Accepted Offer forms a part. Contractor is cautioned not to commence any billable work or to provide any material or perform any service under the Contract until Contractor receives the applicable Order or written notice to proceed from Procurement Officer.

State's Contract No. is: ADSP017-160325 The effective date of the Contract is: 1-31-17 Contract awarded 31-2017

Procurement Officer/signature

Procurement Officer printed name


PART 4 of the Solicitation Documents:

Offer Forms (Attachments)

Date: 10/17/2016

Page 2 of 24

Available online at: Procure.AZ.gov

	<p align="center">Request for Proposals Solicitation No. ADSP017-00006782 Description: Moving / Relocation Services Statewide</p>	<p align="center">Arizona Department of Administration State Procurement Office 100 N 15th Ave., Suite 201 Phoenix, AZ 85007</p>
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**Section 1-A:
Solicitation Summary**

Date: 10/14/16

1.0 What State Is Soliciting:

The Arizona Department of Administration, State Procurement Office division (the State), as authorized under A.R.S. § 41-2501 is seeking to establish one or more "statewide" contracts to satisfy the needs for all state agencies, boards, and commissions, as well as participating purchasing cooperative members (collectively, the Eligible Agencies) to provide **Moving / Relocation Services Statewide**, which in general terms includes moving services as required on an as needed basis to support the reconfigurations and multiple moves within buildings and between buildings on a state wide basis with a variety of government/non-government locations. It is the intent of the State of Arizona to make multiple awards for these services. Services shall be provided throughout the entire state or by region.

The Special Terms and Conditions provide a more detailed definition of Eligible Agencies, and a list of all state agencies and purchasing cooperative members is available on the State Procurement Office website at:

<https://spo.az.gov/procurement-services/cooperative-procurement/state-purchasing-cooperative>

2.0 How State Anticipates Contracting:

The State anticipates contracts awarded to vendors that can provide moving services statewide and/or within a regional area. The use of contracts issued will be available for Eligible Agencies upon date of executed contract. Whether or not it actually enters into any contracts, how many contracts it enters into, and how work is awarded between those contracts are all at the State's discretion. Further, the State will use any awarded contracts on an as-needed basis; it makes no guarantee as to its actual spending under them.





Request for Proposals
 Solicitation No.
ADSP017-00006782
 Description:
Moving / Relocation Services Statewide

Arizona Department of
 Administration
State Procurement Office
 100 N 15th Ave., Suite 201
 Phoenix, AZ 85007

3.0 What's in the Solicitation:

1	<i>ProcureAZ file #1: ADSP017-00006782 RFP Solicitation Documents</i> Moving / Relocation Services Statewide	
	Part 1: Summary and Instructions	Section 1-A: Solicitation Summary Section 1-B: Standard Instructions to Offerors
2	<i>ProcureAZ file #1: ADSP017-00006782 RFP Solicitation Documents</i> Moving / Relocation Services Statewide	
	Part 2: Scope and Pricing Documents	Section 2-A: Scope Document (Scope of Work) Section 2-B: Pricing Document
3	<i>ProcureAZ file #1: ADSP017-00006782 RFP Solicitation Documents</i> Moving / Relocation Services Statewide	
	Part 3: Contract Terms and Conditions	Section 3-A: Special Terms and Conditions Exhibit 1 Contractor Insurance Requirements Exhibit 7 State of Arizona Regional Map Section 3-B: Uniform Terms and Conditions
4	<i>ProcureAZ file #1: ADSP017-00006782 RFP Solicitation Attachments</i> Moving / Relocation Services Statewide	
	Part 4: Offer Forms (Attachments) Annex 1	Attachment 1 to 5D To Attachment 4: Pricing Sheet

4.0 How and When Proposals Are Due:

Proposals will only be accepted online in the "ProcureAZ" system at <https://procure.az.gov> until the "Bid Opening Date" indicated in ProcureAZ for the Solicitation No. shown at the top of this page. Proposals must be in the State Procurement Office's possession online no later than that deadline.

LATE PROPOSALS WILL NOT BE CONSIDERED. No extension or grace period will be given for delays or incomplete proposals caused by internet connectivity problems, file uploading difficulties, or misunderstanding of the requirements or procedures for online submission in ProcureAZ.

OFFERORS SHOULD READ THE ENTIRE SOLICITATION CAREFULLY.

5.0 Pre-Offer Conference

State **WILL** conduct a **optional** Pre-Offer Conference for this Solicitation. Refer to paragraph 2.8 of the [Instructions to Offerors](#) for more information.

6.0 Offer Validity Period

You must hold the Offer open for 180 (one hundred eighty) days after the "Bid Opening Date" indicated in the ProcureAZ. Refer to paragraph 6.1 of the [Instructions to Offerors](#) for more information.





Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of
Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

7.0 Required Attachments

To be Responsive, your Initial Offer must contain all of the following Attachments:
Refer to paragraph 4.2 of the Instructions to Offerors for more information.

No.	Title	Offeror Action Required	Form Provided
Attachment 1	Offer and Acceptance Form	Refer to paragraph 3.4 Evidence of Intent and 4.9 Offeror Certification of the <u>Instructions to Offerors</u> .	✓
Attachment 2-A with Supplements	Experience and Capacity Questionnaire	Provide all required information and answer all questions with respect to your company's ability to do the work of this Solicitation : experience with similar scope and clients, staff having the relevant experience, manufacturing/ distribution capacity, etc.	✓
Attachment 2-B with Supplements	Organization Profile	Provide the required information and answer the questions with respect to your company in general : organization and structure; financial health; licenses, certifications, etc.	✓
Attachment 3-A with Appendices and Supplements	Method Proposal (Method of Approach)	Provide your proposal specific to this Solicitation as to the means and methods you will apply to carrying out the Work.	✓
Attachment 3-B	Key Personnel Proposal	Not Used / Reserved	✗
Attachment 3-C with Supplements	Proposed Subcontractors	Provide subcontractors you propose to use	✓
Attachment 3-D with Appendices	Performance Guarantee	Not Used / Reserved	✗
Attachment 3-E with Appendices	ISRAEL BOYCOTT FORM	Provide the required information and answer the question.	✓
Attachment 4 with Appendices	State Pricing Document	Enter prices, rates, mark-ups, discounts, and other pricing data on every item for which Offer is being made. Refer to Article 4 below. NOTE: The completed Attachment 4 from the Accepted Offer will become <u>Exhibit 1 to the Commercial Document</u> (Section 2-B of the Solicitation) in the Contract.	✓
Supplements to Attachment 4	Contractor Price Lists/ Catalogs	Create or copy custom or standard price lists and/or catalogs; upload as part of Offer as Attachments Supplements and label each clearly. NOTE: The completed Attachment 4 Supplements from the Accepted Offer will become the Annexes to Exhibit 1 to the Commercial Document.	✓

PART 1 of the Solicitation Documents:
Instructions and Attachments

SECTION 1-A: **Solicitation Summary**
Date 10/14/16
Page 3 of 5





Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of
Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

No.	Title	Offeror Action Required	Form Provided				
Attachment 5-A with Supplements	Designation of Confidential Information	Indicate what, if any, information in Offer is confidential, trade secret or proprietary (see paragraph 4.7 of the Instructions to Offerors).	✓				
Attachment 5-B	Conformance Statements	Attest that Offer conforms to the Solicitation (see paragraph 3.5 of the Instructions to Offerors)	✓				
Attachment 5-C with Supplements	Insurance and Bonding Evidence	Provide the following as indicated by the "●" mark; if neither one is marked, then no Attachment 5-C is required: <table border="1" style="width: 100%; margin-top: 10px;"> <tr> <td align="center"><input checked="" type="radio"/></td> <td>Satisfactory evidence that the required insurance called for in <u>Exhibit 1</u> to the <u>Special Terms and Conditions</u> is already in place by current certificate of insurance or that Contractor can obtain it by broker's letter.</td> </tr> <tr> <td align="center"><input type="radio"/></td> <td>Satisfactory surety letters as evidence that Contractor can obtain the required bonds or other security called for in <u>Exhibit 1</u> to the <u>Special Terms and Conditions</u>.</td> </tr> </table>	<input checked="" type="radio"/>	Satisfactory evidence that the required insurance called for in <u>Exhibit 1</u> to the <u>Special Terms and Conditions</u> is already in place by current certificate of insurance or that Contractor can obtain it by broker's letter.	<input type="radio"/>	Satisfactory surety letters as evidence that Contractor can obtain the required bonds or other security called for in <u>Exhibit 1</u> to the <u>Special Terms and Conditions</u> .	✓
<input checked="" type="radio"/>	Satisfactory evidence that the required insurance called for in <u>Exhibit 1</u> to the <u>Special Terms and Conditions</u> is already in place by current certificate of insurance or that Contractor can obtain it by broker's letter.						
<input type="radio"/>	Satisfactory surety letters as evidence that Contractor can obtain the required bonds or other security called for in <u>Exhibit 1</u> to the <u>Special Terms and Conditions</u> .						
Attachment 5-D	Offer Checklist	Attest that each item on the checklist has been provided with or as part of Offer.	✓				
Attachment 6	Additional Attachments	Any other documentation required by the Solicitation to be submitted with or as part of Offer.	✗				

8.0 Required Pricing

Offeror may price all regions or one specific region. Pricing must be entered into the provided excel Annex 1 to Attachment 4: Pricing Sheet. To be considered responsive, please complete the Line Item for ProcureAZ processing. Input the Unit Cost to \$1.00 to indicate intent to submit pricing utilizing ADSP017 00006782 Price Sheet.

9.0 Evaluation Criteria

In accordance with A.A.C. R2-7-C316, each Offer will be evaluated on the following criteria, listed in their relative order of importance from most important to least:

- First: **OFFEROR'S COST PROPOSAL**, as provided in Offeror's response to Attachment 4.
- Second: **OFFEROR'S EXPERIENCE AND CAPACITY**, as demonstrated in Offeror's response to Attachment 2-A, taken together with Offeror's responses to Attachment 2-B and any other aspect of the Offer that Procurement Officer determines is appropriate.
- Third: **OFFEROR'S PROPOSED APPROACH**, as set out in Offeror's response to Attachment 3-A, taken together with Offeror's responses to Attachments 3-B, 3-C, 3-D, 5-B, and 5-C, and any other aspect of the Offer that Procurement Officer determines is appropriate.

PART 1 of the Solicitation Documents:
Instructions and Attachments

SECTION 1-A: Solicitation Summary
Date 10/14/16
Page 4 of 5





Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of
Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

10.0 Special Instructions

None

11.0 Exhibits to the Solicitation Summary

None

End of Section 1-A

PART 1 of the Solicitation Documents:
Instructions and Attachments

SECTION 1-A: Solicitation Summary

Date 10/14/16

Page 5 of 5





Requests for Proposals

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Section 1-B:
Standard Instructions to Offerors
Rev. 1.3 (7/21/2016)

SECTION CONTENTS:

1.0..... DEFINITION OF TERMS 1
1.1 Arizona Procurement Code; A.R.S.; A.A.C. 1
1.2 Attachment 1
1.3 Clarifications 1
1.4 Contract 1
1.5 Contract Amendment 1
1.6 Contract Terms and Conditions 1
1.7 Contractor 1
1.8 Evaluation 1
1.9 Exhibit 1
1.10 Negotiation 1
1.11 Not Susceptible for Award 2
1.12 Offer: Initial Offer; Revised Offer; Best and Final Offer (BAFO) 2
1.13 Offeror 2
1.14 Person 2
1.16 Pricing Document 2
1.16 ProcureAZ 2
1.17 Procurement Officer 2
1.18 Responsible; Not Responsible 2
1.19 Responsive 2
1.20 Solicitation 2
1.21 Solicitation Amendment 2
1.22 Solicitation Summary 2
1.23 Solicitation Documents; Part, Section; Exhibit; Tables; Annexes; Appendixes 3
1.24 State 3
1.25 Subcontract 3
1.26 Subcontractor 3
2.0..... SOLICITATION INQUIRIES 3
2.1 Duty to Examine 3
2.2 Submission of Objections 3
2.3 Submission of Potential Exceptions 4
2.4 Submission of Inquiries 4
2.5 State Contact Person 4
2.6 Verbal or Email Responses 4
2.7 Solicitation Amendments 4
2.8 Pre-Offer Conference 4
3.0..... OFFER PREPARATION 4
3.1 Online Documents 4
3.2 Electronic Submissions 4
3.3 Deviations in Offer 5
3.4 Evidence of Intent 5
3.5 Exceptions to Solicitation Documents 5
3.6 Insurance and Bonds 5
3.7 Alternative Insurance Program 5
3.8 Identification of Taxes in Offer 6
3.9 Excise Tax 6

PART 1 of the Solicitation Documents:
Instructions and Attachments

SECTION 1-B: Standard Instructions to Offerors
Version Rev. 1.3 (7/21/2016)
Table of Contents Page 1 of 2





Requests for Proposals

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

under A.R.S. §41-2558

3.10 Tax Identification 6
3.11 Disclosure 6
3.12 Federal Immigration Laws 6
3.13 Cost of Offer Preparation 7
4.0 SUBMISSION OF OFFER 7
4.1 Required Offer Content 7
4.2 Attachment Forms 7
4.3 Pricing 7
4.4 Submission 8
4.5 Solicitation Amendments 8
4.6 Amending or Withdrawing 8
4.7 Confidential Information 8
4.8 Public Record 9
4.9 Offeror Certification 9
5.0 RESPONSIBLE; NOT SUSCEPTIBLE FOR AWARD 9
5.1 Responsible 9
5.2 Not Susceptible for Award 9
5.3 Omitted or Incomplete Attachments 9
5.4 Eligibility for Evaluation and Negotiation 10
6.0 EVALUATION OF OFFERS 10
6.1 Offer Validity Period 10
6.2 Clarifications 10
6.3 Cost or Pricing Data 10
6.4 Evaluations 10
6.5 Negotiations 10
6.6 Financial Stability 10
6.7 Consideration of Exceptions 11
6.8 Consideration of Deviations 11
6.9 Consideration of Prompt Payment Discount 11
6.10 Consideration of Taxes 11
6.11 Consideration of Cost 11
6.12 Unit Price Prevails 11
6.13 Waiver and Rejection 11
7.0 AWARD OF CONTRACT 11
7.1 Best Advantage to State 11
7.2 Number of Types of Awards 11
7.3 Contract Inception 11
7.4 Contract Document Consolidation 11
8.0 SOLICITATION OR AWARD PROTESTS 12
9.0 COMMENTS WELCOME 12





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Standard Instructions to Offerors

1.0 Definition of Terms

As used in these Instructions to Offerors, the terms listed below are defined as follows:

- 1.1 Arizona Procurement Code; A.R.S.; A.A.C.** "Arizona Procurement Code" means, collectively, Title 41 Chapter 23, *et. sequitur*, in the Arizona Revised Statutes (abbreviated "A.R.S.") and administrative rules R2-7-101 *et. sequitur* in the Arizona Administrative Code (abbreviated "A.A.C.").
NOTE: There are frequent references to the Arizona Procurement Code throughout the Solicitation Documents, therefore, you will need to be familiar with its provisions to be able to understand the Solicitation Documents fully.
The Arizona Department of Administration State Procurement Office provides a reference compilation of the Arizona Procurement Code on its website:
<https://spo.az.gov/administration-policy/state-procurement-resource/procurement-regulations>
The Arizona State Legislature provides the official A.R.S. online at:
<http://www.azleg.gov/ArizonaRevisedStatutes.asp>
The Office of the Arizona Secretary of State provides the official A.A.C. online at:
<http://www.azsos.gov/rules/arizona-administrative-code>
- 1.2 Attachment** "Attachment" means any item in Section 1-C of the Solicitation Documents that Offeror is required to submit as part of the Offer.
- 1.3 Clarifications** "Clarifications" means, per A.A.C. R2-7-C313, communications between the Procurement Officer and Offeror for the purpose of providing a greater mutual understanding of the Offer. Clarifications may include demonstrations, questions and answers, or elaborations on previously-submitted information.
- 1.4 Contract** "Contract" is defined in paragraph 1.7 of the Uniform Terms and Conditions.
- 1.5 Contract Amendment** "Contract Amendment" is defined in paragraph 1.8 of the Uniform Terms and Conditions.
- 1.6 Contract Terms and Conditions** "Contract Terms and Conditions" is defined in paragraph 1.9 of the Uniform Terms and Conditions.
- 1.7 Contractor** "Contractor" is defined in paragraph 1.21 of the Uniform Terms and Conditions.
- 1.8 Evaluation** "Evaluation" means, per A.A.C. R2-7-316, the process whereby the Procurement Officer will determine which Responsive offers, revised offers, and best and final offers are the most advantageous to State taking into consideration the evaluation factors set forth in the Solicitation Documents.
- 1.9 Exhibit** "Exhibit" is defined in paragraph 1.21 the Uniform Terms and Conditions.
- 1.10 Negotiation** "Negotiation" means, per A.A.C. R2-7-101(32), an exchange or series of exchanges between State and an offeror for the purposes set forth in A.A.C. R2-7-C314.





Requests for Proposals

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

under A.R.S. §41-2558

- 1.11 Not Susceptible for Award** "Not Susceptible for Award" means, per A.A.C. R2-7-C311, that the relevant offer has been determined by the Procurement Officer to fail one or more of the tests and comparisons set forth therein. NOTE: A determination of Not Susceptible for Award and a determination of Responsive are mutually exclusive.
- 1.12 Offer: Initial Offer; Revised Offer; Best and Final Offer (BAFO)** "Initial Offer" means, per A.A.C. R2-7-101(33), Offeror's proposal submitted to State in response to the Solicitation, as initially submitted.
"Revised Offer" means any revised versions of the Initial Offer that Offeror has submitted to State at State's request as permitted under A.A.C. R2-7-C314 and R2-7-C315.
"Best and Final Offer" ("BAFO") means, per A.A.C. R2-7-101(8), the Revised Offer submitted after negotiations have been completed that contain Offeror's most favorable terms for price, service, and products to be delivered.
Reference to "an Offer," "the Offer," or "your Offer" means any of the Initial Offer, a Revised Offer, or the Best and Final Offer.
- 1.13 Offeror** "Offeror" is the Person submitting an Offer; instructions addressed to "you" and references to "your" items are to be construed as being synonymous with "Offeror" and "Offeror's" throughout these Instructions to Offerors.
- 1.14 Person** "Person" is defined in paragraph 1.22 of the Uniform Terms and Conditions.
- 1.15 Pricing Document** "Pricing Document" means Section 2-B of the Solicitation Documents.
- 1.16 ProcureAZ** "ProcureAZ" is defined in paragraph 1.24 of the Uniform Terms and Conditions.
- 1.17 Procurement Officer** "Procurement Officer" means the person, or his or her designee, who has been duly authorized by State to administer the Solicitation and make written determinations with respect to the Solicitation. The Procurement Officer is identified in ProcureAZ.
- 1.18 Responsible; Not Responsible** "Responsible" [offeror] means, per A.R.S. § 41-2531(14), that the relevant offeror has been determined by Procurement Officer to have the capability to perform the contract requirements and the integrity and reliability which will assure good faith performance. "Not Responsible" means that it does not (i.e., Procurement Officer has made a negative determination).
- 1.19 Responsive** "Responsive" [offer] means, following from A.R.S. § 41-2531(15), that the relevant offer has been determined by Procurement Officer to conform in all material respects to the Solicitation requirements.
- 1.20 Solicitation** "Solicitation" means this procurement solicitation, which State is issuing as either:
1. an invitation for bids ("IFB") under A.R.S. § 41-2533;
2. a request for proposals ("RFP") under A.R.S. § 41-2534;
3. a request for quotations ("RFQ") under A.R.S. § 41-2535; or
4. a request for qualifications under A.R.S. §41-2558.
Refer to the Solicitation Summary for which of the foregoing is this Solicitation.
- 1.21 Solicitation Amendment** "Solicitation Amendment" means, per A.A.C. R2-7-303, a change to the Solicitation that has been issued by Procurement Officer.
- 1.22 Solicitation Summary** "Solicitation Summary" means Section 1-A of the Solicitation Documents.

PART 1 of the Solicitation Documents:
Instructions and Attachments

SECTION 1-B: **Standard Instructions to Offerors**

Version Rev. 1.3 (7/21/2016)

Page 2 of 12





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

1.23 Solicitation Documents; Part, Section; Exhibit; Tables; Annexes; Appendixes

"Solicitation Documents" means the documents that form the Solicitation, and which are divided for ease of reference and administration into "Parts," "Sections," "Sub-sections," and "Exhibits," as follows:

- PART 1 is the *Summary and Instructions* for the Solicitation; it contains:
 - SECTION 1-A, which is the *Solicitation Summary*;
 - SECTION 1-B, which are these *Standard Instructions to Offerors*.
- PART 2 are the *Scope and Pricing Documents*; they contain:
 - SECTION 2-A, which is the *Scope Document (Scope of Work)*; and
 - SECTION 2-B, which is the *Pricing Document*.
- PART 3 is the *Contract Terms and Conditions*; it contains:
 - SECTION 3-A, which is the *Special Terms and Conditions*; and
 - SECTION 3-B, which is the *Uniform Terms and Conditions*.
- PART 4 are the *Offer Forms (Attachments)*.

NOTE (1): Attachment Forms when issued for the Solicitation can have Annexes. Attachments when attached to an Offer can have Supplements that were created by Offeror, but neither the Attachment or the Supplement are part of the Solicitation Documents. Each Attachment Form and completed Attachment contains an index of any Annexes and Supplements that apply to it.

NOTE (2): Sections 2-A, 2-B, and 3-A each have Exhibits, which are indexed on their respective final pages. An Exhibit can have Tables and Annexes, which are indexed on its final page.

NOTE (3): Section 3-B has Appendices, which are indexed in the Special Terms and Conditions.

1.24 State

"State" is defined in paragraph 1.29 of the Uniform Terms and Conditions.

1.25 Subcontract

"Subcontract" is defined in paragraph 1.32 of the Uniform Terms and Conditions.

1.26 Subcontractor

"Subcontractor" is defined in paragraph 1.33 of the Uniform Terms and Conditions.

2.0 Solicitation Inquiries

2.1 Duty to Examine

Examine the entire Solicitation, obtain clarification in writing for any questions or concerns by submitting inquiries, then examine your Offer thoroughly and carefully for completeness and accuracy before submitting it. Lack of care in preparing an Offer will not be grounds for modifying or withdrawing it after the due date and time.

2.2 Submission of Objections

Submit any objection to the Solicitation no less than 5 (five) business days before the Offer due date and time.

NOTE (1): A.A.C. R2-7-A901(C) requires that any protest based on alleged improprieties in the Solicitation be filed before the offer due date and time.

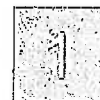
NOTE (2): An objection under this paragraph is not a protest under A.A.C. R2-7-A901 (although it might reflect an incipient protest), and therefore Procurement Officer's response to one is not a determination under A.A.C. R2-7-A901.

PART 1 of the Solicitation Documents:
Instructions and Attachments

SECTION 1-B: Standard Instructions to Offerors

Version Rev. 1.3 (7/21/2016)

Page 3 of 12





Requests for Proposals

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

under A.R.S. §41-2558

- 2.3 Submission of Potential Exceptions** If you want Procurement Officer to review and advise on any potential (i.e., pre-offer) exceptions to the Solicitation Documents, then submit them following the same instructions as given in paragraph 2.4 for inquiries no less than 5 (five) business days before the offer due date and time. Although you may, if you so choose, submit an Offer with exceptions (using Attachment 5-B [Conformance Statements]), doing so may affect whether or not the offer is determined Responsive or how it is scored in Evaluation (depending on the nature of the exception). Procurement Officer's pre-offer advice as to whether or not a potential exception might be deemed material (and thus likely resulting in a determination of Not Susceptible for Award) or might affect Evaluation (if it is significant but not material) is for convenience only – only a determination consistent with the Arizona Procurement Code is an official statement.
- 2.4 Submission of Inquiries** Submit all inquiries related to the Solicitation in ProcureAZ; the Procurement Officer will not respond to inquiries received in any other manner.
1. Submit technical inquiries about submitting proposals in ProcureAZ to the ProcureAZ Help Desk:
 - by phone at (602) 542-7600, option 1; or
 - by email to procure@azdoa.gov.
 2. Submit all other inquiries about the Solicitation using the online form under the **"Q&A" tab for the Solicitation in ProcureAZ**. Always refer to the appropriate Solicitation document by page and paragraph number. Except for technical inquiries about submitting proposals, State is not responsible for responding to any inquiries submitted **less than 3 (three) business days before the offer due date and time**.
- 2.5 State Contact Person** Direct all inquiries related to the Solicitation to Procurement Officer, including requests for or inquiries regarding standards referenced in the Solicitation. Apart from the ProcureAZ Help Desk, Do not contact any State personnel other than Procurement Officer concerning the Solicitation while it is in progress, through and including award.
- 2.6 Verbal or Email Responses** Do not rely on verbal or email responses to inquiries – those do not constitute a modification of the Solicitation.
- 2.7 Solicitation Amendments** Only a Solicitation Amendment issued in ProcureAZ can change the Solicitation.
- 2.8 Pre-Offer Conference** If the Solicitation Summary indicates that State will hold a Pre-Offer Conference, then the conference date, time and location are provided in ProcureAZ. The Solicitation Summary also indicates whether or not attendance at the conference is a mandatory. If it is mandatory, then attendance at the conference is a prerequisite for the Offer to be Responsive. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Procurement Officer sufficiently in advance to make the necessary arrangements.

3.0 Offer Preparation

- 3.1 Online Documents** The Solicitation Documents are only provided online in ProcureAZ; State will not provide any printed copies or other formats.
- 3.2 Electronic Submissions** When submitting an Offer, only include files that are Microsoft Word documents, Excel workbooks, or PowerPoint presentations and Adobe Acrobat documents. Obtain advance approval before submitting files in any other format.

PART 1 of the Solicitation Documents:
Instructions and Attachments

SECTION 1-B: **Standard Instructions to Offerors**
Version Rev. 1.3 (7/21/2016)

Page 4 of 12





Requests for Proposals

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

under A.R.S. §41-2558

3.3 Deviations in Offer

When submitting an Offer, flag clearly any deviations from the Specifications or other Solicitation technical requirements documents. Any un-flagged deviation will be deemed void upon submission.

NOTE: Deviations are technical exceptions of a significant but not material nature, typically having to do with part/model numbers, details of attachments, mountings, clearances, internal configurations, etc., and are not to be confused with the material exceptions covered in paragraph 3.5.

3.4 Evidence of Intent

Every one of your Offers must contain Attachment 1 [*Offer and Acceptance Form*] with a signature by your duly authorized officer, executive, principal, or agent. The signature will be deemed to signify your intent to be bound by that Offer and the terms of the Solicitation, and your representation that the information you have provided in that Offer is true and accurate.

3.5 Exceptions to Solicitation Documents

If you are submitting an Offer conditioned on exceptions to the Solicitation Documents, indicate "NO" on Attachment 5-B [*Conformance Statement*] and also indicate that exceptions are being taken under the "Terms & Conditions" tab for the Solicitation in ProcureAZ. Any exceptions taken elsewhere in an Offer or any of your preprinted or standard terms will be void in that Offer and without force or effect in any resulting contract.

3.6 Insurance and Bonds

Subject to paragraph 3.7, provide the evidence of insurance availability, evidence of insurance in place, evidence of bonding capacity, bonds in hand, or other security that are called for in Attachment 5-C [*Insurance and Bonding Evidence*].

If you intend to withhold or redact any element of your evidence of insurance policy compliance required by Exhibit 1 to the Special Terms and Conditions [*Contractor Insurance Requirements*] on the grounds that it is confidential information, then you must claim it as such and submit the necessary substantiated justification with each Offer using Attachment 5-A [*Designation of Confidential Information*].

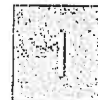
Unless Procurement Officer has determined that your evidence documentation, or some or all your insurance program, is confidential information under paragraph 4.7, refusing after contract award to provide the complete, un-redacted copies of policies as called for in that exhibit will be a material breach of the Contract.

If you want to vet your proposed redactions with Procurement Officer before submitting an Offer, submit them no less than 5 (five) business days before the offer due date and time using the inquiries procedure set forth in in paragraph 2.4. Although you may, if you so choose, submit an Offer conditioned on redactions using Attachment 5-A [*Designation of Confidential Information*]), doing so may affect whether or not the offer is determined Responsive or how it is scored in Evaluation (depending on the nature of the redactions).

Procurement Officer's pre-offer advice as to whether or not a potential redaction might be deemed material (and thus likely resulting in a determination of Not Susceptible for Award) or might affect Evaluation (if it is significant but not material) is for convenience only – only a determination consistent with the Arizona Procurement Code is an official statement

3.7 Alternative Insurance Program

If your proposal is conditioned on an alternative insurance program (i.e., one that is not made up of traditional, placed policies in the form and substance called for in Exhibit 1 to the Special Terms and Conditions, such as self-insurance), then, in addition to indicating "NO" on Attachment 5-B [*Conformance Statement*], you must submit a comprehensive description of your proposed program as a Supplement to the attachment. In that supplement, document how your alternative program





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

provides State a materially equivalent degree of protection compared to the mandatory program specified in the Solicitation.

Procurement Officer shall determine whether or not the proposed alternative program meets State's protection needs in the current circumstances, giving fair consideration to the growing use of alternative programs in industry. If Procurement Officer's reasonable determination is that the proposed alternative program does not meet those needs, then he or she may determine Offeror to be Not Responsible.

If you want to vet your proposed alternative insurance program with Procurement Officer before submitting your Offer, submit them no less than 5 (five) business days before the Offer due date and time using the inquiries procedure set forth in paragraph 2.4. Although you may, if you so choose, submit your Offer conditioned on an alternate program using Attachment 5-B [Conformance Statement], doing so may affect whether or not the offer is determined Responsive or how it is scored in Evaluation (depending on the nature of the variances).

Procurement Officer's pre-offer advice as to whether or not the potential variances might be deemed material (and thus likely resulting in a determination of Not Susceptible for Award) or might affect Evaluation (if it is significant but not material) is for convenience only – only a determination consistent with the Arizona Procurement Code is an official statement.

- 3.8 Identification of Taxes in Offer** State is subject to Arizona Transaction Privilege Tax as well as certain local sales/use taxes, as described in the Contract Terms and Conditions. Identify taxes in your pricing as separate items by amount or by rate, as applicable, in Attachment 4 [Pricing Document] or the relevant Attachment Supplement.
- 3.9 Excise Tax** State is exempt from certain federal excise tax on manufactured goods; State will provide the necessary exemption certificates as evidence to the extent exemption applies to the Work. Refer to Article 4 the Pricing Document.
- 3.10 Tax Identification** You must provide to State your federal employer identification number or social security number for the purposes of reporting monies paid under the Contract to appropriate taxing authorities. The submission is mandatory under 26 U.S.C. § 6041A. If the identifier provided is a social security number, State shall only use it for tax reporting purposes and only share it with appropriate government officials.
- 3.11 Disclosure** If you are submitting an Offer despite having been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any federal, state or local government, or if any such preclusion from participation from any public procurement activity is currently pending, then you must provide with that Offer the name and address of the governmental unit, the effective date, duration, and circumstances of the suspension, debarment, or other preclusion, and your justification for State to consider the Offer despite the suspension, debarment, or other preclusion. Include in your disclosure any suspension, debarment, or other preclusion that is pending, but indicate that it is pending.
- 3.12 Federal Immigration Laws** By signing an Offer, you will be deemed to have represented that both you and all your proposed subcontractors are in compliance with federal immigration laws and regulations relating to the immigration status of their personnel. State may, at its discretion, demand evidence of compliance during Evaluation, which you must provide promptly. Not providing the evidence will be grounds for Procurement Officer to determine that the Offer is Not Susceptible for Award.





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

3.13 Cost of Offer Preparation

State will not reimburse to you or any of your prospective subcontractors, suppliers, or consultants any costs associated with responding to the Solicitation.

4.0 Submission of Offer

4.1 Required Offer Content

Submit all of the Initial Offer content called for in the Solicitation Summary. To be Responsive, each Revised Offer or a Best and Final Offer must contain all of the Attachments indicated in the applicable Procurement Officer request for Revised Offer or request for Best and Final Offer. If Procurement Officer does not request that a Revised Offer or Best and Final Offer include revision of an Attachment from its initial or previously-revised form, as applicable, then (1) Offeror shall not submit any revision of that Attachment with the Revised Offer or a Best and Final Offer, and Procurement Officer will disregard any such unrequested revision and (2) that Attachment be valid in its initial or previously-revised form, as applicable, for the duration of the Revised Offer or Best and Final Offer validity period.

4.2 Attachment Forms

If the Solicitation Summary indicates that a "Form" is being provided for an Attachment, then the Solicitation includes the required form and format for submitting the Attachment. No other form or format will be accepted, and your Offer can be determined to be Not Susceptible for Award if you submit an unofficial form.

If, however, the Solicitation Documents indicate that you are allowed to attach additional documents regarding a particular question or line item, then doing so will be acceptable so long as the filled-out Attachment clearly states "See Attachment X Supplement (#1 of 2)", etc., and the additional document is clearly marked as "Attachment X Supplement (#1 of 2)," etc.

NOTE (1): Each Form has a blank space to list your Attachment Supplements.

NOTE (2): You must upload each such "additional" document as an individual file and name the file to match the document title.

NOTE (3): Attachment Forms cannot be filled-in directly in ProcureAZ; they must be downloaded, edited, and then uploaded (referred to as "attachments" in ProcureAZ) as part of each Offer.

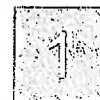
NOTE (4): Do not include non-specific marketing materials in an Offer. If something is not specifically called for, then including it will not be helpful during Evaluation, and might in fact be grounds for down-grading if it does not address your experience and capacity to carry out the work for this Solicitation.

4.3 Pricing

If there are specific "Items" (line items) for the Solicitation in ProcureAZ, then submit pricing for the Offer directly in ProcureAZ for each such Item. Unless the Solicitation Summary indicates otherwise, each Offer must include a price, rate, multiplier, or discount for every Item in order to be determined Responsive.

If a Pricing Document has been provided as an Attachment Form, then submit pricing for the Offer in the indicated blanks in that Attachment. Unless the Solicitation Summary indicates otherwise, each Offer must include a price, rate, multiplier, or discount for every blank field in order to be determined Responsive.

If no specific pricing input or form has been provided with the Solicitation, then submit pricing for the Offer in the form and format specified in Attachment 4 [Pricing Document]. If nothing is specified or if no Attachment 4 is included in the Solicitation documents, then submit pricing for the Offer in a form and format of your choosing that coherently and comprehensively presents the pricing being offered. Unless the Solicitation Summary expressly indicates otherwise, each Offer must include a price, rate, multiplier, or discount for every item or service covered by the





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

scope of the Solicitation (or for an entire category of item or service, if pricing applies in that way) in order to be determined Responsive.

4.4 Submission

Submit each Offer online in ProcureAZ at <https://procure.az.gov> before the "Bid Opening Date" indicated for the "Solicitation No." at the top of these Instructions to Offerors. State will not consider a proposal submitted by any other method other than ProcureAZ, and it will be deemed void upon submission. By A.A.C. R2-7-C307, State will not consider later offers. State will give no extension or grace period for delays or incomplete proposals caused by internet connectivity problems, file uploading difficulties, or misunderstanding of the requirements or procedures for online submission in ProcureAZ. If your proposal is not submitted correctly, completely, and in conformance to these Instructions and the Solicitation Summary, then Procurement Officer may determine it Not Susceptible for Award.

NOTE: Using ProcureAZ requires a certain level of technical competency; select your staff to submit proposals and handle other Solicitation general matters in ProcureAZ carefully, since the ProcureAZ Help Desk cannot do any of the required actions for you.

4.5 Solicitation Amendments

Acknowledge each Solicitation Amendment in ProcureAZ. By A.A.C. R2-7-C303(C), you must acknowledge every Solicitation Amendment issued as of the due date and time for an Offer to be Responsive. If you have submitted your proposal early, you must be alert for subsequent Solicitation Amendments – if one is issued after your submission but before offer due date and time, then the Procurement Officer may determine the Offer to be Not Responsive if you have not acknowledged it.

4.6 Amending or Withdrawing

You cannot amend or withdraw a submitted proposal after the offer due date and time unless expressly permitted under applicable law.

4.7 Confidential Information

If you believe that a portion of your Offer (or a protest or other correspondence) contains a trade secret or other manner of your proprietary information, you must:

1. indicate on Attachment 5-A [Designation of Confidential Information] that your proposal contains such claimed confidential information; and
2. designate clearly throughout the Offer each instance of that trade secret or other proprietary information in the other portions of your proposal using the term "confidential."

Simply indicating that the proposal contains confidential information is not sufficient to claim the protections under A.A.C. R2-7-C317 – Attachment 5-A must be accompanied by a detailed explanation as to why **each item or category of items** in the proposal should be designated confidential information.

Procurement Officer shall review your claim of confidentiality and provide a written determination; until a written determination has been made, Procurement Officer shall not disclose the claimed information to anyone who does not have a legitimate State interest. If Procurement Officer denies the claim of confidentiality, you may appeal the determination to the State Procurement Administrator within the time specified in the determination.

NOTE: Contract terms and conditions, pricing, and information generally available to the public are not and will not be designated confidential information.





Requests for Proposals

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

under A.R.S. §41-2558

4.8 Public Record

Once submitted and opened by Procurement Officer, your Offer is a public record and must be retained by State for 6 (six) years. All offers will be available for public inspection in ProcureAZ after the resulting contracts have been awarded, except for any portions that were determined to be confidential information.

Procurement Officer shall make the names of Persons who submitted offers available in ProcureAZ promptly after the opening date.

4.9 Offeror Certification

By signing the Offer and Acceptance Form (or other official contract form specified by Procurement Officer), you will be deemed to have certified that:

1. you did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of your Offer; and
2. you do not discriminate against any employee or applicant for employment or person to whom you provide services because of race, color, religion, sex, national origin, or disability, and that you comply with an applicable federal, state, and local laws and executive orders regarding employment.

5.0 Responsible; Not Susceptible for Award

5.1 Responsible

When determining whether or not you are Responsible under A.A.C. R2-7-C312, Procurement Officer may, further to the factors set forth therein, consider whether you have:

1. had a contract within the last 5 (five) years that was terminated for cause due to breach or similar failure to comply with the terms of that contract; or
2. a record of performance that includes factual evidence of failure to satisfy the terms of your agreements with any party to a contract, with factual evidence consisting of documented vendor performance reports, customer complaints and/or negative references.

5.2 Not Susceptible for Award

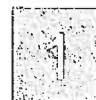
When determining whether or not your Offer is Not Susceptible for Award under A.A.C. R2-7-C311, Procurement Officer may, in assessing the compliance described in paragraph (A)(2) of that sub-section, consider whether your Offer:

1. is sufficient for Evaluation;
2. attempts to materially change the contents of the Solicitation;
3. would limit State's rights or remedies if accepted;
4. is subject to or includes unreasonable conditions, including conditions upon State necessary for its successful performance, with Procurement Officer being the sole determiner as to the reasonableness of a condition; or
5. provides any misleading or inaccurate information.

5.3 Omitted or Incomplete Attachments

If the Offer does not include all required Attachments, or if any Attachment has not been completed in conformance to the specific instructions on the applicable Attachment Form, then Procurement Officer may:

1. instruct Offeror to provide the omitted documentation as a Clarification if the omission or incompleteness is of the nature of an inadvertent clerical mistake or reasonable and excusable misinterpretation of the relevant requirements as they were stated;
2. further consider the Offer, but down-grade it as appropriate in Evaluation if the omission is significant but not material; or
3. determine that the Offer is Not Susceptible for Award if the omission or incompleteness is material.





Requests for Proposals

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

under A.R.S. §41-2558

5.4 Eligibility for Evaluation and Negotiation

If Procurement Officer determines an offeror is Not Responsible, then he or she is not permitted by A.A.C. R2-7-C314 to give further consideration to its offer or include it in any Negotiation or make Evaluation of its offer. If, however, Procurement Officer determines that an offer is Responsive (i.e., there is no applicable determination of Not Susceptible for Award), then he or she is obliged by A.A.C. R2-7-C314 to make Evaluation of it and include the offeror in the immediate round of Negotiation (if there is any Negotiation).

If Procurement Officer determines subsequently that your Revised Offer is Not Susceptible for Award by virtue of comparison to other revised offers per A.A.C. R2-7-C314(A)(3), then he or she will not include you in any further Negotiation. For clarity of intent, the foregoing means that Procurement Officer may reduce the number of offers that are "susceptible for award" with each successive round of Negotiation, since the purpose of Negotiation is to achieve best value for State.

6.0 Evaluation of Offers

6.1 Offer Validity Period

By submitting an Offer, you agree to hold it open for the validity period specified in the Solicitation Summary. If no validity period is specified therein, then you shall hold your Offer open for 180 (one hundred eighty) days. The specified or default validity period (whichever applies) re-starts upon submission of each Revised Offer or a Best and Final Offer.

6.2 Clarifications

Procurement Officer may request oral or written Clarifications from offerors as necessary when making determinations under Article 5, making Evaluation, conducting any Negotiations, and determining award under A.A.C. R2-7-C317.

6.3 Cost or Pricing Data

Submit any cost or pricing data promptly that Procurement Officer requests under A.R.S § 41-2543 per A.A.C. R2-7-702(B)(2). Procurement Officer may make the following preconditions for eligibility under paragraph 5.4 and award:

1. submission of appropriate cost or pricing data under A.A.C. R2-7-704;
2. determination that the submitted cost or pricing data demonstrates that pricing is fair and reasonable under A.A.C. R2-7-702(A); and
3. determination that the data is not defective under A.A.C. R2-7-705.

6.4 Evaluations

Procurement Officer shall make Evaluation of those offers determined to be eligible under paragraph 5.4.

6.5 Negotiations

Procurement Officer may conduct Negotiation with offerors whose offers have been determined to be eligible under paragraph 5.4. Procurement Officer will request a best and final offer from any offerors with whom negotiation has been conducted, provided that, State may make award made without any Negotiation and therefore every offeror is forewarned to always submit its offer complete and on the most favorable terms initially, and not to assume any opportunity for Negotiation.

6.6 Financial Stability

You must be able to substantiate your financial stability to State's satisfaction as a precondition of any contract award. Procurement Officer may demand documentation such as current and audited financial statements, including income and balance sheets, directly from you or may obtain reports from independent financial rating services. Not providing the evidence will be grounds for Procurement Officer determining your Offer is Not Susceptible for Award.





Requests for Proposals

Arizona Department of Administration
State Procurement Office

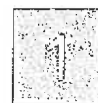
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

under A.R.S. §41-2558

- 6.7 Consideration of Exceptions** Procurement Officer may determine that your Offer is Not Susceptible for Award if it is conditioned on an exception to a material aspect of the Solicitation. Even if Procurement Officer determines that an exception is one that does not merit Not Susceptible for Award determination, he or she may down-grade your Offer in Evaluation if the exception is significant.
- 6.8 Consideration of Deviations** Procurement Officer may down-grade your Offer in Evaluation if it contains deviations that, in his or her determination, materially reduce the value to State of affected Materials or Services across the life-cycle thereof.
- 6.9 Consideration of Prompt Payment Discount** Procurement Officer shall credit any proposed prompt payment discounts for the purpose of evaluating offer prices.
- 6.10 Consideration of Taxes** Procurement Officer shall not include Arizona Transaction Privilege Tax and other sales/use taxes for the purpose of evaluating offer prices.
- 6.11 Consideration of Cost** Regardless of the relative order assigned to cost in the Solicitation Summary, cost is an essential consideration in every award State makes; State's intent is always to obtain the best pricing available and it strives to make its evaluations be a straightforward comparison of best value between the responsible and responsive proposals as far as possible to the extent permissible under the Arizona Procurement Code.
- 6.12 Unit Price Prevails** In the case of discrepancy in your Offer between a unit price or rate and an extension of that unit price or rate, the unit price or rate will prevail.
- 6.13 Waiver and Rejection** Notwithstanding any other provision of the Solicitation Documents, State reserves the right to waive any minor informality, reject any or all offers or portions thereof or cancel the Solicitation.

7.0 Award of Contract

- 7.1 Best Advantage to State** Under A.A.C. R2-7-C317, contracts will be awarded to the responsible offeror whose offer is determined to be most advantageous to the State based on the stated evaluation criteria.
- 7.2 Number of Types of Awards** State may make multiple awards or to award contracts by individual line items or alternates, by group of line items or alternates, or to make an aggregate award, or regional awards, whichever is determined to be most advantageous to State.
- 7.3 Contract Inception** Your Offer does not constitute a contract nor does it confer any right on you to the award of a contract. A contract is not created until your Offer has been accepted for State by Procurement Officer's signature on the Offer and Acceptance Form. Notice of award or of intent to award will not constitute State's acceptance of your Offer.
- 7.4 Contract Document Consolidation** State may, at its option, consolidate the resulting contract documents after contract award. Examples of such consolidation are reorganizing Solicitation Documents and those components of the Accepted Offer not pertaining to the contract's operation and excluding any components of the Accepted Offer that were not awarded. Contract document consolidation will not, however, include or be construed to include any materially change the Solicitation or the Contract.





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

8.0 Solicitation or Award Protests

Any protest must comply with and be resolved according to Arizona Revised Statutes Title 41, Chapter 23, Article 9, and rules adopted thereunder. Protests must be in writing and be filed with both Procurement Officer and the State Procurement Administrator. Protest of the Solicitation must be received before the offer due date and time. Protest of a proposed award or of an award must be received within 10 (ten) days after Procurement Officer makes the procurement file available for public inspection. In either case, the protest must include:

1. the name, address, email address and telephone number of the interested party;
2. signature of the interested party or its representative;
3. identification of the purchasing agency and the solicitation or contract number;
4. a detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
5. the form of relief being requested.

9.0 Comments Welcome

SEPARATELY AND APART FROM THIS SOLICITATION, The State Procurement Office periodically reviews these Instructions to Offerors and welcomes any comments the public may have.

Please submit your comments to:

State Procurement Administrator,
State Procurement Office, 100 North 15th Avenue, Suite 201
Phoenix, Arizona, 85007

End of Section 1-B





Invitation for Bids
 Solicitation No.
ADSP017-00006782
 Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
 100 N 15th Ave., Suite 201
 Phoenix, AZ 85007

Section 2
Scope Document
(Scope of Work)

Date: 10/14/16

Introduction

The State of Arizona (the State), its Agencies, Boards and Commissions (State) as well as Participating Members of the State Purchasing Cooperative (Cooperative), have an ongoing requirement for various products and services as described herein. The purpose of this solicitation is to conduct a competitive process, in accordance with Arizona Revised Statutes (ARS) 41-2501 et seq., to create a contract(s) from which the State and its Cooperative Members may acquire these products and services. The contract(s) shall be available for use by all State Agencies, Boards, Commissions as well as State Purchasing Cooperative Members, collectively hereinafter referred to as Eligible Agencies. In order to participate in this contract, a cooperative member shall have entered into a Cooperative Purchasing Agreement with the Department of Administration, State Procurement Office as required by Arizona Revised Statutes § 41-2632. Membership in the State Purchasing Cooperative is available to all Arizona political subdivisions including cities, counties, school districts, and special districts. Membership is also available to all non-profit organizations, as well as State governments, the US Federal Government and Tribal Nations. Non-profit organizations are defined in A.R.S. § 41-2631(4) as any nonprofit corporation as designated by the internal revenue service under section 501(c)(3) through 501(c)(6).

Background for Moving / Relocation Services Statewide

The State of Arizona periodically remodels and reconfigures offices and work spaces. Moving Services will be required on an as-needed basis to support these reconfigurations and multiple moves within buildings and between buildings, on a state wide basis, within a variety of government/non-government locations. It is the intent of the State of Arizona to make multiple awards for these services. Services shall be provided throughout the entire state or by region per **EXHIBIT 7 to the Special Terms and Conditions, State of Arizona Regional Map**. There is no guarantee of the number of authorizations to be issued.

Contractor shall provide a comprehensive range of services for which a price is established in the Commercial Document for ordering by the Eligible Agencies and Co-op Buyers. Services required may be single moves or multiple moves with multiple drops within the same area, or within a different area from original pickup location. This Scope is not limited to furniture and equipment. It is intended for any moving services required by the requesting Eligible Agency or Co-op. Detailed move requirements will be provided by the Eligible Agency or Co-op as per the outlined options in the RFP documents.

The total annual usage of **Moving Services/Relocation** for fiscal year 2016 (July 2015 - June 2016) totaled to \$125,000.

SCOPE REQUIREMENTS

1.0 CONTRACTOR REQUIREMENTS

- 1.1-A Contractor agrees to commit sufficient and reliable resources to perform all required services and additional services necessary under this Agreement within the mutually agreed upon time schedules.
- 1.1-B Contractor acknowledges the State of Arizona has explained the timely completion of the Services and Additional Services under this Agreement is of critical importance to

PART 2 of the Solicitation Documents:
 Scope and Pricing Documents

SECTION 2-A: Scope Document (Scope of Work)

Date: 10/14/2016

Page 1 of 8





Request for Proposals
 Solicitation No.
ADSP017-00006782
 Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
 100 N 15th Ave., Suite 201
 Phoenix, AZ 85007

the State.

- 1.1-C Contractor agrees that time is of the essence for completion of the Contractor's performance.
- 1.1-D Revisions to the schedule, which are the result of an action or omission of the Eligible Agency or Co-op, or its employees or agents, shall be agreed to by the Contractor in writing.
- 1.1-E Contractor shall possess and free of unresolved complaints, or suspensions prior to or during the term of this contract, all licenses and certifications, and shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations.

2.0 CONTRACTOR RESPONSIBILITY

2.1 Contractor Responsibility

The Contractor will provide all necessary labor, tools, equipment and materials to carry out its responsibilities within the time frames set by the Eligible Agency or Co-op for each move per the requirements as follows:

- 2.1-A Contractor will supply all packing materials which include boxes, labels, bubble wrap, etc., as required. The State reserves the right to use other contracted sources for breakdown, move, and setup
- 2.1-B The Contractor will be responsible for safeguarding and protecting its own work, material, tools and equipment.
- 2.1-C The Contractor will furnish pricing for dumpsters or trash compactors and provide pricing for removal of trash, not generated from Contractor, from the premises if required. The Contractor shall, at all times, keep the premises free from excessive accumulation of waste material or rubbish caused by its employees or work, and remove such waste material or rubbish caused by its employees, at no extra cost to the Eligible Agency or Co-op.
- 2.1-D Within one (1) week prior to scheduled move, Contractor's Project Manager shall perform a walk-through with the Eligible Agency's or Co-op's Authorized Representative to evaluate each move and shall provide an estimated cost, move schedule, and crew schedule for review and approval by the Eligible Agency's or Co-op's Representative; except, for unusual circumstances that require immediate moves for an Eligible Agency or Co-op. In such cases the State reserves the right for :
 - 2.1-D-(01) Eligible Agency or Co-op to request an immediate walk-through or an acceptable alternative for Contractor to provide a quote within 24 hours.
 - 2.1-D-(02) Contractor shall provide an estimated cost, move schedule, and crew schedule for review and approval by the Eligible Agency's or Co-op's Representative within 24 hours.
- 2.1-E Actual move dates will be scheduled at a minimum one week from date of approval of the quote by the Eligible Agency or Co-op. The Eligible Agency or Co-op will have its personnel available during the move at both the existing facility and the destination site for supervisory assistance in placing moved items during the move. An Eligible Agency's or Co-op's Authorized Representative will be indicated by title in the RFP contract documents. The Eligible Agency's or Co-op's Authorized Representative will be the Contractors primary contact and the only person authorized to request moving

PART 2 of the Solicitation Documents:
 Scope and Pricing Documents

SECTION 2-A: **Scope Document** (Scope of Work)

Date: 10/14/2016

Page 2 of 8





Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- services. All aspects of the moving service will be coordinated through the Eligible Agency's or Co-op's Authorized Representative.
- 2.1-F Contractor's Project Manager is responsible for all aspects of project management for the move and punch list.
- 2.1-G Upon approval of quote, or receipt of a P.O., Contractor shall deliver boxes, labels, equipment, plastic bags, and packing materials per the Eligible Agency's or Co-op's Authorized Representative's specified date.
- 2.1-H This Agreement is intended to cover moving services within and between eligible government/non-government locations and Co-op locations. Contractor shall provide a free onsite evaluation, quote and rate schedules from negotiated rates established in the awarded contract and documentation of available resources (manpower, vehicles and equipment) for this contract. Contractor shall consult and plan with Eligible Agency's or Co-op's Authorizes Representative for the moving of furnishings, equipment, and supplies from existing facilities to new location, within two working days of request.
- 2.1-I The need may arise for the Contractor to schedule work in conjunction with other contractors working on-site at State facilities. The Contractor will cooperate with the Eligible Agency or Co-op Authorized Representative, regarding coordination of the Work and completion of the Work in conjunction with other contractors and various activities.
- 2.1-J Contractor shall provide a contact name and telephone number where the Contractor can be reached twenty four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year.
- 2.1-K Contractor shall arrive at the move site promptly at the scheduled time with all necessary equipment and employees to complete the Work.
- 2.1-L Contractor shall have the ability to provide moving services twenty four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year.
- 2.1-M 24 hours a day shall be considered regular operating hours 7 days per week for the State, excluding state holidays.
- 2.1-N Non-regular operating hours are any State observed holiday.
- 2.1-O Moves may be scheduled for evenings, weekends, and holidays.
- 2.1-P All necessary permits are to be provided by the Contractor, and the cost of such permits, included in the bid prices.
- 2.1-Q All furnishings, equipment and supplies will be transported in weather tight moving vans.
- 2.1-R Contractor will verify that the equipment weight will not hinder delivery of the equipment or damage property during transport.
- 2.1-S Contractor shall be responsible for packing, safe transportation, and reuse of all existing hardware associated with the disassembly of equipment and furniture.
- 2.1-T Contractor shall provide necessary protection, padding, and equipment without a charge to the Eligible Agency or Co-op.





Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- 2.1-U Any furniture, equipment, and supplies within the responsibility of the Contractor, will be delivered to the destination site in good condition. Any equipment, furniture or supplies damaged or lost during the move will be the responsibility of the Contractor, who will:
- 2.1-U-(01) Promptly notify Eligible Agency's or Co-op's Authorized Representative
 - 2.1-U-(02) Provide quotes to replace or repair all damaged goods.
 - 2.1-U-(03) Contractor will be responsible for the cost of repair and those repairs shall be completed prior to time of final acceptance of work. The Contractor will afford the Eligible Agency's or Co-op's Authorized Representative access to inspecting the work. Inspections will take place prior to approval of invoices issued to the Eligible Agency or Co-op.
- 2.1-V If the move site is more than 50 miles from the moving company's office an hourly rate for driving to the move site will be allowed upon the 51st mile.
- 2.1-W Work begins upon the Contractor reporting in to the Eligible Agency's or Co-op's Authorized Representative, and work ceases when the Contractor checks out with the Eligible Agency's or Co-ops Authorized Representative.
- 2.1-W-(01) Start and finish times will be computed to the nearest quarter hour.
 - 2.1-W-(02) Lunch periods for Contractor personnel is unpaid time. The Contractor will inform the Eligible Agency or Co-op of the lunch schedule of their workers for documentation of unpaid lunch time.
 - 2.1-W-(03) Fuel stops shall be excluded from hourly billing.
- 2.1-X Additional work required after the initial move shall be authorized by the Eligible Agency's or Co-op's Authorized Representative prior to work being done.
- 2.1-Y Contractor shall note and report at initial site visit, any visible damage, other than normal wear and tear, to any items being moved. All damage noted after the move that is not in initial report will be deemed damage caused by the Contractor and the Contractor shall resolve damage issues prior to payment of services. A detailed damage report must be submitted, which shall include the following:
- 2.1-Y-(01) Contractors name and contact number
 - 2.1-Y-(02) Agency's representative that requested the move
 - 2.1-Y-(03) Date and location of damage review
 - 2.1-Y-(04) Specify the type of damage and where it is located on the item(s)
 - 2.1-Y-(05) Name of person noting the damage and the contact information of this person
 - 2.1-Y-(06) Submit damage report with initial quote to the specified Agency's representative requesting the move. E-mail is the preferred method of submitting the damage report. The Contractor representative's e-mail address will be provided.
- 2.1-Z The Contractor shall accept from the Eligible Agency or Co-op, unused boxes the Contractor provided to the Eligible Agency or Co-op. The Contractor shall issue the





Request for Proposals
 Solicitation No.
ADSP017-00006782
 Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
 100 N 15th Ave., Suite 201
 Phoenix, AZ 85007

Eligible Agency or Co-op a credit or refund equal to the amount paid by the Eligible Agency or Co-op to the Contractor for the unused and/or returned boxes.

- 2.1-AA Contractor must receive prior approval from Agency's Authorized Representative before removal and/or remount of any attached fixtures to ensure that all environmental control issues are in compliance.
- 2.1-BB Any utility connections will be made by licensed contracted vendors and approved by Eligible Agency's or Co-op's Authorized Representative.

3.0 WORKFORCE

3.1 Workforce Requirements

Contractor will provide experienced personnel who shall maintain professional conduct while on premises. Personnel will be experienced with large office moves. It is strictly forbidden for Contractor to use day laborers; doing so is terms for termination of contract

- 3.1-A Upon request, the Contractor will provide a full time experienced Project Manager on site. The Project Manager shall have the ability to communicate in written and spoken English. The Contractor's Project Manager and other designated representatives will work closely and collaboratively with the Eligible Agency's or Co-op's Authorized Representative for each move. If requested, the Project Manager may be required to be on site throughout the duration of each move.
- 3.1-B Specific Authorized Titles for Specific Agencies:
 - 3.1-B-(01) Department of Economic Security Authorized Representatives holds the title of Office Facilities Manager (OFM), and the Business Enterprise Program (BEP).
 - 3.1-B-(02) Arizona Corporation Commission Authorized Representative holds the title of Administration Director
 - 3.1-B-(03) Arizona State Land Department Authorized Representative holds the title of Administration Director
- 3.1-C The Eligible Agency or Co-op reserves the right to approve/or reject the Project Manager designated to work with the Eligible Agency or Co-op. The Eligible Agency or Co-op reserves the right to require the removal of any member of the Contractor's moving team from the site.
- 3.1-D Contractor's workforce shall be identifiable by uniform, name tags, badges and/or other safeguards for security purposes required by the State.
- 3.1-E Contractor shall not sub-contract any part of the move without prior written approval of the Eligible Agency's or Co-op's Authorized Representative.
- 3.1-F Security, background clearance checks, and finger printing shall be mandatory for admission to certain Eligible Agencies and Co-ops, which will be specified upon a request for quote from the Eligible Agency's or Co-op's Authorized Representative.

4.0 MOVING SERVICES

4.1 Moving Services Requirements

The required services are as follows:

- 4.1-A Stand Alone Office Furniture -- Wood and metal desks, credenzas, bookcases, file cabinets, and chairs.

PART 2 of the Solicitation Documents:
 Scope and Pricing Documents

SECTION 2-A: **Scope Document (Scope of Work)**
 Date: 10/14/2016
 Page 5 of 8





Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- 4.1-B Modular Furniture – To include partitions, cubicles, file cabinets, and chairs, and requires the inclusion of breakdown, move and setup of all items.
- 4.1-C Computer Equipment – Monitors, keyboards, hard Drives, and all related cables.
- 4.1-D Miscellaneous Equipment – Calculators, Printers, Telephones, etc.
- 4.1-E Vertical and lateral Files, Lateral Track Filing Systems, and Storage Cabinets. Lateral Track filing may include breakdown and setup.
- 4.1-F Pictures and Whiteboards – Take down and remount.
- 4.1-G Boxes – Containing files and miscellaneous items such as office supplies.
- 4.1-H Conference Room Furniture – Tables, Chairs and Whiteboards/work-boards.
- 4.1-I Laboratory Equipment and Furniture.
- 4.1-J Vending Machines and Equipment, as indicated by Eligible Agency's or Co-op's Authorized Representative.
- 4.1-K Contractor is not required to move personal items of employees unless requested by the Eligible Agency's or Co-op's Authorized Representative and shall be included in the quote for the specified move.
- 4.1-L Vending Machines and Kitchen/Cafeteria Equipment:
- 4.1-M Uninstall items from the original location, including complete and safe removal of all cables and waterlines. Transport items to the authorized location and reinstall the items to fully operational conditions without damage to either premises or items. Set in place, level, plug in water lines, etc. using industry standard equipment for the move of large equipment.
- 4.1-N Move equipment with Freon/Refrigerant contained in cooling units.
- 4.1-O Possess equipment necessary for the specialized movement of vending machines, e.g., heavy duty four wheeled dolly trucks which can be collapsed to pass through tight spaces. **Metal straps capable of securing the machines, hydraulic jacks, and trucks with power lift gates, which are large enough to move eight (8) to twelve (12) vending machines at one time.**
- 4.1-P When disassembly and assembly of property is required, the Contractor will furnish appropriate and knowledgeable labor and equipment **rated** to accomplish the task.
- 4.1-Q When required, Contractor is to utilize movers with **documented expertise** in removing and reinstalling doors and door frames in order to bring equipment through door openings. Contractor shall ensure equipment is not dropped or damaged.
- 4.1-R Provide labor to unbolt and move Safes as required.

5.0 SAFETY STANDARDS

5.1 Safety Standards Requirements

The required Contractor safety standards are as follows

- 5.1-A Contractor agrees and warrants that it and its workforce shall comply with applicable OSHA and EPA regulations. Further, all equipment used shall meet all requirements, laws and permitting identified by the State of Arizona

PART 2 of the Solicitation Documents:
Scope and Pricing Documents

SECTION 2-A: **Scope Document** (Scope of Work)

Date: 10/14/2016

Page 6 of 8





Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- 5.1-B Contractor agrees that compliance with the standards, rules and regulations identified above shall be at the Contractor's cost. Proof of compliance with the above shall be submitted at the State's request.

6.0 THE STATE OF ARIZONS'S RESPONSIBILITY

- 6.1 Move coordination, packing, and scheduling:
- 6.1-A The Eligible Agency or Co-op's Authorized Representative will coordinate the move between the tenant and the designated Contractor's Project Manager.
 - 6.1-B Agency will provide floor plans, if available
 - 6.1-C The final move schedules will be determined by the Eligible Agency or Co-op.
 - 6.1-C-(01) There will be no additional fees, costs or penalties to the State as a result of schedule changes.
 - 6.1-C-(02) The Eligible Agency or Co-op will advise the Contractor of changes as far in advance as possible.
 - 6.1-C-(03) The Eligible Agency or Co-op and the Contractor will jointly establish a detailed flexible work schedule.
 - 6.1-D Eligible Agency or Co-op may provide packing services dependent upon availability of personnel. This will be determined at initial walkthrough or requested by the Eligible Agency's or Co-op's Authorized Representative.
 - 6.1-E For assemblies that are under warranty, the Eligible Agency's or Co-op's Authorized Representative will determine who will dis-assemble, move, and re-assemble warranted items, so as not to void any warranty.
- 6.2 Move coordination of computers, peripherals, and associated infrastructure:
- 6.2-A The Eligible Agency's first contact in coordinating a move shall be their designated Engagement Manager from ADOA-ASET, as their single point of contact to co-ordinate the move.
 - 6.2-B The Contractor is not allowed to move any of the AZNET II equipment, which includes Cisco switches and Cisco Routers. These items will be moved by AZNET II.
 - 6.2-C Eligible Agencies that own their equipment can contract out their own move.
 - 6.2-D For Eligible Agency owned equipment, such as Servers, the manufacturer should be used so as not to void any warranty. Eligible Agencies are allowed to move the Uninterruptible Power Supplies (UPS's) if the Eligible Agencies have them.
 - 6.2-E It is up to the Eligible Agencies discretion if they want the movers to move the computers, monitors, keyboards, mice and phones, as long as the movers can provide proof of coverage with insurance certification.
 - 6.2-F For small Eligible Agency moves that are provided support by ADOA LAN group, may request help with the move from the ADOA LAN. **See note below.**
 - 6.2-G If the Eligible Agency is moving equipment racks, this should be done by a cabling vendor that ASET-EIC IT Infrastructure Manager could recommend and receive quotes for the move. The cabling vendors have the knowledge to properly disassemble and re-assemble these cabinets or equipment racks to Industry and Electrical Standards. Equipment racks and cabinets should not be moved to an Eligible Agency Intermediate Distribution Frame (IDF) without proper approval from ADOA-EIC IT (Enterprise Infrastructure Communications), Infrastructure Manager or the property manager if it is a privately owned building.
 - 6.2-G-(01) **Note:** (This would require information from CJ Jackson of ADOA-ASET cj.jackson@azdoa.gov if they can provide this service.

PART 2 of the Solicitation Documents:
Scope and Pricing Documents

SECTION 2-A: **Scope Document** (Scope of Work)

Date: 10/14/2016

Page 7 of 8





Request for Proposals
 Solicitation No.
ADSPO17-00006782
 Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
 100 N 15th Ave., Suite 201
 Phoenix, AZ 85007

6.2-H Network Power and Cabling Requirements

6.2-H-(01) **Eligible Agencies:** All power and cabling requirements will be handled by ASET-EIC IT Infrastructure Manager at **602-542-8786**. The IT Infrastructure Manager will obtain quotes from contracted vendors and submit quotes to Eligible Agency for their selection. **The IT Infrastructure Manager MUST be called for this process.**

7.0 PENALTIES

7.1 Penalty guidelines:

- 7.1-A If during the term of this Agreement, the Contractor fails to provide proper protection of Eligible Agency's or Co-op's property, including walls, corners, etc., that is reasonable and necessary as determined by the Eligible Agency or Co-op, and damage ensues, the Eligible Agency or Co-op will obtain a mutually agreed upon quote for repair or replacement. The Eligible Agency or Co-op will procure the repair or replacement and credit will be reflected on final invoice.
- 7.1-B During the term of this Agreement, if the Contractor fails to maintain the premises in a neat and rubbish free condition, and the condition of the work area is NOT acceptable to the Eligible Agency or Co-op, the Eligible Agency or Co-op may clean the work area and charge the Contractor for the cost of the work.
- 7.1-C If during the term of this agreement, the Contractor fails to arrive at the previously agreed upon location at the agreed upon time, and with a full complement of staff and equipment to complete the work required, a penalty may be charged equaling 10% of the charges for that set of work.

8.0 LICENSING AND CERTIFICATIONS

8.1-A Registration and licensing with the State of Arizona Corporation Commission and the Arizona Registrar of Contractors (AZ ROC).

9.0 SPECIFIC LAWS

9.1-A Applied use of International Code Council family of codes, the Americans with Disabilities Act, and all other applicable codes in Arizona. Contractor shall review all applicable laws and codes in designing and preparing the proposal documents.

EXHIBITS TO THE SCOPE DOCUMENT

Exhibit 1.... None

End of Section 2-A





Request for Proposals
 Solicitation No.
ADSP017-00006782
 Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
 100 N 15th Ave., Suite 201
 Phoenix, AZ 85007

**Section 2-B:
 Pricing Document**

Date: 10/14/16

1.0 Compensation

1.1 Contractor will be compensated for the satisfactorily carrying out its obligations under the Contract by the method indicated by the "●" mark below:

<input type="radio"/>	Firm-Fixed-Price (refer to paragraph 1.2 below)
<input checked="" type="radio"/>	Unit Prices (refer to paragraph 1.3 below)
<input checked="" type="radio"/>	Contracted Labor Rates (refer to paragraph 1.4 below)
<input type="radio"/>	Cost Reimbursable (refer to paragraph 1.5 below)
<input type="radio"/>	Discount Off List or Catalog (refer to paragraph 1.6 below)

1.2 **FIXED-PRICE.** The firm-fixed-price (interchangeably referred to as lump sum or stipulated sum) is the amount or amounts shown or scheduled as such in Annex 1 to Attachment 4: Pricing Sheet, each of which will be Contractor's complete and total compensation for carrying out the relevant portion of the Work that it covers and will not be subject to any adjustment on the basis of Contractor's cost experience in performing under the Contract.

1.2.1 Except as expressly stated otherwise in the Solicitation, Contractor is, on the basis in subparagraph 1.2.2, deemed to have allowed in each firm-fixed price correct and sufficient amounts to cover all its obligations under or arising from the Contract, at law, or otherwise, and to have allowed the necessary resources to enable it to carry out the relevant portion of the Work that it covers within any time for performance specified in the Scope Document (Section 2-A of the Solicitation Documents).

1.2.2 Contractor acknowledges that it has had the opportunity to visit those physical locations where the priced work is to be carried out and to understand and account for local conditions that might affect the Work, and has reviewed, verified, and interpreted for itself the necessary documents and information relevant to access, communications, climactic conditions, likelihood or risk of damage to adjacent property and occupants, possibility of interference by Persons other than State, and any necessary interfaces with others.

1.3 **UNIT PRICES.** The unit prices are the amounts scheduled in Annex 1 to Attachment 4: Pricing Sheet for complete, delivered, discrete items, including installation if applicable and so stated. The provisions of paragraph 1.2 apply to each item covered by each unit price, but only at the item level.

NOTE: An "item" as contemplated in this paragraph could be a single, functional, and usable thing as sold, or a component of an assembly yet to be built, or a complete assembly.

1.4 **CONTRACTED LABOR RATES.** The contracted labor rates are the fully-burdened and marked-up billing rates for Contractor's labor scheduled in Annex 1 to Attachment 4: Pricing Sheet.

PART 2 of the Solicitation Documents:
 SECTION 2-B: Pricing Document
 Date: 10/14/16

SECTION 2-B: Pricing Document
 Page 1 of 5



- 1.4.1 The rates are deemed to be inclusive of the actual gross wages plus all:
- (a) applicable payroll taxes, non-payroll employer burden, workers' compensation contributions and health and welfare benefit contributions;
 - (b) retirement or other pension contributions, vacation, sick time or other paid leave allowances and the like;
 - (c) required home office support, corporate or subordinate licenses or registrations, corporate insurance, professional association fees, advertising, time and travel by any of Contractor's personnel other than billable personnel and any bonuses or other incentives for all personnel (including billable Personnel);
 - (d) insurance coverages to be provided by Contractor under the Contract; and
 - (e) profit.
- 1.4.2 The rates are not subject to overtime or other premium time unless expressly stated otherwise in the Pricing Document or a relevant Annex thereto.
- 1.4.3 The rates include all transaction privilege and other sales/use taxes, including any gross receipts taxes on services, unless expressly stated otherwise in the Pricing Document or a relevant Annex thereto.
- 1.5 **COST-REIMBURSEMENT.** Under cost reimbursement compensation, State will pay Contractor for allowable incurred costs without any mark-up.
- 1.6 **DISCOUNT OFF LIST OR CATALOG.** A discount off list or catalog means a percentage discount to be applied to a base price for from one or more contractually-established price lists against published catalogs. The applicable discounts are scheduled in Exhibit 1 to this Pricing Document.
- 1.6.1 Unless specified otherwise in the Pricing Document, base price is the price that is most widely offered to general customers at the time of the Order.
- 1.6.2 The catalogs used to establish base price are specified otherwise in the Pricing Document. If nothing is so specified, then the commercially available catalogs published by Contractor or Subcontractor to a dealer or reseller network for the covered materials or services are to be used.
- 1.6.3 Each catalog must:
- (a) bear the applicable State contract number;
 - (b) list all materials or services Contractor is authorized to sell under the Contract;
 - (c) not contain any items that are excluded from the Contract;
 - (d) provide ordering information and contact information for customer support.
- 1.6.4 Each catalog and its accompanying price list must include for each item:
- (a) a part or model number, if applicable;
 - (b) a complete and accurate description of the item;
 - (c) the manufacturer's suggested retail price (MSRP) or Contractor's list price;
 - (d) a stock keeping unit (SKU) number (SKU) , if applicable;
 - (e) the item's unit of measure (UOM), if applicable; and
 - (f) the quantity in the unit of measure (QUOM), if applicable.
- 1.6.5 Contractor shall provide and maintain concurrent and identical electronic and hardcopy versions of all contracted price lists and catalogs.
- (a) The electronic versions are to be provided as URLs and in excel format.
 - i. State, at its discretion, may host Contractor's electronic price lists and catalogs directly, or may link through ProcureAZ as a punch-out.
 - ii. Regardless of the number and types of links to Contractor's electronic price lists and catalogs, Contractor shall ensure that all Eligible Agencies and Co-Op Buyers are only able to access one unified set of data.



- (b) Contractor shall supply sufficient, current hardcopy catalogs and price lists price lists to applicable Eligible Agencies at Contract commencement, and provide prompt hardcopy notice of any changes to list/catalog holders as they occur. Contractor shall not change State or any Eligible Agency (or any Co-Op Buyer, if applicable) for lists/catalogs or updates.

2.0 Pricing

- 2.1 **CONTRACTOR'S BEST PRICING.** Supplier warrants that, for the term of the Contract, the prices and discounts set out in Annex 1 to Attachment 4: Pricing Sheet, including any subsequent agreed amendment to it (the "Contract Pricing"), will be equal to or better than the lowest prices and largest discounts, both separately and in combination, at which Contractor sells equivalent items of equipment and materials.
 - 2.1.1 That price-plus-discount equivalence ("Contractor's Best Pricing") is intended to be irrespective of whether or not those other sales have special purchase terms, conditions, rebates or allowances.
 - 2.1.2 If Contractor's Best Pricing for equivalent items of equipment and materials is better than the Contract Pricing, then Contractor agrees to adjust the Contract Pricing to match the Contractor's Best Pricing for all sales related to the Contractor made after the date when the Contractor's Best Pricing was first better than the Contract Pricing.
 - 2.1.3 For clarification of intent, that date is intended to be the date when the difference first occurred, which might have been before the difference was first identified. If it was before, then Supplier agrees to charge at less than the Contract Pricing until the extended difference that would have been realized (i.e., if the Contractor's Best Pricing had been applied when it should have been) has been settled.
- 2.2 **NO ADJUSTMENT.** All prices and rates in Annex 1 to Attachment 4: Pricing Sheet, or Orders if and to the extent they differ from those in the exhibit, will be valid for the entire term of the Contract, and will not be subject to revision for inflation or any changes to wages, taxes or other costs that Contractor may be obliged to incur that may be higher than those which it contemplated when proposing the relevant price or rate.
- 2.3 **SHIPPING.**
 - 2.3.1 Prices shall be F.o.B. Destination to any delivery location in the State of Arizona, delivered to the specified receiving point as required by the customer agency at the time of order. Contractor shall retain title and control of all goods until they are delivered, received and contract of coverage has been completed. All risk of transportation and all related charges shall be the responsibility of the contractor. All claims for visible and concealed damage shall be filed by the contractor. The State will notify the contractor promptly of any damaged goods and shall assist the contractor in arranging for inspection.

3.0 Funding

No particular funding considerations apart from paragraph 4.3 of the Uniform Terms and Conditions [Availability of Funds] have been identified as of the Solicitation date.

4.0 Invoicing

- 4.1 **INVOICES GO TO BUYING ENTITY.** Contractor shall submit all billing notices or invoices to the ordering Eligible Agency or Co-Op Buyer at the address indicated on the applicable Order document.
- 4.2 **MINIMUM INVOICE REQUIREMENTS.** Every invoice must include the following information:

Item	Required
Bill-to name and address	●
Contractor name and contact information	●

PART 2 of the Solicitation Documents:
SECTION 2-B: Pricing Document
Date: 10/14/16

SECTION 2-B: Pricing Document
Page 3 of 5

2

Remit-to address	●
State contract number	●
Order number (typically the ProcureAZ PO #)	●
Invoice number and date	●
Date the items shipped or services performed	●
Applicable payment terms	●
Contract line item number	●
Contract line item description	●
Quantity delivered or performed	●
Line item unit of measure	●
Item price	●
Extended pricing	●
Discount off list or catalog	●
Taxes (as a separate invoice line item)	●
Upcharge shipping/freight, etc. (as a separate invoice line item)	Materials only
Total invoice amount due	●

- 4.3 **NO INVOICE WITHOUT AUTHORIZATION.** Contractor shall not seek payment for any:
1. Materials or Services that have not been authorized on an acknowledged Order;
 2. expediting, overtime, premiums, or upcharges absent State's express prior approval; or
 3. Materials or Services that are the subject of a Contract Amendment or Change Order that has not been fully signed.
- 4.4 **PRE-INVOICE REVIEW.** Shortly before Contractor is scheduled to submit each invoice, the parties' representatives shall meet informally to review any issues relevant to that upcoming invoice so that the formal invoice process is thereby facilitated and made more efficient.
- 4.5 **SUBMITTING INVOICES.** Contractor shall submit an invoice to the ordering Eligible Agency or Co-Op Buyer on the last business day of each calendar month, using the form provided or required by the ordering Eligible Agency or Co-Op Buyer. Every invoice must be signed by Contractor's authorized representative and accompanied by all supporting information and documentation required by the Contract and applicable laws.
- 4.6 **DEFECTIVE INVOICES.** Without prejudice to its other rights under the Contract or further obligation to Contractor, the ordering Eligible Agency or Co-Op Buyer may, at its discretion, reject any materially defective invoice.
- 4.6.1 The ordering Eligible Agency or Co-Op Buyer shall notify Contractor within 5 (five) business days after receipt if it determines an invoice to be materially defective.
 - 4.6.2 Invoices will be deemed automatically rejected upon delivery if they:
 - (a) are sent to an incorrect address;
 - (b) do not reference the correct State contract number; or
 - (c) are payable to any Person other than the Contractor.
 - 4.6.3 The ordering Eligible Agency or Co-Op Buyer will have no obligation to pay against a defective invoice unless and until Contractor has re-submitted it free of defects.
- 4.7 **INVOICING FOR TASK ORDERS.** For task order Services, invoices must include the following information as applicable to the relevant task order being invoiced against:
1. substantiation of hours worked using:
 - a. a detailed daily timesheet;
 - b. itemization to the task level; and



- c. breakdown by service area (if the Contract covers more than one area) and Contract Amendment (if any apply);
- 2. authorizations and receipts for all allowable reimbursable items being invoiced; and
- 3. Contractor's certification that the invoice has been examined and to the best of Contractor's knowledge and belief the invoiced amounts are entitled, correct, and accurate as can be demonstrated by the contractually-required books and records upon State's demand.

5.0 Payments

- 5.1 **PAYMENT.** The applicable Eligible Agency or Co-Op Buyer shall pay undisputed amounts due to Contractor within the time period specified in Article 4 of the Uniform Terms and Conditions.
- 5.2 **DELIVERY OF THE PRODUCT TO THE ELIGIBLE AGENCY DOES NOT CONSTITUTE ACCEPTANCE, THEREFORE, ONLY THE ELIGIBLE AGENCY ACCEPTANCE DATE WILL BE A VALID DATE FOR STARTING THE THIRTY (30) CALENDAR DAY PAYMENT PERIOD.**
- 5.3 **Payment due dates,** including discount periods, will be computed from the date of acceptance or date of correct invoice (whichever is later) to the date the State's warrant is mailed
- 5.4 **JOINT CHECKS OR DIRECT PAY.** applicable Eligible Agency or Co-Op Buyer may, but is under no obligation to, pay by joint check or to pay directly to any Subcontractor or other creditor to whom any portion of Contractor's requested payment is owed.
- 5.5 **RECOVERY OF OVER-PAYMENT.** If applicable Eligible Agency or Co-Op Buyer determines that an over-payment has been made to Contractor on any prior invoice, it shall inform Contractor of the amount and date of the over-payment and may deduct the over-paid amount from amounts then or thereafter due to Contractor.
- 5.6 **PAYMENTS TO SUBCONTRACTORS.** Contractor shall make payment of all undisputed amounts due to Subcontractors within thirty (30) days of receipt of funds from applicable Eligible Agency or Co-Op Buyer applicable to their services.
- 5.7 **AUTOMATED CLEARING HOUSE.** Applicable Eligible Agency or Co-Op Buyer may pay invoices for some or all Orders through an Automated Clearing House (ACH). In order to receive payments in this manner from Eligible Agencies, Contractor must complete an ACH Vendor Authorization Form (form GAO-618) within 30 (thirty) days after the effective date of the Contract. The form is available online at: <https://gao.az.gov/afis/vendor-information>

6.0 Attachments to the Pricing Document

- **Attachment 4 Pricing Sheet** 10/14/2016
 - **Annex 1 to Attachment 4-Annex 1 to Pricing Sheet-Moving Materials Price Book Region** 10/14/2016

End of Section 2-B

End of Part 2





Request for Proposals
 Solicitation No.
ADSP017-00006782
 Description:
**Glass Beads - Waterborne Fast Drying
 Paint**

Arizona Department of Administration
State Procurement Office
 100 N 15th Ave., Suite 201
 Phoenix, AZ 85007

**SECTION 3-A:
 Special Terms and Conditions**

Date: 10/14/16

The Special Terms and Conditions modify the Uniform Terms and Conditions and its Appendices. It can modify them by replacing, deleting, appending to, or revising the text of an existing provision or by inserting a new paragraph into an existing article. No other document modifies or adds to the Uniform Terms and Conditions, except as may subsequently be otherwise and expressly agreed and incorporated by Contract Amendment.

MODIFIED or ADDED Provision

APPEND the following to the referenced paragraph:

1.11 Contract Terms and Conditions

Those Uniform Terms and Conditions Appendices for particular work categories that are marked with "●" below are part of the Contract Terms and Conditions, and the ones marked "○" are not, regardless of whether or not a document by that name happens to be bound in with the Solicitation or Contract documents. The version date of the appendix as included in the Contract Terms and Conditions is indicated below.

Appendix Title	
<input type="radio"/>	Appendix 1: Building Work – Maintenance and Operations
<input type="radio"/>	Appendix 2: Building Work – Design and Construction

MODIFIED or ADDED Provision

APPEND the following to the referenced paragraph in the Uniform Terms and Conditions:

11.12 Delivery Time

The contractor shall acknowledge to the Eligible Agency or Co-op in writing the time and date a move/relocation is complete. Additionally, the contractor shall acknowledge to the Eligible Agency or Co-op in writing the time and date when deliveries will be made. Copies of these orders and delivery receipts shall be included as attachments to all invoices.

The moving/delivery invoices shall plainly state, "Drivers SHALL deliver at the specified date and time. Drivers shall call the Eligible Agency or Co-op if they are delayed and cannot make the delivery on time. Additionally, the delivery documents shall include the drivers name, trucking company name, Contractor's name, pickup and delivery location, delivery date, and items being moved/delivered.



Request for Proposals
 Solicitation No.
ADSP017-00006782
 Description:
Glass Beads - Waterborne Fast Drying Paint

Arizona Department of Administration
State Procurement Office
 100 N 15th Ave., Suite 201
 Phoenix, AZ 85007

MODIFIED or ADDED Provision

APPEND the following to the referenced paragraph in the Uniform Terms and Conditions:

11.3 Compensation for Late Deliveries

A late shipment can be grounds for the Eligible Agency or Co-op to suspend the contract, cancel the contract or utilize another contractor. The contractor shall maintain the appropriate labor staff to maintain the required moving/delivery terms.

MODIFIED or ADDED Provision

APPEND the following to the referenced paragraph in the Uniform Terms and Conditions:

11.15 Materials Acceptance

Each item moved/delivered shall be subject to a complete inspection by the Eligible Agency or Co-op. Inspection criteria shall include, but not be limited to conformity to the specifications.

The contractor shall be fully responsible for the transport of all items from and to each location, for installation and/or for the correction/repair of items not in compliance with the specifications.

MODIFIED or ADDED Provision

APPEND the following to the referenced paragraph in the Uniform Terms and Conditions:

3.14 Orders

3.14-S1 USE OF THE CONTRACT. The Contract is to be used as follows (indicated by the "●" mark):



- | | |
|----------------------------------|---|
| <input type="radio"/> | The Contract is a "single-agency/single-use" contract for the exclusive use of Agency for a single purchase, project, or assignment (referred to internally as "Glass Beads - Waterborne Fast Drying Paint"). |
| <input checked="" type="radio"/> | The Contract is a "statewide" contract for multiple purchases, projects, or assignments, and can be purchased against by some or all Eligible Agencies and any Co-Op Buyers that elect to participate. Even if only one Eligible Agency or Co-op needs or elects to purchase against the Contract, it is to be construed as being a "statewide" contract hereunder.

The Contract is an indefinite delivery, indefinite quantity (ID/IQ) type of contract; it is to be construed as a "delivery order" sub-type of ID/IQ contract to the extent the Work is Materials, and a "task order" sub-type to the extent the Work is Services (<u>Subpart 16.5 of the Federal Acquisition Regulation</u> provides reference explanations). |



Request for Proposals

Solicitation No.
ADSP017-00006782

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State Procurement Office
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Phoenix, AZ 85007

MODIFIED or ADDED Provision

APPEND the following to the referenced paragraph in the Uniform Terms and Conditions:

3.14 Orders, continued

3.14-S2 ORDERING METHODS. Unless a particular ordering method is specified in the Commercial Document, Contractor shall receive Orders by the methods indicated by an "●" mark below.

3.14-S2(a) The choice of method in each instance will be at the discretion of each Eligible Agency or Co-Op Buyer if more than one method applies to the Contract.

3.14-S2(b) Contractor shall bear the responsibility for and costs of set-up, maintenance, and support for the indicated methods; The Eligible Agency or Co-Op Buyer will not be liable for any separate set-up, service or system maintenance charges on top of the contractual item prices unless expressly stated otherwise in the Commercial Document.

- Online through ProcureAZ by "releasing" established Contract "Items."
- Online through the following Contractor-provided and Contractor-maintained secure ecommerce website or other online end-user order handling system, which must be configured to prevent ordering of off-contract or excluded items:
enter URL or platform brand name
- Online through the following third party or Subcontractor provided and maintained secure ecommerce website or other online end-user order handling system, which must be configured to prevent ordering of off-contract or excluded items:
enter URL or platform brand name
- By a Contractor-provided, staffed toll-free telephone number available in the continental US 24/7 between 7 a.m. MST and 5 p.m. MST on every Monday through Friday, excluding federal holidays:
enter number(s)
- By a Contractor-provided dedicated or monitored secure email address for ordering:
enter address.
- By bank-issued purchasing card or business credit card ("P-Card") at either a physical point-of-sale or by telephone, fax, or online. Contractor shall pay any fees or commissions charge by the P-Card carrier, and shall not charge any additional amounts for Orders made by P-Card.
- By hard copy purchase orders by **select**.





Request for Proposals
 Solicitation No.
ADSP017-00006782
 Description:
Glass Beads - Waterborne Fast Drying Paint

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MODIFIED or ADDED Provision

APPEND the following to the referenced paragraph in the Uniform Terms and Conditions:

3.14 Orders, continued

3.14-S3 EXCLUSIVITY. Exclusivity of scope or location applies as indicated by the "●" mark below:

- The Contract has been awarded with the understanding and agreement that it is for the sole convenience of State, and State reserves the right to obtain like materials or services from another source when necessary without penalty or obligation.
- The Contract has been awarded with the understanding and agreement that it is exclusive to Contractor for the combination of products and delivery/service locations the Contract covers, subject to the *Exclusivity Agreement* that is Exhibit 3 to these Special Terms and Conditions.

MODIFIED or ADDED Provision

APPEND the following to the referenced paragraph in the Uniform Terms and Conditions:

3.15 Statewide Contract Provisions

3.15-S1 The administrative fee under subparagraph 3.16(c) is **one (1%) percent** against all sales to Co-Op Buyers under the Contract.

MODIFIED or ADDED Provision

APPEND the following to the referenced paragraph in the Uniform Terms and Conditions:

10.0 Contract Claims

If, at any time during the course of the contract, the Department makes the Contractor aware of any problem with their performance and execution of a move/relocation or delivery of items the Contractor shall take immediate action to investigate the cause and to develop a solution. Non-response or an untimely response can be grounds for contract suspension or contract cancellation. The Contractor shall coordinate with the responsible Eligible Agency or Co-op and the Procurement Officer on all problems and solution relating to this contract.

No change to this contract, by the State or the Contractor, is allowable without the expressed written authorization of the State's responsible Procurement Officer.

MODIFIED or ADDED Provision

APPEND the following to the referenced paragraph in the Uniform Terms and Conditions:

6.2 Insurance

6.2-S1 Contractor shall provide the insurance specified in Exhibit 1 to these Special Terms and Conditions for each "Insurance Package" (Tables A-E) and "Add-On" (Table F) indicated by a "●" mark in the table below.

6.2-S2 Subcontractors shall provide insurance equivalent to what is required from Contractor at **100% (one hundred percent)** of Contractor's required minimums for all coverages other than Damage to Rented Premises, which is unchanged if that coverage applies to the Contract.





Request for Proposals
 Solicitation No.
ADSP017-00006782
 Description:
 Glass Beads - Waterborne Fast Drying Paint

Arizona Department of Administration
State Procurement Office
 100 N 15th Ave., Suite 201
 Phoenix, AZ 85007

MODIFIED or ADDED Provision

APPEND the following to the referenced paragraph EXHIBIT 1 to the Special Terms and Conditions, Contractor Insurance Requirements):

3.0 COVERAGE SPECIFIC REQUIREMENTS

3.1-S1 Commercial General Liability - Policy shall include bodily injury, property damage, and broad form contractual liability coverage. ***Policy shall include coverage for cargo being transported on an all risk basis including flood, and wind for the value of the cargo. Loading and unloading shall also be included.***

General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Damage to Rented Premises	\$50,000
Each Occurrence	\$1,000,000

- a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.2-S1 Business Automobile Liability - Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract. ***Trucker's coverage form must be included for cargo transport.***

Combined Single Limit (CSL)	\$1,000,000
-----------------------------	-------------

- a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.





Request for Proposals
 Solicitation No.
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State Procurement Office
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Scope Category	Applicable to Contract	Insurance Package ID	Add-Ons										
			X001 - Subj.	X002 - Airpoin	X003 - Mantrac	X004 - Security	X005 - Money	X006 - Install	X007 - Garage	X008 - Detail	X009 - Hazmat	X010 - EMT	
Professional Services	<input type="radio"/>	A.1.1	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	<input type="radio"/>	A.1.2	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
General Services; Materials	<input checked="" type="radio"/>	A.2.1	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	<input type="radio"/>	A.2.2	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Elevator Maintenance	<input type="radio"/>	A.3	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Small Events	<input type="radio"/>	B.1	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Large Events; Rides; Races	<input type="radio"/>	B.2	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fireworks Displays	<input type="radio"/>	B.3	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Environmental Svcs and Consulting	<input type="radio"/>	C.1	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Master Environmental Services	<input type="radio"/>	C.2	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Abatement and Remediation Work	<input type="radio"/>	C.3	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Disposal, Recycling or Storage Facilities	<input type="radio"/>	C.4	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Hazardous Material Hauling	<input type="radio"/>	C.5	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Off-Site Control of Hazardous Waste	<input type="radio"/>	C.6	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Information Technology	<input type="radio"/>	D.1	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Media Services	<input type="radio"/>	D.2	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Large Construction	<input type="radio"/>	E.1	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Small Construction	<input type="radio"/>	E.2	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Trade Construction	<input type="radio"/>	E.3	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

PART 3 of the Solicitation Documents:
 Contract Terms and Conditions

SECTION 3-A: Special Terms and Conditions

Date: 10/14/16
 Page 6 of 7





Request for Proposals

Solicitation No.
ADSP017-00006782

Description:
Glass Beads - Waterborne Fast Drying Paint

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

EXHIBITS to the Special Terms and Conditions

Exhibits 1, 2, and 3 apply as described above. The other Exhibits (if any are listed) apply to those portions of the Work the Exhibit covers. For example, an Exhibit providing supplemental provisions for federal work applies to any portions of the Work that are federally-funded, and an Exhibit providing supplemental provisions for privacy protection applies to any portions of the Work that involve handling of protected or private information.

- **Exhibit 1 ... Contractor Insurance Requirements**
Bound separately, 20 pages, dated 10/14/2016
- **Exhibit 2 ...** Not used – number reserved
- **Exhibit 3 ...** Not used – number reserved
- **Exhibit 4 ...** Not used – number reserved
- **Exhibit 5 ...** Not used – number reserved
- **Exhibit 6 ...** Not used – number reserved

End of Section 3-A

PART 3 of the Solicitation Documents:
Contract Terms and Conditions

SECTION 3-A: **Special Terms and Conditions**

Date: 10/14/16

Page 7 of 7





Request for Proposals
 Solicitation No.
ADSPO17-00006782
 Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
 100 N 15th Ave., Suite 201
 Phoenix, AZ 85007

FOR USE IN ALL INVITATIONS FOR BIDS, REQUESTS FOR PROPOSALS, AND REQUESTS FOR QUOTATIONS,
 AS WELL AS REQUESTS FOR QUALIFICATIONS UNDER A.R.S. § 41-2558

**EXHIBIT 1 to the Special Terms and Conditions:
 Contractor Insurance Requirements**

Date: 10/14/16

EXHIBIT CONTENTS:

1.0 Minimum Scope and Limits of Insurance 2

2.0 General Insurance Requirements 2

3.0 Coverage-Specific Requirements 3

 Commercial General Liability3

 Business Automobile Liability3

 Workers Compensation and Employer's Liability4

 Professional Liability.....4

 Professional Environmental Liability.....4

 Contractor's Pollution Liability; Pollution Legal Liability4

 Technology Errors and Omissions5

 Media Liability5

 Network (Cyber) Security and Privacy Liability5

 Builder's Risk.....6

4.0 Verification of Coverage 7

5.0 Subcontractors' Insurance..... 8

6.0 Modifications 8

7.0 Exceptions 9

8.0 Tables 9

9.0 ANNEXes 9





Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

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AS WELL AS REQUESTS FOR QUALIFICATIONS UNDER A.R.S. §41-2558

Contractor Insurance Requirements

1.0 MINIMUM SCOPE AND LIMITS OF INSURANCE

- 1.1 Contractor shall provide coverage at least as broad and with limits of liability not less than those indicated as **"REQUIRED"** in the **Insurance Limits Tables** that follow this Exhibit.
- 1.2 Contractor shall provide the additional coverage elements that are indicated as **"REQUIRED"** in **Add-Ons Table** that follows the Insurance Limits Tables.
- 1.3 The Tables are cumulative requirements ~ the "Add-Ons" are the required riders, floaters, special endorsements, etc., that are in **addition to the required coverage** indicated in whichever one of Tables A, B, C, D, or E is required.

2.0 GENERAL INSURANCE REQUIREMENTS

- 2.1 Contractor shall procure the required insurance against claims for injury to persons or damage to property that may arise from or in connection with its performance under the Contract. Reference herein to "Contractor's performance under the Contract" or a like construction is to be construed every time as being a reference to Contractor's performance under the Contract and performance by all its Subcontractors, sub-subcontractors, suppliers, sub-suppliers, consultants, sub-consultants, and agents that is in any way connected with the Contract.
- 2.2 Contractor shall maintain the required coverage until all its obligations under the Contract including warranties have been satisfied, excluding only the record retention obligations that remain once all other obligations have expired or been satisfied. References to "Contractor's obligations under the Contract" or a like construction is to be construed every time as being a reference to Contractor's obligations under the Contract and the obligations of all its Subcontractors, sub-subcontractors, suppliers, sub-suppliers, consultants, sub-consultants, and agents that are in any way connected with the Contract.
- 2.3 The insurance requirements herein are minimums, and in no way limit indemnities given under the Contract. State in no way warrants that these minimums are sufficient to protect Contractor from all the liabilities that might arise out performance under the Contract with respect to Contractor or its Subcontractors, sub-subcontractors, suppliers, sub-suppliers, consultants, sub-consultants, agents, representatives, or employees. Contractor is free to purchase any additional insurance it determines to be in its best interest, however, State will have no obligation to pay for or reimburse Contractor for any such additional coverage it elects to obtain.
- 2.4 All policies obtained in satisfaction of these minimum requirements must stipulate, or be endorsed to stipulate, as required by this written agreement, that:
 - .1 the insurance afforded Contractor is primary and that any insurance carried by or available to State is excess and non-contributory, as provided in A.R.S. § 41-621(E); and
 - .2 the insurance provided by Contractor does not and will not limit Contractor's liability assumed under the indemnification provisions of the Contract.



Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- 2.5 For all policies obtained in satisfaction of these minimum requirements, the policy must provide that it will not expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days' prior written notice to State. Within two (2) business days after receiving any insurer notice that a policy has expired, been suspended, cancelled or materially changed for any reason or that it will be expiring, suspended, cancelled or materially changed for any reason. Contractor shall provide the notice to State in conformance to the regular notice provisions set out elsewhere in the Terms and Conditions.
- 2.6 All policies obtained in satisfaction of these minimum requirements must be placed with insurers that:
- .1 are licensed in the State of Arizona or hold approved non-admitted status on the current Arizona Department of Insurance *List of Qualified Unauthorized Insurers*; and
 - .2 have an A.M. Best rating of not less than 'A- VII', provided that, State of Arizona in no way warrants that such a rating is sufficient to protect the Contractor from the potential of insurer insolvency.

3.0 COVERAGE-SPECIFIC REQUIREMENTS

Commercial General Liability

3.1 Every Commercial General Liability ("CGL") policy must:

- .1 include Bodily Injury, Property Damage, and Broad Form Contractual Liability coverage;
- .2 be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as ADDITIONAL INSUREDS with respect to liability arising out of the activities performed by or on behalf of Contractor; and
- .3 contain a WAIVER OF SUBROGATION endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of Contractor.

Business Automobile Liability

3.2 Every Business Automobile Liability policy must:

- .1 cover bodily injury and property damage for any owned, hired, and/or non-owned automobiles used in the performance of the Contract;
- .2 be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as ADDITIONAL INSUREDS with respect to liability arising out of the activities performed by, or on behalf of, Contractor involving automobiles owned, hired and/or non-owned by Contractor;
- .3 contain a WAIVER OF SUBROGATION endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of Contractor.



Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Workers Compensation and Employer's Liability

- 3.3 Every Workers Compensation and Employer's Liability policy must contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of Contractor. The foregoing requirement does not apply if both (1) Contractor is exempt under A.R.S. § 23-901 and (2) Contractor has executed and filed the applicable waiver forms needed to make the exempting waiver effective.

Professional Liability

- 3.4 Every Professional Liability policy must:
- .1 if written on a claims-made basis, be warranted by Contractor to the effect that:
 - (a) any retroactive date under the policy precedes the effective date of the Contract; and
 - (b) continuous coverage will be maintained or an extended discovery period will be exercised for 2 (two) years beginning when work under the Contract is completed; and
 - .2 expressly cover professional misconduct or negligent acts for all key personnel or named positions called out in the Scope of Work (Section 2-A of the Solicitation).

Professional Environmental Liability

- 3.5 Paragraph 3.4 applies as well to any required Professional Environmental Liability coverage, but in addition, the coverage must include claims of bodily injury or property damage arising out of pollution or environmental work, asbestos work, laboratory analysis, and/or operations of a treatment plant if and to the extent that those things are included in the scope of the Contract.

Contractor's Pollution Liability; Pollution Legal Liability

- 3.6 Every Contractor's Pollution Liability and every Pollution Legal Liability policy must each and separately:
- .1 cover losses caused by pollution conditions that arise from the operations Contractor carries out under the Contract;
 - .2 be specific to the operations Contractor carries out under the Contract;
 - .3 include coverage for:
 - (a) pollution losses arising out of Contractor's completed operations;
 - (b) bodily injury, sickness, disease, mental anguish, or shock sustained by any person, including death and medical monitoring costs;
 - (c) property damage and physical damage to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically damaged or destroyed including diminution in value;
 - (d) environmental damage including physical damage to soil, surface water, ground water, or plant or animal life caused by pollution conditions and giving rise to cleanup costs;
 - (e) asbestos, lead, and mold, with no exclusions; and
 - (f) non-owned disposal site coverage;
 - .4 specify that pollution coverage applies to:
 - (a) all locations use for acceptance, storage, or disposal of any hazardous materials under the Contract;
 - (b) all phases of the work carried out under the Contract; and



Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- (c) coverage for losses that arise from a covered facility for both sudden and gradual pollution conditions including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants, into or upon land, atmosphere, or any watercourse or body of water which results in cleanup costs, bodily injury, or property damage;
- .5 be written on either an occurrence basis with no sunset clause or a claims-made basis that Contractor has warranted to the effect that (a) any retroactive date under the policy precedes the effective date of the Contract and (b) continuous coverage will be maintained or an extended discovery period will be exercised for 10 (ten) years beginning when work under the Contract is completed;
- .6 include defense, which includes costs, charges and expenses incurred in the investigation, adjustment or defense of claims for compensatory damages;
- .7 be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as ADDITIONAL INSURED with respect to liability arising out of the activities performed by or on behalf of Contractor; and
- .8 contain a WAIVER OF SUBROGATION endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by Contractor.

Technology Errors and Omissions

- 3.7 Technology Errors and Omissions insurance must cover any and all errors, omissions, or negligent acts in the delivery of products, services, and/or programs being licensed under the Contract. Coverage must either expressly include or make no exclusion of settlement and/or defense of claims involving intellectual property, including at a minimum patent and/or copyright infringement.

Media Liability

- 3.8 Media Liability insurance must:
 - .1 cover any and all errors, omissions, or negligent acts in the production of content, including at a minimum plagiarism, libel, slander, false advertising, invasion of privacy, and infringement of copyright, title, slogan, trademark, service mark, and trade dress; and
 - .2 be written on either an occurrence basis with no sunset clause or a claims-made basis warranted by Contractor to the effect that (a) any retroactive date under the policy precedes the effective date of the Contract and (b) continuous coverage will be maintained or an extended discovery period will be exercised for 2 (two) years beginning when work under the Contract is completed.

Network (Cyber) Security and Privacy Liability

- 3.9 Network Security and Privacy Liability insurance must:
 - .1 include coverage for:
 - (a) third party claims and losses with respect to network risks (such as data breaches, unauthorized access or use, identity theft, theft of data), invasion of privacy regardless of the type of media involved, crisis management, and identity theft response costs; and
 - (b) breach notification costs, credit remediation and monitoring, defense and claims expenses, regulatory defense costs plus fines and penalties, cyber extortion, computer



Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

program and electronic data restoration expenses coverage (data asset protection), network business interruption, computer fraud coverage, and funds transfer loss;

- .2 be written on either an occurrence basis with no sunset clause or a claims-made basis that Contractor has warranted to the effect that (a) any retroactive date under the policy precedes the effective date of the Contract and (b) continuous coverage will be maintained or an extended discovery period will be exercised for 2 (two) years beginning when work under the Contract is completed;
- .3 be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as ADDITIONAL INSUREDS with respect to liability arising out of the activities performed by or on behalf of Contractor; and
- .4 contain a WAIVER OF SUBROGATION endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by Contractor.

Builder's Risk

3.10 Builder's Risk insurance must:

- .1 be written on an "all risk", replacement cost basis, and include coverage:
 - (a) for flood and earth movement;
 - (b) for losses during equipment testing and commissioning;
 - (c) from the time the covered property first becomes Contractor's responsibility and continuing without interruption during installation, including any time during which it is being transported to the installation site or awaiting installation either on or off the site;
- .2 be maintained until whichever of the following occurs first:
 - (a) final payment has been made by State; or
 - (b) no person or entity other than State has any insurable interest in the covered property;
- .3 be endorsed such that the insurance will not be canceled, lapse, or be reduced because of any partial use or occupancy by State, provided that, any such partial use or occupancy will be subject to insurers' consent given by endorsement or other mutually-agreeable instrument, which consent the insurers shall not unreasonably withhold; the parties shall:
 - (a) take the joint or individual steps reasonably necessary at the time to obtain the requisite consent; and
 - (b) do nothing with respect to partial occupancy or use that would cause cancellation, lapse or reduction of insurance;
- .4 be endorsed to include the interest of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees, and all Subcontractors and their agents, and employees;
- .5 be endorsed to include State as Loss Payee; and
- .6 contain a WAIVER OF SUBROGATION endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by Contractor.



Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- 3.11 Contractor shall bear the costs attributable to any failure on its part to purchase and maintain the required Builder's Risk insurance, regardless of whether the damage from that failure was suffered by State or by Subcontractors.
- 3.12 Contractor shall pay all deductibles on the Builder's Risk coverage. If the Contractor or insurer increases the required minimum deductibles above the amounts so identified or if the Contractor elects to purchase this insurance with voluntary deductible amounts, the Contractor shall be responsible for payment of the additional costs not covered because of such increased or voluntary deductibles.

4.0 VERIFICATION OF COVERAGE

- 4.1 Before any work commences, Contractor shall furnish State with certificates of insurance on valid ACORD or approved equivalent forms evidencing that Contractor has the required insurance.
 - 4.1.1 Each certificate must be signed by an authorized representative of the applicable insurer.
 - 4.1.2 The effective date of every policy must be earlier than the date the covered work did or is scheduled to commence.
 - 4.1.3 Failure to provide the required certificates or to failure to provide evidence of subsequent renewals will be a material breach of the Contract.
 - 4.1.4 State's receipt without comment of non-compliant or incomplete certificates or policy endorsements is not and is not to be construed to be a waiver of any requirements.
 - 4.1.5 Contractor shall send all certificates and renewals to State's representative designated in the Special Terms and Conditions for insurance certificates. If no such representative is designated, then Contractor shall send them to the same address as given elsewhere in the Contract Terms and Conditions for regular notices. Contractor shall note State's project/contract number and project/contract description on each certificate.
- 4.2 Where the Contract requires that a Contractor or Subcontractor insurance policy include State as additional insured, Contractor acknowledges that State has the right to protect its ability to claim under that policy.
 - 4.2.1 Contractor agrees that State may, to protect the aforementioned right, demand evidence that the policy complies with the Contract. Contractor shall provide complete copies of its insurance policies as evidence that they comply with the Contract promptly upon written demand from a responsible officer of the Arizona Department of Administration Risk Management Division ("State Risk Officer").
 - 4.2.2 If Procurement Officer has determined under Article 4 of the Instructions to Offerors (Section 1-B of the Solicitation) that Contractor's insurance documentation contained, or that its entire insurance program was, confidential information, then State Risk Officer will accept redacted copies of Contractor's insurance policies in lieu of complete policies so long as the submission is (a) accompanied by names and credentials of those who prepared them and (b) made under the notarized signature of an officer, principal, or partner of the Contractor attesting to the authenticity of the documents before redaction. If Contractor is an individual, then his or her notarized signature will suffice.
 - 4.2.3 If State Risk Officer discovers material omissions or inconsistencies in a submission (whether under subparagraph 4.2.1 or 4.2.2), he or she shall notify Contractor promptly, upon which notice Contractor shall rectify the notified deficiencies. If State Risk Officer, in his or her reasonable opinion, determines the submission (or re-

PART 3 of the Solicitation Documents:
Contract Terms and Conditions

Exhibit 3-A.1: **Contractor Insurance**

Date: 10/14/16

Page 7 of 20





Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

submission, as the case may be) does not evidence compliance sufficiently for State to be assured of its ability to claim under that policy, then he or she shall notify Contractor promptly, citing the justification for the determination. Contractor shall provide promptly any further or missing evidence called for in the notice. If Contractor does not, then State may obtain compliant coverage in Contractor's name and recover all its costs for doing so from Contractor under paragraph 8.5 [*Right of Offset*] of the Uniform Terms and Conditions or terminate the Contract for default under Article 9 of the Uniform Terms and Conditions.

- 4.3 Where the Contract does not require that a Contractor or Subcontractor insurance policy include State as additional insured, Contractor recognizes that State nonetheless has a legitimate interest in examining evidence that that the policy complies with the Contract. Accordingly, Contractor agrees that State may rightfully demand evidence in addition to the specified certificates of insurance. Contractor shall provide complete copies of its insurance policies as evidence that they comply with the Contract promptly upon written demand from State Risk Officer, and subparagraphs 4.2.2 and 4.2.3 will apply to those coverages as well.
- 4.4 If an Annex 2 [*Accepted Evidence of Insurance Compliance*] is listed in this Exhibit, then State has already accepted the documentation in that annex as evidence that Contractor's program of insurance complies with the requirements of the Contract and no further submissions under paragraphs 4.1, 4.2, or 4.3 are required unless and until Contractor or its insurers make a material change to the content of the program or the documentation in the annex, in which case paragraphs 4.1, 4.2, and 4.3 will all apply with respect to whatever was changed and the effect of those changes on the program or the documentation. If no such annex is listed, then paragraphs 4.1, 4.2, or 4.3 all apply without limitation or qualification.

5.0 SUBCONTRACTORS' INSURANCE

- 5.1 Contractor's certificates of insurance must include, at a minimum, all Subcontractors as insureds or else Contractor will be responsible to State for ensuring that each Subcontractor has its own valid and collectable insurance evidenced by compliant certificates of insurance and endorsements.
- 5.2 Every first-tier Subcontractor must provide equivalent insurance to that required from Contractor, except that the minimum limits for Subcontractors are as specified in the Special Terms and Conditions.
- 5.3 State may demand evidence from Contractor of compliant Subcontractor insurance at any time during the term of the Contract, and Contractor shall provide it promptly in each instance.

6.0 MODIFICATIONS

- 6.1 State may, by written instruction, modify minimum insurance limits, required coverages, or required endorsements throughout the term of the Contract.
- 6.2 If the net effect of modifications under paragraph 6.1 is to increase limits or coverage or to require additional endorsements, then Contractor may submit a claim for price increase in the manner prescribed in Commercial Document (Part 2 of the Solicitation), except that as required substantiation Contractor shall instead provide verifiable quotes and invoices from its insurers with a cover letter from each one stating that the premium increase is entirely attributable to the modified requirements. Once mutually agreed, the modifications and any price increases are to be incorporated by Contract Amendment. Contractor shall provide updated certificates within 10 (ten) business days after both parties have executed the amendment.
- 6.3 If the net effect of modifications under paragraph 6.1 is to decrease limits or coverage or to strike any endorsement requirements, then Contractor shall submit a price reduction in the manner

PART 3 of the Solicitation Documents:
Contract Terms and Conditions

Exhibit 3-A.1: **Contractor Insurance**

Date: 10/14/16

Page 8 of 20





Request for Proposals
Solicitation No.
ADSP017-00006782
Description:
Moving / Relocation Services Statewide

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

prescribed in the Commercial Document (Part 2 of the Solicitation). For the required documentation Contractor shall provide quotes and invoices from its insurers with a cover letter from each one stating that the premium decrease is entirely attributable to the modified requirements. Once mutually agreed, the modifications and any price reductions are to be incorporated by Contract Amendment. Contractor shall provide updated certificates within 10 (ten) business days after both parties have executed the amendment.

7.0 EXCEPTIONS

If Contractor or Subcontractor is a public entity, then these minimum insurance requirements do not apply, provided that, the entity in question shall provide to State a certificate of self-insurance, unless Contractor or Subcontractor is a State of Arizona agency, board, commission, or university, in which case no evidence of insurance is required.

8.0 TABLES

[the Tables follow this page]

- .1 Table A: **General Goods and Services Limits**
- .2 Table B: **Event Services Limits**
- .3 Table C: **Environmental Services Limits**
- .4 Table D: **Information Services Limits**
- .5 Table E: **Construction Services Limits**
- .6 Table F: **Insurance Add-Ons Table**

9.0 ANNEXES

[the Annexes follow the Tables]

- .1 Annex 1: **Scope Category Definitions**
- .2 Annex 2: **Not Used**



Insurance Limits Tables

Arizona Department of Administration
 State Procurement Office 100 N 15th Ave., Suite
 201, Phoenix, AZ 85007
 Risk Management Division 100 N 15th Ave.,
 Suite 301, Phoenix, AZ 85007

TABLE A: General Goods and Services Limits

Scope Category:	Professional Services		General Services, Materials		Elevator Maintenance
Insurance Package ID:	A.1.1 ¹	A.1.2 ²	A.2.1 ¹	A.2.2 ²	A.3
Applicable to Contract:	not applicable	not applicable	REQUIRED	not applicable	not applicable
Required Coverage	Minimum Coverage Limits				
Commercial General Liability (CGL) – Occurrence Form					
General Aggregate	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 10,000,000
Products – Completed Operations Aggregate	\$ 1,000,000	\$ 500,000	\$ 1,000,000	\$ 500,000	\$ 10,000,000
Personal and Advertising Injury	\$ 1,000,000	\$ 500,000	\$ 1,000,000	\$ 500,000	\$ 10,000,000
Damage to Rented Premises	\$ 50,000	\$ 25,000	\$ 50,000	\$ 25,000	\$ 50,000
Each Occurrence	\$ 1,000,000	\$ 500,000	\$ 1,000,000	\$ 500,000	\$ 10,000,000
Workers' Compensation					
Workers' Compensation	by statute	by statute	by statute	by statute	by statute
Employers' Liability					
Each accident	\$ 1,000,000	\$ 500,000	\$ 1,000,000	\$ 500,000	\$ 1,000,000
Disease Each Employee	\$ 1,000,000	\$ 500,000	\$ 1,000,000	\$ 500,000	\$ 1,000,000
Disease Policy Limit	\$ 1,000,000	\$ 500,000	\$ 1,000,000	\$ 500,000	\$ 1,000,000
Business Automobile Liability					
Combined Single Limit	\$ 1,000,000	\$ 500,000	\$ 1,000,000 ³	\$ 500,000 ³	\$ 1,000,000
Professional Liability (Errors and Omissions)					
Each Claim	\$ 2,000,000	\$ 1,000,000			
Annual Aggregate	\$ 2,000,000	\$ 1,000,000			

¹ Limits required for every contract in the Scope Category except purchases not exceeding the amount prescribed in A.R.S. § 41-2535, which amount is to be construed as referring to the "aggregate dollar amount" defined in A.A.C. R2-7-101 [Definitions].

² Limits required for every contract in the Scope Category not exceeding the amount prescribed in A.R.S. § 41-2535, which amount is to be construed as referring to the "aggregate dollar amount" defined in A.A.C. R2-7-101 [Definitions].

³ Coverage required if personal or company vehicles are used to perform the Services or to deliver the Materials; coverage is not required if Contractor's workers use personal or company vehicles only to commute to and from their work locations.

PART 3 of the Solicitation Documents:
 Contract Terms and Conditions

Exhibit 3-A.1: **Contractor Insurance**

Date: 10/14/16
 Page 10 of 20





Insurance Limits Tables

Arizona Department of Administration
 State Procurement Office 100 N 15th Ave., Suite
 201, Phoenix, AZ 85007
 Risk Management Division 100 N 15th Ave.,
 Suite 301, Phoenix, AZ 85007

TABLE B: Event Services Limits

Scope Category:	Small Events	Large Events; Rides; Races	Fireworks Displays
Insurance Package ID:	B.1	B.2	B.3
Applicable to Contract:	not applicable	not applicable	not applicable
Required Coverage	Minimum Coverage Limits		
Commercial General Liability (CGL) – Occurrence Form			
General Aggregate	\$ 2,000,000	\$ 5,000,000	\$ 10,000,000
Products – Completed Operations Aggregate	\$ 1,000,000	\$ 5,000,000	\$ 10,000,000
Personal and Advertising Injury	\$ 1,000,000	\$ 5,000,000	\$ 10,000,000
Damage to Rented Premises	\$ 50,000	\$ 50,000	\$ 50,000
Each Occurrence	\$ 1,000,000	\$ 5,000,000	\$ 10,000,000
Workers' Compensation			
Workers' Compensation	by statute	by statute	by statute
Employers' Liability			
Each accident	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Disease Each Employee	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Disease Policy Limit	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Business Automobile Liability			
Combined Single Limit	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000



Insurance Limits Tables

Arizona Department of Administration
 State Procurement Office 100 N 15th Ave., Suite
 201, Phoenix, AZ 85007
 Risk Management Division 100 N 15th Ave.,
 Suite 301, Phoenix, AZ 85007

TABLE C: Environmental Services Limits

Scope Category:	Environmental Services and Consulting	Master Environmental Services	Abatement and Remediation Work	Disposal, Recycling or Storage Facilities	Hazardous Material Hauling	Off-Site Control of State Hazardous Waste
Insurance Package ID:	C.1	C.2	C.3	C.4	C.5	C.6
Applicable to Contract:	not applicable	not applicable	not applicable	not applicable	not applicable	not applicable
Required Coverage	Minimum Coverage Limits					
Commercial General Liability (CGL)						
Same as for "Package A.2.1" on page 9						
Workers' Compensation						
Same as for "Package A.2.1" on page 9						
Employers' Liability						
Same as for "Package A.2.1" on page 9						
Business Automobile Liability						
Same as for "Package A.2.1" on page 9					\$ 5,000,000	A.2.1, cont'd.
Professional Environmental Liability						
Each Claim	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000			
Annual Aggregate	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000			
Contractor's Pollution Liability						
Per Occurrence		\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
General Aggregate		\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Pollution Legal Liability						
Per Occurrence			\$ 1,000,000	\$ 1,000,000		\$ 10,000,000
General Aggregate			\$ 2,000,000	\$ 2,000,000		\$ 10,000,000



Insurance Limits Tables

Arizona Department of Administration
State Procurement Office 100 N 15th Ave., Suite
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TABLE D: Information Services Limits

Scope Category:	Information Technology	Media Services
Package ID:	D.1	D.2
Required Coverage	Minimum Coverage Limits	
Applicable to Contract:	not applicable	not applicable
Commercial General Liability (CGL)		
Same as for "Package A.2.1" on page 9		
Workers' Compensation		
Same as for "Package A.2.1" on page 9		
Employers' Liability		
Same as for "Package A.2.1" on page 9		
Business Automobile Liability		
Same as for "Package A.2.1" on page 9		
Technology Errors and Omissions		
Each Claim	\$ 2,000,000	
Annual Aggregate	\$ 2,000,000	
Network (Cyber) Security and Privacy Liability		
Each Claim	\$ 2,000,000	
Annual Aggregate	\$ 2,000,000	
Media Liability		
Each Claim		\$ 2,000,000
Annual Aggregate		\$ 2,000,000



Insurance Limits Tables

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 State Procurement Office 100 N 15th Ave., Suite
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 Risk Management Division 100 N 15th Ave.,
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TABLE E: Construction Services Limits

Scope Category:	Large Construction	Small Construction	Trade Construction
Package ID:	E.1	E.2	E.3
Applicable to Contract:	not applicable	not applicable	not applicable
Required Coverage*	Minimum Coverage Limits		
Commercial General Liability (CGL)			
General Aggregate	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000
Products – Completed Operations Aggregate	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Personal and Advertising Injury	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Damage to Rented Premises	\$ 50,000	\$ 50,000	\$ 50,000
Each Occurrence	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Workers' Compensation			
Workers' Compensation	by statute	by statute	by statute
Employers' Liability			
Each accident	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Disease Each Employee	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Disease Policy Limit	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Business Automobile Liability			
Combined Single Limit	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Builder's Risk			
Coverage Limit:	Full replacement value, to a maximum of: \$ enter amount	Full replacement value	Full replacement value
Minimum Deductible:	\$ enter amount	\$ enter amount	\$ enter amount
Professional Liability (Errors and Omissions)			
Each Claim	\$ 2,000,000 ⁴	\$ 1,000,000 ⁴	\$ select
Annual Aggregate	\$ 2,000,000 ⁴	\$ 1,000,000 ⁴	\$ select

⁴ If the Work includes design. If design is subcontracted, then each subcontracted designer must provide the required coverage. If the Work is design-build and Contractor is a joint-venturer, then the joint-venturer performing the design must provide the required coverage.





Insurance Limits Tables

Arizona Department of Administration
State Procurement Office 100 N 15th Ave., Suite
201, Phoenix, AZ 85007
Risk Management Division 100 N 15th Ave.,
Suite 301, Phoenix, AZ 85007

TABLE F: Insurance Add-Ons Table

Add-On No.	Typical conditions for use	Requirements if used
X.01	When the Services involve working with or caring for children or "vulnerable adults" (adults who are physically or developmentally disabled or are inmates and who are in State's care, custody, and/or control).	<p>Contractor shall maintain coverage for Sexual Abuse and Molestation (SAM), as follows:</p> <ul style="list-style-type: none"> • SAM coverage can be sub-limited: <ul style="list-style-type: none"> – If the applicable required CGL general aggregate is \$2,000,000, then the SAM sub-limit must be no less than \$500,000; and – If the applicable required CGL general aggregate is \$1,000,000, then the SAM sub-limit must be no less than \$250,000. • SAM coverage can be included under the CGL policy either: <ul style="list-style-type: none"> – within the CGL limits; or – by separate endorsement with separate limits. • If available carriers will not provide SAM coverage under the CGL policy, then SAM liability must be covered by a Professional Liability policy. • The CGL or PLI certificate of insurance (as applicable) must include one of the following statements: <ul style="list-style-type: none"> – "Sexual Abuse and Molestation coverage is included." or – "Sexual Abuse and Molestation coverage is not excluded."
X.02	When the Services are being provided at an airport on the airside (inside the fence).	Contractor's CGL and Business Automobile policies must both be endorsed to include airports.
X.03	When the Services include janitorial, building maintenance, or property caretaker work.	<p>Contractor's CGL policy must be endorsed to include:</p> <ul style="list-style-type: none"> • Master Key coverage; and • coverage for Broad Form Property Damage.
X.04	When the Services include providing security services, including armored car services.	<p>Contractor's CGL policy must be endorsed to include:</p> <ul style="list-style-type: none"> • security services Errors and Omissions coverage; • Master Key coverage, if the scope of the Contract includes key-handling responsibilities; • coverage for Broad Form Property Damage to property of others; • coverage for the Operation of Mobile Equipment owned or leased by the State of Arizona, if the scope of the Contract includes operating State's vehicles; • coverage for Use of Reasonable Force to Protect Persons or Property.





Insurance Limits Tables

Arizona Department of Administration
 State Procurement Office 100 N 15th Ave., Suite
 201, Phoenix, AZ 85007
 Risk Management Division 100 N 15th Ave.,
 Suite 301, Phoenix, AZ 85007

Add-On No.	Typical conditions for use	Requirements if used
X.05	<p>When the Services include providing armored car services to transfer State or State-entrusted money or other negotiable instruments (Note: Add-On X.04 above also applies).</p> <p>- OR -</p> <p>When the Services include Contractor's employees handling State or State-entrusted money or other negotiable instruments or having electronic access to State or State-entrusted funds.</p>	<p>Contractor shall provide a Commercial Crime Policy or Blanket Fidelity Bond, as follows:</p> <ul style="list-style-type: none"> • Coverage amount is \$ <i>N/A</i> • Coverage must include, at a minimum: <ul style="list-style-type: none"> - Employee Dishonesty, to include coverage for theft and mysterious disappearance and inventory shortage; - Money & Securities Inside/Outside; - Computer Fraud; - Funds Transferred, if the scope of the Contract includes handling funds or if opportunity to handle funds is presented by the performance of the services included in scope of Contract; - Forgery or Alteration; and - endorsement to include State as Loss Payee. • The policy must not contain any condition requiring arrest or conviction as claim prerequisite.
X.06	<p>When the Contract includes installation of equipment where that equipment is not covered under any project builder's risk policy that Contractor would be able to claim against in the event of a loss during staging, installation, testing, and commissioning.</p> <p>Does not apply when Table E [<i>Construction</i>] applies instead.</p>	<p>Contractor shall maintain an Installation Floater, as follows:</p> <ul style="list-style-type: none"> • Coverage amount is \$ \$500,000 • Policy must be maintained until whichever of the following occurs first: <ul style="list-style-type: none"> - final payment has been made; or - until no person or entity other than State has an insurable interest in the property required to be covered. • Coverage must include, at a minimum: <ul style="list-style-type: none"> - endorsement to include State as Loss Payee; - coverage written on an all risk, replacement cost basis, including coverage for: <ol style="list-style-type: none"> 1) flood and earth movement; and 2) losses occurring during equipment testing and/or commissioning; - endorsement such that the insurance cannot be canceled or lapse because of any partial use or occupancy by State; and - coverage from the time the equipment or material becomes Contractor's responsibility and continuing without interruption during installation, including any time during which the equipment or material is being transported to the installation site or awaiting installation, whether on or off the site. • Contractor is responsible for all deductibles.
X.07	<p>When the Services include providing vehicle storage, transport, repair, or maintenance for State vehicles.</p>	<p>Contractor's CGL policy must be endorsed to include:</p> <ul style="list-style-type: none"> • Garage Liability (Premises and Operations), with a sub-limit of no less than \$ 1,000,000; and • Garagekeeper's Legal Liability – Direct Primary Coverage, with sub-limits of no less than: <ul style="list-style-type: none"> - Each Auto for \$ 500,000; and - Each Occurrence for \$ 1,000,000; and • Products Liability



Insurance Limits Tables

Arizona Department of Administration
State Procurement Office 100 N 15th Ave., Suite
201, Phoenix, AZ 85007
Risk Management Division 100 N 15th Ave.,
Suite 301, Phoenix, AZ 85007

Add-On No.	Typical conditions for use	Requirements if used
X.08	If the Goods are aircraft or aircraft parts. - OR - When the Services include work on State aircraft, aircraft storage, fixed-based air operations, airport tenancy, etc.	The limits of liability for the Products/Completed Operations coverage under Contractor's CGL policy must be increased to: - \$ 10,000,000 Each Occurrence; and - \$ 20,000,000 Aggregate.
X.09	If Contractor or any subcontractor transports hazardous materials in performance of the Services or delivery of the Goods.	Contractor's Business Automobile Liability policy must include the following endorsements: • CA 98 48 Pollution Liability-broadened coverage for covered autos; • MCS-90 (Motor Carrier Act) endorsements; and • Automobile Pollution Liability specific to the covered transportation of hazardous materials.
X.10	If Contractor-hired EMT or medical services are required for an event or work site that are within scope of the Contract.	Contractor-hired providers must provide the following minimum Medical Malpractice coverage for their services: • Coverage amount is \$ N/A • Coverage must include, at a minimum: - N/A]



Insurance Limits Tables

Arizona Department of Administration
State Procurement Office 100 N 15th Ave., Suite
201, Phoenix, AZ 85007
Risk Management Division 100 N 15th Ave.,
Suite 301, Phoenix, AZ 85007

ANNEX 1: Scope Category Definitions

Scope Category in Tables A-E	Definition
Professional Services	Where the Services are performed by a professional or company of professionals who are licensed, registered, or certified and expected to follow established standards of their profession. Professions in this category are: <ul style="list-style-type: none"> • Accountants • Appraisers • Architects and Engineers • Attorneys • Construction Managers • Land Surveyors • Technical Consultants
Medical/Healthcare Services	As defined in the <u>Uniform Terms and Conditions</u>
General Services, Materials	"General Services" are Services that are not included in any other Scope Category. "Services," and "Materials" are both defined in the <u>Uniform Terms and Conditions</u> . If the Materials are hazardous materials (for example, chlorine or other water treatment chemicals, fertilizers, herbicides and pesticides), then the Materials are to be treated as being in the "Master Environmental Services" for contractual insurance requirements purposes.
Elevator Maintenance	Maintenance and repair of conveyances ⁵ .
Small Events	Contracts between State and another entity for staging special events of less than 1,000 people, whether on State property, other public property, or private property. - OR - Where no single entity is contracted to stage a special event of less than 1,000 people, but the Services are (1) integral to the event, (2) directly affect or present risks to attendees, performers, or staff, and (3) are not covered by any existing State contracts.
Large Events; Rides; Races	Contracts between State and another entity for staging special events of 1,000 people or more, whether on State property, other public property, or private property. - OR - Contracts between State and another entity for providing, erecting, operating, or maintaining anything in the "amusement classification" as used for Arizona transaction privilege tax purposes ⁶ . - OR - Where no single entity is contracted to stage a special event of 1,000 people or more, but the Services are (1) integral to the event, (2) directly affect or present risks to attendees, performers, or staff, and (3) are not covered by any existing State contracts.
Fireworks Displays	Where the Services include manufacturing, selling, staging, or managing a fireworks display using display fireworks ⁷ .

⁵ As defined in A.R.S. § 23-491(5).

⁶ As defined in A.R.S. § 42-5073.

⁷ As defined in A.R.S. § 36-1601(3).

PART 3 of the Solicitation Documents:
Contract Terms and Conditions

Exhibit 3-A.1: Contractor Insurance

Date: 10/14/16

Page 18 of 20





Insurance Limits Tables

Arizona Department of Administration
State Procurement Office 100 N 15th Ave., Suite
201, Phoenix, AZ 85007
Risk Management Division 100 N 15th Ave.,
Suite 301, Phoenix, AZ 85007

Scope Category in Tables A-E	Definition
Environmental Services and Consulting	Where the Services are performed by environmental engineers or consultants and include: <ul style="list-style-type: none"> - consulting on environmental issues; - testing for materials or testing air quality for pollutants or other hazardous materials; and - any other professional service that could result in a claim alleging damage to the environment or injury to the public. <p>- OR -</p> Where the Services being performed by architects or engineers are for environmental projects.
Master Environmental Services	Where the Services combine both Environmental Consulting Services and Remediation and Abatement Work, and which might also include testing for pollutants or transporting hazardous materials (for example, chemicals such as chlorine products, petroleum products such as fuel, hazardous waste such as asbestos).
Abatement and Remediation Work	Where the Services include abatement (removal or encapsulation) or remediation (abatement plus correction of the root cause or issues) for: <ul style="list-style-type: none"> - asbestos; - lead; - acids; - mold, bacteria, or other environmental toxins; or - petroleum and volatile petroleum distillates.
Disposal, Recycling, or Storage Facilities	Recycling facilities than handle non-hazardous solid waste ⁸ and: <ul style="list-style-type: none"> - metals; - lead-acid batteries; or - used oil.
Hazardous Material Hauling	Transporters of hazardous materials, including: <ul style="list-style-type: none"> - chemicals such as chlorine products; - petroleum products such as fuel; and - hazardous waste such as asbestos.
Off-Site Control of State Hazardous Waste	Treatment ⁹ , storage ¹⁰ , or disposal ¹¹ of State-generated hazardous waste ¹² at a separate facility ¹³ (i.e., one that is not State-owned). NOTE: This category's requirements might need to be combined with the requirements for Abatement and Remediation Work, Master Environmental Services, or Disposal, Recycling, or Storage Facilities, depending on the scope of what is being contracted.
Information Technology	Where the Materials or Services are within the scope of "Information Technology", as that term is collectively defined in A.R.S. § 41-3501(6) and State Procurement Office Technical Bulletin 046 [<i>Information Technology Terms and Conditions Usage</i>].
Media Services	Where the Services are performed by publishers, broadcasters, or other media-related content-creation service providers, such as web designers, marketing firms, and advertising agencies.

⁸ All types defined in A.R.S. § 49-701.


⁹ As defined in A.R.S. § 49-921(11).

¹⁰ As defined in A.R.S. § 49-921(9).

¹¹ As defined in A.R.S. § 49-921(1).

¹² As defined in A.R.S. § 49-921(5).

¹³ As defined in A.R.S. § 49-921(2).

	<h2>Insurance Limits Tables</h2>	<p>Arizona Department of Administration State Procurement Office 100 N 15th Ave., Suite 201, Phoenix, AZ 85007 Risk Management Division 100 N 15th Ave., Suite 301, Phoenix, AZ 85007</p>
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Scope Category in Tables A – E	Description
Large Construction	Building Work (which term is defined in the <u>Uniform Terms and Conditions</u>) for which an Arizona Registrar of Contractors (ROC) Class B-1 ¹⁴ license is required.
Small Construction	Building Work for which an Arizona ROC Class B-2 ¹⁵ (or KB-2) license is sufficient.
Trade Construction	Building Work for which an Arizona ROC Class A-series ¹⁶ or C-series (or CR-series) license is sufficient.

End of Exhibit

¹⁴ Refer to <http://www.azroc.gov/class.html>

¹⁵ See footnote 14.

¹⁶ See footnote 14.

PART 3 of the Solicitation Documents:
Contract Terms and Conditions

Exhibit 3-A.1: **Contractor Insurance**

Date: 10/14/16

Page 20 of 20





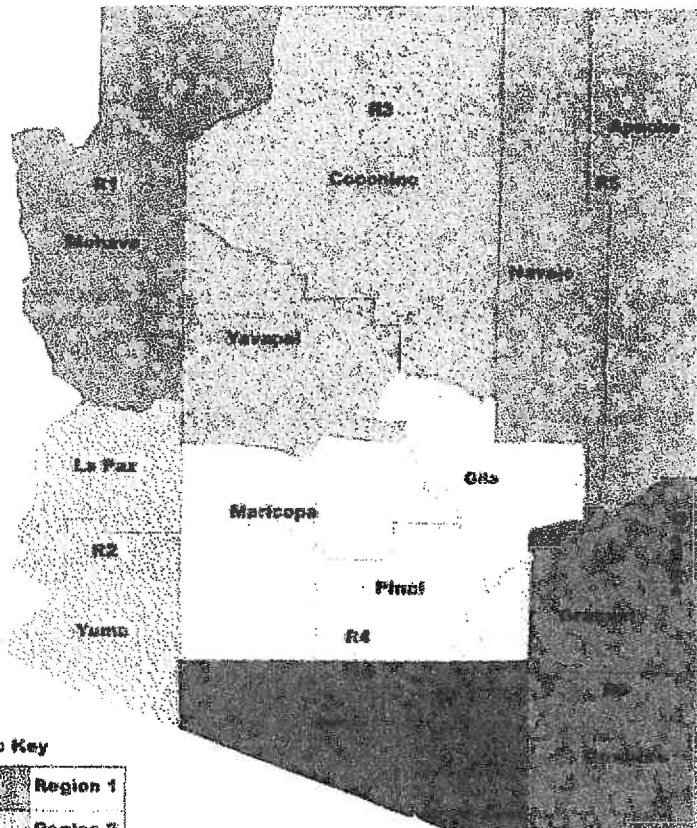
Request for Proposals
 Solicitation No.
 ADSPO17-00006782
 Description:
 Moving / relocation Services Statewide

Arizona Department of Administration
State Procurement Office
 100 N 15th Ave., Suite 201
 Phoenix, AZ 85007

FOR USE IN ALL INVITATIONS FOR BIDS, REQUESTS FOR PROPOSALS, AND REQUESTS FOR QUOTATIONS,
 AS WELL AS REQUESTS FOR QUALIFICATIONS UNDER A.R.S. § 41-2558

EXHIBIT 7 to the Special Terms and Conditions:
State of Arizona Regional Map

Date: 10/14/16



Map Key

	Region 1
	Region 2
	Region 3
	Region 4
	Region 5
	Region 6
	Region 7



Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

SECTION 3-B:
Uniform Terms and Conditions

Version: 11.3 (7/21/2016)

TABLE OF CONTENTS:

1.0.... Definition of Terms 1

1.1.... Acceptance 1

1.2.... Accepted Offer 1

1.3.... Arizona Procurement Code; A.R.S.; A.A.C. 1

1.4.... Arizona TPT 1

1.5.... Attachment 1

1.6.... Building Work 1

1.7.... Commercial Document 1

1.8.... Contract 1

1.9.... Contract Amendment 1

1.10... Contract Terms and Conditions 1

1.11... Contractor 2

1.12... Contractor Indemnitor 2

1.13... Co-Op Buyer 2

1.14... Day 2

1.15... Eligible Agency 2

1.16... Gratuity 2

1.17... Indemnified Basic Claims 2

1.18... Instructions to Offerors 2

1.19... Materials 2

1.20... Offer; Initial Offer; Revised Offer; Best and Final Offer (BAFO) 2

1.21... Order 2

1.22... Part, Section; Exhibit 3

1.23... Person 3

1.24... Procurement Officer 3

1.25... ProcureAZ 3

1.26... Scope of Work 3

1.27... Services 3

1.28... Solicitation; Solicitation Documents 3

1.29... Special Terms and Conditions 3

1.30... Specification 3

1.31... State 3

1.32... State Indemnitees 3

1.33... State Fiscal Year 3

1.34... Subcontract 3

1.35... Subcontractor 4

1.36... Uniform Terms and Conditions 4

1.37... Work 4

2.0.... Contract Interpretation 4

2.1.... Arizona Law 4

2.2.... Implied Terms 4

2.3.... Usage 4

2.4.... Contract Order of Precedence 5

2.5.... Independent Contractor 5

2.6.... Severability 5

2.7.... Complete Integration 5

2.8.... No Waiver of Rights 6

3.0.... Contract Administration and Operation 6

3.1.... Term of Contract 6

3.2.... Contract Extensions 6

3.3.... Notices and Correspondence 6

3.4.... Signing of Contract Amendments 6

3.5.... Click-Through Terms and Conditions 6

3.6.... Books and Records 7





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

3.7... Contractor Licenses 7
3.8... Inspection and Testing 7
3.9... Ownership of Intellectual Property 7
3.10... Subcontracts 8
3.11... Non-Discrimination 9
3.12... E-Verify Requirements 9
3.13... Offshore Performance of Certain Work Prohibited 9
3.14... Orders 9
3.15... Statewide Contract Provisions 10
3.16... Multiple-Use Provisions 11
3.17... Other Contractors 11
3.18... Work on State Premises 11
3.19... Advertising, Publishing and Promotion of Contract 12
4.0... Costs and Payments 12
4.1... Payments 12
4.2... Applicable Taxes 12
4.3... Availability of Funds 12
5.0... Contract Changes 12
5.1... Contract Amendments 12
5.2... Assignment and Delegation 13
6.0... Risk and Liability 13
6.1... Risk of Loss 13
6.2... Contractor Insurance 13
6.3... Basic Indemnification 13
6.4... Patent and Copyright Indemnification 14
6.5... Force Majeure 14
6.6... Third Party Antitrust Violations 15
7.0... Warranties 15
7.1... Liens 15
7.2... Conformity to Requirements 15
7.3... Contractor Personnel 15
7.4... Intellectual Property 15
7.5... Compliance with Laws 15
7.6... Licenses and Permits 15
7.7... Operational Continuity 15
7.8... Performance in Public Health Emergency 15
7.9... Lobbying 16
7.10... Survival of Warranties 16
8.0... State's Contractual Remedies 16
8.1... Right to Assurance 16
8.2... Stop Work Order 16
8.3... Non-exclusive Remedies 16
8.4... Nonconforming Tender 16
8.5... Right of Offset 16
9.0... Contract Termination 17
9.1... Termination for Conflict of Interest 17
9.2... Gratuities 17
9.3... Suspension or Debarment 17
9.4... Termination for Convenience 17
9.5... Termination for Default 17
9.6... Continued Performance Required 17
10.0... Contract Claims 18
10.1... Claim Resolution 18
10.2... Mandatory Arbitration 18
11.0... General Provisions for Materials 18
11.1... Applicability 18





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

11.2 ... Off-Contract Materials 18

11.3 ... Compensation for Late Deliveries 18

11.4 ... Indicate Shipping Costs on Order 18

11.5 ... Current Products 18

11.6 ... Maintain Comprehensive Selection 18

11.7 ... Additional Products 18

11.8 ... Discontinued Products 19

11.9 ... Forced Substitutions 19

11.10 ... Recalls 19

11.11 ... Delivery 19

11.12 ... Delivery Time 19

11.13 ... Delivery Locations 20

11.14 ... Conditions at Delivery Location 20

11.15 ... Materials Acceptance 20

11.16 ... Correcting Defects 20

11.17 ... Returns 21

11.18 ... Order Cancellation 21

11.19 ... Product Safety 21

11.20 ... Hazardous Materials 21

12.0 .. General Provisions for Services 22

12.1 ... Applicability 22

12.2 ... Comprehensive Services Offering 22

12.3 ... Additional Services 22

12.4 ... Off-Contract Services 22

12.5 ... Removal of Personnel 22

12.6 ... Transitions 22

12.7 ... Accuracy of Work 23

12.8 ... Requirements at Services Location 23

12.9 ... Services Acceptance 23

12.10 ... Corrective Action Required 23

13.0 .. Data and Information Handling 23

13.1 ... Applicability 23

13.2 ... Data Protection and Confidentiality of Information 23

13.3 ... Personally Identifiable Information 24

13.4 ... Protected Health Information 24

14.0 .. Information Technology Work 25

14.1 ... Applicability 25

14.2 ... Background Checks 25

14.3 ... Information Access 25

14.4 ... Pass-Through Indemnity 25

14.5 ... Systems and Controls 26

14.6 ... Redress of Infringement 26

14.7 ... First Party Liability Limitation 26

14.8 ... Information Technology Warranty 27

14.9 ... Specific Remedies 27

15.0 .. Comments Welcome 28





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Uniform Terms and Conditions

1.0 Definition of Terms

As used in the Contract, the terms listed below are defined as follows:

- 1.1 Acceptance** "Acceptance" means the document headed "Offer and Acceptance Form" bearing the State contract number once Procurement Officer has signed it to signify (1) State's formal acceptance of the Accepted Offer and (2) the formation of the Contract. For clarity of intent, the foregoing is not to be confused with the term "acceptance" used throughout the Contract in the context of delivery, inspection, etc., with respect to Materials or Services.
- 1.2 Accepted Offer** If State did not request a Revised Offer, then "Accepted Offer" means the Initial Offer. If State did request a Revised Offer but not a Best and Final Offer, then "Accepted Offer" means the latest Revised Offer. If State requested a Best and Final Offer, then "Accepted Offer" means the Best and Final Offer.
- 1.3 Arizona Procurement Code; A.R.S.; A.A.C.** "Arizona Procurement Code, "A.R.S.," and "A.A.C." are each defined in the Instructions to Offerors.
- 1.4 Arizona TPT** "Arizona TPT" means Arizona Transaction Privilege Tax. For information, refer to the Arizona Department of Revenue (DOR) website at: <https://www.azdor.gov/business/transactionprivilegetax.aspx>.
- 1.5 Attachment** "Attachment" means any item that:
1. the Solicitation required Offeror to submit as part of the relevant Offer (e.g., Initial Offer, Revised Offer, or BAFO);
 2. was attached to an Offer when submitted; and
 3. was included in the Accepted Offer.
- 1.6 Building Work** "Building Work" means everything covered by the definitions in A.R.S. § 41-2503 [Definitions] of the terms "construction" (para. 4), "maintenance services" (para. 26), and "operations services" (para. 28).
- 1.7 Commercial Document** "Commercial Document" means Section 2-B of Part 2 of the Solicitation Documents, provided that, if there is no such Section in the Contract, then "Commercial Document" is to be construed as referring to whatever item in the Contract contains the contracted pricing and payment provisions.
- 1.8 Contract** "Contract" means, collectively, the Acceptance, the Solicitation Documents, the Accepted Offer, all acknowledged Orders, and any Contract Amendments. See paragraph 1.22. The Contract is identified as a "Purchase Order" in ProcureAZ, since that is the terminology used in the software; use of that term in ProcureAZ is not to be confused with the contractual term "Order" defined in paragraph 1.21.
- 1.9 Contract Amendment** "Contract Amendment" means a document signed by Procurement Officer that has been issued for the purpose of making changes to the Contract after execution. The term "Change Order" in ProcureAZ is to be construed as being synonymous with "Contract Amendment".
- 1.10 Contract Terms and Conditions** "Contract Terms and Conditions" means the Special Terms and Conditions and these Uniform Terms and Conditions taken collectively.





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- 1.11 Contractor "Contractor" means the Person identified on the Accepted Offer who has entered into the Contract with State.
- 1.12 Contractor Indemnitor "Contractor Indemnitor" means Contractor or any of its owners, officers, directors, agents, employees, or Subcontractors.
- 1.13 Co-Op Buyer "Co-Op Buyer" means a member of the State Purchasing Cooperative that has entered into a "Cooperative Purchasing Agreement" with the Arizona Department of Administration State Procurement Office under A.R.S. § 41-2632. Unless there is an applicable Cooperative Purchasing Agreement in effect at the time, a State Purchasing Cooperative member cannot be a Co-Op Buyer. For reference, "Co-Op Buyer" is to be construed as encompassing "eligible procurement unit" under A.A.C. R2-7-101(23).

NOTE: Membership in the State Purchasing Cooperative is open to all Arizona political subdivisions, including cities, counties, school districts, and special districts. Membership is also available to non-profit organizations, other state governments, the federal government and tribal nations. For reference, "non-profit organizations" are defined in A.R.S. § 41-2631(4) as any nonprofit corporation as designated by the IRS under section 501(c)(3) through 501(c)(6) of the tax code.
- 1.14 Day "Day" means a calendar day unless otherwise specified in a particular context.
- 1.15 Eligible Agency If the Special Terms and Conditions indicates that the Contract is a "single-agency" contract, then "Eligible Agency" means the particular State of Arizona agency, university, commission, or board identified therein. If the Special Terms and Conditions indicates that the Contract is a "statewide" contract, then "Eligible Agency" means any State of Arizona department, agency, university, commission, or board.
- 1.16 Gratuity "Gratuity" means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
- 1.17 Indemnified Basic Claims "Indemnified Basic Claims" means any and all claims, actions, liabilities, damages, losses, or expenses, including court costs, attorneys' fees, and costs of claim processing, investigation and litigation, for bodily injury or personal injury, including death, or loss or damage to any real or tangible or intangible personal property, collectively. See paragraph 6.3.
- 1.18 Instructions to Offerors "Instructions to Offerors" is Section 1-B of Part 1 of the Solicitation Documents.
- 1.19 Materials "Materials" has the meaning given in A.R.S. § 41-2503(7) to the extent those things are included in the Work, which, for convenience of reference only, is "... all property, including equipment, supplies, printing, insurance, and leases of property [but] does not include land, a permanent interest in land or real property or leasing space." Materials includes software, except that if software is sold or provided as a service, then to the extent it consists of encoded information or computer instructions it is included in "Materials" and to the extent it is a service it is in "Services".
- 1.20 Offer; Initial Offer; Revised Offer; Best and Final Offer (BAFO) "Offer," "Initial Offer," "Revised Offer," and "Best and Final Offer" ("BAFO") are each defined in the Instructions to Offerors.
- 1.21 Order "Order" means the instrument by which State authorizes Contractor to perform some or all of the Work. Whether the Contract will have one Order or many Orders depends the scope of the Contract and how State will use it. The Special Terms and Conditions provide that information. Any of the following is to be construed as being an "Order":
 1. "Release" or "Release Purchase Order" in ProcureAZ;
 2. "task order", "service order," or "job order" when a Release Purchase Order for Services has already been committed in ProcureAZ; or
 3. "purchase order" for buying by Co-Op Buyers, if co-op buying applies.





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- 1.22 **Part, Section; Exhibit** "Part," "Section," and "Exhibit" are each defined in the Instructions to Offerors.
- 1.23 **Person** "Person" means any corporation, business, individual, union, committee, club, or other organization or group of individuals.
- 1.24 **Procurement Officer** "Procurement Officer" means the person, or his or her designee, who has been duly authorized by State to enter into and administer the Contract and to make written determinations with respect to the Contract. Procurement Officer is as identified on the Acceptance unless subsequently changed by Contract Amendment.
- 1.25 **ProcureAZ** "ProcureAZ" means State's official electronic procurement system, established pursuant to A.A.C. R2-7-201 as set forth in the Arizona Department of Administration State Procurement Office policy document *Technical Bulletin No. 020, ProcureAZ – The Official State eProcurement System*.
NOTE (1): Technical Bulletin No. 020 is available online at:
<https://spo.az.gov/administration-policy/state-procurement-resource/procurement-regulations>
NOTE (2): The URL for ProcureAZ itself is:
<https://procure.az.gov/>
- 1.26 **Scope of Work** "Scope of Work" means Section 2-A of Part 2 of the Solicitation Documents.
- 1.27 **Services** "Services" has the meaning given in A.R.S. § 41-2503(35), which, for convenience of reference only, is "... the furnishing of labor, time, or effort by [the] [C]ontractor or [S]ubcontractor which does not involve the delivery of a specific end product other than required reports and performance [but] does not include employment agreements or collective bargaining agreements." Services includes Building Work and the service aspects of software described in paragraph 1.19.
- 1.28 **Solicitation; Solicitation Documents** "Solicitation" and "Solicitation Documents" are defined in the Instructions to Offerors.
- 1.29 **Special Terms and Conditions** "Special Terms and Conditions" are Section 3-A of Part 3 of the Solicitation Documents.
- 1.30 **Specification** "Specification" has the meaning given in A.R.S. § 41-2561, which, for convenience of reference only, is "... any description of the physical or functional characteristics, or of the nature of a material, service or construction item. Specification may include a description of any requirement for inspecting, testing or preparing a material, service or construction item for delivery." Specifications (if any are included in the Contract), are indexed in the Scope of Work and could be bound separately from the other documents forming the Contract.
- 1.31 **State** With respect to the Contract generally, "State" means the State of Arizona and its department, agency, university, commission, or board that has executed the Contract. With respect to administration or rights, remedies, obligations and duties under the Contract for a given Order, "State" means each of Eligible Agency or Co-Op Buyer who has issued the Order.
- 1.32 **State Indemnitees** "State Indemnitees" means, collectively, the State of Arizona, its departments, agencies, universities, commissions, and boards and, and their respective officers, agents, and employees.
- 1.33 **State Fiscal Year** "State Fiscal Year" means the period beginning each July 1 and ending each June 30.
- 1.34 **Subcontract** "Subcontract" means any contract, express or implied, between Contractor and another party or between a Subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any Materials, the performing of any Services, or the carrying out of any other aspect of the Work.





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- 1.35 Subcontractor** "Subcontractor" has the meaning given in A.R.S. § 41-2503(38), which, for convenience of reference only, is "... a person who contracts to perform work or render service to ... [C]ontractor or to another [S]ubcontractor as a part of a contract with a state governmental unit ... "The Contract is to be construed as "a contract with a state governmental unit" for purposes of the definition. For clarity of intent, a Person carrying out any element of the Work is a Subcontractor from the moment they first carry out that element of the Work regardless of whether or not a Subcontract exists then or subsequently.
- 1.36 Uniform Terms and Conditions** The "Uniform Terms and Conditions" are made up of this document and whichever of the Appendices are indicated in the Special Terms and Conditions as being applicable.
- 1.37 Work** "Work" means the totality of the Materials and the Services and all the acts of administration, creation, production, and performance necessary to fulfill and incidental to fulfilling all of Contractor's obligations and duties under the Contract in conformance with the Contract and applicable laws.

2.0 Contract Interpretation

- 2.1 Arizona Law** The Contract is governed by and is to be interpreted in accordance with the laws of the State of Arizona, including the Arizona Procurement Code, without consideration of conflict of laws principles.
- 2.2 Implied Terms** Each provision of law and any terms required by law to be in the Contract are a part of the Contract as if fully stated in it.
- 2.3 Usage** Where the Contract:
1. assigns obligations to Contractor, any reference to "Contractor" is to be construed to be a reference to "Contractor and all Subcontractors, whether they are first-tier subcontractors, sub-subcontractors, suppliers, sub-suppliers, consultants, or sub-consultants, as well as all of Contractor's and the Subcontractors' respective agents, representatives, and employees" in every instance unless the context plainly requires that it is be a reference only to Contractor as apart from Subcontractors;
 2. uses the permissive "may" with respect to a party's actions, determinations, etc., the term is to be interpreted as in A.A.C. R2-7-101(31) [Definitions]. For clarity of intent, any right given to State using "State may" or a like construction denotes discretion and freedom to act so far as any regulatory or operative constraints permit in the relevant circumstances, provided that: (a) where written "may, at its discretion," the discretion extends to whatever is most advantageous to State; and (b) where written only as "may," the discretion is constrained by what is fair, reasonable, and as accommodating of the respective best interests of both parties as practicable under the circumstances;
 3. uses the imperative "shall" with respect to a party's actions, duties, etc., the term is to be interpreted as in A.A.C. R2-7-101(43) [Definitions]. Conversely, the phrase "shall not" is to be interpreted as an imperative prohibition.
 4. uses the term "must" with respect to a requirement, criterion, etc., the term is to be interpreted as conveying compulsion or strict necessity, and is to be read as though written "must, if [the subject] is to be entitled to have [the object] considered or credited as being compliant with, conforming to, or satisfying [the requirement, criterion, constraint, etc.], otherwise, [the object] will be considered or debited as being non-compliant, non-conforming, or unsatisfactory for its Contract-related purposes" in every instance;
 5. uses the term "might" with respect to an event, outcome, action, etc., the term is to be interpreted as conveying contingency or non-discretionary conditionality; and



Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- 6. uses the term "will" or the phrases "is to be" or "are to be" with respect to an event, outcome, action, etc., the term or phrase is to be interpreted as conveying such certainty or imperativeness that "shall" is either unnecessary or irrelevant in that instance.

2.4 Contract Order of Precedence

2.4.1 COMPLEMENTARY DOCUMENTS. All of the documents forming the Contract are complementary. If certain work, requirements, obligations, or duties are set out only in one but not in another, Contractor shall carry out the Work as though the relevant work, requirements, obligations, or duties had been fully described in all, consistent with the other documents forming the Contract and as is reasonably inferable from them as being necessary to produce complete results.

2.4.2 CONFLICTS. In case of any inconsistency, conflict, or ambiguity among the documents forming the Contract and their provisions, they are to prevail in the following order, descending from most dominate to most subordinate, provided that, among categories of documents or provisions having the same rank, the document or provision with the latest date prevails. Information being identified in one document but not in another is not to be considered a conflict or inconsistency.

- (a) Contract Amendments;
- (b) the Solicitation Documents, in the order:
 - (1) Special Terms and Conditions;
 - (2) Exhibits to the Special Terms and Conditions;
 - (3) Uniform Terms and Conditions;
 - (4) Scope of Work;
 - (5) Exhibits to the Scope of Work;
 - (6) Commercial Document;
 - (7) Exhibits to the Commercial Document;
 - (8) Specifications; and
 - (9) any other documents referenced or included in the Solicitation;
- (c) Orders, in reverse chronological order; and
- (d) Accepted Offer.

2.4.3 ATTACHMENTS AND EXHIBITS. For clarity of intent, if an item was an Attachment in the Solicitation Documents or an Offer (either Initial, Revised, Best and Final, or Accepted) and was subsequently made into an Exhibit, or its content was incorporated into one of the other Contract documents, then that Attachment no longer exists contractually as an "Attachment" since it has at that point been made into some other Contract document. In every other case, an Attachment and the Offeror data therein remain part of the Accepted Offer for purposes of precedence and contractual effect.

2.5 Independent Contractor

Contractor is an independent contractor and shall act in an independent capacity in performance under the Contract. Neither party is or is to be construed as being to be the employee or agent of the other party, and no action, inaction, event, or circumstance will be grounds for deeming it to be so.

2.6 Severability

Any term or condition deemed or adjudged illegal or invalid is thereby stricken from the Contract and will not affect any other term or condition of the Contract.

2.7 Complete Integration

The Contract, including any documents incorporated into the Contract by reference, is intended by the parties as a final and complete expression of their agreement. There are no prior, contemporaneous, or additional agreements, either oral or in writing, pertaining to the Contract.





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

2.8 No Waiver of Rights

Either party's failure to insist on strict performance of any term or condition of the Contract is not and is not to be construed as being, nor will it be deemed to be, a waiver of that term or condition or a bar to, or diminishment of the right of, subsequent enforcement of any term or condition.

3.0 Contract Administration and Operation

3.1 Term of Contract

The term of the Contract will commence on the date indicated on the Acceptance and continue for the period specified in the Special Terms and Conditions unless canceled, terminated, or permissibly extended. If the Special Terms and Conditions do not specify a period, then the initial term is 1 (one) year. State has no obligation to extend or renew the Contract past the initial term.

3.2 Contract Extensions

State may at its discretion extend the initial Contract term in increments of one or more months and do so one or more times, provided that, the maximum aggregate term of the Contract including extensions cannot exceed the period specified in the Special Terms and Conditions. If the Special Terms and Conditions do not specify a period, then the maximum aggregate term is 5 (five) years.

3.3 Notices and Correspondence

3.3.1 TO CONTRACTOR. Unless stated otherwise in the Special Terms and Conditions, State shall:

(a) address all Contract correspondence other than formal notices to the email address indicated as "Default for Type" for "General Mailing Address" in Contractor's corresponding ProcureAZ Vendor Profile; and

(b) address any required notices to Contractor to the "Contact Name and Title" at the "Mailing Address" indicated on the Accepted Offer, as that address might have been amended during the term of the Contract.

3.3.2 TO STATE. Unless stated otherwise in the Special Terms and Conditions, Contractor shall :

(a) address all Contract correspondence other than format notices to the email address indicated in "Contact Instructions" in the ProcureAZ Summary for State; and

(b) address any required notices to State to Procurement Officer identified as "Purchaser" in the ProcureAZ Summary at the following mailing address:

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

3.3.3 CHANGES. State may change the designated Procurement Officer, update contact information, or change the applicable mailing address by Contract Amendment.

3.4 Signing of Contract Amendments

Contractor's counter-signature – or "approval" in ProcureAZ, in the case of a Change Order – is not required to give effect if the Contract Amendment only covers either:

1. extension of the term of the Contract within the maximum aggregate term;
2. revision to Procurement Officer appointment or contact information; or
3. modifications of a clerical nature that have no effect on terms, conditions, price, scope, or other material aspect of the Contract.

In every case other than those listed in (1), (2), and (3) above, both parties' signature – or "approval" in ProcureAZ, in the case of a Change Order – are required to give it effect.

3.5 Click-Through Terms and Conditions

Unless expressly stated otherwise in the Special Terms and Conditions, if either party uses a web based ordering system, an electronic purchase order system, an electronic order acknowledgement, a form of an electronic acceptance, or any software based ordering system with respect to the Contract (each an "Electronic Ordering System"), the parties acknowledge and agree that an Electronic Ordering System is for ease of





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- administration only, and Contractor is hereby given notice that the persons using Electronic Ordering Systems on behalf of State do not have any actual or apparent authority to create legally binding obligations that vary from the terms and conditions of the Contract. Accordingly, where an authorized State user is required to "click through" or otherwise accept or be made subject to any terms and conditions in using an Electronic Ordering Systems, any such terms and conditions are deemed void upon presentation. Additionally, where an authorized State user is required to accept or be made subject to any terms and conditions in accessing or employing any Materials or Services, those terms and conditions will also be void.
- 3.6 Books and Records**
- 3.6.1 RETAIN RECORDS.** By A.R.S. § 41-2548(B), Contractor shall retain and shall contractually require each Subcontractor to retain books and records relating for any cost and pricing data submitted in satisfaction of § 41-2543 for the period specified in the statute.
- 3.6.2 RIGHT TO AUDIT.** The retained books and records are subject to audit by State during that period. By A.R.S. § 41-2548(B), Contractor shall retain and shall contractually require each Subcontractor to retain books and records relating to performance under the Contract for the period specified in the statute and those retained books and records are subject to audit by State during that period.
- 3.6.3 AUDITING.** Contractor or Subcontractor shall either make all such books and records under subparagraphs 3.6.1 and 3.6.2 available to State at all reasonable times or produce the records at a designated State office on State's demand, the choice of which being at State's discretion. For the purpose of this paragraph, "reasonable times" are during normal business hours and in such a manner so as to not unreasonably interfere with normal business activities.
- 3.7 Contractor Licenses**
- Contractor shall maintain current all federal, state and local licenses and permits required for the operation of its business in general, for its operations under the Contract, and, unless expressly stated otherwise in the Special Terms and Conditions, for the Work itself.
- 3.8 Inspection and Testing**
- By A.R.S. § 41-2547, State may at reasonable times inspect the part of Contractor's or Subcontractors' plant or places of business related to performance under the Contract. Accordingly, Contractor agrees to permit (for itself) and ensure (for Subcontractors) access for inspection at any reasonable time to its facilities, processes, and services. State may inspect or test, at its own cost, any finished goods, work-in-progress, components, or unfinished materials that are supplied under the Contract or that will be incorporated into something to be supplied under the Contract. If the inspection or testing shows non-conformance or defects, then Contractor will owe State reimbursement or payment of all costs it incurred in carrying out or contracting for the inspection and testing, as well as for any re-inspection or re-testing that might be necessary. Neither inspection of facilities nor testing of goods, work, components, or unfinished materials will of itself constitute acceptance by State of those things.
- 3.9 Ownership of Intellectual Property**
- 3.9.1 RIGHTS IN WORK PRODUCT.** Unless otherwise provided for in the Special Terms and Conditions, all intellectual property originated or prepared by Contractor pursuant to the Contract, including but not limited to, inventions, discoveries, intellectual copyrights, trademarks, trade names, trade secrets, technical communications, records reports, computer programs and other documentation or improvements thereto, including Contractor's administrative communications and records relating to the Contract, are considered work product and Contractor's property, provided that, State has Government Purpose Rights to that work product as and when it was delivered to State.
- (a) "Government Purpose Rights" are:
- i. the unlimited, perpetual, irrevocable, royalty free, non-exclusive, worldwide right to use, modify, reproduce, release, perform, display, sublicense, disclose and create derivatives from that work product without restriction for any activity in which State is a party;



Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- ii. the right to release or disclose that work product to third parties for any State government purpose; and
 - iii. the right to authorize those to whom it rightfully releases or discloses that work product to use, modify, release, create derivative works from the work product for any State government purpose; such recipients being understood to include the federal government, the governments of other states, and various local governments.
- (b) "Government Purpose Rights" do not include any right to use, modify, reproduce, perform, release, display, create derivative works from, or disclose that work product for any commercial purpose or to authorize others to do so.

3.9.2 **JOINT DEVELOPMENTS.** The parties may each use equally any ideas, concepts, know-how, or techniques developed jointly during the course of the Contract, and may do so at their respective discretion, without obligation of notice or accounting to the other party.

3.9.3 **PRE-EXISTING MATERIAL.** All pre-existing software and other materials developed or otherwise obtained by or for Contractor or its affiliates independently of the Contract or applicable Purchase Orders are not part of the work product to which rights are granted State under subparagraph 3.9.1 above, and will remain the exclusive property of Contractor, provided that:

- (a) any derivative works of such pre-existing material or elements thereof that are created pursuant to the Contract are part of that work product;
- (b) any elements of derivative work of such pre-existing material that was not created pursuant to the Contract are not part of that work product; and
- (c) except as expressly stated otherwise, nothing in the Contract is to be construed to interfere or diminish Contractor's or its affiliates' ownership of such pre-existing materials.

3.9.4 **DEVELOPMENTS OUTSIDE OF CONTRACT.** Unless expressly stated otherwise in the Special Terms and Conditions, the Contract does not preclude Contractor from developing competing materials outside the Contract, irrespective of any similarity to materials delivered or to be delivered to State hereunder.

3.10 Subcontracts

3.10.1 **INITIAL LIST.** At the time of Contract execution, Contractor's candidate Subcontractors were identified in Attachment 3-C to the Accepted Offer [*Proposed Subcontractors*]. Agreeing to them being included in the Accepted Offer signified Procurement Officer's advance consent for Contractor to enter into a Subcontract with each candidate, which Contractor shall do as promptly as necessary to ensure its ability to carry out the Work in a timely manner.

3.10.2 **ADDITIONAL NAMES.** Contractor shall not enter into a Subcontract without first obtaining Procurement Officer's written consent with any prospective Subcontractor that (a) was not listed on Attachment 3-C at time of Contract execution or (b) is for any Materials or Services categories other than the ones for which they were previously consented. For either case (a) or (b), Contractor shall submit a written request sufficiently in advance of the need date for those materials or services so that performance under the Contract is not impaired. Procurement Officer may request any additional information he or she determines is necessary to assess the submittal, and may withhold consent pending it.

3.10.3 **FLOW-DOWN.** Contractor shall incorporate the provisions, terms, and conditions of the Contract into every Subcontract by inclusion or by reference, as appropriate. When making any post-execution consent requests, Contractor shall include its warrant that it will do the same for the pending Subcontracts covered by the request. Entering into Subcontracts will not relieve Contractor of any of its obligations or duties under the Contract, including, among other things, the duty to supervise and coordinate the work of Subcontractors. Nothing contained in any Subcontract will create or is to be construed as creating any contractual relationship between State and the Subcontractor.





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- 3.11 Non-Discrimination** Contractor shall comply with [Arizona] State Executive Order No. 2009-09 and all other applicable federal and state laws, rules, and regulations regarding non-discrimination and equal opportunity, including the Americans with Disabilities Act.
- 3.12 E-Verify Requirements** As required by A.R.S. § 41-4401, Contractor and each Subcontractor warrants compliance with A.R.S. § 23-214(A) and all federal immigration laws and any regulations relating to the immigration status of their employees. Contractor and each Subcontractor acknowledge that under A.R.S. § 41-4401, State retains the legal right to inspect the papers of any Contractor or Subcontractor employee who works under the Contract to ensure that Contractor or Subcontractor is in compliance with the foregoing warranty and understands that a breach of the foregoing warranty under shall be deemed a material breach of the Contract that is subject to penalties up to and including termination of the Contract.
- 3.13 Offshore Performance of Certain Work Prohibited** Contractor shall only perform those portions of the Services that directly serve State or its clients and involve access to secure or sensitive data or personal client data within the defined territories of the United States. Unless specifically stated otherwise in the Specifications or the Scope of Work, this paragraph does not apply to indirect or overhead services, redundant back-up services, or services that are incidental to performance under the Contract. This provision applies to work performed by Subcontractors at all tiers.
- 3.14 Orders**
- 3.14.1 ORDER SUFFICIENCY.** The Contract was awarded in accordance with the Arizona Procurement Code; the transactions and procedures required by the code for competitive source selection have been met. An Order issued as set forth in the Special Terms and Conditions that cites the correct State contract number will suffice to authorize Contractor to provide the Materials and perform the Services covered by that Order.
- 3.14.2 ORDER TERMS.** All Orders are subject to the Contract Terms and Conditions; an Order cannot modify the Contract Terms and Conditions.
- 3.14.3 ORDERS ARE OBLIGATORY.** Until the expiration or earlier termination of the Contract, State may issue and Contractor shall accept Orders that make proper reference to the Contract and are permissible hereunder, provided that, Contractor is not obliged to accept any Order that is not consistent with the then-current pricing, lead times, specifications, or payment provisions of the Contract. Contractor shall fulfill and complete any Orders that are begun but not yet completed as of expiration or earlier termination of the Contract unless State instructs otherwise at the time.
- 3.14.4 SPECIAL CASE.** In the special case where both the following conditions are true, Procurement Officer's signature on the Acceptance is Contractor's authorization to perform and therefore no Order is required: (a) the Contract is identified as being a "single-agency/single-project" contract in the Special Terms and Conditions and (b) the Contract was created in ProcureAZ as something other than a "Master/ Blanket" type.
- 3.14.5 NO MINIMUMS OR COMMITMENTS.** Unless expressly stated otherwise in the Special Terms and Conditions: (a) Contractor shall not impose any minimum dollar amount, item count, services volume, or services duration on Orders; (b) State makes no commitment of any kind concerning the quantity or monetary value of activity actually initiated or completed during the term of the Contract; (c) Contractor shall only deliver or perform as authorized by Orders; and (d) State is not limited as to the number of Orders it may issue for the Contract. For clarity of intent, the foregoing applies equally whether an Eligible Agency issues the Order or, if applicable, a Co-Op Buyer issues it.
- 3.14.6 NON-CONTRACTED MATERIALS OR SERVICES.** Any attempt to knowingly represent for sales, marketing, or related purposes that goods or services not specifically awarded are under a State contract is a violation of the Contract and law.



Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

3.15 Statewide Contract Provisions

If the Special Terms and Conditions indicate that the Contract is for statewide use, then the following provisions apply:

1. Contractor shall verify if an ordering entity is a bona fide Co-Op Buyer before selling Materials to or providing Services for them under the Contract. The current list of Co-Op Buyers is available on the State Procurement Office website:

<https://spo.az.gov/procurement-services/cooperative-procurement/state-purchasing-cooperative>

2. Contractor shall sell to Co-Op Buyers at the same price and on the same lead times and other terms and conditions under which it sells to Eligible Agencies, with the sole exception of any legitimately additional costs for extraordinary shipping or delivery requirements if the Co-Op Buyer is having Materials delivered or installed or Services performed at locations not contemplated in the contracted pricing (e.g. delivery to a location outside Arizona).
3. Contractor shall pay State an administrative fee against all Contract sales to Co-Op Buyers, as provided for under A.R.S. § 41-2633. The fee rate is specified in the Special Terms and Conditions. Failure to remit the administrative fees is a material breach of contract, and will entitle State to its remedies under Article 8 and its right to terminate for default under Article 9. Method of calculation, payment procedures, and other details are provided on the State Procurement Office website:

<https://spo.az.gov/contractor-resources/statewide-contracts-administrative-fee>

4. Contractor shall submit to State a quarterly usage report documenting all Contract sales to both Eligible Agencies and Co-Op Buyers, itemized separately. Contractor shall further itemize divisions, groups or areas within a given Eligible Agency if they place Orders independently of each other. Failure to submit the report is a material breach of contract, and will entitle State to its remedies under Article 8 and its right to terminate for default under Article 9. Contractor shall submit the report using the forms and following the instructions on the State Procurement Office website:

<https://spo.az.gov/contractor-resources/statewide-contracts-administrative-fee>

5. Contractor shall acknowledge each Order from Eligible Agencies within 1 (one) business day after receipt by either: (a) "approving" the Order electronically in ProcureAZ, which will indicate Contractor's unqualified acceptance of the Order as-issued; or (b) "rejecting" the Order electronically in ProcureAZ, with a concurrent explanation by email to relevant originator as to the reason for rejecting it. By way of reminder, the only grounds on which Contractor may reject or refuse an Order are those set out in subparagraph 3.14.3 [*Orders are Obligatory*]. Unless and until Contractor has approved the Order in ProcureAZ, it will have no effect under the Contract and will not oblige either State or Contractor. If the relevant Eligible Agency explicitly instructs at the time that a verbal acceptance is sufficient because of urgency or other unusual circumstances and Contractor duly gives its verbal acceptance, then Contractor will be deemed to have accepted the Order immediately upon commencing performance, provided that, Contractor must follow-up its verbal acceptance by accepting the Purchase Order electronically in ProcureAZ within 3 (three) business days. Contractor shall thereafter be barred from subsequently rejecting the Order in ProcureAZ and if it does so the rejection will be void.
6. Contractor shall acknowledge each Order from Co-Op Buyers in conformance with each buyer's instructions given at the time of ordering or in any supplemental participating agreement Contractor might have with them. Orders from Co-Op Buyers create no obligation on State's part, since they are entirely between the Co-Op Buyer and Contractor. That notwithstanding, Contractor's obligation under the Contract is to service Co-Op Buyers commercially as though





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

they were with an Eligible Agency, and Contractor's refusal to do so would be a material breach of the Contract.

3.16 Multiple-Use Provisions



If the Special Terms and Conditions indicate that the Contract is for statewide use, then Eligible Agencies may issue Orders for Services in several forms, all of which become final and effective by a "Release Purchase Order" in ProcureAZ.

- 1. By choosing some or all of the Materials or Services items covered by the Contract for which a price is established in the Commercial Document, then preparing an Order using those prices (e.g., filling out an order form), and sending it to Contractor.
2. By instructing Contractor to provide a comprehensive proposal of item quantities, combinations, etc., or services hours, personnel, etc., for a defined scope using those established prices as a basis, then validating and negotiating the proposal with Contractor and issuing an Order if and when reaching agreement.
3. As described in (2) above but requesting the proposal from both Contractor and other vendors who are contracted within the applicable scope categories and locations, either sequentially or concurrently, then selecting the proposal or proposals combination that is most advantageous to State.
4. As described in (3) above but introducing ad-hoc commercial competition by making the selection and ordering conditional on obtaining more favorable prices than the contractually-established ones.

When evaluating the proposals under (3) and (4) above, State may select based on price (for example, a quoted number of hours times the contracted or improved rate plus a fixed amount for incidentals), by experience and qualifications (for example, having an office nearer the required work location), or whatever combination thereof it determines is most appropriate to the work in question.

3.17 Other Contractors

State may undertake with its own forces or award other contracts to the same or other vendors for additional or related work. In such cases, Contractor shall cooperate fully with State's employees and such other vendors and carefully coordinate, fit, connect, accommodate, adjust, or sequence its work to the related work by others.

3.18 Work on State Premises

3.20.1 COMPLIANCE WITH RULES. Contractor is responsible for ensuring that its personnel comply with State's rules, regulations, policies, documented practices, and documented operating procedures while delivering or installing Materials or performing Services on State's grounds or in its facilities.

3.20.3 PROTECTION OF GROUNDS AND FACILITIES. Contractor shall deliver or install the Materials and perform the Services without damaging any State grounds or facilities. Contractor shall repair or replace any damage it does cause promptly and at its own expense, subject to whatever instructions and restrictions State needs to make to prevent inconvenience or disruption of operations.





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

necessary repairs or replacements and do so in a timely manner, State will be entitled to exercise its remedies under paragraph 8.5 [Right of Offset].

3.19 Advertising, Publishing and Promotion of Contract

Contractor shall not advertise, promote, or otherwise use information concerning the Contract for commercial benefit without the prior written approval of Procurement Officer, which approval Procurement Officer may withhold at his or her discretion.

4.0 Costs and Payments

4.1 Payments

4.1.1 **PAYMENT DEADLINE.** State shall make payments in compliance with Arizona Revised Statutes Titles 35 and 41. Unless and then only to the extent expressly stated otherwise in the Commercial Document, State shall make payment in full for Materials that have been delivered and accepted and Services that have been performed and accepted within the time specified in A.R.S. § 35-342 after both of the following become true: (a) all of the Materials being invoiced have been delivered or installed (as applicable) and accepted and all of the Services being invoiced have been performed and accepted; and (b) Contractor has provided a complete and accurate invoice in the form and manner called for in the Commercial Document, provided that, State will not make or be liable for any payments to Contractor until Contractor has registered properly in ProcureAZ and provided a current IRS Form W-9 to State unless excused by law from providing one.

4.1.2 **PAYMENTS ONLY TO CONTRACTOR.** Unless compelled otherwise by operation of law or order of a court of competent jurisdiction, State will only make payment to Contractor under the federal tax identifier indicated on the Accepted Offer.

4.2 Applicable Taxes

4.3.1 **CONTRACTOR TO PAY ALL TAXES.** State is subject to Arizona TPT. Therefore, Arizona TPT applies to all sales under the Contract and Arizona TPT is Contractor's responsibility (as seller) to remit. Contractor's failure to collect Arizona TPT or any other applicable sales or use taxes from an Eligible Agency or Co-Op Buyer (as buyer) will not relieve Contractor of any obligation to remit sales or use taxes that are due under the Contract or laws. Unless stated otherwise in the Commercial Document, all prices therein include Arizona TPT as well as every other manner of transaction privilege or sales/use tax that is due to a municipality or another state or its political subdivisions. Contractor shall pay all federal, state, and local taxes applicable to its operations and personnel.

4.3.2 **TAX INDEMNITY.** Contractor shall hold State harmless from any responsibility for taxes or contributions, including any applicable damages and interest, that are due to federal, state, and local authorities with respect to the Work and the Contract, as well as any related costs; the foregoing expressly includes Arizona TPT, unemployment compensation insurance, social security, and workers' compensation insurance.

4.3 Availability of Funds

By A.R.S. § 35-154, every State payment obligation under the Contract is conditioned on the availability of funds appropriated for payment of that obligation. If funds are not appropriated and available for continuance of the Contract, State may terminate the Contract at the end of the period for which funds are available, or, at State's discretion, allow appropriate amendment to the Contract. No liability will accrue to State if it exercises the foregoing right or discretion, and State will have no obligation or liability for any future payments or for any damages as a result of having exercised it.

5.0 Contract Changes

5.1 Contract Amendments

The Contract is issued for State under the authority of Procurement Officer. Only a Contract Amendment can modify the Contract, and then only if it does not change the Contract's general scope. Purported changes to the Contract by a person not expressly authorized by Procurement Officer or made unilaterally by Contractor will be void and without effect; Contractor will not be entitled to any claim made under the Contract based on any such purported changes.



Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

5.2 Assignment and Delegation

5.2.1 **IN WHOLE.** Contractor shall not assign in whole its rights or delegate in whole its duties under the Contract without Procurement Officer's prior written consent, which consent Procurement Officer may withhold at his or her discretion. If Contractor's proposed assignment or delegation stems from a split, sale, acquisition, or other non-merger change in control, then no such consent will be given in any event without the assignee or delegate giving State satisfactory and equivalent evidence or assurance of its financial soundness, competency, capacity, and qualification to perform as that which Contractor possessed when State first awarded it the Contract.

5.2.2 **IN PART.** Subject to paragraph 3.10 [Subcontracts] with respect to subcontracting, Contractor may assign particular rights or delegate particular duties under the Contract, but shall obtain Procurement Officer's written consent before doing so. Procurement Officer shall not unreasonably withhold consent so long as the proposed assignment or delegation does not attempt to modify the Contract in any way or to alter or impair State's rights or remedies under the Contract or laws.

6.0 Risk and Liability

6.1 Risk of Loss

Contractor shall bear all risk of loss to Materials while in pre-production, production, storage, transit, staging, assembly, installation, testing, and commissioning, if and as those duties are within the scope of the Work, until they have been accepted as conforming by State in the particular location and situation specified in the Order, or as specified generally elsewhere in the Contract if the Order does not provide particulars, provided that, risk of loss for nonconforming Materials will remain with Contractor notwithstanding acceptance to the extent the loss stems from the nonconformance.

6.2 Contractor Insurance

Contractor shall provide the insurance called for in the Special Terms and Conditions.

6.3 Basic Indemnification

6.3.1 **CONTRACTOR/VENDOR (NOT PUBLIC AGENCY).** To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless State Indemnitees from Indemnified Basic Claims that: (a) are caused or alleged to be caused in whole or in part by the negligent or willful acts or omissions of a Contractor Indemnitor; (b) arise out of or are recovered under worker compensation laws; and/or (c) arise out of a Contractor Indemnitor's failure to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. The parties specifically intend that the Contractor Indemnitors shall indemnify the relevant State Indemnitees from and against Indemnified Basic Claims in all instances except where the Indemnified Basic Claim arises solely from those State Indemnitees' own negligent or willful acts or omissions. Wherever the indemnification under this subparagraph applies, Contractor is responsible for primary loss investigation, defense, and judgment costs for an on behalf of the other Contractor Indemnitors with respect to State Indemnitees, and accordingly Contractor is also responsible for any cooperation, contribution, or subordination between or amongst the Contractor Indemnitors. In consideration of the award of the Contract by a State Indemnitee, Contractor hereby waives all rights of subrogation against State Indemnitees for losses arising from the Work.

If Contractor is a public agency, this paragraph does not apply and subparagraph 6.3.2 below applies instead.

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

If Contractor is not a public agency, this paragraph does not apply and subparagraph 6.3.1 above applies instead.





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

6.4 Patent and Copyright Indemnification

CONTRACTOR/VENDOR (NOT PUBLIC AGENCY). With respect to Materials or Services provided or proposed by a Contractor Indemnitor for performance under the Contract, Contractor shall indemnify, defend and hold harmless State Indemnitees against any third-party claims for liability, costs, and expenses, including, but not limited to reasonable attorneys' fees, for infringement or violation of any patent, trademark, copyright, or trade secret by the Materials and the Services. With respect to the defense and payment of claims under this subparagraph:

1. State shall provide reasonable and timely notification to Contractor of any claim for which Contractor may be liable under this paragraph;
2. Contractor, with reasonable consultation from State, shall have control of the defense of any action on an indemnified claim including all negotiations for its settlement or compromise;
3. State may elect to participate in such action at its own expense; and
4. State may approve or disapprove any settlement or compromise, provided that, (i) State shall not unreasonably withhold or delay such approval or disapproval and (ii) State shall cooperate in the defense and in any related settlement negotiations.

If Contractor is a public agency, this paragraph 6.4 does not apply.

6.5 Force Majeure

6.5.1 DEFINITION. For this paragraph, "force majeure" means an occurrence that is (a) beyond the control of the affected party, (b) occurred without the party's fault or negligence, and (c) something the party was unable to prevent by exercising reasonable diligence. Without limiting the generality of the foregoing, force majeure expressly includes acts of God, acts of the public enemy, war, riots, strikes, mobilization, labor disputes, civil disorders, fire, flood, lockouts, injunctions-intervention-acts, failures or refusals to act by government authorities, and, subject to paragraph 7.8 [*Performance in Public Health Emergency*], declared public health emergencies. Force majeure expressly does not include late delivery caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, late performance by a Subcontractor unless the delay arises out of an occurrence of force majeure, or inability of either Contractor or any Subcontractor to acquire or maintain any required insurance, bonds, licenses, or permits.

6.5.2 RELIEF FROM PERFORMANCE. Except for payment of sums due, the parties are not liable to each other if an occurrence of force majeure prevents its performance under the Contract. If either party is delayed at any time in the progress of their respective performance under the Contract by an occurrence of force majeure, the delayed party shall notify the other no later than the following working day after the occurrence, or as soon as it could reasonably have been expected to recognize that the occurrence had effect in cases where the effects were not readily apparent. In any event, the notice must make specific reference to this paragraph specifying the causes of the delay in the notice and, if the effects of the occurrence are on-going, provide an initial notification and thereafter the delayed party shall provide regular updates until such time as the effects are fully known. To the extent it is able, the delayed party shall cause the delay to cease promptly and notify the other party when it has done so. The parties shall extend the time of completion by Contract Amendment for a period equal to the time that the results or effects of the delay prevented the delayed party from performing.

6.5.3 EXCUSABLE DELAY IS NOT DEFAULT. Failure in performance by either party will not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if and to the extent that such failure was or is being caused by an occurrence of force majeure.

6.5.4 DEFAULT DIMINISHES RELIEF. Entitlement to relief from the effects of an occurrence of force majeure is diminished to the extent that the delay did or will result from the affected party's default unrelated to the occurrence, in which case and to that extent the other party's normal remedies and the affected party's obligations would apply undiminished.



Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

6.6 Third Party Antitrust Violations

Contractor assigns to State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to Contractor toward fulfillment of the Contract.

7.0 Warranties

7.1 Liens

Contractor warrants that the Materials and Services when accepted will be and will remain free of liens or other encumbrances.

7.2 Conformity to Requirements

Contractor warrants that, unless expressly provided otherwise elsewhere in the Contract, the Materials and Services will for 1 (one) year after acceptance and in each instance: (1) conform to the requirements of the Contract, which by way of reminder include without limitation all descriptions, specifications, and drawings identified in the Scope of Work and any Contractor affirmations included as part of the Contract; (2) be free from defects of material and workmanship; (3) conform to or perform in a manner consistent with current industry standards; and (4) be fit for the intended purpose or use described in the Contract. Mere delivery or performance does not substitute for express acceptance by State. Where inspection, testing, or other acceptance assessment of Materials or Services cannot be done until after installation, the forgoing warranty will not begin until State's acceptance.

7.3 Contractor Personnel

Contractor warrants that its personnel will perform their duties under the Contract in a professional manner, applying the requisite skills and knowledge, consistent with industry standards, and in accordance with the requirements of the Contract. Contractor further warrants that its key personnel will maintain any certifications relevant to their work, and Contractor shall provide individual evidence of certification to State's authorized representatives upon request.

7.4 Intellectual Property

Contractor warrants that the Materials and Services do not and will not infringe or violate any patent, trademark, copyright, trade secret, or other intellectual property rights or laws, except only to the extent the Specifications do not permit use of any other product and Contractor is not and cannot reasonably be expected to be aware of the infringement or violation.

7.5 Compliance with Laws

Contractor warrants that the Materials and Services do and will continue to comply with all applicable federal, state, and local laws, except only to the extent the Specifications do not permit use of any other product and Contractor is not and cannot reasonably be expected to be aware of the non-compliance.

7.6 Licenses and Permits

Contractor warrants that it will maintain all licenses required under paragraph 3.7 [Contractor Licenses] and all required permits valid and in force.

7.7 Operational Continuity

Contractor warrants that it will perform without relief notwithstanding being sold or acquired; no such event will operate to mitigate or alter any of Contractor's duties hereunder absent a consented delegation under paragraph 5.2 [Assignment and Delegation] that expressly recognizes the event.

7.8 Performance in Public Health Emergency

Contractor warrants that it will:

1. have in effect promptly after commencement a plan for continuing performance in the event of a declared public health emergency that addresses, at a minimum: (a) identification of response personnel by name; (b) key succession and performance responses in the event of sudden and significant decrease in workforce; and (c) alternative avenues to keep sufficient product on hand or in the supply chain; and
2. provide a copy of its current plan to State within 3 (three) business days after State's written request. If Contractor claims relief under paragraph 6.5 [Force Majeure] for an occurrence of force majeure that is a declared public health emergency, then that relief will be conditioned on Contractor having first implemented its plan and exhausted all reasonable opportunity for that plan





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

implementation to overcome the effects of that occurrence, or mitigate those effects to the extent that overcoming entirely is not practicable.

For clarification of intent, being obliged to implement the plan is not of itself an occurrence of force majeure, and Contractor will not be entitled to any additional compensation or extension of time by virtue of having to implement it. Furthermore, failure to have or implement an appropriate plan will be a material breach of contract.

7.9 Lobbying

7.11.1 PROHIBITION.

(a) Contractor warrants that:

- i. it will not engage in lobbying activities, as defined in 40 CFR part 34 and A.R.S. § 41-1231, et seq., using monies awarded under the Contract, provided that, the foregoing does not intend to constrain Contractor's use of its own monies or property, including without limitation any net proceeds duly realized under the Contract or any value thereafter derived from those proceeds; and
- ii. upon award of the Contract, it will disclose all lobbying activities to State to the extent they are an actual or potential conflict of interest or where such activities could create an appearance of impropriety.

(b) Contractor shall implement and maintain adequate controls to assure compliance with (a) above.

(c) Contractor shall obtain an equivalent warranty from all Subcontractors and shall include an equivalent no-lobbying provision in all Subcontracts.

7.11.2 EXCEPTION. This paragraph does not apply to the extent that the Services are defined in the Contract as being lobbying for State's benefit or on State's behalf.

7.10 Survival of Warranties

All representations and warrants made by Contractor under the Contract will survive the expiration or earlier termination of the Contract.

8.0 State's Contractual Remedies

8.1 Right to Assurance

If State in good faith has reason to believe that Contractor does not intend to, or is unable to, perform or continue performing under the Contract, Procurement Officer may demand that Contractor promptly provide written assurance of intent to perform. Failure by Contractor to provide the assurance within the time specified may be the basis for terminating the Contract or for State to exercise any other remedy available to it under the Contract or laws.

8.2 Stop Work Order

The State may at any time require Contractor to stop all or any part of the Work by written order. Upon receipt of a stop order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize incurring of further costs during the period of stoppage that might be chargeable to State associated with the portions of the Work covered by the order. If Contractor incurs losses, it may make a claim under Article 10.

8.3 Non-exclusive Remedies

State's rights and remedies under the Contract are not exclusive.

8.4 Nonconforming Tender

The Materials provided and Services performed must comply fully with the Contract, and providing Materials or performing Services or any portion thereof that do not comply fully constitutes a breach of contract, in which event State will be entitled to exercise any remedy available to it under the Contract or laws.

8.5 Right of Offset

State is entitled to offset against any sums due Contractor any expenses or costs State incurs or damages it has assessed against it concerning Contractor's non-conforming performance or failure to carry out the Work, including any expenses, costs, and damages to which it is entitled by the Contract or laws.





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

9.0 Contract Termination

- 9.1 Termination for Conflict of Interest**
By A.R.S. § 38-511, State may terminate the Contract within 3 (three) years after the effective date without penalty or further obligation if any Person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of State is or becomes an employee or agent of any other party to the Contract in any capacity or a consultant to any other party to the Contract with respect to the subject matter of the Contract. Any such termination will be effective when Contractor receives State's written notice of the termination unless the notice specifies a later date.
- 9.2 Gratuities**
State may, by written notice, terminate the Contract, in whole or in part, if State determines that employment or a Gratuity was offered or made by Contractor or a representative of Contractor to any officer or employee of State for the purpose of influencing the outcome of the procurement or the administration of the Contract or any favorable treatment concerning the Contract or performance of the Contract. State, in addition to any other rights or remedies available to it, will be entitled to recover exemplary damages in the amount of 3 (three) times the value of the Gratuity offered by Contractor.
- 9.3 Suspension or Debarment**
State may, by written notice to Contractor, terminate the Contract immediately if State discovers that Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. State has taken Contractor's submittal of the Accepted Offer and will take its performance under the Contract as Contractor's attestation that it is not currently suspended or debarred. If Contractor subsequently becomes suspended or debarred, it shall notify Procurement Officer immediately.
- 9.4 Termination for Convenience**
State may terminate the Contract when in the best interest of State, in whole or in part, at any time, and without penalty or recourse on Contractor's part other than as expressly stated in the Contract. Upon receipt of State's written termination notice, Contractor shall stop work as directed in the notice, notify all Subcontractors of the termination and its effective date, and minimize any further costs that might be chargeable to State. In the event of termination under this paragraph, all documents, data, and reports prepared by Contractor under the Contract will become State's property and Contractor shall deliver it all promptly on demand. Contractor will be entitled to receive just and equitable compensation for necessary and attributable unfinished materials on hand, work in progress, work completed, and work accepted before the effective date of the termination, provided that, the cost principles and procedures in A.A.C. R2-7-701 are to be applied.
- 9.5 Termination for Default**
In addition to the rights reserved to it under the Contract, State may terminate the Contract in whole or in part due to Contractor's failure to: (a) comply with any term or condition of the Contract; (b) obtain and maintain all required insurance policies, bonds, licenses, and permits; or (c) make satisfactory progress in carrying out the Work. Procurement Officer shall give written notice of the termination and the reasons for it. Upon termination under this paragraph, all documents, data and reports prepared by Contractor under the Contract and all necessary and attributable unfinished materials on hand, work in progress, work completed, and work accepted will become State's property, and Contractor shall deliver all of it immediately on demand. State may, following termination of the Contract under this paragraph, procure on terms and in the manner it determines to be appropriate materials or services to replace those that were to have been provided or performed by Contractor, and Contractor will be liable to State for any excess cost State incurs in procuring such substitutes.
- 9.6 Continued Performance Required**
Contractor shall continue to perform in accordance with the requirements of the Contract up to the effective date of any termination, as directed by State in the notice.



Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

10.0 Contract Claims

- 10.1 **Claim Resolution** Notwithstanding any law to the contrary, all contract claims or controversies under the Contract are to be resolved according to Arizona Revised Statutes Title 41, Chapter 23, Article 9, and rules adopted thereunder, including judicial review under A.R.S. § 12-1518.
- 10.2 **Mandatory Arbitration** In compliance with A.R.S. § 12-1518, the parties agree to comply in a judicial review proceeding with any applicable, mandatory arbitration requirements.

11.0 General Provisions for Materials

- 11.1 **Applicability** Article 11 applies to the extent the Work is or includes Materials.
- 11.2 **Off-Contract Materials** Contractor shall ensure that the design and/or procedures for the Materials ordering method prevents Orders for off-contract items or excluded items. Notwithstanding that State might have its own internal administrative rules regarding off-contract or excluded item ordering, and endeavors to prevent such orders from occurring, Contractor is responsible for not accepting any such Orders; State may, at its discretion, return any such items under subparagraph 11.17 or cancel any such Order under subparagraph 11.18, in either case being without obligation and at Contractor's expense. As used above, "off-contract item" refers to any product not included in the scope of the Contract and for which no price or compensation has been established contractually, and "excluded item" refers to any product expressly stated in the Contract as being excluded from the Contract.
- 11.3 **Compensation for Late Deliveries** Contractor shall have clear, published policies in place regarding late delivery, order cancelation, discounts, or rebates given to compensate for late deliveries, etc., and make them readily available to those Eligible Agencies, and Co-Op Buyers if applicable, that are likely to need them.
- 11.4 **Indicate Shipping Costs on Order** Contractor shall identify and provide the required substantiating documentation for the amount it intends to add for shipping in the Order acknowledgment if shipping is additional to the contracted price or rate for an item; otherwise, Contractor shall indicate that shipping is included in the Order price (in other words, every Order must indicate clearly whether or not shipping is included in the Order price, and if not included, how much is to be added and why that amount is the correct or appropriate one).
- 11.5 **Current Products** Contractor shall keep all products being offered under the Contract: (a) in current and ongoing production; (b) in its advertised product lines; (c) as models or types that are actively functioning in other paying customer environments; and (d) in conformance to the requirements of the Contract.
- 11.6 **Maintain Comprehensive Selection** Contractor shall provide at all times the comprehensive selection of products for which a price is established in the Commercial Document for ordering by Eligible Agencies, and Co-Op Buyers if applicable.
- 11.7 **Additional Products** State, at its discretion, may modify the scope of the Contract by Contract Amendment to include additional products or product categories so long as they are within the general scope of the ones originally covered by the Contract. Once the Contract Amendment has been fully executed, Contractor shall then update all applicable catalogs and price lists and make them available to all affected entities at no additional cost. Either party may make the request to add products to the Contract; regardless of who makes the request, the parties shall negotiate in good faith a fair price for any additional products, but State may elect not to add some or all of the products in question if no agreement is reached on pricing in a timely manner. Contractor's request or proposal in response to State's request must include: (a) documentation demonstrating that the additional products meet or exceed the specifications for the original products while remaining in the same product groups as the original ones; and (b) documentation demonstrating that the proposed price for the additional products is both fair and reasonable and at the same level of





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- discount relative to market price as were the original ones. Demonstration of (b) typically requires showing how prices at which sales are currently or were last made to a significant number of buyers compare to the prices or discounts (as applicable) being proposed for the additional products.
- 11.8 Discontinued Products**
- If a product or groups of products covered by the Contract are discontinued by the manufacturer, Contractor shall notify State within 5 (five) business days after receiving the manufacturer's notification. State, at its discretion, will either allow Contractor to provide substitutes for the discontinued products or delete the products from the scope of the Contract, both of which will be accomplished by Contract Amendment. Contractor shall then update all applicable catalogs and price lists and make them available to all affected entities at no additional cost. The parties shall negotiate in good faith a fair price for any substitute product, but State may elect to delete the products from the scope of the Contract if no agreement is reached on substitute pricing in a timely manner. When notifying State of the discontinuance, Contractor shall provide: (a) manufacturer's announcement or documentation stating that the products have been discontinued, with identification by model/part number; (b) documentation demonstrating that the substitute products meet or exceed the specifications for the discontinued products while remaining in the same product groups as were the discontinued ones; and (c) documentation demonstrating that the proposed price for the substitute products is both fair and reasonable and at the same level of discount relative to market price as were the discontinued ones (with demonstration being as described in subparagraph 11.7).
- 11.9 Forced Substitutions**
- Forced substitutions will not be permitted; Contractor shall obtain State's prior written consent before making any discretionary substitution for any product covered by the Contract.
- 11.10 Recalls**
- In the event of a recall notice, technical service bulletin, or other important notification affecting a product offered under the Contract (collectively, "recalls" hereinafter), Contractor shall send timely notice to State for each applicable Order referencing the affected Order and product. Notwithstanding whatever protection Contractor might have under A.R.S. § 12-684 with respect to a manufacturer, Contractor shall handle recalls entirely and without obligation on State's part, other than to permit removal of installed products, retrieval of stored products, etc., as necessary to implement the recall.
- 11.11 Delivery**
- 11.11.1 PRICING.** Unless stated otherwise in the Commercial Document, all Materials prices set forth therein are FCA (seller's dock) Incoterms®2010, with "seller's dock" meaning the last place of manufacturing, assembly, integration, final packing, or warehousing before departure to designated point of delivery to State. For reference, the foregoing is to be construed as equivalent to "F.o.b. Origin, Contractor's Facility" under FAR 52.247-30.
- 11.11.2 LIABILITY.** Unless stated otherwise in the Commercial Document or an Order, Contractor's liability for all Materials is DDP (State-designated receiving point per Order) Incoterms®2010, but with unloading at destination included. For reference, the foregoing is to be construed as equivalent to "F.o.b. Destination, Within Consignee's Premises" under FAR 52.247-35.
- 11.11.3 PAYMENT.** Unless stated otherwise in the Commercial Document or an Order, State shall reimburse Contractor the costs of the difference between DDP (State-designated receiving point per Order) and FCA (seller's dock) with no mark-up, which Contractor shall itemize and invoice separately.
- 11.12 Delivery Time**
- Unless stated otherwise in the Commercial Document generally or in the applicable Order particularly, Contractor shall make delivery within 2 (two) business days after receiving each Order.



Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

- 11.13 Delivery Locations** Contractor shall offer deliveries to every location served under the scope of the Contract, specifically:
1. if the Contract is for a single State agency in a single area, then Contractor shall deliver to any agency location in that area;
 2. if the Contract is for a single State agency in all its locations, then Contractor shall deliver to any of that agency's location in Arizona;
 3. if the Contract is for statewide use but excludes certain areas, then Contractor shall deliver to any Eligible Agency or Co-Op Buyer location that is not in the excluded areas; and
 4. if the Contract is for unrestricted statewide use, then:
 - (a) Contractor shall deliver to any Eligible Agency or Co-Op Buyer anywhere in Arizona;
 - (b) if a prospective Co-Op Buyer outside Arizona wishes to order against the Contract, Contractor agrees to negotiate in good faith any fair and reasonable price or lead time adjustments necessary to serve that location if practicable to do so within the scope of its normal business; and
 - (c) if the Commercial Document indicates defined delivery areas and prices, those always apply unless the Order expressly states otherwise and Contractor accepts it.
- 11.14 Conditions at Delivery Location** Contractor shall verify receiving hours and conditions (i.e. height/weight restrictions, access control, etc.) with the relevant purchaser for the receiving site before scheduling or making a delivery. State will neither allow extra charges for wait time, comebacks, or the like nor excuse late delivery if Contractor has failed to make the verification or comply with the applicable conditions. Contractor shall make each delivery to the specific location indicated in the Order, which Contractor acknowledges might be inside an industrial building, institutional building, low-rise office building, or high-rise office building instead of a normal receiving dock. Contractor might be required to make deliveries to locations inside a secured perimeter at certain institutional facilities such as prisons where prior clearances are required for each delivery and driver individually. Contractor shall contact each such facility directly to confirm its most-current security clearance procedures, allowable hours for deliveries, visitor dress code, and other applicable rules. State will neither allow extra charges for wait time, comebacks, or the like nor excuse late delivery if Contractor has failed to make the confirmation or comply with the applicable conditions.
- 11.15 Materials Acceptance** State has the right to make acceptance of Materials subject to a complete inspection on delivery and installation, if installation is Contractor's responsibility. State may apply as acceptance criteria conformity to the Contract, workmanship and quality, correctness of constituent materials, and any other matter for which the Contract or applicable laws state a requirement, whether stated directly or by reference to another document, standard, reference specification, etc. Contractor shall remove any rejected Materials from the delivery location, or from any immediate environs to which it might have been reasonably necessary to move it, carry it off the delivery premises, and subsequently deliver an equal number or quantity of conforming items. State will not owe Contractor any payment for rejected Materials, and State may, at its discretion, withhold or make partial payment for any rejected Materials that have been returned to Contractor in those instances where State has agreed to permit repair instead of demanding replacement.
- 11.16 Correcting Defects** Contractor shall, at no additional cost and without entitlement to extension of any delivery deadline or specified time for performance, remove or exchange and replace any defective or non-conforming delivered or installed Materials.
1. Contractor shall be solely responsible for the cost of any associated cutting and patching, temporary protection measures, packing and crating, hoisting and loading, transportation, unpacking, inspection, repacking, reshipping, and reinstallation if installation is within the scope of the Contract.





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

2. If Contractor fails to do so in a timely manner, State will be entitled to exercise its remedies under paragraph 8.5 [*Right of Offset*] of the Uniform Terms and Conditions.
3. Whether State will permit Contractor to repair in place or demands that Contractor remove and replace is at State's discretion in each instance, provided that, State shall not apply that discretion punitively if repair in place is practicable and doing so would not create safety hazards, put property at risk, unreasonably interfere with operations, create public nuisance, or give rise to any other reasonable concern on State's part.

11.17 Returns

State may, at its discretion, return for full credit and with no restocking charges any delivered Materials unused in the original packaging, including any instruction manuals or other incidental item that accompanied the original shipment, within 30 (thirty) days after receipt. If State elects to return delivered Materials, then State shall pay all freight, delivery, and transit insurance costs to return the products to the place from which Contractor shipped them, provided that, if State returns delivered Materials because they are defective or non-conforming or for any other reason having to do with Contractor fault or error, then State will not be responsible for paying freight, delivery, or transit insurance costs to return the products and may, at its discretion, either have those billed directly to Contractor or offset them under paragraph 8.5 [*Right of Offset*] of the Uniform Terms and Conditions.

11.18 Order Cancellation

State may cancel Orders within a reasonable period after issuance and at its discretion. The same method as that used for ordering will be used for cancellation. If State cancels an Order, then State shall:

1. pay Contractor for any portion of the Materials and Services from that Order that have been properly delivered or performed as of the cancellation effective date plus 1 (one) additional business day;
2. reimburse Contractor for:
 - (a) its actual, documented costs incurred in fulfilling the Order up to the cancellation effective date plus 1 (one) additional business day; and
 - (b) the cost of any obligations it incurred as of the cancellation effective date plus 1 (one) additional business day that demonstrably cannot be canceled, or that have pre-established cancellation penalties specified in the relevant Subcontracts, to the extent the penalties are reasonable and customary for the work in question; and
3. Contractor shall not charge or be entitled to charge State for any new costs it incurs after receiving the cancellation notice plus 1 (one) business day or for any lost profits or opportunity.

By way of reminder, State is not liable for any products that were produced, shipped, or delivered or any services that were performed before Contractor had acknowledged the corresponding Order.

11.19 Product Safety

Materials as-shipped must comply with applicable safety regulations and standards. Unless expressly stated otherwise in the Scope of Work, State is not responsible for making any Materials safe or compliant following acceptance and is relying exclusively on Contractor to deliver only products that are already safe and compliant.

11.20 Hazardous Materials

Contractor shall timely provide State with any "Safety Data Sheets" (SDS) and any other hazard communication documentation required under the US Department of Labor's Occupational Safety and Health Administration (OSHA) "Hazard Communication Standard" (often referred to as the "HazCom 2012 Final Rule") that is reasonably necessary for State to comply with regulations when it or its other contractors install, handle, operate, repair, maintain or remove any Materials. Note that, in the past, those documents might have been referred to as "Material Safety Data Sheets" or "Product Safety Data Sheets", but State (and this Contract) use only the more up-to-date "SDS" reference. Contractor shall ensure that all its relevant personnel understand the nature of



Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

and hazards associated with, to the extent it they are Contractor's responsibility under the Contract, the design, shipping, handling, delivery, installation, repair and maintenance of any portion of the Work that is, contains or will become upon use a hazardous material, with "hazardous material" being any material or substance that is: (1) identified now or in the future as being hazardous, toxic or dangerous under applicable laws; or (2) subject to statutory or regulatory requirement governing special handling, disposal or cleanup.

12.0 General Provisions for Services

- 12.1 Applicability** Article 12 applies to the extent the Work is or includes Services.
- 12.2 Comprehensive Services Offering** Contractor shall provide the comprehensive range of services for which a price is established in the Commercial Document for ordering by Eligible Agencies, and Co-Op Buyers if co-op buying applies.
- 12.3 Additional Services** State at its discretion may modify the scope of the Contract by Contract Amendment to include additional services or service categories that are within the general scope of the ones originally covered by the Contract if it determines that doing so is in its best interest. Once the Contract Amendment is fully executed, Contractor shall then update all applicable price lists and make them available to all affected entities at no additional cost. Either party may make the request to add services to the Contract; regardless of who makes the request, the parties shall negotiate in good faith a fair price for any additional services, but State may elect not to add some or all of the services in question if no agreement is reached on pricing in a timely manner. Contractor's request or proposal in response to State's request must include documentation demonstrating that the proposed price for the additional services is both fair and reasonable and comparable to the original ones.
- 12.4 Off-Contract Services** Contractor shall ensure that the design and/or procedures for the Services ordering method prevents Orders for off-contract or excluded services. Notwithstanding that State might have its own internal administrative rules regarding off contract or excluded service ordering, and endeavors to prevent such orders from occurring, Contractor is responsible for not accepting any such Orders. State may, at its discretion, cancel any such Order without obligation. As used above, "off-contract service" refers to any service not included in the scope of the Contract and for which no price or compensation has been established contractually, and "excluded service" refers to any service expressly excluded from the scope of the Contract.
- 12.5 Removal of Personnel** Notwithstanding that Contractor is in every circumstance responsible for hiring, assigning, directing, managing, training, disciplining, and rewarding its personnel, State may at its discretion and without the obligation to demonstrate cause instruct Contractor to remove any of its personnel from State's facilities or from further assignment under the Contract. In such cases, Contractor shall promptly replace them with other personnel having equivalent qualifications, experience, and capabilities.
- 12.6 Transitions** During commencement, Contractor shall attend transition meetings with any outgoing vendors to coordinate and ease the transition so that the effect on State's operations is kept to a minimum. State may elect to have outgoing vendors complete some or all of their work or orders in progress to ease the transition as is safest and most efficient in each instance, even if that scope is covered under the Contract. Conversely, State anticipates having a continued need for the same materials and services upon expiration or earlier termination of the Contract. Accordingly, Contractor shall work closely with any new (incoming) vendor and State to ensure as smooth and complete a transfer as is practicable. State's representative shall coordinate all transition activities and facilitate joint development of a comprehensive transition plan by both Contractor and the incoming vendor. As with the incoming transition. State may permit Contractor (outgoing)





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

to complete work or orders in progress to ease the transition as is safest and most efficient in each instance.

12.7 Accuracy of Work

Contractor is responsible for the accuracy of the Services, and shall promptly make all necessary revisions or corrections resulting from errors and omissions on its part without additional compensation. Acceptance by State will not relieve Contractor of responsibility for correction of any errors discovered subsequently or necessary clarification of any ambiguities.

12.8 Requirements at Services Location

Contractor personnel shall perform their assigned portions of the Services at the specific location indicated in the Order (if applicable). Contractor acknowledges that the location might be inside an industrial building, institutional building, or one of various office types and classes. Additionally, if performing the Services requires Contractor personnel to work inside a secured perimeter at certain institutional facilities such as prisons where prior clearances are required, Contractor shall contact the facility directly to confirm its most-current security clearance procedures, allowable hours for work, visitor dress code, and other applicable rules. State will neither allow extra charges for wait time, comebacks, or the like nor excuse late performance if Contractor has failed to make the confirmation or comply with the applicable conditions.

12.9 Services Acceptance

State has the right to make acceptance of Services subject to acceptance criteria. State may apply as acceptance criteria conformity to the Contract, accuracy, completeness, or other indicators of quality or other matter for which the Contract or law states a requirement, whether stated directly or by reference to another document, standard, reference specification, etc. State will not owe Contractor any payment for un-accepted Services; and State may, at its discretion, withhold or make partial payment for any rejected Services if Contractor is still in the process of re-performing or otherwise curing the grounds for State's rejection.

12.10 Corrective Action Required

Notwithstanding any other guarantees, general warranties, or particular warranties Contractor has given under the Contract, if Contractor fails to perform any material portion of the Services, including failing to complete any contractual deliverable, or if its performance fails to meet agreed-upon service levels or service standards set out in or referred to in the Contract, then Contractor shall perform a root-cause analysis to identify the source of the failure and use all commercially reasonable efforts to correct the failure and meet the Contract requirements as promptly as is practicable.

1. Contractor shall provide to State a report detailing the identified cause and setting out its detailed corrective action plan promptly after the date the failure occurred (or the date when the failure first became apparent, if it was not apparent immediately after occurrence).
2. State may demand to review and approve Contractor's analysis and plans, and Contractor shall make any corrections State instructs and adopt State's recommendations so far as is commercially practicable, provided that, State may insist on any measures it determines within reason to be necessary for safety or protecting property and the environment.
3. Contractor shall take the necessary action to avoid any like failure in the future, if doing so is appropriate and practicable under the circumstances.

13.0 Data and Information Handling

13.1 Applicability

Article 13 applies to the extent the Work includes handling of any (1) State's proprietary and sensitive data or (2) confidential or access-restricted information obtained from State or from others at State's behest.

13.2 Data Protection and Confidentiality of Information

Contractor warrants that it will establish and maintain procedures and controls acceptable to State for ensuring that State's proprietary and sensitive data is protected from unauthorized access and information obtained from State or others in performance of its contractual duties is not mishandled, misused, or inappropriately released or





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 16th Ave., Suite 201
Phoenix, AZ 85007

disclosed. For purposes of this paragraph, all data created by Contractor in any way related to the Contract, provided to Contractor by State, or prepared by others for State are proprietary to State, and all information by those same avenues is State's confidential information. To comply with the foregoing warrant:

1. Contractor shall: (a) notify State immediately of any unauthorized access or inappropriate disclosures, whether stemming from an external security breach, internal breach, system failure, or procedural lapse; (b) cooperate with State to identify the source or cause of and respond to each unauthorized access or inappropriate disclosure; and (c) notify State promptly of any security threat that could result in unauthorized access or inappropriate disclosures; and
2. Contractor shall not: (a) release any such data or allow it to be released or divulge any such information to anyone other than its employees or officers as needed for each person's Individual performance of his or her duties under the Contract, unless State has agreed otherwise in advance and in writing; or (b) respond to any requests it receives from a third party for such data or information, and instead route all such requests to State's designated representative.

13.3 Personally Identifiable Information.

Without limiting the generality of paragraph 13.2, Contractor warrants that it will protect any personally identifiable information ("PII") belonging to State's employees' or other contractors or members of the general public that it receives from State or otherwise acquires in its performance under the Contract.

For purposes of this paragraph:

1. PII has the meaning given in the [federal] Office of Management and Budget (OMB) Memorandum M-07-16 *Safeguarding Against and Responding to the Breach of Personally Identifiable Information*; and
2. "protect" means taking measures to safeguard personally identifiable information and prevent its breach that are functionally equivalent to those called for in that OMB memorandum and elaborated on in the [federal] General Services Administration (GSA) Directive CIO P 2180.1 *GSA Rules of Behavior for Handling Personally Identifiable Information*.

NOTE (1): For convenience of reference only, the OMB memorandum is available at: <https://www.whitehouse.gov/sites/default/files/omb/memoranda/fy2007/m07-16.pdf>

NOTE (2): For convenience of reference only, the GSA directive is available at: <http://www.gsa.gov/portal/directive/d0/content/658222>

13.4 Protected Health Information

Contractor warrants that, to the extent performance under the Contract involves individually identifiable health information (referred to hereinafter as protected health information ("PHI") and electronic PHI ("ePHI") as defined in the Privacy Rule referred to below), it:

1. is familiar with and will comply with the applicable aspects of the following collective regulatory requirements regarding patient information privacy protection: (a) the "Privacy Rule" in CFR 45 Part 160 and Part 164 pursuant to the Health Insurance Portability and Accountability Act ("HIPAA") of 1996; (b) Arizona laws, rules, and regulations applicable to PHI/ePHI that are not preempted by CFR 45-160(B) or the Employee Retirement Income Security Act of 1974 ("ERISA") as amended; and (c) State's current and published PHI/ePHI privacy and security policies and procedures;
2. will cooperate with State in the course of performing under the Contract so that both State and Contractor stay in compliance with the requirements in (1) above; and
3. will sign any documents that are reasonably necessary to keep both State and Contractor in compliance with the requirements in (1) above, in particular "Business Associate Agreements" in accordance with the Privacy Rule.





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

NOTE: For convenience of reference only, the Privacy Rule is available at:
<http://www.hhs.gov/hipaa/for-professionals/privacy/index.html>

14.0 Information Technology Work

- 14.1 Applicability** Article 14 applies to any Invitation for Bids, Request for Proposals, or Request for Quotations for "Information Technology," as defined in A.R.S. § 41-3501(6) 6: "... computerized and auxiliary automated information processing, telecommunications and related technology, including hardware, software, vendor support and related services, equipment and projects" if and to the extent that the Work is or includes Information Technology.
- 14.2 Background Checks** Each of Contractor's personnel who is an applicant for an information technology position must undergo the security clearance and background check procedure, which includes fingerprinting, as required by A.R.S § 41-710. Contractor shall obtain and pay for the security clearance and background check. Contractor personnel who will have administrator privileges on a State network must additionally provide identify and address verification and undergo State-specified training for unescorted access, confidentiality, privacy, and data security.
- 14.3 Information Access**
 - 14.3.1 SYSTEM MEASURES.** Contractor shall employ appropriate system management and maintenance, fraud prevention and detection, and encryption application and tools to any systems or networks containing or transmitting State's proprietary data or confidential information.
 - 14.3.2 INDIVIDUAL MEASURES.** Contractor personnel shall comply with applicable State policies and procedures regarding data access, privacy, and security, including prohibitions on remote access and obtaining and maintaining access IDs and passwords. Contractor is responsible to State for ensuring that any State access IDs and passwords are used only by the person to whom they were issued. Contractor shall ensure that personnel are only provided the minimum only such level of access necessary to perform his or duties. Contractor shall on request provide a current register of the access IDs and passwords and corresponding access levels currently assigned to its personnel.
 - 14.3.3 ACCESS CONTROL.** Contractor is responsible to State for ensuring that hardware, software, data, information, and that has been provided by State or belongs to or is in the custody of State and is accessed or accessible by Contractor personnel is only used in connection with carrying out the Work, and is never commercially exploited in any manner whatsoever not expressly permitted under the Contract. State may restrict access by Contractor personnel, or instruct Contractor to restrict access their access, if in its determination the requirements of this subparagraph are not being met.
- 14.4 Pass-Through Indemnity**
 - 14.4.1 INDEMNITY FROM THIRD PARTY.** For computer hardware or software included in the Work as discrete units that were manufactured or developed solely by a third party, Contractor may satisfy its indemnification obligations under the Contract by, to the extent permissible by law, passing through to State such indemnity as it receives from the third-party source (each a "Pass-Through Indemnity") and cooperating with State in enforcing that indemnity. If the third party fails to honor its Pass-Through Indemnity, or if a Pass-Through Indemnity is insufficient to indemnify State Indemnitees to the extent and degree Contractor is required to do by the Uniform Terms and Conditions, then Contractor shall indemnify, defend and hold harmless State Indemnitees to the extent the Pass-Through Indemnity does not.





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

14.4.2 **NOTIFY OF CLAIMS.** State shall notify Contractor promptly of any claim to which a Pass-Through Indemnity might apply. Contractor, with reasonable consultation from State, shall control of the defense of any action on any claim to which a Pass-Through Indemnity applies, including negotiations for settlement or compromise, provided that:

- (a) State reserves the right to elect to participate in the action at its own expense;
- (b) State reserves the right to approve or reject any settlement or compromise on reasonable grounds and if done so timely; and
- (c) State shall in any case cooperate in the defense and any related settlement negotiations.

14.5 Systems and Controls

In consideration for State having agreed to permit Pass-Through Indemnities in lieu of direct indemnity, Contractor agrees to establish and keep in place systems and controls appropriate to ensure that State funds under this Contract are not knowingly used for the acquisition, operation, or maintenance of Materials or Services in violation of intellectual property laws or a third party's intellectual property rights.

14.6 Redress of Infringement.

14.6.1 **REPLACE, LICENSE, OR MODIFY.** If Contractor becomes aware that any Materials or Services infringe, or are likely to be infringing on, any third party's intellectual property rights, then Contractor shall at its sole cost and expense and in consultation with State either:

- (a) replace any infringing items with non-infringing ones;
- (b) obtain for State the right to continue using the infringing items; or
- (c) modify the infringing item so that they become non-infringing, so long as they continue to function as specified following the modification.

14.6.2 **CANCELLATION OPTION.** In every case under 14.6.1, if none of those options can reasonably be accomplished, or if the continued use of the infringing items is impracticable, State may cancel the relevant Order or terminate the Contract and Contractor shall take back the infringing items. If State does cancel the Order or terminate the Contract, Contractor shall refund to State:

- (a) for any software created for State under the Contract, the amount State paid to Contractor for creating it;
- (b) for all other Materials, the net book value of the product provided according to generally accepted accounting principles; and
- (c) for Services, the amount paid by State or an amount equal to 12 (twelve) months of charges, whichever is less.

14.6.3. **EXCEPTIONS.** Contractor will not be liable for any claim of infringement based solely on any of the following by a State Indemnitee:

- (a) modification or use of Materials other than as contemplated by the Contract or expressly authorized or proposed by a Contractor Indemnitor;
- (b) operation of Materials with any operating software other than that supplied by Contractor or authorized or proposed by a Contractor Indemnitor; or
- (c) combination or use with other products in a manner not contemplated by the Contract or expressly authorized or proposed by a Contractor Indemnitor.

14.7 First Party Liability Limitation

14.7.1 **LIMIT.** Subject to the provisos that follow below and unless stated otherwise in the Special Terms and Conditions, State's and Contractor's respective first party liability arising from or related to the Contract is limited to the greater of \$1,000,000 (one million dollars) or 3 (three) times the purchase price of the specific Materials or Services giving rise to the claim.





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

14.7.2 PROVISOS. This paragraph 14.7 limits liability for first party direct, indirect, incidental, special, punitive, and consequential damages relating to the Work regardless of the legal theory under which the liability is asserted. This paragraph 14.7 does not limit liability arising from any:

- (a) Indemnified Claim against which Contractor has indemnified State Indemnitees under paragraph 6.3;
- (b) claim against which Contractor has indemnified State Indemnitees under paragraph 6.4; or
- (c) provision of the Contract calling for liquidated damages or specifying amounts or percentages as being at-risk or subject to deduction for performance deficiencies.

14.7.2 PURCHASE PRICE DETERMINATION. If the Contract is for a single-agency and a single Order (or if no Order applies), then "purchase price" in Subparagraph 14.7.1 above means the aggregate Contract price current at the time of Contract expiration or earlier termination, including all change orders or other forms of Contract Amendment having an effect on the aggregate price through that date. In all other cases, "purchase price" above means the total price of the Order for the specific equipment, software, or services giving rise to the claim, and therefore a separate limit will apply to each Order.

14.7.3 NO EFFECT ON INSURANCE. This paragraph does not modify the required coverage limits, terms, and conditions of, or any insured's ability to claim against, any insurance that Contractor is required by the Contract to provide, and Contractor shall obtain express endorsements that it does not.

14.8 Information Technology Warranty

14.8.1 SPECIFIED DESIGN. Where the Scope of Work (Section 2-A of the Solicitation) for information technology Work provides a detailed design specification or sets out specific performance requirements, Contractor warrants that the Work will provide all functionality material to the intended use stated in the Contract, provided that, the foregoing warranty does not extend to any portions of the Materials that are:

- (a) modified or altered by anyone not authorized by Contractor to do so;
- (b) maintained in a way inconsistent to any applicable manufacturer recommendations; or
- (c) operated in a manner not within its intended use or environment.

14.8.2 COTS SOFTWARE. With respect to Materials provided under the Contract that are commercial-off-the-shelf (COTS) software, Contractor warrants that:

- (a) to the extent possible, it will test the software before delivery using commercially available virus detection software conforming to current industry standards;
- (b) the COTS software will, to the best of its knowledge, at the time of delivery be free of viruses, backdoors, worms, spyware, malware, and other malicious code that could hamper performance, collect unlawfully any personally identifiable information, or prevent products from performing as required by the Contract; and
- (c) it will provide a new or clean install of any COTS software that State has reason to believe contains harmful code.

14.8.3 PAYMENT HAS NO EFFECT. The warranties in this paragraph are not affected by State's inspection, testing, or payment.

14.9 Specific Remedies

Unless expressly stated otherwise elsewhere in the Contract, State's remedy for breach of warranty under paragraph 14.8 includes, at State's discretion, re-performance, repair, replacement, or refund of any amounts paid by State for the nonconforming Work, plus (in every case) Contractor's payment of State's additional, documented, and reasonable





Requests for Proposals

under A.R.S. §41-2558

Arizona Department of Administration

State Procurement Office

100 N 15th Ave., Suite 201
Phoenix, AZ 85007

costs to procure materials or services equivalent in function, capability, and performance at that first called for. For clarification of intent, the foregoing obligations are limited by the limitation of liability in paragraph 14.7. If none of the foregoing options can reasonably be effected, or if the use of the materials by State is made impractical by the nonconformance, then State may seek any remedy available to it under law.

15.0 Comments Welcome

Separate and apart from this solicitation, the State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments the public may have.

The public may submit comments to:

State Procurement Administrator,
State Procurement Office, 100 North 15th Avenue, Suite 201
Phoenix, Arizona, 85007

End of Section 3-B

End of Part 3

End of Solicitation Documents



**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
ELONTEC LLC**

**EXHIBIT B
Scope of Work**

PROJECT

In accordance with the terms and conditions of this Agreement and the State of Arizona Contract No. ADSPO17-160375, the City is retaining Elontec LLC to provide moving and relocation services at City of Glendale facilities on an as-needed basis.

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
ELONTEC LLC**

EXHIBIT C

METHOD AND AMOUNT OF COMPENSATION

Method and amount of compensation is in accordance with Section 3 of this agreement.

NOT TO EXCEED AMOUNT

The total amount of compensation paid to Contractor for full completion of all work required by the Project must not exceed \$250,000 for the entire term of the Agreement.

DETAILED PROJECT COMPENSATION

City shall pay Contractor compensation in accordance with the rates as set forth in the State of Arizona Contract, No. ADSPO17-160375, to provide moving and relocation services at City of Glendale facilities on an as-needed basis.

ANNEX 1 to Pricing Sheet-Moving Materials Price Book STATEWIDE - Amended (1)

Moving/Relocation Services (Statewide)
STATEWIDE Amended 1
Moving Materials & Labor Rates
Best and Final Offer

Description	U/M	Price
Carton Products		
1.5 cf Small Carton	Each	\$1.13
3.0 cf Medium carton	Each	\$2.06
4.5 cf Large carton	Each	\$2.53
6.0 cf Extra Large carton	Each	\$4.01
2.3 cf Picture Carton (Small)	Each	\$3.50
3.7 cf Picture Carton (Large)	Each	\$4.97
3.33 cf Lamp Carton	Each	\$3.44
Tri-Wall Dishpack Carton	Each	\$3.96
1.0 cf Book Carton	Each	\$1.13
2.8 cf Small Electronics Carton	Each	\$2.06
9.55 cf Large Electronics Carton	Each	\$6.60
1.5 cf Auto Bottom Carton	Each	\$1.90
Blueprint Box	Each	\$3.44

Description	U/M	Price
Tape		
2" x 55 yd Packing/Mailing Tape	Roll	\$1.50
Masking Tape	Roll	\$1.50
2" x 55 yd Box/Packing Paper Tape	Roll	\$1.01
1-3/4" x 60 yd Shipping/Strapping Tape	Roll	\$1.01

Description	U/M	Price
Packing Materials		
15 cf Bag Peanuts	Bag	\$23.48
Steel Banding	LF	\$0.38
5" x 1000' Stretch Wrap	Roll	\$5.03
10" x 1000' Stretch Wrap	Roll	\$12.19
15" x 1000' Stretch Wrap	Roll	\$12.19
20" x 1000' Stretch Wrap	Roll	\$16.42
24" x 375' Large Bubble Wrap	LF	\$0.32
48" x 250' Large Bubble Wrap	LF	\$0.44
24" x 750" Small Bubble Wrap	LF	\$0.26
48" x 750" Small Bubble Wrap	LF	\$0.26
12" x 125' Anti-Static Bubble Wrap	LF	\$0.32
24" x 125' Anti-Static Bubble Wrap	LF	\$0.48
48" x 100' Anti-Static Bubble Wrap	LF	\$0.85
Cushion Foam	LF	\$0.81
Cushion Foam Pouches	10/Pk	\$8.10
Labels	100/Pk	\$3.10
Computer Bags	Each	\$1.37
24" x 30" Bulk Wrapping Paper	Box	\$0.70

ANNEX 1 to Pricing Sheet-Moving Materials Price Book STATEWIDE - Amended (1)

Moving/Relocation Services (Statewide)
STATEWIDE Amended 1
Moving Materials & Labor Rates

Miscellaneous Description	Regular Business Hours Rate	Outside business Hours Rate (AZ)
Speed Pack Rental	\$2.28	\$2.28
Tyge Box (Returnable)	\$0.35	\$0.35
Gondola (Computer) Rental	\$2.25	\$2.25
Forklift	\$150.00	\$150.00
Library Carts	\$2.25	\$2.25

Description	Regular Business Hours Rate	Business Hours Rate (AZ)
LABOR CATEGORIES		
Project Manager	\$ 38.00	\$46.00
Supervisor	\$ 34.00	\$42.00
Driver - General (Passenger/Small Box Truck Included)	\$ 44.00	\$55.00
Driver - Straight Truck (Large Box Truck Included)	\$ 46.00	\$57.00
Driver - Tractor Trailer (Tractor and Trailer Included)	\$ 50.00	\$62.00
General Labor	\$ 28.00	\$36.00
Pack Labor	\$ 23.00	\$29.00
Forklift Operator	\$ 28.00	\$36.00
Installer	\$ 32.00	\$38.00
HOUR Trip Charge - within 50 mile radius	\$ 56.00	\$75.00

**Moving/Relocation Services (Statewide)
STATEWIDE Amended 1
Moving Materials & Labor Rates**

Flat Rate Trip Charge: One (1) Flat Rate Round Trip Charge may be billed for a service call outside of the fifty (50) mile radius from the Contractor's business location to the pick up and or relocation site which ever is outside the fifty mile radius. Fifty miles will be determined by the distance shown on Map Quest when entering the Contractor's Office and the move location.

1. Contractor will provide a flat rate round trip charge for each County in which they will provide service
2. A Flat Trip Charge shall not apply to any service performed where the move location site is located inside of the designated fifty (50) mile radius within a county in which the Contractor maintains a business location.

**If multiple moves are occurring on the same day and the work sites are in the same geographic area (50 miles out), only one flat rate round trip charge will be paid.
Enter Round Trip Charge for each County Contractor proposes to serve**

COUNTY	FLAT RATE TRIP CHARGE/REG BUSINESS HOURS	FLAT RATE TRIP CHARGE/ OUTSIDE BUSINESS HOURS (AZ Holidays)
Apache	\$150.00	\$175.00
Cochise	\$150.00	\$175.00
Coconino	\$150.00	\$175.00
Gila	\$150.00	\$175.00
Graham	\$150.00	\$175.00
Greenlee	\$150.00	\$175.00
La Paz	\$150.00	\$175.00
Maricopa	\$150.00	\$175.00
Mohave	\$150.00	\$175.00
Navajo	\$150.00	\$175.00
Pima	\$150.00	\$175.00
Pinal	\$150.00	\$175.00
Santa Cruz	\$150.00	\$175.00
Yavapai	\$150.00	\$175.00
Yuma	\$150.00	\$175.00



Legislation Description

File #: 17-200, Version: 1

AUTHORIZATION TO ENTER INTO AMENDMENT NO. 2 TO THE LINKING AGREEMENT WITH SAFETY-KLEEN SYSTEMS, INC., FOR USED AUTOMOTIVE FLUID COLLECTION AND DISPOSAL SERVICES

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into Amendment No. 2 to the Linking Agreement with Safety-Kleen Systems, Inc., Contract No. C-10827, for an increase of \$275,000, for a total not to exceed amount of \$320,000, for the entire term of the Agreement for used automotive fluid collection and disposal services, and to authorize the City Manager to renew the Agreement, at the City Manager's discretion, for an additional three, one-year renewals. The current term of the Agreement is effective through December 9, 2017.

Background

The Fleet Management Division and Glendale Municipal Landfill of the Public Works Department generate used automotive fluids from the maintenance and repair of vehicles and equipment that require proper disposal. The used fluids include motor oil, hydraulic oil, transmission fluids, automotive coolants, solvent for parts washers, and other miscellaneous automotive lubricants.

Safety-Kleen Systems, Inc. was awarded a bid by the State of Arizona, Contract No. ADSP016-117816, for Used Automotive Fluid Collection and Disposal Services, on December 10, 2015, is effective through December 9, 2017, and includes an option to renew the term for an additional three, one-year renewals, allowing the contract to be extended through December 9, 2020.

The city entered into a Linking Agreement with Safety-Kleen Systems, Inc., Contract No. C-10827, on May 3, 2016 in an amount not to exceed \$45,000, and included four, one-year renewals, allowing the Agreement to be effective through December 9, 2020. The city entered into Amendment No. 1 with Safety-Kleen Systems, Inc., on November 28, 2016 extending the term through December 9, 2017.

Cooperative purchasing allows counties, municipalities, schools colleges and universities in Arizona to use a contract that was competitively procured by another governmental entity or purchasing cooperative. Such purchasing helps reduce the cost of procurement, allows access to a multitude of competitively bid contracts, and provides the opportunity to take advantage of volume pricing. The Glendale City Code authorizes cooperative purchases when the solicitation process utilized complies with the intent of Glendale's procurement processes. This cooperative purchase is compliant with Chapter 2, Article V, Division 2, Section 2 -149 of the Glendale City Code, per review by Materials Management.

Analysis

Safety-Kleen Systems is a provider of environmental services to automotive customers for used oil and lubricant products for the proper collection, processing, and disposal of both hazardous and non-hazardous material.

Amendment No. 2 will increase compensation to include the landfill and to better align with existing needs for Fleet Management.

Community Benefit/Public Involvement

Safety-Kleen Systems will provide safe storage and proper disposal of the city's vehicle lubricants.

Cooperative purchasing typically produces the lowest possible volume prices and allows for the most effective use of available funding. The bids are publicly advertised and all Arizona firms have an opportunity to participate.

Budget and Financial Impacts

Funding has been requested in the Fiscal Year 2017-18 Fleet Management and the Landfill Operating and Maintenance budgets. The increase in expenditures with Safety-Kleen Systems is \$275,000, for a total not to exceed amount of \$320,000, for the entire term of the Agreement, contingent upon Council Budget approval.

Cost	Fund-Department-Account
\$205,000	2590-18300-518200, Fleet Management
\$70,000	2440-17710-518200, Landfill

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

AMENDMENT NO. 2
TO
LINKING AGREEMENT
(State of Arizona Contract No. ADSPO16-117816, Contract No. C-10827)

This Amendment No. 2 (“Amendment”) to the Used Automotive Fluid Collection and Disposal Services (“Agreement”) is made this _____ day of _____, 2017, (“Effective Date”), by and between the City of Glendale, an Arizona municipal corporation (“City”) and Safety-Kleen Systems, Inc., a Wisconsin corporation authorized to do business in Arizona (“Contractor”).

RECITALS

- A. City and Safety-Kleen Systems, Inc. (“Contractor”) previously entered into Linking Agreement, Contract No. C-10827, dated May 3, 2016 (“Agreement”); and
- B. The original State of Arizona Contract No. ADSPO16-117816, had an initial one-year term effective December 10, 2015 through December 9, 2016 with the option to extend up to a maximum of four (4) years; and
- C. Amendment No. 1, dated November 28, 2016, Contract No. C-10827-1 modified the term date from December 10, 2016 to December 9, 2017; and
- D. City and Contractor wish to modify and amend the Agreement subject to and strictly in accordance with the terms of this Amendment.

AGREEMENT

In consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Contractor hereby agree as follows:

- 1. **Recitals.** The recitals set forth above are not merely recitals, but form an integral part of this Amendment.
- 2. **Term.** The term of the Agreement is unchanged and shall expire December 9, 2017 unless otherwise terminated or canceled as provided by the Agreement. All other provisions of the Agreement except as set forth in the Amendment shall remain in their entirety.
- 3. **Scope of Work.** The Scope of Work is unchanged.
- 4. **Compensation.** The original compensation amount of \$45,000 is being amended and increased by \$275,000 for a maximum of \$320,000 over the entire term of the agreement, (initial term plus any renewals).

5. **Insurance Certificate.** Current certificate will expire on November 1, 2017 and a new certificate applying to the extended term must be provided prior to this date to Materials Management and the Contract Administrator.
6. **Non-discrimination.** Contractor must not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Contractor will require any Sub-contractor to be bound to the same requirements as stated within this section. Contractor, and on behalf of any subcontractors, warrants compliance with this section.
7. **No Boycott of Israel.** The Parties agree that they are not currently engaged in, and agree that for the duration of the Agreement they will not engage in, a boycott of Israel, as that term is defined in A.R.S. §35-393.
8. **Attestation of PCI Compliance.** When applicable, the Contractor will provide the City annually with a Payment Card Industry Data Security Standard (PCI DSS) attestation of compliance certificate signed by an officer of Contractor with oversight responsibility.
9. **Ratification of Agreement.** City and Contractor hereby agree that except as expressly provided herein, the provisions of the Agreement shall be, and remain in full force and effect and that if any provision of this Amendment conflicts with the Agreement, then the provisions of this Amendment shall prevail.

[Signatures on the following page.]

CITY OF GLENDALE, an Arizona
municipal corporation

Kevin R. Phelps, City Manager

ATTEST:

Julie K. Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

Safety-Kleen Systems, Inc.,
a Wisconsin corporation



By: Andrew Welch

Its: Branch General Manager



Legislation Description

File #: 17-201, Version: 1

AUTHORIZATION TO ENTER INTO TWO LICENSE AGREEMENTS WITH LIBERTY UTILITIES (LITCHFIELD PARK WATER & SEWER) CORP. FOR THE INSTALLATION OF WATER AND SEWER LINES AT THE INTERSECTION OF EL MIRAGE ROAD AND GLENDALE AVENUE

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into two license agreements with Liberty Utilities (Litchfield Park Water & Sewer) Corp. allowing Liberty Utilities to install a water line and a sewer line in city right-of-way at the intersection of El Mirage Road and Glendale Avenue.

Background

Liberty Utilities is requesting to install a new 12-inch water line and a new 18-inch sanitary sewer line crossing the city's Glendale Avenue right-of-way at the intersection of El Mirage Road and Glendale Avenue. Liberty Utilities must enter into license agreements to install water and sewer line facilities within the city's right-of-way.

Analysis

Staff recommends entering into license agreements for the water line and sewer line. There will be no impact on city departments, staff or service levels because of this action.

Budget and Financial Impacts

Liberty Utilities will pay the city a one-time fee of \$6,000 for administration costs at \$3,000 for each license. All revenue shall be deposited into the General Fund.

LICENSE AGREEMENT
PERMISSION TO USE CITY REAL PROPERTY

This License Agreement, entered into on the _____ day of _____, 20____ is between the **CITY OF GLENDALE**, an Arizona municipal corporation, (“City”) and **Liberty Utilities (Litchfield Park Water & Sewer) Corp.**, an Arizona corporation (“Licensee”).

PURPOSE

Licensee desires to use certain City-owned real property, more particularly described on the attached Exhibit “A” and by this reference incorporated herein (“Property”). The Property is generally located in **Glendale Avenue at its intersection with El Mirage Road**, and is a part of the City’s public roadway system. The use of the Property by Licensee will enable Licensee to **operate and maintain approximately 150 linear feet of 18-inch sanitary sewer line.**

TERMS AND CONDITIONS

City grants this License subject to the following terms and conditions:

- 1) This License is not intended to represent permission granted in perpetuity. Licensee may terminate this License by giving sixty (60) days’ advance written notice to the City of its intent to terminate. The City may terminate this License by giving one hundred eighty (180) days’ advance written notice to the Licensee of its intent to terminate.
- 2) This License is personal to the Licensee and may not be transferred or assigned in any manner, without the prior written approval of the City.
- 3) In consideration of the privileges granted by City to Licensee under the terms of this License, and for use of the Property during the term of this License, Licensee shall pay a one-time fee to the City in the amount of three thousand dollars (\$3,000.00).
- 4) All improvements made by Licensee to the Property pursuant to the terms of this license are subject to and must be in compliance with all applicable codes, ordinances and laws, including the Americans With Disabilities Act, and constructed in conformance with the City’s approved design standards.
- 5) The costs associated with constructing, operating, and maintaining any improvements made pursuant to this License, costs associated with relocation of the improvements if so requested by the City, and the cost of permits, inspection services, and applicable administrative fees related thereto, shall be borne entirely by Licensee.
- 6) Licensee acknowledges that the City uses the Property as public right of way, agrees to use the Property “as is”, and agrees that its right under this License shall not interfere with use of the Property by the City or the public. Licensee is responsible for obtaining any necessary

permits prior to performing any work on the Property, and for payment of inspection fees according to the City's development fee schedule established by ordinance.

- 7) Licensee shall not permit any liens to be placed or remain on the Property by virtue of any work performed under this License.
- 8) Whenever Licensee disturbs the surface or subsurface of any city-owned property, public right of way, adjoining public property, or any public improvements located thereon or thereunder, Licensee shall promptly and at its own expense, restore, repair or replace the same to the satisfaction of the City. Nothing in this License Agreement shall operate to relieve or waive Licensee's responsibility for the installation and operation of its pipeline.
- 9) If such restoration, repair or replacement of the surface, subsurface or any structure thereon or thereunder is not completed in a reasonable time or if such restoration, repair or replacement does not meet the City's satisfaction, the City may perform the necessary restoration, repair or replacement, and the cost of performing any such work, including the cost of inspection or supervision, shall be paid by the Licensee within thirty (30) days after receipt of the City's invoice.
- 10) All work performed by Licensee on or within public rights of way shall be properly safeguarded for prevention of accidents and shall not create any hazard or source of danger to any person or vehicle using said right of way. Licensee shall provide and maintain sufficient barriers, danger signals, lanterns, detours, signs and shall take such other measure or precautions as the City shall direct or as commonly used to prevent such accidents or hazards. Notwithstanding the language of Paragraph 1 herein, the City may terminate this License if the hazard for danger continues unabated for a period of 10 days.
- 11) Licensee assumes the responsibility and all liability for any injury or damage to Licensee's employees, contractors or agents while using said Property in any manner, or arising out of the use or exercise of this License.
- 12) The City shall not bear any cost of relocation of existing facilities, irrespective of the function served, where the City facilities or other facilities occupying the Licensed Area or right-of-way in close proximity to the Licensed Area, are already located and the conflict between the Licensee's potential Pipelines and existing facilities can only be resolved expeditiously, as determined by the City, by the movement of the existing City or other permitted facilities.
- 13) The City shall not bear any cost of relocation of Licensee's Pipelines, where in the City's discretion, relocation is reasonable and necessary in connection with City right-of-way repairs, improvements or other capital projects affecting the Licensed Area. City shall provide Licensee no less than ninety (90) days advance notice of a requirement to relocate. If the City becomes aware of a potential delay involving the Licensee's relocation, the City shall notify the Licensee within thirty (30) days of becoming aware of the potential delay. The Licensee may object in writing to the determination of relocation to the City within ten (10) days of receipt of the notice to relocate. The City shall consider the objection and respond in writing to Licensee within thirty (30) days of receipt of the objection. The City's determination is final.

- 14) The Licensee shall, at its sole expense, provide a certificate of insurance showing commercial general liability coverage with limits of not less than One Million Dollars (\$1,000,000) for personal injury or death and not less than Five Hundred Thousand Dollars (\$500,000) for property damage, per each occurrence. The certificate of insurance must name the City of Glendale as an additional insured for all work performed by the Licensee within, or on, City of Glendale rights-of-way or property. Claims made policies are not acceptable. The insurance company writing the policy must be licensed by the Arizona Department of Insurance and have a BEST rating of not less than A. The Licensee insurance coverage shall be primary insurance and non-contributory with respect to all other available sources. The City shall be an additional insured to the full limits of liability purchased by Licensee even if limits of liability are in excess of those required of the Licensee. The form of the policy must be acceptable to the City before License will be issued. Further, Licensee agrees to indemnify, defend and hold harmless the City of Glendale and its officers and employees from all suits, actions, claims and damages, including attorney's fees and costs, of any character or nature, including personal injury, death or property damage, incurred in whole or in part as a result of any work performed by, or on behalf of Licensee under this License. Licensee's indemnity and defense obligations under this paragraph shall apply only to the extent that such suit, action, claim and/or damage is caused by any work performed by or on behalf of Licensee. Failure of City to request and/or failure of the Licensee to provide ongoing proof of insurance as provided herein shall not waive the requirement to maintain coverage compliance throughout the term of the license.
- 15) Notwithstanding the language of Paragraph 1, and except as otherwise provided in Paragraph 10 for a danger or hazard, the City may terminate this License for any non-compliance or failure to perform any obligation due under this License if, after receiving City's written notice of such breach of this License, Licensee fails to "cure" or abate such non-compliance within 30 days. If the non-compliance remains unabated at the conclusion of this 30-day "cure" period, the City may retake possession of the Property and may seek any and all other remedies available to it under Arizona law.

16) Any amendments to this License must be in writing and signed by both parties. Arizona law shall be applied to the interpretation and enforcement of this License. In the event that any term or provision of this License is declared by a court of competent jurisdiction to be invalid or illegal for any reason, this License shall be interpreted as if such invalid or illegal provision were not a part hereof.

CITY: CITY OF GLENDALE

LICENSEE:

By _____

By Robert Wiley

Its _____

Its Sec/Treas

City of Glendale

Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Attn: Engineering Division

12725 W. Indian School Road, #D101
Avondale, AZ 85392

5850 W. Glendale Ave., Rm 315
Glendale, Arizona 85301

EXHIBIT "A"
LEGAL DESCRIPTION FOR
LICENSE AREA FOR LIBERTY UTILITIES
SEWER LINE
IN CITY OF GLENDALE RIGHT-OF-WAY

A PARCEL OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 1, THE SOUTHEAST QUARTER OF SECTION 2, THE NORTHEAST QUARTER OF SECTION 11 AND THE NORTHWEST QUARTER OF SECTION 12, TOWNSHIP 2 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND BRASS CAP IN A HAND HOLE AT THE NORTHEAST CORNER OF SAID SECTION 11, FROM WHICH A FOUND BRASS CAP IN A HAND HOLE AT THE EAST QUARTER CORNER OF SAID SECTION 11 BEARS SOUTH 00 DEGREES 14 MINUTES 53 SECONDS WEST, A DISTANCE OF 2637.14 FEET;

THENCE SOUTH 00 DEGREES 14 MINUTES 53 SECONDS WEST, ALONG THE EAST LINE OF SAID SECTION 11, A DISTANCE OF 75.00 FEET TO THE **POINT OF BEGINNING** OF THE PARCEL HEREIN DESCRIBED;

THENCE NORTH 89 DEGREES 34 MINUTES 51 SECONDS WEST, LEAVING SAID SECTION LINE, A DISTANCE OF 1.00 FEET;

THENCE NORTH 00 DEGREES 14 MINUTES 53 SECONDS EAST, A DISTANCE OF 149.99 FEET;

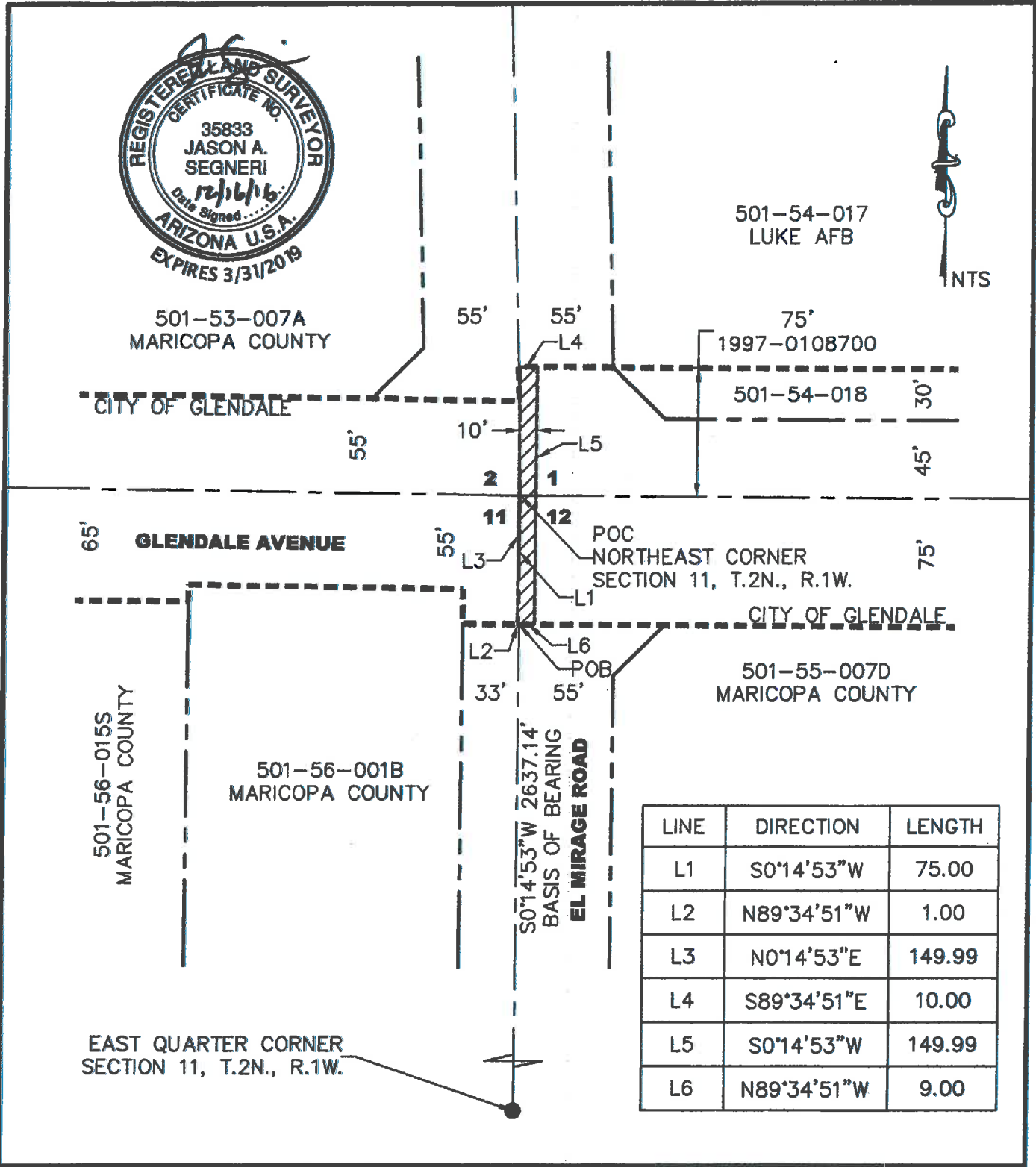
THENCE SOUTH 89 DEGREES 34 MINUTES 51 SECONDS EAST, A DISTANCE OF 10.00 FEET;

THENCE SOUTH 00 DEGREES 14 MINUTES 53 SECONDS WEST, A DISTANCE OF 149.99 FEET;

THENCE NORTH 89 DEGREES 34 MINUTES 51 SECONDS WEST, A DISTANCE OF 9.00 FEET TO THE **POINT OF BEGINNING** OF THE PARCEL HEREIN DESCRIBED.

SAID PARCEL CONTAINS 1,500 SQUARE FEET OR 0.034 ACRES, MORE OR LESS.





SIG

**SURVEY INNOVATION
GROUP, INC**

Ph (480) 922 0780 *Land Surveying Services* Fx (480) 922 0781
7301 EAST EVANS ROAD, SCOTTSDALE, AZ 85260

EXHIBIT "A"
LEGAL DESCRIPTION FOR
LICENSE AREA FOR LIBERTY UTILITIES
SEWER LINE
IN CITY OF GLENDALE RIGHT-OF-WAY

JOB #15-064	DWG: UTILITY EASEMENT	DATE: 12/16/18
SCALE: NTS	DRAWN: JAS	CHK: RMH
		SHEET: 1 OF 1

LICENSE AGREEMENT

PERMISSION TO USE CITY REAL PROPERTY

This License Agreement, entered into on the _____ day of _____, 20__ is between the **CITY OF GLENDALE**, an Arizona municipal corporation, (“City”) and **Liberty Utilities, (Litchfield Park Water & Sewer) Corp.**, an Arizona corporation (“Licensee”).

PURPOSE

Licensee desires to use certain City-owned real property, more particularly described on the attached Exhibit “A” and by this reference incorporated herein (“Property”). The Property is generally located in **Glendale Avenue at its intersection with El Mirage Road**, and is a part of the City’s public roadway system. The use of the Property by Licensee will enable Licensee to **operate and maintain approximately 130 linear feet of 12-inch waterline.**

TERMS AND CONDITIONS

City grants this License subject to the following terms and conditions:

- 1) This License is not intended to represent permission granted in perpetuity. Licensee may terminate this License by giving sixty (60) days’ advance written notice to the City of its intent to terminate. The City may terminate this License by giving one hundred eighty (180) days’ advance written notice to the Licensee of its intent to terminate.
- 2) This License is personal to the Licensee and may not be transferred or assigned in any manner, without the prior written approval of the City.
- 3) In consideration of the privileges granted by City to Licensee under the terms of this License, and for use of the Property during the term of this License, Licensee shall pay a one-time fee to the City in the amount of three thousand dollars (\$3,000.00).
- 4) All improvements made by Licensee to the Property pursuant to the terms of this license are subject to and must be in compliance with all applicable codes, ordinances and laws, including the Americans With Disabilities Act, and constructed in conformance with the City’s approved design standards.
- 5) The costs associated with constructing, operating, and maintaining any improvements made pursuant to this License, costs associated with relocation of the improvements if so requested by the City, and the cost of permits, inspection services, and applicable administrative fees related thereto, shall be borne entirely by Licensee.
- 6) Licensee acknowledges that the City uses the Property as public right of way, agrees to use the Property “as is”, and agrees that its right under this License shall not interfere with use of the Property by the City or the public. Licensee is responsible for obtaining any necessary

permits prior to performing any work on the Property, and for payment of inspection fees according to the City's development fee schedule established by ordinance.

- 7) Licensee shall not permit any liens to be placed or remain on the Property by virtue of any work performed under this License.
- 8) Whenever Licensee disturbs the surface or subsurface of any city-owned property, public right of way, adjoining public property, or any public improvements located thereon or thereunder, Licensee shall promptly and at its own expense, restore, repair or replace the same to the satisfaction of the City. Nothing in this License Agreement shall operate to relieve or waive Licensee's responsibility for the installation and operation of its pipeline.
- 9) If such restoration, repair or replacement of the surface, subsurface or any structure thereon or thereunder is not completed in a reasonable time or if such restoration, repair or replacement does not meet the City's satisfaction, the City may perform the necessary restoration, repair or replacement, and the cost of performing any such work, including the cost of inspection or supervision, shall be paid by the Licensee within thirty (30) days after receipt of the City's invoice.
- 10) All work performed by Licensee on or within public rights of way shall be properly safeguarded for prevention of accidents and shall not create any hazard or source of danger to any person or vehicle using said right of way. Licensee shall provide and maintain sufficient barriers, danger signals, lanterns, detours, signs and shall take such other measure or precautions as the City shall direct or as commonly used to prevent such accidents or hazards. Notwithstanding the language of Paragraph 1 herein, the City may terminate this License if the hazard for danger continues unabated for a period of 10 days.
- 11) Licensee assumes the responsibility and all liability for any injury or damage to Licensee's employees, contractors or agents while using said Property in any manner, or arising out of the use or exercise of this License.
- 12) The City shall not bear any cost of relocation of existing facilities, irrespective of the function served, where the City facilities or other facilities occupying the Licensed Area or right-of-way in close proximity to the Licensed Area, are already located and the conflict between the Licensee's potential Pipelines and existing facilities can only be resolved expeditiously, as determined by the City, by the movement of the existing City or other permitted facilities.
- 13) The City shall not bear any cost of relocation of Licensee's Pipelines, where in the City's discretion, relocation is reasonable and necessary in connection with City right-of-way repairs, improvements or other capital projects affecting the Licensed Area. City shall provide Licensee no less than ninety (90) days advance notice of a requirement to relocate. If the City becomes aware of a potential delay involving the Licensee's relocation, the City shall notify the Licensee within thirty (30) days of becoming aware of the potential delay. The Licensee may object in writing to the determination of relocation to the City within ten (10) days of receipt of the notice to relocate. The City shall consider the objection and respond in writing to Licensee within thirty (30) days of receipt of the objection. The City's determination is final.

- 14) The Licensee shall, at its sole expense, provide a certificate of insurance showing commercial general liability coverage with limits of not less than One Million Dollars (\$1,000,000) for personal injury or death and not less than Five Hundred Thousand Dollars (\$500,000) for property damage, per each occurrence. The certificate of insurance must name the City of Glendale as an additional insured for all work performed by the Licensee within, or on, City of Glendale rights-of-way or property. Claims made policies are not acceptable. The insurance company writing the policy must be licensed by the Arizona Department of Insurance and have a BEST rating of not less than A. The Licensee insurance coverage shall be primary insurance and non-contributory with respect to all other available sources. The City shall be an additional insured to the full limits of liability purchased by Licensee even if limits of liability are in excess of those required of the Licensee. The form of the policy must be acceptable to the City before License will be issued. Further, Licensee agrees to indemnify, defend and hold harmless the City of Glendale and its officers and employees from all suits, actions, claims and damages, including attorney's fees and costs, of any character or nature, including personal injury, death or property damage, incurred in whole or in part as a result of any work performed by, or on behalf of Licensee under this License. Licensee's indemnity and defense obligations under this paragraph shall apply only to the extent that such suit, action, claim and/or damage is caused by any work performed by or on behalf of Licensee. If failure of City to request and/or failure of the Licensee to provide ongoing proof of insurance as provided herein shall not waive the requirement to maintain coverage compliance throughout the term of the license.
- 15) Notwithstanding the language of Paragraph 1, and except as otherwise provided in Paragraph 10 for a danger or hazard, the City may terminate this License for any non-compliance or failure to perform any obligation due under this License if, after receiving City's written notice of such breach of this License, Licensee fails to "cure" or abate such non-compliance within 30 days. If the non-compliance remains unabated at the conclusion of this 30-day "cure" period, the City may retake possession of the Property and may seek any and all other remedies available to it under Arizona law.

Any amendments to this License must be in writing and signed by both parties. Arizona law shall be applied to the interpretation and enforcement of this License. In the event that any term or provision of this License is declared by a court of competent jurisdiction to be invalid or illegal for any reason, this License shall be interpreted as if such invalid or illegal provision were not a part hereof.

CITY: CITY OF GLENDALE

LICENSEE:

By _____

By 

Its _____

Its Sec/Treas

City of Glendale

Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Attn: Engineering Division

12725 W. Indian School Road, #D101

5850 W. Glendale Ave., Rm 315
Glendale, Arizona 85301

Avondale, AZ 85392

EXHIBIT "A"
LEGAL DESCRIPTION FOR
LICENSE AREA FOR LIBERTY UTILITIES
WATER LINE
IN CITY OF GLENDALE RIGHT-OF-WAY

A PARCEL OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 2 AND THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 2 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND BRASS CAP IN A HAND HOLE AT THE NORTHEAST CORNER OF SAID SECTION 11, FROM WHICH A FOUND BRASS CAP IN A HAND HOLE AT THE EAST QUARTER CORNER OF SAID SECTION 11 BEARS SOUTH 00 DEGREES 14 MINUTES 53 SECONDS WEST, A DISTANCE OF 2637.14 FEET;

THENCE SOUTH 00 DEGREES 14 MINUTES 53 SECONDS WEST, ALONG THE EAST LINE OF SAID SECTION 11, A DISTANCE OF 75.00 FEET;

THENCE NORTH 89 DEGREES 34 MINUTES 51 SECONDS WEST, LEAVING SAID SECTION LINE, A DISTANCE OF 11.50 FEET TO THE **POINT OF BEGINNING** OF THE PARCEL HEREIN DESCRIBED;

THENCE NORTH 89 DEGREES 34 MINUTES 51 SECONDS WEST, A DISTANCE OF 10.00 FEET;

THENCE NORTH 00 DEGREES 14 MINUTES 53 SECONDS EAST, A DISTANCE OF 130.20 FEET;

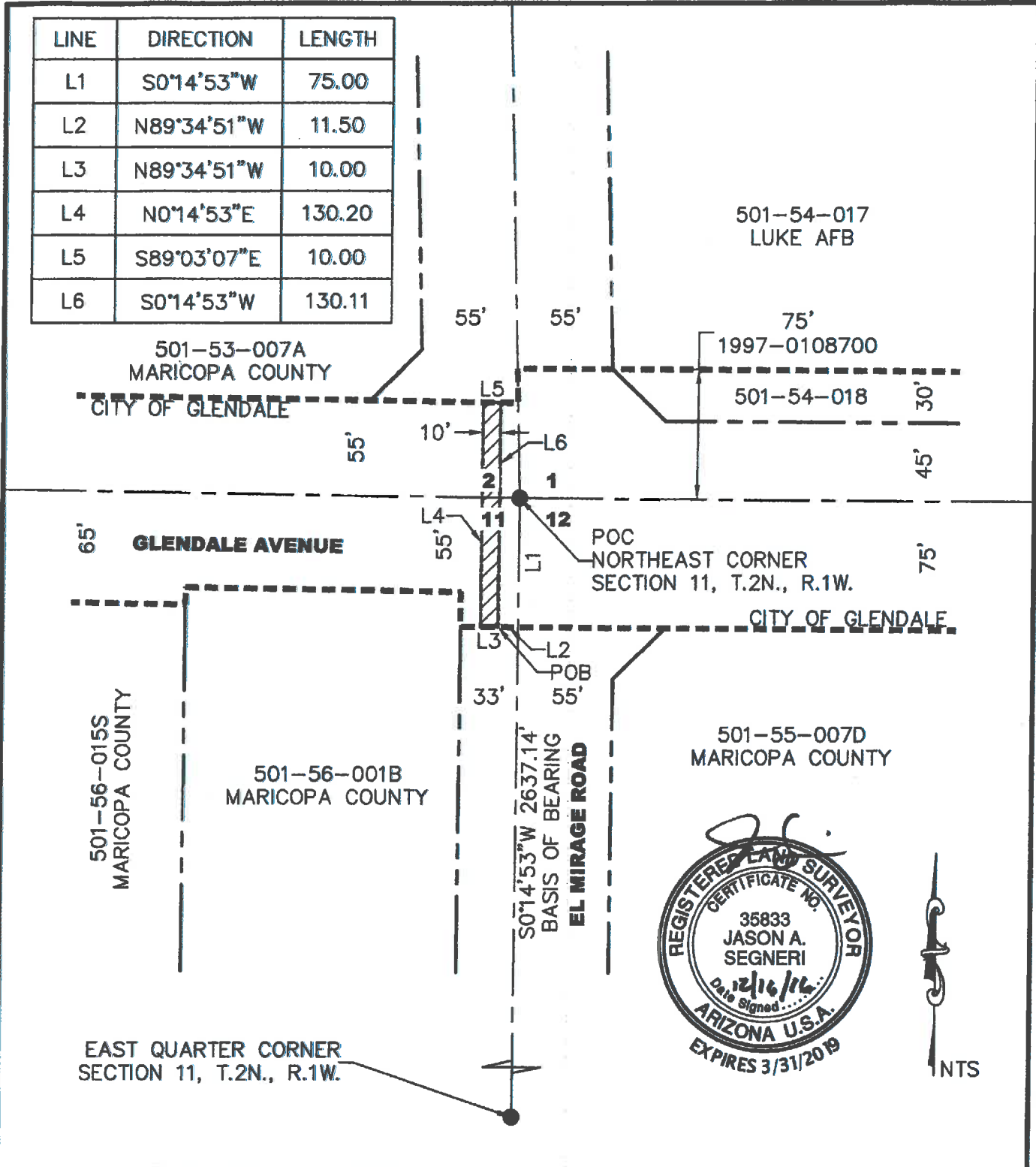
THENCE SOUTH 89 DEGREES 03 MINUTES 07 SECONDS EAST, A DISTANCE OF 10.00 FEET;

THENCE SOUTH 00 DEGREES 14 MINUTES 53 SECONDS WEST, A DISTANCE OF 130.11 FEET TO THE **POINT OF BEGINNING** OF THE PARCEL HEREIN DESCRIBED.

SAID PARCEL CONTAINS 1,302 SQUARE FEET OR 0.030 ACRES, MORE OR LESS.



LINE	DIRECTION	LENGTH
L1	S0°14'53"W	75.00
L2	N89°34'51"W	11.50
L3	N89°34'51"W	10.00
L4	N0°14'53"E	130.20
L5	S89°03'07"E	10.00
L6	S0°14'53"W	130.11



SIG
SURVEY INNOVATION
GROUP, INC

EXHIBIT "A"
LEGAL DESCRIPTION FOR
LICENSE AREA FOR LIBERTY UTILITIES
WATER LINE
IN CITY OF GLENDALE RIGHT-OF-WAY

Ph (480) 922 0780 *Land Surveying Services* Fx (480) 922 0781
 7301 EAST EVANS ROAD, SCOTTSDALE, AZ 85260

JOB #15-064	DWG: UTILITY EASEMENT	DATE: 12/16/16
SCALE: NTS	DRAWN: JAS	CHK: RMH
		SHEET: 1 OF 1



Legislation Description

File #: 17-215, Version: 1

AUTHORIZATION TO ENTER INTO AMENDMENT NO. ONE TO A PROFESSIONAL SERVICES AGREEMENT WITH RITTOCH-POWELL & ASSOCIATES CONSULTING ENGINEERS FOR CONTRACT INSPECTION SERVICES

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into Amendment No. One to the Professional Services Agreement with Ritoch-Powell & Associates Consulting Engineers, Contract No. 17-0169, in an amount not to exceed \$128,320 for contract inspection services related to the Pavement Management Program.

Background

In February 2017, the city entered into a professional services agreement with Ritoch-Powell & Associates Consulting Engineers in an amount not to exceed \$48,120 to provide inspection services related to the construction of various projects within the Pavement Management Program. The Engineering division utilizes contract inspection work to augment internal staffing levels. Through the budget process, additional staff to directly support the Pavement Management Program have been requested and are anticipated to be approved, to meet current and future needs.

Ritoch-Powell & Associates Consulting Engineers was selected from the pre-qualified Engineering Consultants On-Call List to provide the necessary services.

Analysis

This Amendment expands the original scope of services an additional 32 weeks. Should additional staff be approved in the Fiscal Year 2017-18 budget process, it is expected the internal inspectors will be available in November 2017 at the completion of the 32 weeks.

Community Benefit/Public Involvement

Well maintained infrastructure is an important element of strong neighborhoods and business corridors and is critical for the attraction of quality economic development.

Budget and Financial Impacts

Funding is available in the FY 2016-17 Capital Improvement Plan Budget. The increase in expenditures with Ritoch-Powell & Associates Consulting Engineers is \$128,320, for a total not to exceed amount of \$176,440, contingent upon Council budget approval.

Cost	Fund-Department-Account
\$128,320	2000-68917-551200, Pavement Management-HURF

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

AMENDMENT NO. ONE
PROFESSIONAL SERVICES AGREEMENT
(Contract Inspection Services, Contract No. C-17-0169)

This Amendment No. One ("Amendment") to the Professional Services Agreement ("Agreement") is made this _____ day of _____, 2017, ("Effective Date"), by and between the City of Glendale, an Arizona municipal corporation ("City") and Ritoch-Powell & Associates Consulting Engineers, an Arizona corporation authorized to do business in Arizona ("Contractor").

RECITALS

- A. City and Ritoch-Powell & Associates Consulting Engineers ("Contractor") previously entered into a Professional Services Agreement, Contract No. C-17-0169, dated February 27, 2017 ("Agreement"); and
- B. The services to be provided under the original Agreement provided for a full time Inspector to represent the City on active construction projects for 12 weeks. The City and Consultant have agreed to extend these services an additional 32 weeks; and
- C. Therefore, both parties have agreed to increase the amount of compensation, and are increasing the "amount not to exceed" of the Agreement with this Amendment; and
- D. City and Contractor wish to modify and amend the Agreement subject to and strictly in accordance with the terms of this Amendment.

AGREEMENT

In consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Contractor hereby agree as follows:

1. **Recitals.** The recitals set forth above are not merely recitals, but form an integral part of this Amendment.
2. **Term.** The term of the Agreement remains the same, unless otherwise terminated or canceled as provided by the Agreement. All other provisions of the Agreement except as set forth in this Amendment shall remain in their entirety.
3. **Scope of Work.** The scope of the work to be done remains unchanged, however the schedule has been extended from 12 weeks to 44 weeks.
4. **Compensation.** Section 4 of the Agreement is here modified and amended as follows: the compensation is increased by an additional \$128,320 for a total not to exceed amount of \$176,440 over the term of the Agreement, as specifically detailed in the attached Amended Exhibit D.

exceed amount of \$176,440 over the term of the Agreement, as specifically detailed in the attached Amended Exhibit D.

5. **Insurance Certificate.** Current certificate will expire on (Date) and a new certificate applying to the extended term must be provided prior to this date to Materials Management and the Contract Administrator.
6. **Non-discrimination.** Contractor must not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Contractor will require any Sub-contractor to be bound to the same requirements as stated within this section. Contractor, and on behalf of any subcontractors, warrants compliance with this section.
7. **No Boycott of Israel.** The Parties agree that they are not currently engaged in, and agree that for the duration of the Agreement they will not engage in, a boycott of Israel, as that term is defined in A.R.S. §35-393.
8. **Attestation of PCI Compliance.** When applicable, the Contractor will provide the City annually with a Payment Card Industry Data Security Standard (PCI DSS) attestation of compliance certificate signed by an officer of Contractor with oversight responsibility.
9. **Ratification of Agreement.** City and Contractor hereby agree that except as expressly provided herein, the provisions of the Agreement shall be, and remain in full force and effect and that if any provision of this Amendment conflicts with the Agreement, then the provisions of this Amendment shall prevail.

[Signatures on the following page.]

CITY OF GLENDALE, an Arizona
municipal corporation

Kevin R. Phelps, City Manager

ATTEST:

Julie K. Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

Ritoch-Powell Associates & Consulting
Engineers
an Arizona corporation



By: Karl G. Obergh, P.E.

Its: President & CEO

AMENDED EXHIBIT D
Professional Services Agreement

COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

Monthly invoices for actual time and materials expended during previous month.

NOT-TO-EXCEED AMOUNT

The total amount of compensation paid to Consultant for full completion of all work required by the Project during the entire term of the Project is increased by an additional \$128,320, for a total of \$176,440 for the entire term.

DETAILED PROJECT COMPENSATION

RPA's rate for a full time (40 hours) is \$4010 per week. This rate includes our Inspector, a truck, laptop, MIFI (mobile WIFI) labor, overhead and profit. Our Inspector rate for overtime (exceeds 40 hours in one week) is calculated to be \$136.93 per hour.



Legislation Description

File #: 17-203, Version: 1

AWARD OF CONTRACT RFP 17-21 FOR DOWNTOWN MANAGER SERVICES WITH THE GLENDALE CHAMBER OF COMMERCE

Staff Contact: Brian Friedman, Director, Economic Development

Purpose and Recommended Action

This is a request to authorize the City Manager to enter into a three-year contract (with the administrative option to renew up to two additional years) with the Glendale Chamber of Commerce for Downtown Manager Services, in an amount not to exceed \$610,510.

Background

In 1989, the City Council adopted a General Plan and a Downtown Urban Design and Revitalization Plan that called for specific development of the Glendale Avenue corridor in the city's downtown. Subsequently, the City Council participated in a process to fill in the framework that had been established by these two plans with the intent of identifying the types of businesses that should be present between 51st and 62nd avenues. The process included several visioning sessions and significant public participation which ultimately led to the development of The Magnetic Mile Vision Document (1991). In 2002, the City Council adopted both the Glendale City Center Master Plan, which identified future land use designations and developed a market approach to defining projects, and the city's Redevelopment Area (pursuant to A.R.S. 36-1473).

In 2007 the City Council, reinvigorated the mission to create a vibrant city center which ultimately culminated in the development of the Centerline project. Over the course of roughly two years, the City Council and staff participated in a variety of community activities to include discovery research tours, Business Breakfast engagement, Congress of Neighborhoods, Vision Fair, ASU Community Workshop, Traveling Information Booth, Property Owners breakfast, and Business Owners breakfast to gather key stakeholder and community input regarding the continued development of the Glendale Avenue corridor.

In 2014 staff began dialogue with the ULI Arizona Chapter regarding their AzTAP program. The program is designed to leverage the expertise of industry experts to provide municipal governments with access to the breadth of expertise available from the private sector in content areas including complex land use planning, development, and redevelopment issues. The AzTAP committee assembled a team of highly regarded private sector experts to serve on the panel for the study that took place on September 15, 2016. The greater study area included all of Centerline with a particular focus on the Midtown District. As part of the findings that resulted from the ULI AzTAP study, the expert panel recommended that to successfully revitalize downtown Glendale, the city needed to further capitalize on the strong working relationship with the existing Economic Development network, including the Glendale Chamber of Commerce and utilize the Downtown Manager position to build on the social infrastructure of downtown.

The heart of Glendale, like many other communities, is in transition. The result of staff's efforts to date was the development of key objectives for Centerline which included broadening the view of downtown, creating a brand for the Glendale Avenue corridor, establishing economic partnerships, developing a new core identity for the area, and advancing an ongoing redevelopment strategy and support tools. Staff recognizes that Downtown Glendale needs to advance these comprehensive resources and synthesize an action-based approach to achieve the vision of a vibrant city center. In order to improve the success of Downtown Glendale, specific action must be taken to diversify the economy by attracting new residential and employment uses.

Staff recommended a partnership with a private organization to serve as the Downtown Manager to fulfill the purpose of engaging the community. This This would establish key strategic priorities, creating cohesiveness, and furthering the sustainability of Downtown Glendale.

To attract a qualified, private organization to serve as Glendale's Downtown Manager, the city issued Request for Proposal (RFP) 17-21 for Downtown Manager Services. The City completed the RFP evaluation process for the offers received in April 2017. The RFP award was recommended to the Glendale Chamber of Commerce who was determined to be the most advantageous to the City and best met the overall needs of the City taking into consideration the evaluation factors set forth in the RFP.

Analysis

The Economic Development Department has made continuous efforts toward providing the full level of support needed to revitalize Downtown Glendale. Furthermore, staff recognizes that the current level of assistance provided can be improved to advance the results required to reactivate Downtown Glendale. Staff investigated the available options to provide the full-time, comprehensive support needed to revitalize Downtown Glendale and recognized that independent, downtown manager services have been used successfully to revitalize and sustain vibrant downtowns across the United States. Property owners, business owners and stakeholder agencies have realized that in many cases, downtown revitalization and sustainability requires attention beyond the services city administration can provide alone.

In partnership with the Glendale Chamber of Commerce serving as the Downtown Manager, Economic Development staff will provide oversight of the contract and deliverables to ensure a collective direction forward. The Downtown Manager is the principal on-site staff person responsible for coordinating all program activities and volunteers, as well as representing the community as appropriate. In addition, the Downtown Manager should help guide the strategic priorities defined by the business community as key objectives evolve.

To assist with strengthening the existing commercial base in Downtown Glendale, a complete and comprehensive understanding of the conditions and priorities of that commercial base is imperative. Additionally, in order to create sustainability and long-term progress for the downtown, it will be vital to identify opportunities to support the creation of independent agencies and funding sources whose mission is to elevate the status and promote economic growth for the entire downtown.

The deliverables and duties as outlined in the contract that will be required of the Downtown Manager

include:

- Creation of a database that indexes and tracks real estate status of all downtown properties
- Determine framework for establishment of a Merchant's Association
- Identification of stakeholders and priorities
- Coordination of regular gatherings of stakeholders
- Establish an annual action plan for implementing programming focused on place making; promotion and marketing; beautification; and other areas determined by the city or downtown stakeholders.

This partnership will evolve as year-one deliverables are met and will result in additional deliverables and actions in subsequent years based on collective feedback from downtown stakeholders and the city.

Based on the outcome of the RFP evaluation process and the imminent need for comprehensive, consistent support in Downtown Glendale, staff recommends approval of this request to authorize the City Manager to enter into a three-year contract (with the administrative option to renew up to two additional years) with the Glendale Chamber of Commerce for Downtown Manager Services.

Previous Related Council Action

Funding for this agreement was presented to the City Council as a supplement request to the Economic Development Department budget during the FY 17-18 budget workshop on April 28, 2017.

Community Benefit/Public Involvement

Downtowns are the heart of any community. To achieve the vision of City Council to create and support a vibrant City Center, and to support the businesses located in Downtown Glendale, the utilization of a Downtown Manager will allow the city to meet this strategic priority which requires targeted and consistent support. The Downtown Manager will engage the community to establish key priorities, create cohesiveness among the downtown stakeholders, establish a plan of action to address those priorities, and identify the funding methodology to support initiatives and strategies that advance revitalization in downtown. The intent of this partnership is to create unification among the downtown stakeholders and to strengthen the position of the existing commercial base in Downtown Glendale in order to aid in the attraction of new employment and residential opportunities.

The City of Glendale solicited bids from the public for the Downtown Manager Services contract through the city's website and targeted outreach to industry-specific organizations. Once the RFP process was complete, the notice of intent to award the contract to the Glendale Chamber of Commerce was also posted on the city's website for the required seven-day protest period. During that time, the City of Glendale Procurement Division did not receive any correspondence in protest of the recommendation.

Budget and Financial Impacts

Funds for this contract were requested as a supplemental to the Economic Development Department budget for FY17-18.

Cost	Fund-Department-Account
\$610,510	Business Development, 1000-16025-518200

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

**AGREEMENT FOR
DOWNTOWN MANAGER SERVICES
City of Glendale Solicitation No. RFP 17-21**

This Agreement for Downtown Manager Services ("Agreement") is effective and entered into between CITY OF GLENDALE, an Arizona municipal corporation ("City"), and Glendale Chamber of Commerce, an Arizona corporation, authorized to do business in Arizona, (the "Contractor"), as of the ____ day of _____, 2017.

RECITALS

- A. City intends to undertake a project for the benefit of the public and with public funds that is more fully set forth in **Exhibit A**, pursuant to Solicitation No. RFP 17-21 (the "Project");
- B. City desires to retain the services of Contractor to perform those specific duties and produce the specific work as set forth in the Project attached hereto;
- C. City and Contractor desire to memorialize their agreement with this document.

AGREEMENT

In consideration of the Recitals, which are confirmed as true and correct and incorporated by this reference, the mutual promises and covenants contained in this Agreement, and other good and valuable consideration, City and Contractor agree as follows:

1. Key Personnel; Sub-contractors.

- 1.1 Services. Contractor will provide all services necessary to assure the Project is completed timely and efficiently consistent with Project requirements, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other contractors or consultants, retained by City.
- 1.2 Project Team.
 - a. Contractor Project Manager.
 - (1) Contractor will designate an employee as Contractor Project Manager (the "Contractor Project Manager") with sufficient training, knowledge, and experience to, in the City's option, complete the Project and handle all aspects of the Project such that the work produced by Contractor is consistent with applicable standards as detailed in this Agreement;
 - (2) Contractor will consult with City prior to Contractor's selection of the designated Contractor Project Manager; and
 - (3) To assure the Project schedule is met, Contractor Project Manager may be required to devote no less than a specific amount of time as set out in Exhibit A.
 - b. Project Team.
 - (1) The Contractor Project Manager and all other employees assigned to the project by Contractor will comprise the "Project Team."
 - c. Discharge, Reassign, Replacement.
 - (1) Contractor acknowledges the Project Team is comprised of the same persons and roles for each as may have been identified in the response to the Project's solicitation.
 - (2) In the event Contractor Project Manager's job performance, or the job performance of any member of the Project Team, does not meet the expectations

of the City, Contractor will provide City with the opportunity to express City's concerns to Contractor.

d. Sub-contractors.

- (1) Contractor may engage specific technical contractor (each a "Sub-contractor") to furnish certain service functions.
- (2) Contractor will remain fully responsible for Sub-contractor's services.
- (3) Sub-contractors must be approved by the City, unless the Sub-contractor was previously mentioned in the response to the solicitation.
- (4) Contractor shall certify by letter that contracts with Sub-contractors have been executed incorporating requirements and standards as set forth in this Agreement.

2. **Schedule.** The services will be undertaken in a manner that ensures the Project is completed timely and efficiently in accordance with the Project.

3. **Contractor's Work.**

3.1 Standard. Contractor must perform services in accordance with the standards of due diligence, care, and quality prevailing among contractors having substantial experience with the successful furnishing of services for projects that are equivalent in size, scope, quality, and other criteria under the Project and identified in this Agreement.

3.2 Licensing. Contractor warrants that:

- a. Contractor and Sub-contractors will hold all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of services ("Approvals"); and
- b. Neither Contractor nor any Sub-contractor has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment").
 - (1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments or to examine Contractor's contracting ability.
 - (2) Contractor must notify City immediately if any Approvals or Debarment changes during the Agreement's duration and the failure of the Contractor to notify City as required will constitute a material default under the Agreement.

3.3 Compliance. Services will be furnished in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, and other standards and criteria designated by City.

Contractor must not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Contractor will require any Sub-contractor to be bound to the same requirements as stated within this section. Contractor, and on behalf of any subcontractors, warrants compliance with this section.

3.4 Coordination; Interaction.

- a. For projects that the City believes require the coordination of various professional services, Contractor will work in close consultation with City to proactively interact with any other professionals retained by City on the Project ("Coordinating Project Professionals").

- b. Subject to any limitations expressly stated in the Project Budget, Contractor will meet to review the Project, Schedule, Project Budget, and in-progress work with Coordinating Project Professionals and City as often and for durations as City reasonably considers necessary in order to ensure the timely work delivery and Project completion.
- c. For projects not involving Coordinating Project Professionals, Contractor will proactively interact with any other contractors when directed by City to obtain or disseminate timely information for the proper execution of the Project.

3.5 Work Product.

- a. Ownership. City and Contractor each will retain ownership of and all copyrights, if any, to evaluations, reports, drawings, specifications, project manuals, surveys, estimates, reviews, minutes, all "architectural work" as defined in the United States Copyright Act, 17 U.S.C § 101, *et seq.*, and other intellectual work product as may be applicable ("Work Product").
 - (1) This mutual grant of ownership is effective whether the Work Product is on paper (e.g, a "hard copy"), in electronic format, or in some other form.
 - (2) Contractor warrants, and agrees to indemnify, hold harmless and defend City for, from and against any claim that any Work Product infringes on third-party proprietary interests.
- b. Delivery. Contractor will deliver to City copies of the preliminary and completed Work Product promptly as they are prepared.
- c. City Use.
 - (1) City may reuse the Work Product at its sole discretion.
 - (2) In the event the Work Product is used for another project without further consultations with Contractor, the City agrees to indemnify and hold Contractor harmless from any claim arising out of the Work Product.
 - (3) In such case, City shall also remove any seal and title block from the Work Product.

4. **Compensation for the Project; Use of Compensation.**

- 4.1 Compensation; Use of Compensation solely for Project. Contractor's compensation for the Project, including those furnished by its Sub-contractors will not exceed \$610,510 over the entire term 5-year of the Agreement, as specifically detailed in **Exhibit B** (the "Compensation"). In consideration for the Compensation, Contractor agrees and warrants that it will use the Compensation solely for the Project, and for no other purposes.
- 4.2 Change in Scope of Project. The Compensation may be equitably adjusted if the originally contemplated scope of services as outlined in the Project is significantly modified.
 - a. Adjustments to the Compensation require a written amendment to this Agreement and may require City Council approval.
 - b. Additional services which are outside the scope of the Project contained in this Agreement may not be performed by the Contractor without prior written authorization from the City.
 - c. Notwithstanding the incorporation of the Exhibits to this Agreement by reference, should any conflict arise between the provisions of this Agreement and the provisions found in the Exhibits and accompanying attachments, the provisions of this Agreement shall take priority and govern the conduct of the parties.

5. **Billings and Payment.**

5.1 Applications.

- a. Contractor will submit quarterly invoices (each, a "Payment Application") to City's Project Manager and City will remit payments based upon the Payment Application as stated below.
- b. The period covered by each Payment Application will be three calendar months ending on the last day of the third month in each quarter or as specified in the solicitation.

5.2 Payment.

- a. After a full and complete Payment Application is received, City will process and remit payment within 30 days.
- b. Payment may be subject to or conditioned upon City's receipt of:
 - (1) Completed work generated by Contractor and its Sub-contractors; and
 - (2) Unconditional waivers and releases on final payment from Sub-contractors as City may reasonably request to assure the Project will be free of claims arising from required performances under this Agreement.

5.3 Review and Withholding. City's Project Manager (the "City Project Manager") will timely review and certify Payment Applications.

- a. If the Payment Application is rejected, the City Project Manager will issue a written listing of the items not approved for payment.
- b. City may withhold an amount sufficient to pay expenses that City reasonably expects to incur in correcting the deficiency or deficiencies rejected for payment.

6. **Termination.**

6.1 For Convenience. City may terminate this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than ninety (90) days following the date of delivery.

- a. Contractor will be equitably compensated for Goods or Services furnished prior to receipt of the termination notice and for reasonable costs incurred.
- b. Contractor will also be similarly compensated for any approved effort expended and approved costs incurred that are directly associated with project closeout and delivery of the required items to the City.

6.2 For Cause. City may terminate this Agreement for cause if Contractor fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach.

- a. Contractor will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Contractor for Service and Repair furnished, City will pay the amount due to Contractor, less City's damages, in accordance with the provision of § 5.
- b. If City's direct damages exceed amounts otherwise due to Contractor, Contractor must pay the difference to City immediately upon demand; however, Contractor will not be subject to consequential damages of more than \$1,000,000 or the amount of this Agreement, whichever is greater.

7. **Conflict.** Contractor acknowledges this Agreement is subject to A.R.S. § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on City's behalf is also an employee, agent, or consultant of any other party to this Agreement.

8. Insurance.

8.1 Requirements. Contractor must obtain and maintain the following insurance ("Required Insurance"):

- a. Contractor and Sub-contractors. Contractor, and each Sub-contractor performing work or providing materials related to this Agreement must procure and maintain the insurance coverages described below (collectively referred to herein as the "Contractor's Policies"), until each Party's obligations under this Agreement are completed.
- b. General Liability.
 - (1) Contractor must at all times relevant hereto carry a commercial general liability policy with a combined single limit of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate for each property damage and contractual property damage.
 - (2) Sub-contractors must at all times relevant hereto carry a general commercial liability policy with a combined single limit of at least \$1,000,000 per occurrence.
 - (3) This commercial general liability insurance must include independent contractors' liability, contractual liability, broad form property coverage, XCU hazards if requested by the City, and a separation of insurance provision.
 - (4) These limits may be met through a combination of primary and excess liability coverage.
- c. Auto. A business auto policy providing a liability limit of at least \$1,000,000 per accident for Contractor and \$1,000,000 per accident for Sub-contractors and covering owned, non-owned and hired automobiles.
- d. Workers' Compensation and Employer's Liability. A workers' compensation and employer's liability policy providing at least the minimum benefits required by Arizona law.
- e. Notice of Changes. Contractor's Policies must provide for not less than 30 days' advance written notice to City Representative of:
 - (1) Cancellation or termination of Contractor or Sub-contractor's Policies;
 - (2) Reduction of the coverage limits of any of Contractor or and Sub-contractor's Policies; and
 - (3) Any other material modification of Contractor or Sub-contractor's Policies related to this Agreement.
- f. Certificates of Insurance.
 - (1) Within 10 business days after the execution of the Agreement, Contractor must deliver to City Representative certificates of insurance for each of Contractor and Sub-contractor's Policies, which will confirm the existence or issuance of Contractor and Sub-contractor's Policies in accordance with the provisions of this section, and copies of the endorsements of Contractor and Sub-contractor's Policies in accordance with the provisions of this section.
 - (2) City is and will be under no obligation either to ascertain or confirm the existence or issuance of Contractor and Sub-contractor's Policies, or to examine Contractor and Sub-contractor's Policies, or to inform Contractor or Sub-contractor in the event that any coverage does not comply with the requirements of this section.
 - (3) Contractor's failure to secure and maintain Contractor Policies and to assure Sub-contractor policies as required will constitute a material default under the Agreement.

- g. Other Contractors or Vendors.
 - (1) Other contractors or vendors that may be contracted with in connection with the Project must procure and maintain insurance coverage as is appropriate to their particular contract.
 - (2) This insurance coverage must comply with the requirements set forth above for Contractor's Policies (e.g., the requirements pertaining to endorsements to name the parties as additional insured parties and certificates of insurance).
- h. Policies. Except with respect to workers' compensation and employer's liability coverages, City must be named and properly endorsed as additional insureds on all liability policies required by this section.
 - (1) The coverage extended to additional insureds must be primary and must not contribute with any insurance or self insurance policies or programs maintained by the additional insureds.
 - (2) All insurance policies obtained pursuant to this section must be with companies legally authorized to do business in the State of Arizona and reasonably acceptable to all parties.

8.2 Sub-contractors.

- a. Contractor must also cause its Sub-contractors to obtain and maintain the Required Insurance.
- b. City may consider waiving these insurance requirements for a specific Sub-contractor if City is satisfied the amounts required are not commercially available to the Sub-contractor and the insurance the Sub-contractor does have is appropriate for the Sub-contractor's work under this Agreement.
- c. Contractor and Sub-contractors must provide to the City proof of the Required Insurance whenever requested.

8.3 Indemnification.

- a. To the fullest extent permitted by law, Contractor must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties"), for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense"; collectively, "Demands or Expenses") asserted by a third-party (i.e. a person or entity other than City or Contractor) and that arises out of or results from the breach of this Agreement by the Contractor or the Contractor's negligent actions, errors or omissions (including any Sub-contractor or other person or firm employed by Contractor), whether sustained before or after completion of the Project.
- b. This indemnity and hold harmless provision applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Contractor shall be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Contractor or of any person or entity for whom Contractor is responsible.
- c. Contractor is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party.

9. **E-verify, Records and Audits.** To the extent applicable under A.R.S. § 41-4401, the Contractor warrant their compliance and that of its subcontractors with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under A.R.S. § 23-214(A). The Contractor or subcontractor's breach of this warranty shall be deemed a material breach of the Agreement and may result in the termination of the Agreement by the City under the terms of this Agreement. The City retains the legal right to randomly inspect the papers and records of the other party to ensure that the other party is complying with the above-mentioned warranty. The Contractor and subcontractor warrant to keep their respective papers and records open for random inspection during normal business hours by the other party. The parties shall cooperate with the City's random inspections, including granting the inspecting party entry rights onto their respective properties to perform the random inspections and waiving their respective rights to keep such papers and records confidential.

10. **No Boycott of Israel.** The Parties agree that they are not currently engaged in, and agree that for the duration of the Agreement they will not engage in, a boycott of Israel, as that term is defined in A.R.S. §35-393.

11. **Intentionally omitted.**

12. **Notices.**

12.1 A notice, request or other communication that is required or permitted under this Agreement (each a "Notice") will be effective only if:

- a. The Notice is in writing; and
- b. Delivered in person or by overnight courier service (delivery charges prepaid), certified or registered mail (return receipt requested); and
- c. Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of receipt, if:
 - (1) Received on a business day, or before 5:00 p.m., at the address for Notices identified for the Party in this Agreement by U.S. Mail, hand delivery, or overnight courier service on or before 5:00 p.m.; or
 - (2) As of the next business day after receipt, if received after 5:00 p.m.
- d. The burden of proof of the place and time of delivery is upon the Party giving the Notice; and
- e. Digitalized signatures and copies of signatures will have the same effect as original signatures.

12.2 Representatives.

- a. Contractor. Contractor's representative (the "Contractor's Representative") authorized to act on Contractor's behalf with respect to the Project, and his or her address for Notice delivery is:

Glendale Chamber of Commerce
c/o Robert Heidt, President & CEO
5800 W. Glenn Drive #275
Glendale, AZ 85301
Tel: (623) 937-4754
Email: Rheidt@glendaleazchamber.org

- b. City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is:

City of Glendale
c/o Brian Friedman
Director of Economic Development

5850 W. Glendale Ave.
Glendale, Arizona 85301
623-930-2984

With required copy to:

City Manager
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

City Attorney
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

- c. Concurrent Notices.
- (1) All notices to City's representative must be given concurrently to City Manager and City Attorney.
 - (2) A notice will not be deemed to have been received by City's representative until the time that it has also been received by City Manager and City Attorney.
 - (3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Contractor identifying the designee(s) and their respective addresses for notices.
- d. Changes. Contractor or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.

13. **Financing Assignment.** City may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the Project.

14. **Entire Agreement; Survival; Counterparts; Signatures.**

14.1 Integration. This Agreement contains, except as stated below, the entire agreement between City and Contractor and supersedes all prior conversations and negotiations between the parties regarding the Project or this Agreement.

- a. Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter.
- b. Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties.
- c. The solicitation, any addendums and the response submitted by the Contractor are incorporated into this Agreement as if attached hereto. Any Contractor response modifies the original solicitation as stated. Inconsistencies between the solicitation, any addendums and the response or any excerpts attached as Exhibit A and this Agreement will be resolved by the terms and conditions stated in this Agreement.

14.2 Interpretation.

- a. The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate.
- b. The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement.
- c. The Agreement will be interpreted in accordance with the laws of the State of Arizona.

14.3 Survival. Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every

other right, remedy and responsibility of a Party, will survive completion of the Project, or the earlier termination of this Agreement.

- 14.4 **Amendment.** No amendment to this Agreement will be binding unless in writing and executed by the parties. Any amendment may be subject to City Council approval. Electronic signature blocks do not constitute execution.
- 14.5 **Remedies.** All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law.
- 14.6 **Severability.** If any provision of this Agreement is voided or found unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be deemed reformed to conform to applicable law.
- 14.7 **Counterparts.** This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.
15. **Term.** The term of this Agreement commences upon the effective date and continues for a three (3)-year initial period. The City may, at its option and with the approval of the Contractor, extend the term of this Agreement an additional two (2) years, in one-year increments and renewable on an annual basis. Contractor will be notified in writing by the City of its intent to extend the Agreement period at least thirty (30) calendar days prior to the expiration of the original or any renewal Agreement period. Price adjustments will only be reviewed during the Agreement renewal period and any such price adjustment will be a determining factor for any renewal. There are no automatic renewals of this Agreement.
16. **Dispute Resolution.** Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered according to the American Arbitration Association's Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.
17. **Exhibits.** The following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference.
- | | |
|-----------|--------------|
| Exhibit A | Project |
| Exhibit B | Compensation |

(Signatures appear on the following page.)

The parties enter into this Agreement as of the effective date shown above.

City of Glendale,
an Arizona municipal corporation

By: Kevin R. Phelps
Its: City Manager

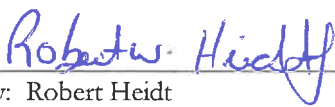
ATTEST:

Julie K. Bower
City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey
City Attorney

Glendale Chamber of Commerce,
an Arizona corporation



By: Robert Heidt
Its: President & CEO

EXHIBIT A
DOWNTOWN MANAGER SERVICES
PROJECT

See Year 1 deliverables below and attached Contractor's response to Request for Proposal RFP 17-21.

Year One Deliverables (to be completed within 365 days from start of contract)

In -the-Field Introductions (Feet on the Street)

In-Person, one-on-one introduction with all stakeholders (business owners/property owners/tenants)

Meet as needed on individual bases with stakeholders to build trust

Garner the following Data:

Business Owner and Operator Name

Lease or own space

Updated contact information

Survey challenges, needs, vision, etc.

Post-Data Gathering:

Create searchable/accessible database of information gathered

Resolve onset issues with required immediacy

Identify leaders within the downtown

Determine goals and visions of the collective group from the data gathered

Establish regular gathering/meeting of stakeholders

Determine framework for Merchant's Association

Implement other items as defined by the city partnership or as determined to be a priority based on feedback from downtown stakeholders

EXHIBIT B
DOWNTOWN MANAGER SERVICES
COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

The method of payment is provided in Section 5 of the Agreement. The amount of compensation charged by the Contractor is provided in its response to the City's Request for Proposal.

NOT-TO-EXCEED AMOUNT

The total amount of compensation paid to Contractor for full completion of all work required by the Project during the entire term of the Project must not exceed \$610,510.

DETAILED PROJECT COMPENSATION

Project compensation shall include FTE salaries and benefits, overhead, initial setup and miscellaneous expenses as follows:

Year 1 Amount: \$100,000

Year 2 Amount: \$110,000

Year 3 Amount: \$121,000

Year 4 Amount: \$133,100

Year 5 Amount: \$146,410

Grand Total Year 1 through Year 5: \$610,510

COMPANY NAME: _____



CITY OF GLENDALE PROCUREMENT DIVISION REQUEST FOR PROPOSAL

SOLICITATION NUMBER: RFP 17-21
DESCRIPTION: DOWNTOWN MANAGER SERVICES
OFFER DUE DATE AND TIME: January 11, 2017 at 2:00 PM Local Time

Offers for the materials or services specified will be received by the City of Glendale, Procurement Division at the below specified location until the time and date cited. Offers received by the correct time and date will be opened and the name of each Offeror will be publicly read.

SUBMITTAL LOCATION: City of Glendale
Attn: Procurement Division
5850 West Glendale Avenue
Suite 317
Glendale, Arizona 85301

Proposals must be in the actual possession of Procurement Division on or prior to the time and date, and at the location indicated. The Procurement Division is located on the 3rd floor of the Glendale Municipal Office Complex (City Hall) behind the Engineering Department. Proposals are accepted from the hours of 8:00 a.m. and 5:00 p.m., (local time), Monday through Friday, unless otherwise indicated for a holiday. All proposals will be time stamped at the Engineering Department's front counter. Late proposals will not be considered.

Proposals must be submitted in a sealed envelope with the Solicitation Number and the Offeror's name and address clearly indicated on the envelope. **See Paragraph 2.3 for additional instructions for preparing an offer.**

OFFERORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION.

For questions regarding this solicitation, contact:

Elmer Garcia, CPPB
Contract Analyst
Procurement Division
Egarcia1@glendaleaz.com



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

TABLE OF CONTENTS

SECTION	DESCRIPTION	PAGES
	NOTICE	1
	TABLE OF CONTENTS	2
1.0	SPECIFICATIONS	3-8
2.0	SPECIAL INSTRUCTIONS TO OFFERORS	9-14
3.0	SPECIAL TERMS AND CONDITIONS	15-19
4.0	OFFER SHEET	20
5.0	PRICE SHEET	21-22
	EXHIBIT A	23
	ATTACHMENT A (SAMPLE TEMPLATE ONLY)	24-38



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

SPECIFICATIONS

1.0 INTRODUCTION

The City of Glendale, Arizona (“City”), Economic Development Department invites sealed proposals from qualified firms or individuals to provide professional downtown management services for the City of Glendale downtown area.

In an effort to achieve the vision of City Council to create and support a vibrant City Center, the Economic Development staff recommends utilizing the services of an independent Downtown Manager under the umbrella of a private organization to develop a diverse, cohesive and unified perspective on strategic priorities for the Glendale Historic Downtown District as phase I of a multi-phased approach to addressing the development and redevelopment needs of Centerline.

1.1 BACKGROUND

The City of Glendale is the sixth largest city in the state of Arizona established in 1910 with a rich history of culture and tradition. The heart of Glendale, like many other communities, is in transition. Although the city led a significant initiative in 2007 to revive the development of the Glendale Avenue corridor, also known as the Centerline project, development is market driven and little progress has been made. The City recognizes that in order to improve the success of Centerline, specific action must be taken to diversify the economy by attracting new residential and employment uses while varying commercial uses. The City believes that strengthening the position of the existing commercial base is one avenue that can be utilized to attract new residential and employment uses.

In order to assist with strengthening the existing commercial base in Centerline, the City must first seek to understand the condition and priorities of that commercial base. One method of accomplishing this task is to engage the services of an independent Downtown Manager as a first step towards creating a cohesive downtown organization and agreement on strategic initiatives. Additionally, in order to create sustainability and long-term progress for the downtown, it is important to consider opportunities to support the creation of independent agencies and funding sources whose mission is to elevate the status and promote economic growth for the entire Centerline Area. One tool that can be utilized to further sustainability for Centerline is an Enhanced Municipal Services District.

This is to outline the first step of a phased approach to furthering the City Council’s key priority of creating a vibrant city center. The recommendation is to create a partnership with a private organization to provide the services of a Downtown Manager. In order to be successful, the focus area in this phase of the initiative is the Glendale Historic Downtown District as shown in Exhibit A and is inclusive of the Catlin Court Historic District. Future iterations and growth of this initiative may be expanded to include the other character area districts within



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

Centerline including Midtown, Beet Sugar, and Market as well as the creation of an Enhanced Municipal Services District.

Current Conditions

The city's formally adopted redevelopment area includes Centerline which means that it is a low income area of our community. The vacancy rates in Centerline as compared to citywide are significantly higher in retail, industrial, and multi-family with the most significant gap in the retail sector (13.5% as compared to 8% citywide). In addition, while the population citywide grew 3.6% between the 2000 and 2010 Census, the population in Centerline declined 12%. Finally, 10% of the Centerline area or about 96 acres are vacant land.

Economic Development Perspective

Business retention and expansion is a key priority for Economic Development citywide, but specifically within the Centerline area where many of the businesses are small, individually owned and operated enterprises. Most businesses survive because they are able to provide services to the surrounding community in which they are located or because they create a significant regional draw or attraction. In order to support business retention in Centerline and to attract new businesses, the City must diversify the economy by attracting new residential, new employment, varied commercial/retail.

Initiative

In order to improve the vibrancy and attractiveness of the Historic Downtown District and to support the businesses that are located here, the City of Glendale wishes to utilize the services of an independent professional consultant or agency for the purpose of engaging the community to establish key strategic priorities, creating cohesiveness, and furthering the sustainability of the Historic Downtown District. The intent of this initiative is to strengthen the position of the existing commercial base in the Historic Downtown District in order to aid in the attraction of new employment and residential opportunities.

1.2 SCOPE OF SERVICES

Downtown Manager

In an effort to kick-start this initiative and provide much needed support to the Historic Downtown District community, the City will utilize the services of a private organization to hire a Downtown Manager. Under the umbrella of the successful organization, this position will be responsible for the development of the Glendale Historic Downtown District (GHDD) program which includes forming a Merchants Association, identifying key community and neighborhood stakeholder priorities, establishing a plan of action to address them, and identifying a funding methodology to support initiatives. Respondent's proposals should be creative and describe their vision for achieving these goals. Additional programs implemented as part of the GHDD are intended to supplement the city's ongoing initiatives and support.

It is the city's expectation that the successful organization will identify creative funding solutions for the strategic priorities such as grants, partnerships, or legislative tools. While



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

there may be opportunities for the city to fund some projects, the expectation is that city funding should not be the primary or exclusive funding source for activities or programs.

Work Objectives

The exact job title and job duties shall be crafted by the successful bidder with the following serving as the minimum expectations of the City. The Downtown Manager coordinates activities within the Glendale Historic Downtown District bounded by Myrtle Avenue to the north, 55th Avenue to the east, Ocotillo Road to the south, and 59th Avenue to the west, inclusive of the Catlin Court Historic District. This position is responsible for the development, execution, and documentation of the (GHDD) program. The Downtown Manager is the principal on-site staff person responsible for coordinating all of the organization's independent initiatives including program activities and volunteers, as well as representing the community as appropriate. The city's expectation is that this position will be responsible for identifying and executing initiatives and programs based on feedback from the business community. In addition, the Downtown Manager should help guide the strategic priorities defined by the business community as key objectives evolve.

Duties

- Become familiar with all persons and groups directly and indirectly involved in the Historic Downtown District being mindful of the roles of various downtown interest groups.
- Engage the local business community, special interest groups, residents, and other key stakeholders to create a GHDD Merchants Association. This mission of the Merchants Association is to establish diverse community representation focused on cohesive engagement and community building initiatives, and to identify strategic priorities. NOTE: Participants must not be required to be members of any private organizations in order to participate in the Merchants Association.
- In conjunction with the GHDD program's Merchants Association, conduct a variety of public outreach initiatives to gather stakeholder feedback on priorities that support the mission of the GHDD program.
- Establish an annual action plan for implementing a comprehensive GHDD program focused on four areas: place making; promotion and marketing; hospitality ambassadors; and beautification. Additional focus areas may be determined by the Merchants Association.
- Develop and conduct on-going public awareness and education programs designed to enhance appreciation of the GHDD's assets and to foster an understanding of the GHDD program's goals and objectives. Use speaking engagements, media interviews, and personal appearances to keep the program in the public eye.
- Assist individual tenants or property owners with physical improvement projects through personal consultation and guidance on necessary financial mechanisms for physical improvements.
- Assess the management capacity of major downtown organizations and encourage improvements in the downtown community's ability to carry out joint activities such as



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

promotional events, advertising, appropriate store hours, special events, business assistance, and business recruitment.

- Provide advice and information on successful downtown management. Encourage a cooperative climate among downtown interests and local public officials.
- Keep the community and other downtown merchants' organizations apprised of GHDD program activities and goals; help coordinate joint promotional events such as festivals or business promotions to improve the quality and success of events and attract people to downtown; work closely with local media to ensure maximum coverage of promotional activities; encourage design excellence in all aspects of promotion in order to advance an image of quality for the downtown. Again, these activities are intended to supplement the city's existing activities.
- Help build strong and productive relationships with appropriate public agencies at the local and state levels.
- Utilizing the GHDD program format, develop and maintain data systems to track the progress of the local GHDD program. These systems should include economic monitoring, individual building files, photographic documentation of physical changes, and statistics on changes in the business community.

Resource Management Responsibilities

Under the guidance successful bidder, The Downtown Manager supervises any necessary temporary or permanent employees, as well as professional consultants. He/she participates in personnel and project evaluations. The Downtown Manager maintains local GHDD program records and reports, establishes technical resource files and libraries, and prepares regular reports for the state GHDD program to be provided to the city. The Downtown Manager monitors the annual program budget and maintains financial records. Respondents should provide their recommendations related to performance reporting and budget as part of their proposal.

Job Knowledge and Skills Required

The Downtown Manager should have education and/or experience in one or more of the following areas: commercial district management, economics, finance, public relations, planning, business administration, public administration, retailing, volunteer or non-profit administration, architecture, historic preservation, redevelopment, real estate development, and/or small business development. The Downtown Manager must be sensitive to design and preservation issues and must understand the issues confronting downtown business people, property owners, public agencies, and community organizations. The manager must be entrepreneurial, energetic, imaginative, well organized and capable of functioning effectively in an independent environment. Excellent written and verbal communication skills are essential. Supervisory skills are desirable. Designation as a Main Street America Revitalization Professional or participation in Main Street America certification programs is preferred.



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

Deliverables

Data Gathering

Create a database for tracking the following information about all properties in the focus area to be shared with City staff. The data must be web-based and updated on a minimum of a quarterly basis. The purpose of establishing this database and making connections with all key stakeholders is to ensure that the City and Merchants Association have an efficient and effective means to communicate with the stakeholders in order to garner input in the development of effective strategies that achieve outcomes.

- Property address
- Property owner name, mailing address, phone number, email address
- Tenant name, phone number, email address
- Parcel square footage, building square footage, assessed value
- Building management/property managers

Organization

Recruit private sector leadership to support cohesive community engagement and community building initiatives in the form of a Merchants Association. The city will consider all proposals that provide a recommendation that addresses how they will go about creating a Merchants Association with the following serving as the guideline:

- Ensure appropriate representation from all stakeholder groups are included in the formation process including property owners, business operators, special interest groups, and residents
- Establish an appropriate governance structure (e.g. Board of Directors), rules of order/by-laws, appropriate sub-committees as needed/determined by the Board, and mission for the Merchants Association
- Convene regular meetings to address key initiatives
- Convene additional study groups or meetings for the Merchants Association to obtain expert opinions from professional, trade, or educational organizations such as: Urban Land Institute, schools of urban design, American Planning Association, National Association of Industrial and Office Properties (NAIOP), National Trust for Historic Preservation, Main Street America, and International Downtown Association

Establish Stakeholder Priorities

Under the direction of the Merchants Association, conduct a variety of public outreach initiatives to gather stakeholder feedback on priorities that support the mission and vision of this initiative.

- Ensure multiple formats of interaction are utilized including surveys, focus groups, and one-on-one stakeholder interactions
- Ensure appropriate data collection methods are utilized to gather feedback and analyze results in order to support data-driven decision making and avoid anecdotal recommendations



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

- Identify and articulate consensus on stakeholder priorities in 1, 3, and 5 year increments
- Educate stakeholders on base governmental services/responsibilities

Create a Business Plan

Establish a business plan that addresses stakeholder priorities.

- Identify service plan options based on the needs of the district
- Articulate value-added benefit of each priority focusing on how it could improve overall market conditions that would support attraction efforts for employment and residential uses
- Identify any potential unintended consequences of each priority
- Provide examples of successes in other communities regionally or nationally
- Identify potential costs or budget needed for each priority
- Propose a funding methodology that includes contributions based on stakeholder category (e.g. government, property owner, business owner, resident, etc.)



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

2.0 SPECIAL INSTRUCTIONS TO OFFERORS

2.1 PRE-PROPOSAL CONFERENCE No pre-proposal conference is scheduled for this RFP.

2.2 RETURN OF OFFER One (1) hard copy marked as “original”, SEVEN copies and (1) flash drive containing all original documents in PDF format. The original copy of the proposal should be clearly labeled "Original" and shall be single-sided. The sections of the submittal should be clearly identifiable and should follow the instructions noted in the Submission Requirements section of this Request for Proposals (RFP). Failure to include the requested information may have a negative impact on the evaluation of the bidder's offer.

2.3 PREPARATION OF OFFER PACKAGE The following items shall be completed and returned. Failure to include all the items may result in an offer being rejected. Offer packages shall be submitted in the following order:

- 2.3.1 NOTICE
- 2.3.2 TABLE OF CONTENTS
- 2.3.3 SPECIFICATIONS, Section 1.0
- 2.3.4 SPECIAL INSTRUCTIONS TO OFFERORS, Section 2.0
- 2.3.5 SPECIAL TERMS AND CONDITIONS, Section 3.0
- 2.3.6 OFFER SHEET, Section 4.0
- 2.3.7 PRICE SHEET, Section 5.0
- 2.3.8 ADDENDUM, Return all addenda (if applicable)
- 2.3.9 ALL SUBMITTALS REQUIRED IN THE SPECIFICATIONS INCLUDING EXHIBIT A

2.4 EVALUATION CRITERIA The criteria is listed with their relative weights.

- 2.4.1 FIRM & PERSONNEL QUALIFICATION & EXPERIENCE.....35%
- 2.4.2 METHOD OF APPROACH IN RESPONSE TO THE SPECIFICATIONS.....35%
- 2.4.3 COST.....30%

2.5 SUBMISSION REQUIREMENTS

Offerors shall provide written narrative responses on the evaluation criteria below. Proposals shall be presented in a complete, concise and effective response void of general answers or sales literature. When applicable, supporting documents may be attached and the appropriate criteria referenced. Offerors, at a minimum, shall submit the following information in the order presented below:

2.5.1 FIRM AND PERSONNEL QUALIFICATION AND EXPERIENCE

2.5.1.1 COMPANY PROFILE AND SERVICE HISTORY Offeror shall describe their firm's profile and history. Summary should include the firm's resources,



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

financial capability, staffing resources, number of years in business and similar history in providing the services required by the City. Offeror should describe how the company will provide the necessary resources to support this project. Offeror should state how long their firm has been authorized to perform the required services.

2.5.1.2 QUALIFICATIONS OF STAFF Offeror shall briefly describe the overall experience of the key staff members and their experience with similar type projects. Offeror shall list key personnel who will be assigned to this project. Offeror shall describe the training and certifications that the staff received to qualify them to perform the required services. Offeror should state the number of qualified staff assigned to this project. Offeror should submit detailed resumes of the staff assigned to the project.

2.5.1.3 COMPANY PROJECTS AND REFERENCES Offerors shall submit a minimum of three references from any governmental agency, municipality, schools or companies which the Offeror has provided similar services within the last five years. References shall include the company or agency name, contact person and title, telephone number, email address, dates of service, estimated cost and description of the services offered.

2.5.2 METHOD OF APPROACH

2.5.2.1 Offeror shall describe their company's experience and approach to successfully provide the required downtown manager services. Offeror shall describe their understanding of the specifications and requirements of this RFP and all the key elements that will need to be considered. Offeror should present a proposed work plan based on the SCOPE OF SERVICES that details the specific tasks to be completed and provide a detailed budget for performing such tasks.

Offeror may also offer other additional services not specifically mentioned in the SCOPE OF SERVICES as add-on to enhance their service offer.

If a portion of the work will be done by a subcontractor, Offeror shall identify which services will be subcontracted and provide the name and contact information of the proposed subcontractor.

2.5.3 COST Offerors shall completely fill out Price Sheet Section 5.0.

Offerors may elect to provide a price breakdown for all services included in the proposal and scope of services in their own format. Price breakdowns must be clear, concise and easily cross-referenced with task items in the scope of services.



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

2.6 CONTRACT AWARD The City intends to award the contract to the responsible and responsive proposer whose proposal is determined, in writing, to be the most advantageous to the City and best meets the overall needs of the City taking into consideration the evaluation criteria set forth in the RFP.

2.7 ALTERNATE OFFERS
Offers submitted as alternates must be submitted as an attachment referencing the specific paragraph numbers(s) and adequately defining the alternate submitted. Detailed service brochures and/or literature, suitable for evaluation, must be submitted with the Alternate Offer.

2.8 EXCEPTIONS TO STANDARD TERMS AND CONDITIONS
Offerors are expected to conform to the RFP terms and conditions and requirements. Offerors may list their exceptions to the solicitation by referencing the specific section and paragraph, subsection number or other identifier. For each exception, Offerors should quote the statement(s) to which they are taking an exception for reference during bid evaluation. The City has no obligation to accept any exception. Exceptions to City statutory requirements shall not be considered. Exceptions considered material, excessive or affecting vital terms, conditions or specifications may reduce the Offeror's prospect for award and/or render their offer non-responsive.

Offeror's Standard Terms and Conditions submitted with their bid will **not** be accepted by the City in lieu of the City's Terms and Conditions for contracts. Offerors submitting their own Standard Terms and Conditions with their bid will require negotiation.

If no exceptions are taken, City will expect and require complete compliance with the specifications and all conditions of purchase.

2.9 ESTIMATED QUANTITIES Quantities listed in this solicitation are the City's best estimate. The City may order some, all, more, or none of the individual quantities. The City's actual requirements during the period of this agreement shall be determined by the actual needs and availability of appropriated funds.

2.10 PROPRIETARY INFORMATION Offerors shall clearly mark any proprietary information contained in its bid with the words "Proprietary Information." Offeror shall not mark any Solicitation Form as proprietary. Pricing data shall not be considered proprietary. Marking all, or nearly all, of a bid as proprietary may result in rejection of the bid.

Offerors acknowledge that the City is required by law to make certain records available for public inspection. In the event that the City receives a request for disclosure of Proprietary Information by any person, court, agency or administrative body, or otherwise has a reasonable belief that it is obligated to disclose the Proprietary Information to any such person or authority, the City will provide Offeror with prompt written notice so that Offeror may seek a protective order or other appropriate remedy. The Offeror, by submission of materials marked Proprietary Information, acknowledges and agrees that the City will have no obligation to advocate for



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

non-disclosure in any forum or any liability to the Offeror in the event that the City must legally disclose the Proprietary Information.

- 2.11 ADDITIONAL INVESTIGATIONS** The City reserves the right to make such additional investigations as it deems necessary to establish the competence and financial stability of any Offeror submitting a proposal.
- 2.12 ADDITIONAL INFORMATION** The City reserves the right to secure additional information from the Offeror in various forms and or to award based on submitted information.
- 2.13 INTERVIEWS** The City reserves the right to conduct interviews with some or all of the Offerors at any point during the evaluation process. However, the City may also determine that interviews are not necessary. In the event interviews are conducted, information provided during the interview process shall be taken into consideration when evaluating the stated criteria. The City may elect to score interviews and/or discussions as part of the evaluation criteria. The City shall not reimburse the Offeror for the costs associated with the interview process.
- 2.14 DISCUSSIONS AND BEST AND FINAL OFFERS** Discussions may be conducted with responsible Offerors who submit proposals determined to be reasonably susceptible of being selected for award; and may obtain pertinent information for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Should the City elect to call for 'best and final' offers, Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing Offerors. The purposes of such discussions shall be to:
- 2.14.1 Determine in greater detail such Offeror's qualifications, and
 - 2.14.2 Explore with the scope and nature of the project, the Offeror's proposed method of performance, and the relative utility of alternate methods of approach;
 - 2.14.3 Determining that the Offeror will make available the necessary personnel and facilities to perform within the required time;
 - 2.14.4 Agreeing upon compensation which is fair and reasonable, taking into account the estimated value of the required services, and the scope, complexity and nature of such services.
- 2.15 NOTICE OF INTENT TO AWARD AND PROTEST PERIOD** Information about the recommended award for this solicitation will be posted on the Internet. The information will be available for review on the City's Procurement Internet home page www.glendaleaz.com/purchasing immediately after the City has completed its evaluation process of the offers received. If you have any questions, or would like further information about an intended award, contact the contract analyst immediately. Any protest must be



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

submitted to the Materials Manager no later than seven (7) calendar days from the date of posting on the Internet.

Please go to: <http://www.glendaleaz.com/Purchasing/doingbusinesswithglendale.cfm> for information and instructions on how to file a protest with the City of Glendale.

- 2.16 OFFER ERRORS OMISSIONS AND CORRECTIONS** The City will not be responsible for any Offeror errors or omissions. All prices and notations shall be written in ink or typed. Changes or corrections made on the offer form must be initialed in ink by the individual signing the offer. No corrections will be permitted after the offers have been opened.
- 2.17 WITHDRAWAL OF OFFER** At any time prior to the specified solicitation due date and time, an Offeror may formally withdraw the offer by a written letter, facsimile or electronic mail from the Offeror or a designated representative. Telephonic or oral withdrawals shall not be considered.
- 2.18 NO CONTACT, NO INFLUENCE DURING THE RFP PROCESS** The City is conducting a competitive RFP process for the contract, free from improper influence or lobbying. There shall be no contact concerning this RFP from Offerors submitting an offer with any member of the City Council, Evaluation Committee Members, or anyone connected with the process for or on behalf of the City. Contact includes direct or indirect contact by the Offeror, its employees, attorneys, lobbyists, surrogates, etc. in an attempt to influence the RFP process.

From the time the RFP is issued until the expiration of the protest period or the resolution of any protest, whichever is later (the "Black-Out Period"), Offerors, directly or indirectly through others, are restricted from attempting to influence in any manner the decision making process through, including but not limited to, the use of paid media; contacting or lobbying the City Council or City Manager or any other City employee (other than Material Management employees); the use of any media for the purpose of influencing the outcome; or in any other way that could be construed to influence any part of the decision-making process about this RFP. This provision shall not prohibit an Offeror from petitioning an elected official or engaging in any other protected first amendment activity after the protest period has run or any protest has been resolved, whichever is later.

Violation of this provision will cause the proposal or offer of the Offeror to be found in violation and to be rejected.

- 2.19 CERTIFICATION** By signature on the Offer/Bid page, solicitation Amendment(s), or cover letter accompanying the submittal documents, Contractor certifies:

The submission of the offer did not involve collusion, and without any agreement, understanding or planned common course of action with, any other vendor of materials, supplies, equipment or services described in the invitation to bid, designed to limit



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

independent bidding or competition or other anti-competitive practices. The Contractor shall not discriminate against any employee or applicant for employment in violation of Federal or State law. The Contractor has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, meal or service to a public servant in connection with the submitted offer. The Contractor hereby certifies that the individual signing the submittal is an authorized agent for the Contractor and has the authority to bind the Contractor to the Contract.

2.20 CONFLICT OF INTEREST The Offeror shall disclose any and all possible conflicts of interest if any senior or managing personnel of the Contractor have a potentially conflicting business or personal relationship with any City employees that have or may have a role in the selection or management of the services or goods being solicited. Providing such disclosure will not necessarily disqualify a Contractor from providing a proposal or bid. Failure to disclose a potential conflict of interest may result in rejection of the proposal or bid or termination of a resultant contract.

2.21 INQUIRIES Any question related to this RFP shall be directed to the Contract Officer whose name appears above. An Offeror shall not contact or ask questions of the department for whom the requirement is being procured. The Contract Officer may require any and all questions be submitted in writing. Offerors are encouraged to submit written questions via electronic mail or facsimile, at least five days prior to the proposal due date. Any correspondence related to a solicitation should refer to the appropriate solicitation number, page and paragraph number. An envelope containing questions should be identified as such; otherwise it may not be opened until after the official offer due date and time. Oral interpretations or clarifications will be without legal effect. Only questions answered by a formal written amendment to the solicitation will be binding.



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

3.0 SPECIAL TERMS AND CONDITIONS

3.1 INCORPORATION BY REFERENCE All responses shall incorporate by reference the Scope/Specifications, terms and conditions, general instructions and conditions and any attachments. The Standard Terms and Conditions applicable to this solicitation are posted on the Internet. They are available for review and download at the City's Procurement Internet home page, www.glendaleaz.com/purchasing. Offerors are advised to review all provisions of the General Instructions and Conditions for this solicitation.

3.2 PUBLIC RECORD Contractor acknowledges that the City is a public agency and must comply with all Public Records laws. All offers submitted in response to the Solicitation shall become the property of the City and, subsequent to award recommendation, become a matter of public record available for review pursuant to Arizona Public Records Law.

If a Contractor believes that a specific section of its response is confidential, that should be withheld from the public record, Contractor shall isolate the pages and mark each page confidential in a specific and clearly labeled section of its Proposal response. The Contractor shall include a written statement as to the basis for considering the marked pages confidential including the specific harm or prejudice if disclosed. The City Procurement Division will review the material and make a determination as to the confidentiality of any of the information and/or material contained within the Submittal. In the event of a public records request for documents Contractor deems confidential, the City will notify Contractor of the request and if Contractor claims such documents are confidential, it shall be the Contractor's sole responsibility, including sole cost, to take appropriate action, including legal action, to protect such documents.

3.3 COOPERATIVE USE OF CONTRACT This agreement may be extended for use by other governmental agencies and political subdivisions of the State including all members of SAVE (Strategic Alliance for Volume Expenditures). Any such usage by other entities must be in accord with the ordinances, charter, rules and regulations of the respective entity and the approval of the Contractor and City. For a list of SAVE members click on the following link: <http://www.maricopa.gov/materials/SAVE/SAVE-members.PDF>

3.4 PRICE All prices quoted shall be firm and fixed for the specified contract period.

3.5 FOB DESTINATION quoted prices shall be FOB destination to: City of Glendale, Arizona.

3.6 TERM OF AGREEMENT The term of this agreement shall be for a TWO (2) year initial period upon approval by the City Council.

3.7 OPTION TO EXTEND The City, may, at its option and upon mutual agreement with the Contractor, extend the term of this agreement for an additional THREE (3) years in one (1) year increments based on satisfactory Contractor performance. Contractor shall be notified in



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

writing by the City Materials Manager of the City's intention to extend the contract period at least sixty (60) calendar days prior to the expiration of the original contract period. Price adjustments will only be reviewed during contract renewal.

- 3.8 PRICE ADJUSTMENTS** Contractor shall submit a request for a rate increase a minimum of 60 days prior to the contract renewal date. The request shall be in writing and include supportive justification for the proposed increase. The rate increase shall only be considered at time of contract extension. The City will review the request and shall determine if the increase shall be granted or if an alternate option is in the best interest of the City. The price increase adjustment, if approved, will be effective and executed via a contract amendment.
- 3.9 DELIVERY TIME** All deliverables shall be made in accordance with the Specifications.
- 3.10 CHANGES OR ADDITIONS OF PRODUCTS OR SERVICES** The City reserves the right to revise or make changes within the general Specifications as deemed necessary to best serve the interest of the City. If this occurs, the Contractor will be requested a negotiable quotation for the additional products or services. All changes shall be documented by formal amendment to the contract.
- 3.11 PERMITS AND LICENSES** The Contractor shall be responsible for determining and securing, at his/her expense, any and all licenses and permits that are required by any statute, ordinance, rule or regulation of any regulatory body having jurisdiction in any manner connected with providing operations and maintenance of the facility. Such fees shall be included in and are part of the total proposal cost. During the term of the contract, the Contractor shall notify the City in writing, within two (2) working days, of any suspension, revocation or renewal.
- 3.12 KEY PERSONNEL** Contractor shall assign specific individuals to the key positions in support of the Contract. Once assigned to work under the Contract, key personnel shall not be removed or replaced without the prior written approval of the City. Upon the replacement of any key personnel, Contractor shall submit the name(s) and qualifications of any new key personnel to the City Contract Administrator or Designee. With the concurrence of the Contract Administrator or Designee, the City shall amend the Contract to reflect the name(s) of any replacement key personnel. Upon any unplanned departure of key personnel, Contractor shall immediately notify the Contract Administrator or Designee.
- 3.13 INSURANCE** Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, his agents, representatives, employees or sub-Contractors.

3.13.1 MINIMUM SCOPE AND LIMIT OF INSURANCE



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

Coverage shall be at least as broad as:

- 3.13.1.1 **Commercial General Liability (CGL):** Insurance covering CGL on an “occurrence” basis, including products-completed operations, personal & advertising injury, with limits no less than **\$1,000,000** per occurrence, **\$2,000,000** aggregate. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- 3.13.1.2 **Automobile Liability:** Insurance covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
- 3.13.1.3 **Workers’ Compensation:** as required by the State of Arizona, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.

If the Contractor maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Contractor.

Other Insurance Provisions The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status The City, its officers, officials, employees, and volunteers are to be covered as additional insured’s on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations.

Primary Coverage For any claims related to this contract, the Contractor’s insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor’s insurance and shall not contribute with it.

Notice of Cancellation Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City.

Waiver of Subrogation Contractor hereby grants to City a waiver of any right to subrogation which any insurer of said Contractor may acquire against the City by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

Acceptability of Insurers Insurance is to be placed with insurers with a current A.M. Best’s rating of no less than A:VII, unless otherwise acceptable to the City.

Verification of Coverage Contractor shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

required by this clause. All certificates and endorsements are to be received by the Contract Administrator and approved by the City before work commences. **DO NOT SEND CERTIFICATES TO RISK MANAGEMENT.** However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Special Risks or Circumstances City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

- 3.14 WORKERS' COMPENSATION** Contractor shall be in full compliance with the provisions of the Arizona Workers' Compensation Law (Title 23, Chapter 6, Arizona Revised Statutes) as amended, and all rules and regulations of the Industrial Commission of Arizona made in pursuance thereof. Contractor shall secure payment of compensation to employees by insuring the payment of such compensation with the State Compensation Fund or any insurance company authorized by the Insurance Department of Arizona to transact business in the State of Arizona.

Contractor further agrees that he shall require any and all sub-Contractors performing work under the agreement to comply with said Workers' Compensation Law. It is expressly understood and agreed that all persons employed directly or indirectly by the Contractor, or any of his sub-Contractors, shall be considered the employees of such Contractor, or his sub-Contractor(s), and not the employees of the City.

- 3.15 EMERGENCY BUSINESS SERVICES** During a natural disaster, or homeland security event, there may be a need for the City to access your business for products or services twenty-four (24) hours a day, seven (7) days a week, three hundred sixty-five (365) days a year.

For this purpose, a primary and secondary emergency contact name and phone number are required from the Contractor. It is critical to the City that the contractor's emergency contact information remains current. The Procurement Division staff member, identified on page 1, is to be contacted by E-mail with any change to a contact name or phone number.

All products or services provided to meet an emergency phone request are to be supplied as per the contract prices, terms and conditions. The Contractor may provide the fee (pricing) for an after-hours emergency opening of the business separate from the Price Sheet (Section 5.0). In general, the order will be placed using a City Procurement Card.

- 3.16 WARRANTIES** Contractor warrants that all materials, service, or construction delivered under this contract shall conform to the specifications of this contract. Any defects of design, workmanship, or materials, that would result in non-compliance with the contract specification, shall be fully corrected by the Contractor (including labor and materials) without additional cost to the City.



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

- 3.17 LIQUIDATED DAMAGES** If the Contractor fails to perform the services within the time specified in this contract, or any extension thereof, the actual damages to the City for the delay will be difficult or impossible to determine. Therefore, in lieu of actual damages, the Contractor shall pay the City a fixed, agreed liquidated damage of \$50.00/day for each calendar day of delay. The successful Contractor shall not be charged with liquidated damages when the delay arises out of cause beyond the control and without the fault of negligence of the successful proposer. The City shall determine what is beyond the control of the Contractor and his supplier.
- 3.18 NON-DISCRIMINATION** By submitting this Offer, Contractor agrees not to discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Contractor will require any Sub-Contractor to be bound to the same requirements as stated within this section. Contractor, and on behalf of any sub-Contractors, warrants compliance with this section.



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

4.0

OFFER SHEET

4.1 OFFER Offeror certifies that they have read, understand, and will fully and faithfully comply with this solicitation, its attachments and any referenced documents. Offeror also certifies that the prices offered were independently developed without consultation with any of the other Offerors or potential Offerors.

Authorized Signature

Company's Legal Name

Printed Name

Address

Title

City, State & Zip Code

Telephone Number

FAX Number

Authorized Signature Email Address

Date

For questions regarding this offer: (If different from above)

Contact Name

Phone Number

Fax Number

Email Address

State of Arizona Contractor's License No.: _____

FEDERAL TAXPAYER ID NUMBER: _____

Arizona Sales Tax No. _____ Tax Rate _____

Offeror certifies it is a: Proprietorship ____ Partnership ____ Corporation ____

Minority or woman owned business: Yes ____ No ____



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

5.0

PRICE SHEET

All pricing shall include, but is not limited to, labor, salaries, employee benefits, equipment, tools, materials, supplies, travel expenses, shipping, licenses, fees, insurance, profit, and any other associated direct or indirect costs. **Sales tax shall not be included in the Annual Total Amount.**

Offerors may modify the pricing format below or provide a price breakdown for all services included in the proposal and scope of services in their own format. However, the price breakdown must be clear, concise and easily cross-referenced with task items in the scope of services.

DOWNTOWN MANAGER SERVICES		
Line No.	DESCRIPTION	Annual Total Amount
5.1	<p>Offeror shall list its ANNUAL pricing for Downtown Manager Services as per Specifications.</p> <p>Offeror shall detail all services and activities necessary to implement and perform the Downtown Manager Services responsibilities below:</p> <p>Project Management Fees: \$ _____</p> <p>Total employee cost: \$ _____</p> <p>Estimated number of employees assigned to this project: _____</p> <p>Employee Hourly Rate: \$ _____/Hour</p> <p>Cost of Research/Data Gathering: \$ _____</p> <p>Database Creation/Implementation: \$ _____</p> <p>Deliverables: (Pls. specify) \$ _____</p> <p>_____</p> <p>_____</p> <p>Other Costs: (Pls. specify)</p> <p>_____ \$ _____</p> <p>_____ \$ _____</p> <p>_____ \$ _____</p>	
TOTAL AMOUNT YEAR 1		\$ _____
TOTAL AMOUNT YEAR 2		\$ _____



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

	TOTAL AMOUNT YEAR 3	\$ _____
	TOTAL AMOUNT YEAR 4	\$ _____
	TOTAL AMOUNT YEAR 5	\$ _____
	GRAND TOTAL YEAR 1 through YEAR 5	\$ _____

5.2 TAX AMOUNT Offeror should not include any use tax or federal tax in their bid price. The City is exempt from the payment of federal excise tax and will add use tax as applicable. For the purpose of determining the lowest cost, the City will not take tax into consideration.

Tax: _____%

5.3 PROCUREMENT CARD ORDERING CAPABILITY Please check appropriate box.

Yes, I will accept payment under this contract with the Procurement Card.

No, I will not accept payment under this contract with the Procurement Card.

5.4 DELIVERY Offeror agrees that all services shall be performed or delivered in accordance with the SPECIFICATIONS.

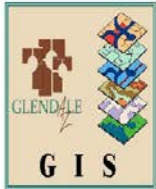
Company Name: _____



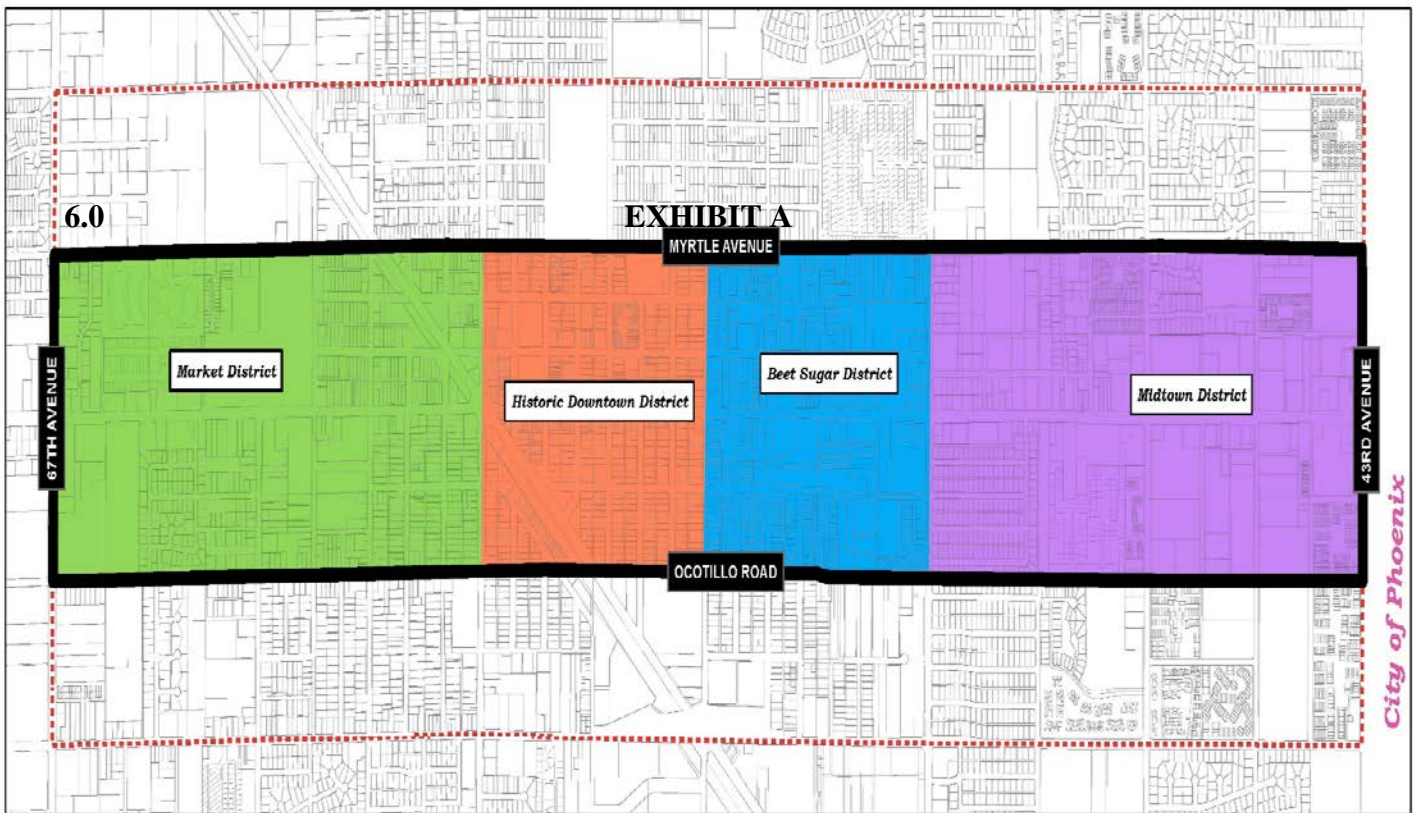
SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

EXHIBIT A

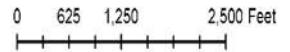


Glendale Centerline Character Areas



Legend

- Redevelopment Area
- Centerline Boundary
- Character Areas**
 - Market District
 - Historic Downtown District
 - Beet Sugar District
 - Midtown District



Prepared By City of Glendale Planning Department: June 2016



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

ATTACHMENT A

(TO ALL OFFERORS: THIS IS ONLY A SAMPLE SERVICES AGREEMENT TEMPLATE OF THE RESULTANT CONTRACT)

AGREEMENT FOR

-----TITLE-----

This Agreement for ----- ("Agreement") is effective and entered into between CITY OF GLENDALE, an Arizona municipal corporation ("City"), and -----, an Arizona corporation, authorized to do business in Arizona, (the "Contractor"), as of the ____ day of _____, 2015.

RECITALS

- A. City intends to undertake a project for the benefit of the public as ----- funds that is more fully set forth in **Exhibit A**, pursuant to Solicitation No. ----- with ----- (the "Project");
- B. City desires to retain the services of Contractor to perform ----- specific duties and produce the specific work as set forth in the Project attached hereto;
- C. City and Contractor desire to memorialize the ----- agreement with this document.

SAMPLE ONLY

AGREEMENT

In consideration of the Recitals, which ----- as true and correct and incorporated by this reference, the mutual promises and covenants contained in this Agreement, and other good and valuable consideration, City and Contractor agree as follows:

1. Key Personnel; Sub-Contractors.

- 1.1 Services. Contractor will provide all services necessary to assure the Project is completed timely and efficiently consistent with Project requirements, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other Contractors or consultants, retained by City.
- 1.2 Project Team.
 - a. Project Manager.
 - (1) Contractor will designate an employee as Project Manager with sufficient training, knowledge, and experience to, in the City's option, complete the Project and handle all aspects of the Project such that the work produced by Contractor is consistent with applicable standards as detailed in this Agreement;
 - (2) The City must approve the designated Project Manager; and
 - (3) To assure the Project schedule is met, Project Manager may be required to devote no less than a specific amount of time as set out in Exhibit A.



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

- b. **Project Team.**
 - (1) The Project manager and all other employees assigned to the project by Contractor will comprise the "Project Team."
 - (2) Project Manager will have responsibility for and will supervise all other employees assigned to the project by Contractor.
- c. **Discharge, Reassign, Replacement.**
 - (1) Contractor acknowledges the Project Team is comprised of the same persons and roles for each as may have been identified in the response to the Project's solicitation.
 - (2) Contractor will not discharge, reassign or replace or diminish the responsibilities of any of the employees assigned to the Project who have been approved by City without City's prior written consent unless that person leaves the employment of Contractor, in which event the substitute must first be approved in writing by City.
 - (3) Contractor will change any of the members of the Project Team at the City's request if an employee's performance does not exceed the level of competence that the City may reasonably expect of a person performing those duties or if the acts or omissions of that person are detrimental to the development of the Project.
- d. **Sub-Contractors.**
 - (1) Contractor may employ technical Contractor (each a "Sub-Contractor") to furnish certain services.
 - (2) Contractor is fully responsible for Sub-Contractor's services.
 - (3) Sub-Contractors must be approved by the City, unless the Sub-Contractor was previously mentioned in the response to the solicitation.
 - (4) Contractor shall certify by letter that contracts with Sub-Contractors have been executed incorporating requirements and standards as set forth in this Agreement.

SAMPLE ONLY

2. Schedule. The services will be undertaken in a manner that ensures the Project is completed timely and efficiently in accordance with the Project.

3. Contractor's Work.

3.1 Standard. Contractor must perform services in accordance with the standards of due diligence, care, and quality prevailing among Contractors having substantial experience with the successful furnishing of services for projects that are equivalent in size, scope, quality, and other criteria under the Project and identified in this Agreement.

3.2 Licensing. Contractor warrants that:

- a. Contractor and Sub-Contractors will hold all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of services ("Approvals"); and
- b. Neither Contractor nor any Sub-Contractor has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment").



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

- (1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments or to examine Contractor's contracting ability.
- (2) Contractor must notify City immediately if any Approvals or Debarment changes during the Agreement's duration and the failure of the Contractor to notify City as required will constitute a material default under the Agreement.

3.3 Compliance. Services will be furnished in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, and other standards and criteria designated by City.

3.4 Coordination; Interaction.

- a. For projects that the City believes requires the coordination of various professional services, Contractor will work in close consultation with City to proactively interact with any other professionals retained by City on the Project ("Coordinating Project Professionals").
- b. Subject to any limitations expressly stated in the Project Budget, Contractor will meet to review the Project, Schedule, Project Budget, and in-progress work with Coordinating Project Professionals and City as often and for durations that Contractor reasonably considers necessary in order to ensure the timely work delivery and project completion.
- c. For projects not involving Coordinating Project Professionals, Contractor will proactively interact with any other Contractors when deemed necessary by City to obtain or disseminate timely information for the proper execution of the Project.

3.5 Work Product.

- a. Ownership. Upon receipt of payment for services furnished, Contractor grants to City, and will cause its Subcontractors to grant to the City, the exclusive ownership of and all copyrights, if any, in all communications, reports, drawings, specifications, project manuals, surveys, estimates, minutes, all "architectural work" as defined in the United States Copyright Act, 17 U.S.C § 101, *et seq.*, and other intellectual work product as may be applicable ("Work Product").
 - (1) This grant is effective whether the Work Product is on paper (e.g., a "hard copy"), in electronic format, or in some other form.
 - (2) Contractor warrants, and agrees to indemnify, hold harmless and defend City for, from and against any claim that any Work Product infringes on third-party proprietary interests.
- b. Delivery. Contractor will deliver to City copies of the preliminary and completed Work Product promptly as they are prepared.
- c. City Use.
 - (1) City may reuse the Work Product at its sole discretion.
 - (2) In the event the Work Product is used for another project without further consultations with Contractor, the City agrees to indemnify and hold Contractor harmless from any claim arising out of the Work Product.
 - (3) In such case, City shall also remove any seal and title block from the Work Product.



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

4. Compensation for the Project.

- 4.1 Compensation. Contractor's compensation for the Project, including those furnished by its Sub-Contractors will not exceed \$-----, as specifically detailed in **Exhibit B** (the "Compensation").
- 4.2 Change in Scope of Project. The Compensation may be equitably adjusted if the originally contemplated scope of services as outlined in the Project is significantly modified.
 - a. Adjustments to the Compensation require a written amendment to this Agreement and may require City Council approval.
 - b. Additional services which are outside the scope of the Project contained in this Agreement may not be performed by the Contractor without prior written authorization from the City.

5. Billings and Payment.

5.1 Applications.

- a. Contractor will submit monthly invoices (each, a "Payment Application") to City's Project Manager and City will remit payments based upon the Payment Application as stated below.
- b. The period covered by each Payment Application will be a calendar month ending on the last day of the month or as specified in the

5.2 Payment.

- a. After a full and complete Payment Application is received, City will process and remit payment within 30 days.
- b. Payment may be subject to conditions upon City's receipt of:
 - (1) Complete releases generated by Contractor and its Sub-Contractors; and
 - (2) Unconditional waivers and releases on final payment from Sub-Contractors as City may reasonably request to assure the Project will be free of claims arising from required performances under this Agreement.

5.3 Review and Withholding. City's Project Manager will timely review and certify Payment Applications.

- a. If the Payment Application is rejected, the Project Manager will issue a written listing of the items not approved for payment.
- b. City may withhold an amount sufficient to pay expenses that City reasonably expects to incur in correcting the deficiency or deficiencies rejected for payment.

6. Termination.

- 6.1 For Convenience. City may terminate this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than 30 days following the date of delivery.
 - a. Contractor will be equitably compensated for Service and Repair furnished prior to receipt of the termination notice and for reasonable costs incurred.



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

b. Contractor will also be similarly compensated for any approved effort expended and approved costs incurred that are directly associated with project closeout and delivery of the required items to the City.

6.2 For Cause. City may terminate this Agreement for cause if Contractor fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach.

a. Contractor will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Contractor for Service and Repair furnished, City will pay the amount due to Contractor, less City's damages, in accordance with the provision of § 5.

b. If City's direct damages exceed amounts otherwise due to Contractor, Contractor must pay the difference to City immediately upon demand; however, Contractor will not be subject to consequential damages of more than \$1,000,000 or the amount of this Agreement, whichever is greater.

7. **Conflict.** Contractor acknowledges this Agreement is subject to A.R.S. § 11, which allows for cancellation of this Agreement in the event any person who is signatory to this Agreement is involved in initiating, negotiating, securing, drafting, or creating the Agreement on behalf of the City is also an employee, agent, or consultant of any other party to this Agreement.

8. **Insurance.**

8.1 Requirements. Contractor must obtain and maintain the following insurance ("Required Insurance"):

a. Contractor and Sub-Contractors. Contractor, and each Sub-Contractor performing work or providing services pursuant to this Agreement must procure and maintain the insurance coverages listed below (collectively referred to herein as the "Contractor's Policies"), until each Party's obligations under this Agreement are completed.

b. General Liability.

(1) Contractor must at all times relevant hereto carry a commercial general liability policy with a combined single limit of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate for each property damage and contractual property damage.

(2) Sub-Contractors must at all times relevant hereto carry a general commercial liability policy with a combined single limit of at least \$1,000,000 per occurrence.

(3) This commercial general liability insurance must include independent Contractors' liability, contractual liability, broad form property coverage, XCU hazards if requested by the City, and a separation of insurance provision.

(4) These limits may be met through a combination of primary and excess liability coverage.

c. Auto. A business auto policy providing a liability limit of at least \$1,000,000 per accident for Contractor and \$1,000,000 per accident for Sub-Contractors and covering owned, non-owned and hired automobiles.



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

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- d. Workers' Compensation and Employer's Liability. Contractor and sub-Contractor must, at all times relevant hereto, carry a workers' compensation and employer's liability policy providing at least the minimum benefits required by Arizona law.
- e. Notice of Changes. Contractor's Policies must provide for not less than 30 days' advance written notice to City Representative of:
- (1) Cancellation or termination of Contractor or Sub-Contractor's Policies;
 - (2) Reduction of the coverage limits of any of Contractor or and Sub-Contractor's Policies; and
 - (3) Any other material modification of Contractor or Sub-Contractor's Policies related to this Agreement.
- f. Certificates of Insurance.
- (1) Within 10 business days after the execution of the Agreement, Contractor must deliver to City Representative certificate of insurance for each of Contractor and Sub-Contractor's Policies, which shall verify the existence or issuance of Contractor and Sub-Contractor's Policies in accordance with the provisions of this section, and copies of the terms and conditions of Contractor and Sub-Contractor's Policies in accordance with the provisions of this section.
 - (2) City is and will have no obligation either to ascertain or confirm the existence or issuance of Contractor and Sub-Contractor's Policies, or to examine Contractor and Sub-Contractor's Policies, or to inform Contractor or Sub-Contractor in the event the Contractor's coverage does not comply with the requirements of this section.
 - (3) Contractor's failure to secure and maintain Contractor Policies and to assure Sub-Contractor policies as required will constitute a material default under the Agreement.
- g. Other Contractors or Vendors.
- (1) Other Contractors or vendors that may be contracted with in connection with the Project must procure and maintain insurance coverage as is appropriate to their particular contract.
 - (2) This insurance coverage must comply with the requirements set forth above for Contractor's Policies (e.g., the requirements pertaining to endorsements to name the parties as additional insured parties and certificates of insurance).
- h. Policies. Except with respect to workers' compensation and employer's liability coverages, City must be named and properly endorsed as additional insureds on all liability policies required by this section.
- (1) The coverage extended to additional insureds must be primary and must not contribute with any insurance or self-insurance policies or programs maintained by the additional insureds.
 - (2) All insurance policies obtained pursuant to this section must be with companies legally authorized to do business in the State of Arizona and reasonably acceptable to all parties.



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
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Avenue, Suite 317
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8.2 Sub-Contractors.

- a. Contractor must also cause its Sub-Contractors to obtain and maintain the Required Insurance.
- b. City may consider waiving these insurance requirements for a specific Sub-Contractor if City is satisfied the amounts required are not commercially available to the Sub-Contractor and the insurance the Sub-Contractor does have is appropriate for the Sub-Contractor's work under this Agreement.
- c. Contractor and Sub-Contractors must provide to the City proof of the Required Insurance whenever requested.

8.3 Indemnification.

- a. To the fullest extent permitted by law, Contractor must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties"), for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action, and other losses and expenses, including attorneys' fees and litigation expenses (collectively, "Demand or Expense"; collectively, "Demands or Expenses") asserted by a third party (i.e. a person or entity other than City or Contractor) and that arises out of or from the breach of this Agreement by the Contractor or the Contractor's actions, errors or omissions (including any Sub-Contractor or other person employed by Contractor), whether sustained before or after completion of the project.
- b. The indemnification and hold harmless provision applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Contractor shall be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Contractor or of any person or entity for whom Contractor is responsible.
- c. Contractor is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party.

SAMPLE ONLY

9. **Immigration Law Compliance.**

- 9.1 Contractor, and on behalf of any sub-Contractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
- 9.2 Any breach of warranty under subsection 9.1 above is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.
- 9.3 City retains the legal right to inspect the papers of any Contractor or sub-Contractor employee who performs work under this Agreement to ensure that the Contractor or any sub-Contractor is compliant with the warranty under subsection 9.1 above.
- 9.4 City may conduct random inspections, and upon request of City, Contractor shall provide copies of papers and records of Contractor demonstrating continued compliance with the warranty under subsection 9.1 above. Contractor agrees to keep papers and records available for inspection by the



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
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5850 West Glendale
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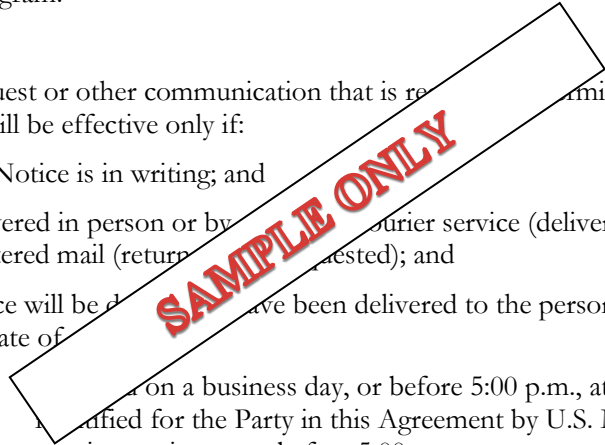
City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this section.

- 9.5 Contractor agrees to incorporate into any subcontracts under this Agreement the same obligations imposed upon Contractor and expressly accrue those obligations directly to the benefit of the City. Contractor also agrees to require any sub-Contractor to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the City.
- 9.6 Contractor's warranty and obligations under this section to the City is continuing throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.
- 9.7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

10. Notices.

10.1 A notice, request or other communication that is required to be submitted under this Agreement (each a "Notice") will be effective only if:

- a. The Notice is in writing; and
- b. Delivered in person or by overnight courier service (delivery charges prepaid), certified or registered mail (return receipt requested); and
- c. Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of:
 - (1) Delivery on a business day, or before 5:00 p.m., at the address for Notices identified for the Party in this Agreement by U.S. Mail, hand delivery, or overnight courier service on or before 5:00 p.m.; or
 - (2) As of the next business day after receipt, if received after 5:00 p.m.
- d. The burden of proof of the place and time of delivery is upon the Party giving the Notice; and
- e. Digitalized signatures and copies of signatures will have the same effect as original signatures.



10.2 Representatives.

- a. Contractor. Contractor's representative (the "Contractor's Representative") authorized to act on Contractor's behalf with respect to the Project, and his or her address for Notice delivery is:

c/o
 Phoenix, AZ -----

- b. City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is:
 City of Glendale



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

c/o -----
City of Glendale
6210 W. Myrtle Avenue, Suite #111
Glendale, Arizona 85301
623-930- ----

With required copy to:

City Manager
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

City Attorney
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

c. **Concurrent Notices.**

- (1) All notices to City's representative must be given concurrently to City Manager and City Attorney.
- (2) A notice will not be deemed to have been received by City's representative until the time that it has also been received by City Manager and City Attorney.
- (3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to the contractor identifying the designee(s) and their respective addresses.

d. **Changes.** Contractor may change its representative or information on Notice, by giving Notice of change in accordance with this section at least ten days prior to the change.

SAMPLE ONLY

11. Financing Assignment. Contractor may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the Project.

12. Entire Agreement; Survival; Counterparts; Signatures.

12.1 Integration. This Agreement contains, except as stated below, the entire agreement between City and Contractor and supersedes all prior conversations and negotiations between the parties regarding the Project or this Agreement.

- a. Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter.
- b. Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties.
- c. The solicitation, any addendums and the response submitted by the Contractor are incorporated into this Agreement as if attached hereto. Any Contractor response modifies the original solicitation as stated. Inconsistencies between the solicitation, any addendums and the response or any excerpts attached as Exhibit A and this Agreement will be resolved by the terms and conditions stated in this Agreement.

12.2 Interpretation.

- a. The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate.



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

- b. The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement.
- c. The Agreement will be interpreted in accordance with the laws of the State of Arizona.

12.3 **Survival.** Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every other right, remedy and responsibility of a Party, will survive completion of the Project, or the earlier termination of this Agreement.

12.4 **Amendment.** No amendment to this Agreement will be binding unless in writing and executed by the parties. Any amendment may be subject to City Council approval. Electronic signature blocks do not constitute execution.

12.5 **Remedies.** All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law.

12.6 **Severability.** If any provision of this Agreement is void and unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be deemed reformed to conform to applicable law.

12.7 **Counterparts.** This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.

13. **Term.** The term of this Agreement shall begin upon the effective date and continues for a one year initial period. The City may, at its option and with the approval of the Contractor, extend the term of this Agreement an additional four years, renewable on an annual basis. Contractor will be notified in writing by the City of its intent to extend the term of this Agreement at least 30 calendar days prior to the expiration of the original or any renewal Agreement. Price adjustments will only be reviewed during the Agreement renewal period. There are no automatic renewals of this Agreement.

14. **Dispute Resolution.** Each claim, controversy and dispute (each a "Dispute") between Contractor and City will be resolved in accordance with Exhibit C. The final determination will be made by the City.

15. **Exhibits.** The following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference.

- Exhibit A Project
- Exhibit B Compensation
- Exhibit C Dispute Resolution

SAMPLE ONLY



SOLICITATION NUMBER: RFP 17-21
DOWNTOWN MANAGER SERVICES

CITY OF GLENDALE
Procurement Division
5850 West Glendale
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The parties enter into this Agreement as of the effective date shown above.

City of Glendale,
an Arizona municipal corporation

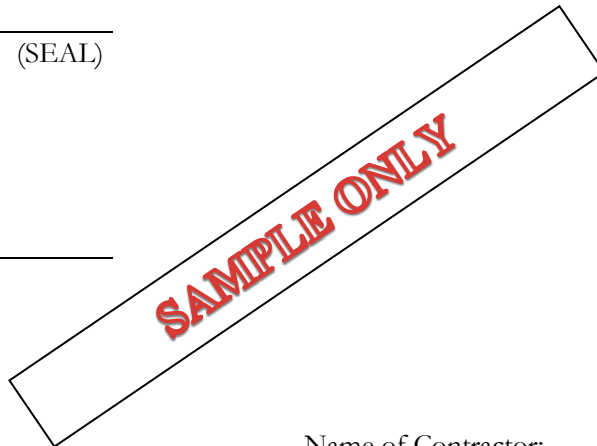
By: Kevin R. Phelps
Its: City Manager

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey
City Attorney



Name of Contractor: _____
an Arizona corporation

By: Name of Contact Person
Its: Title

ATTACHMENT A – SAMPLE SERVICES AGREEMENT

EXHIBIT A

-----TITLE-----

PROJECT

In accordance with the terms and conditions of this Agreement and RFP 17-12, the City is retaining _____, for the Downtown Manager Services.

SAMPLE ONLY

ATTACHMENT A – SAMPLE SERVICES AGREEMENT

EXHIBIT B

-----TITLE-----

COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

Method of payment is provided in Paragraph 5 of the Agreement. The amount of compensation provided in City of Glendale Solicitation No. RFP 17-12.

NOT-TO-EXCEED AMOUNT

The total amount of compensation paid to Contractor for full completion of all work required by the Project during the entire term of the Project must not exceed \$-----.

DETAILED PROJECT COMPENSATION

SAMPLE ONLY

EXHIBIT C

-----TITLE-----

DISPUTE RESOLUTION

1. **Disputes.**

- 1.1 Commitment. The parties commit to resolving all disputes promptly, equitably, and in a good-faith, cost-effective manner.
- 1.2 Application. The provisions of this Exhibit will be used by the parties to resolve all controversies, claims, or disputes ("Dispute") arising out of or related to this Agreement-including Disputes regarding any alleged breaches of this Agreement.
- 1.3 Initiation. A party may initiate a Dispute by delivery of written notice of the Dispute, including the specifics of the Dispute, to the Representative of the other party as required in this Agreement.
- 1.4 Informal Resolution. When a Dispute notice is given, the parties will designate a member of their senior management who will be authorized to expeditiously resolve the Dispute.
 - a. The parties will provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any Dispute in order to assist in resolving the Dispute as expeditiously and effectively as possible;
 - b. The parties' senior managers will meet within five business days to discuss and attempt to resolve the Dispute promptly, equitably, and in a good faith manner, and
 - c. The Senior Managers will agree to frequent meetings if both parties agree that further meetings are necessary to the resolution of the Dispute.

2. **Arbitration.**

- 2.1 Rules. If the parties do not agree to resolve the Dispute by negotiation within 30 days from the Dispute notice, and otherwise informal discussions are extended by the mutual agreement, the parties may, in writing, that the Dispute will be decided by binding arbitration in accordance with Commercial Rules of the AAA, as amended herein. Although the arbitration will be conducted in accordance with AAA Rules, it will not be administered by the AAA, but will be heard independently.
 - a. The parties will exercise best efforts to select an arbitrator within 5 business days after agreement for arbitration. If the parties have not agreed upon an arbitrator within this period, the parties will submit the selection of the arbitrator to one of the principals of the mediation firm of Scott & Skelly, LLC, who will then select the arbitrator. The parties will equally share the fees and costs incurred in the selection of the arbitrator.
 - b. The arbitrator selected must be an attorney with at least 10 years' experience, be independent, impartial, and not have engaged in any business for or adverse to either Party for at least 10 years.
- 2.2 Discovery. The extent and the time set for discovery will be as determined by the arbitrator. Each Party must, however, within ten (10) days of selection of an arbitrator deliver to the other Party copies of all documents in the delivering party's possession that are relevant to the dispute.
- 2.3 Hearing. The arbitration hearing will be held within 90 days of the appointment of the arbitrator. The arbitration hearing, all proceedings, and all discovery will be conducted in Glendale, Arizona unless otherwise agreed by the parties or required as a result of witness location. Telephonic hearings and other reasonable arrangements may be used to minimize costs.

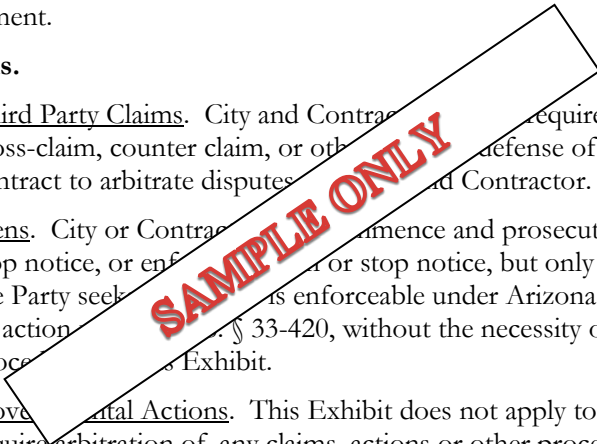
SAMPLE ONLY

- 2.4 Award. At the arbitration hearing, each Party will submit its position to the arbitrator, evidence to support that position, and the exact award sought in this matter with specificity. The arbitrator must select the award sought by one of the parties as the final judgment and may not independently alter or modify the awards sought by the parties, fashion any remedy, or make any equitable order. The arbitrator has no authority to consider or award punitive damages.
- 2.5 Final Decision. The Arbitrator's decision should be rendered within 15 days after the arbitration hearing is concluded. This decision will be final and binding on the Parties.
- 2.6 Costs. The prevailing party may enter the arbitration in any court having jurisdiction in order to convert it to a judgment. The non-prevailing party shall pay all of the prevailing party's arbitration costs and expenses, including reasonable attorney's fees and costs.

3. Services to Continue Pending Dispute. Unless otherwise agreed to in writing, Contractor must continue to perform and maintain progress of required services during any Dispute resolution or arbitration proceedings, and City will continue to make payment to Contractor in accordance with this Agreement.

4. Exceptions.

- 4.1 Third Party Claims. City and Contractor are not required to arbitrate any third-party claim, cross-claim, counter claim, or other claim, or the defense of a third-party who is not obligated by contract to arbitrate disputes with Contractor.
- 4.2 Liens. City or Contractor may commence and prosecute a civil action to contest a lien or stop notice, or enforce a lien or stop notice, but only to the extent the lien or stop notice the Party seeks to enforce is enforceable under Arizona Law, including, without limitation, an action under A.R.S. § 33-420, without the necessity of initiating or exhausting the process of this Exhibit.
- 4.3 Governmental Actions. This Exhibit does not apply to, and must not be construed to require arbitration of, any claims, actions or other process filed or issued by City of Glendale Building Safety Department or any other agency of City acting in its governmental permitting or other regulatory capacity.





Legislation Description

File #: 17-196, **Version:** 1

RESOLUTION NO. R17-34

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AMENDMENT NO. 6 TO THE INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY FOR COMMUNITY ACTION PROGRAM FUNDING.

Staff Contact: Elaine Adamczyk, Interim Community Services Director

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into Amendment No. 6 to the Intergovernmental Agreement (IGA) for Community Action Program (CAP) funding and operations.

Background

The CAP provides direct services to low and moderate income Glendale residents. Services include energy assistance payments and crisis assistance for families, which includes homeless assistance, rent and mortgage subsidies.

Currently, CAP is being operated through an intergovernmental agreement with the State of Arizona Department of Economic Security (DES). This has been in effect since July 1, 2010 when the State of Arizona designated the City of Glendale, as an official Community Action Agency, enabling the City to provide direct assistance to low and moderate-income residents. Under this agreement, DES provides approximately \$1.1 million in FY 17-18 for the provision of CAP services while the City will provide a general fund "match" of \$19,461 and various in-kind contributions such as office space, related utilities and custodial services.

If approved, this amendment will provide the annual funding to the current DES contract with the City to support Glendale's Community Action Program services. Based on the terms of the new contract amendment, the allocation to the City from DES for CAP services is \$1,111,569 for the contract period of July 1, 2017 through June 30, 2018.

Analysis

On average, the City of Glendale CAP provides direct assistance to approximately 4,017 persons each year. The individuals are all in the "low" to "extremely low" income category and typically use CAP services at their most urgent moment of need (i.e. - food, shelter, medical emergency). If not for the assistance of the CAP, many of these individuals would be vulnerable to becoming homeless and/or have no opportunity to receive local assistance. If approved by Council, the DES Amendment No. 6 will allow the City to continue contracting with DES and provide CAP services to Glendale residents.

Previous Related Council Action

On May 26, 2015 the five year IGA between the City and DES for CAP operations was approved by City Council, in addition to approving the annual operating budget of CAP for the same time period. On September 22, 2015, City Council approved entering amendment No. 1 to the IGA with DES for CAP funding and operations. On November 24, 2015, City Council approved amendment No. 2 to the IGA for CAP funding and operations. On January 14, 2016, amendment No. 3 to the IGA with DES was approved administratively based on a small administrative increase to the Case Management service budget. On May 24, 2016, amendment No. 4 to the IGA with DES was approved for annual CAP funding and operations. On December 6, 2016, amendment No. 5 was approved for a small administrative increase to the Community Service budget to support CAP services.

Community Benefit/Public Involvement

The CAP is designed to provide responsible and efficient support services that foster self-sufficiency and emotional stability when individuals or families are experiencing a financial hardship or major life crisis. These programs and services are reviewed on an ongoing basis by the 13-member Community Development Advisory Committee (CDAC), which is appointed by City Council. The CAP Annual Plan is reviewed and approved by CDAC every year in May.

Budget and Financial Impacts

With the exception of the annual General Fund Match and minor in-kind services, the CAP program is entirely funded through an annual entitlement grant from DES.

Cost	Fund-Department-Account
\$1,111,569	Fund 1820, Departments 32050, 32055, 32056, 32057, 32060, various expenditure accounts

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

RESOLUTION NO. R17-34

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AMENDMENT NO. 6 TO THE INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY FOR COMMUNITY ACTION PROGRAM FUNDING.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That it is deemed in the best interest of the City of Glendale and the citizens thereof that Amendment No. 6 to the Intergovernmental Agreement (Contract ID Number ADES15-089114) between the City of Glendale and the Arizona Department of Economic Security for Community Action Program funding be entered into, which amendment is now on file in the office of the City Clerk of the City of Glendale.

SECTION 2. That the City Manager or designee and the City Clerk be authorized and directed to execute and deliver said amendment on behalf of the City of Glendale.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 23rd day of May, 2017.

Mayor Jerry P. Weiers

ATTEST:

Julie K. Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

REVIEWED BY:

Kevin R. Phelps, City Manager



**Intergovernmental Agreement
CONTRACT AMENDMENT**

1. CONTRACTOR (Name and address) City of Glendale 5850 W. Glendale Ave. Glendale, Arizona 85301	2. CONTRACT ID NUMBER ADES15-089114
	3. AMENDMENT NUMBER Six (6)

4. THE PARTIES AGREE TO THE FOLLOWING AMENDMENT

The purpose of this Amendment is to add the initial Case Management Service Budget and Community Services Service Budget for the period of July 1, 2017 through June 30, 2018.

Pursuant to the Terms and Conditions, Section 32.0 Levels of Service, this Amendment adds the initial Case Management Services Budget and Community Services Service Budget for the period of July 1, 2017 through June 30, 2018 as follows:

Per the Alert issued March 17, 2017, the Case Management contract reimbursement ceiling for the period of July 1, 2017 through June 30, 2018 is \$879,219.00.

Per the Alert issued March 17, 2017, the Community Services contract reimbursement ceiling for the period of July 1, 2017 through June 30, 2018 is \$232,350.00.

Therefore, the initial Case Management Service Budget and Community Services Service Budget for the period beginning July 1, 2017 through June 30, 2018 are added and attached.

5. EXCEPT AS PROVIDED HEREIN, ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AS HERETOFORE CHANGED AND/OR AMENDED REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT. THE AMENDMENT SHALL BECOME EFFECTIVE ON THE DATE OF LAST SIGNATURE UNLESS OTHERWISE SPECIFIED HEREIN. BY SIGNING THIS FORM ON BEHALF OF THE CONTRACTOR, THE SIGNATORY CERTIFIES HE/SHE HAS THE AUTHORITY TO BIND THE CONTRACTOR TO THIS CONTRACT.

6. ARIZONA DEPARTMENT OF ECONOMIC SECURITY	7. NAME OF CONTRACTOR City of Glendale
SIGNATURE OF AUTHORIZED INDIVIDUAL	SIGNATURE OF AUTHORIZED INDIVIDUAL
TYPED NAME Patty Clark	TYPED NAME
TITLE Chief Procurement Officer, DES	TITLE
DATE	DATE

IN ACCORDANCE WITH ARS §11-952 THIS CONTRACT AMENDMENT HAS BEEN REVIEWED BY THE UNDERSIGNED WHO HAVE DETERMINED THAT THIS CONTRACT AMENDMENT IS IN APPROPRIATE FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO EACH RESPECTIVE PUBLIC BODY.

ARIZONA ATTORNEY GENERAL'S OFFICE

By: _____
Assistant Attorney General

By: _____
Public Agency Legal Counsel

Date: _____

Date: _____

ITEMIZED SERVICE BUDGET

CONTRACT SERVICE: Case Management (CMG-CAP) **Agency:** City of Glendale-Community Action Program
Contract Period: 07/01/2017 - 06/30/2018

1. PERSONNEL

Number of Positions	FTE Level	Position Title	Total Salary for the Contract Period	TOTAL SERVICE COST	DES COST
1	1.00	*Comm. Services Rej	\$60,164	\$60,164	\$60,164
1	1.00	*Comm. Services Rej	\$49,639	\$49,639	\$49,639
1	1.00	*Management Aide	\$57,904	\$57,904	\$57,904
		*Pay increase (2.5%)		\$4,123	\$4,123
TOTAL PERSONNEL				\$171,830	\$171,830

2. EMPLOYEE RELATED EXPENSES

ITEM	BASIS	TOTAL COST	DES COST
Various fringe benefits	(Average: 43.5936% of %171,830)	\$74,907	\$74,907
TOTAL EMPLOYEE RELATED EXPENSES		\$74,907	\$74,907

3. PROFESSIONAL AND OUTSIDE SERVICES

ITEM	BASIS	TOTAL COST	DES COST
Security Service Charges	In-House Security-CAP not being charged at this time	\$0	\$0
Temporary Employment Charges	Temp. staff support with outside vendor	\$3,570	\$3,570
TOTAL PROFESSIONAL AND OUTSIDE SERVICES		\$3,570	\$3,570

4. TRAVEL

ITEM	BASIS	TOTAL COST	DES COST
Motor Pool Vehicles	CAP Estimated miles/yr.= \$2,570 (Motor Pool is not being charged at this time)	\$0	\$0
TOTAL TRAVEL		\$0	\$0

5. SPACE

ITEM	BASIS	TOTAL COST	DES COST
Office Space	Rent, Electricity, Refuse - \$2,080/mo. x 12 mos.	\$24,960	\$0
TOTAL SPACE		\$24,960	\$0

6. EQUIPMENT

ITEM	BASIS	TOTAL COST	DES COST
Computer Charges	CAP-60 Annual Computer fees	\$7,580	\$7,580
	P/C Tech. Replacement	\$8,721	\$0
TOTAL EQUIPMENT		\$16,301	\$7,580

7. MATERIALS AND SUPPLIES

ITEM	BASIS	TOTAL COST	DES COST
General Office Supplies	\$113/month 12 mos.	\$1,356	\$0
Postage/Duplicating	\$29.58/month 12 mos.	\$355	\$0
TOTAL MATERIALS AND SUPPLIES		\$1,711	\$0

8. OPERATING SERVICES				
ITEM	BASIS	TOTAL COST	DES COST	
Telephone/Qwest Charges	\$707.42/month 12 mos.	\$8,489	\$0	
Cell Phone Charges	\$45/month 12 mos.	\$540	\$0	
TOTAL OPERATING EXPENSES		\$9,029	\$0	

9 INDIRECT COSTS				
ITEM	BASIS	TOTAL COST	DES COST	
N/A		\$0.00	\$0.00	
TOTAL INDIRECT COSTS		\$0	\$0	

10	SUBTOTAL ADMIN COST	\$302,308	\$257,887	
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11. VOUCHERS				
ITEM		TOTAL COST	DES COST	
TANF		\$50,000	\$50,000	
LIHEAP		\$569,864	\$569,864	
LIHCON		\$0	\$0	
LLVG		\$0	\$0	
NHN		\$1,468	\$1,468	
City of Glendale-ESG/CDBG		\$105,526	\$0	
ACAA		\$38,417	\$0	
TOTAL VOUCHERS		\$765,275	\$621,332	

12.	TOTAL SERVICE COST/DES TOTAL COST:	\$1,067,583	\$879,219	
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REVENUE SOURCES:			
DES - DAAS	\$879,219	\$879,219	
ACAA	\$38,417		
City of Glendale	\$44,421		
City of Glendale ESG/CDBG	\$105,526		
TOTAL REVENUE:	\$1,067,583	\$879,219	

4/4/2017

ITEMIZED SERVICE BUDGET

CONTRACT SERVICE: Community Services (CSV-CAP)

Agency: City of Glendale Community Action Program

Contract Period: 07/01/2017- 06/30/2018

1. PERSONNEL

Number of Positions	FTE Level	Position Title	Total Salary for the Contract Period	TOTAL SERVICE COST	DES COST
1	1.00	*CAP Administrator	\$98,147	\$98,147	\$98,147
1	1.00	*Comm. Services Rep.	\$35,131	\$35,131	\$35,131
1	0.50	*Comm. Services Rep.	\$24,214	\$24,214	\$24,214
1	0.50	*Gen.Clerical	\$21,840	\$21,840	\$21,840
		*Pay increase (2.5%)		\$4,463	\$4,463
TOTAL PERSONNEL				\$183,795	\$183,795

2. EMPLOYEE RELATED EXPENSES

ITEM	BASIS	TOTAL COST	DES COST
Various fringe benefits	(Average: 26.7673% of \$183,795)	\$49,197	\$48,555
TOTAL EMPLOYEE RELATED EXPENSES		\$49,197	\$48,555

3. PROFESSIONAL AND OUTSIDE SERVICES

ITEM	BASIS	TOTAL COST	DES COST
N/A		\$0	\$0
TOTAL PROFESSIONAL AND OUTSIDE SERVICES		\$0	\$0

4. TRAVEL

ITEM	BASIS	TOTAL COST	DES COST
N/A		\$0	\$0
TOTAL TRAVEL		\$0	\$0

5. SPACE

ITEM	BASIS	TOTAL COST	DES COST
N/A		\$0	\$0
TOTAL SPACE		\$0	\$0

6. EQUIPMENT

ITEM	BASIS	TOTAL COST	DES COST
N/A		\$0	\$0
TOTAL EQUIPMENT		\$0	\$0

7. MATERIALS AND SUPPLIES

ITEM	BASIS	TOTAL COST	DES COST
N/A		\$0	\$0
TOTAL MATERIALS AND SUPPLIES		\$0	\$0

8. OPERATING SERVICES

ITEM	BASIS	TOTAL COST	DES COST
N/A		\$0	\$0

TOTAL OPERATING EXPENSES		\$0	\$0
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9	INDIRECT COSTS		TOTAL COST	DES COST
	ITEM	BASIS		
	N/A			
	TOTAL INDIRECT COSTS		\$0	\$0

10	SUBTOTAL ADMIN COST		\$232,992	\$232,350
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11.	VOUCHERS		TOTAL COST	DES COST
	ITEM			
	N/A		\$0	\$0
	TOTAL VOUCHERS		\$0	\$0

12.	TOTAL SERVICE COST/DES TOTAL COST:		\$232,992	\$232,350
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REVENUE SOURCES:			
DES - DAAS		\$232,350	\$232,350
City of Glendale		\$642	
TOTAL REVENUE:		\$232,992	\$232,350



Legislation Description

File #: 17-179, Version: 1

RESOLUTION NO. R17-35

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING SECTION 9 OF THE "GLENDALE, ARIZONA CITY COUNCIL GUIDELINES."

Staff Contact: Brent Stoddard, Director, Public Affairs

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing an amendment to the City Council Guidelines to provide for the creation of a temporary Council Committee for the purpose of reviewing pertinent city codes and processes relating to regulatory code, licensing, planning, and development functions.

Background

At the April 18, 2017 Council Workshop, Council discussed a scope of work related to forming a Council Committee focused on making it easier for people to open, operate, and grow their businesses in Glendale. The formation of the Committee requires amending the City Council Guidelines to allow for the creation of a temporary Council Committee that would include members of the public. The consensus of the Council was to move forward with this committee. Section 9 of the City Council Guidelines has been amended to reflect this practice with the following language:

The Council may form a temporary (one-year) Council Committee and allow a defined number of members of the public to serve on the committee. The three members of the committee will select a Chair from amongst the Councilmembers serving on the committee. The committee will sunset one-year after the date of the first meeting. Any sunset extensions must be approved by the City Council.

Previous Related Council Action

At the September 9, 2008 Council workshop, pursuant to City Council direction, Richard Bowers, R.A. Bowers and Associates, facilitated a dialogue on Council Guidelines.

At the January 6, 2009 Council workshop, Council was presented with a draft document by Richard Bowers, merging all prior Council Guideline documents and continuing dialogue on Council Guidelines.

At the March 3, 2009 Council workshop, a document incorporating the recommended changes from the City Council, as of January 6, 2009, was presented by Richard Bowers.

At the March 10, 2009 Council meeting, a final document to be adopted by resolution was reviewed by the

Council and further comments were offered for inclusion.

On May 26, 2009, Council adopted by Resolution 4269, the City Council Guidelines.

On January 8, 2013, Council amended section two "Placing Items of Special Interest on a Workshop Agenda" of the City Council Guidelines by Resolution 4635.

On September 10, 2013, Council amended, by Resolution 4722, the City Council Guidelines. The amended sections included: Placing Items of Special Interest on a Workshop Agenda (section 2), Selection and Responsibilities of the Vice Mayor (section 8), and Council Committees (section 9).

On November 24, 2014, Council amended, by Resolution 4895, the Council District Improvement Funds section of the City Council Guidelines.

On February 24, 2015 Council amended, by Resolution 4924, the Selection and Responsibilities of the Vice Mayor section of the City Council Guidelines.

Community Benefit/Public Involvement

This change will provide for the Council to form and involve members of the public on a temporary Council committee.

RESOLUTION NO. R17-35

A RESOLUTION OF THE COUNCIL OF THE CITY OF
GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING
SECTION 9 OF THE “GLENDALE, ARIZONA CITY COUNCIL
GUIDELINES.”

WHEREAS, the Mayor and City Council adopted the “Glendale, AZ City Council Guidelines” by Resolution No.4269 New Series on May 26, 2009; and

WHEREAS, the Mayor and City Council amended the “Glendale, AZ City Council Guidelines” by Resolution No.4365 New Series on January 8, 2013; and

WHEREAS, the Mayor and City Council amended the “Glendale, AZ City Council Guidelines” by Resolution No.4722 New Series on September 10, 2013; and

WHEREAS, the Mayor and City Council amended the “Glendale, AZ City Council Guidelines” by Resolution No.4895 New Series on November 24, 2014; and

WHEREAS, the Mayor and City Council amended the “Glendale, AZ City Council Guidelines” by Resolution No.4924 New Series on February 24, 2015; and

WHEREAS, the Mayor and City Council agree that the Guidelines previously adopted are, and continue to be, fundamentally important to the effective conduct of the public’s business; and

WHEREAS, the Guidelines represent an agreed-upon set of behaviors that will be utilized in the performance of the Mayor’s and City Council’s duties as policy makers and representatives of their constituencies.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That Section 9 of the document known as the “Glendale, AZ City Council Guidelines,” is amended as follows [Additions in ALL CAPS]:

9. COUNCIL COMMITTEES

At the first Workshop in June of each year, the Council will appoint membership to standing Council committees for the following fiscal year. The Mayor will ask the Councilmembers to indicate which committee they wish to serve on.

Each committee will be comprised of three members. The members of each committee will select their own chairperson at the first committee meeting. Councilmembers may not serve as a Chairperson of more than one committee at a time

unless the number of committees is greater than the number of Councilmembers. In that case, the limit is two chairmanships.

THE COUNCIL MAY FORM A TEMPORARY (ONE-YEAR) COUNCIL COMMITTEE AND ALLOW A DEFINED NUMBER OF MEMBERS OF THE PUBLIC TO SERVE ON THE COMMITTEE. THE THREE COUNCIL MEMBERS OF THE COMMITTEE WILL SELECT A CHAIR FROM AMONG THE COUNCILMEMBERS SERVING ON THE COMMITTEE. THE COMMITTEE WILL DISSOLVE ONE YEAR AFTER THE DATE OF THE FIRST MEETING UNLESS AN EXTENSION IS APPROVED BY THE CITY COUNCIL.

Effective August 13, 2013, a two-year consecutive term limit with appointment annually for membership of Councilmembers on Council subcommittees begins.

If new Councilmembers are seated prior to the annual selection of committee membership, the new Councilmembers will fill vacant committee positions for the remainder of the one-year term.

If any Councilmember wishes to add, delete or adjust any committee, the process indicated in City Council Guidelines, Section 2, "*Placing Items of Special Interest on Workshop Agenda*," is followed.

SECTION 2. The document known as the "Glendale, AZ City Council Guidelines, Adopted May 23, 2017," three copies of which are on file in the office of the City Clerk, is approved and adopted the copies are ordered to remain on file with the City Clerk.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 23rd day of May, 2017.

Mayor Jerry P. Weiers

ATTEST:

Julie K. Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

REVIEWED BY:

Kevin R. Phelps, City Manager

City Council Guidelines
City of Glendale, AZ
Adopted: May 23, 2017

Glendale, AZ
City Council Guidelines



City Council Guidelines
City of Glendale, AZ
Adopted: May 23, 2017

INTRODUCTION

The Mayor and City Council agree to the following as fundamentally important to the effective and efficient conduct of the public's business. The Guidelines as adopted represent an agreed upon set of behaviors that will be evident in the performance of their duties as policy makers and representatives of their constituencies.

GLOSSARY OF TERMS

To avoid confusion in understanding the intent of this document the following defines important terms being used:

- Council - The Council shall consist of a Mayor and six (6) other members to be elected by the qualified electors of the City of Glendale.
- Councilmember - Refers to each individual constituting the Council and includes the Mayor, unless specifically excluded or referred to by the title Mayor.
- Mayor - The Mayor is the chairman of the Council and presides over its deliberations. When it is necessary to specifically identify the Mayor as separate from the other Councilmembers, the term "Mayor" is used.

1. STAFF ASSISTANCE FOR COUNCILMEMBERS

The City Manager's Office will respond to requests from Councilmembers for information, assistance or research calling for multi-departmental involvement. City Manager will designate staff to assign these requests to appropriate City staff and to track progress on the assignments. Councilmembers must use this process when contacting the City Manager's Office for assistance.

Requests that involve more than eight hours of staff work by non-Council staff, a multi-department approach or expenditure of city monies other than budgeted Council funds, must go through the process for placement of an item on the Workshop Agenda. The staff will be responsible for reporting such requests to the City Manager's office where the designee will notify the Councilmember(s) who made the original request.

2. PLACING ITEMS OF SPECIAL INTEREST ON A WORKSHOP AGENDA

1. “City Council Workshop Items of Special Interest” is listed on every Workshop agenda. This item will be a standing item and will be placed last on the Workshop agenda.
2. Under that agenda item, Councilmembers may indicate topic(s) they would like to have discussed by the Council at a future Workshop and the reason for their interest. The Council does not discuss the new topics at the Workshop where they are introduced.
3. Each item introduced is referred to the City Manager for preparation of a brief initial assessment report including resources required, impact on other projects, relationship to work program priorities and Council strategies, and other related observations.
4. Effective 09/10/2013;in 60 days the City Manager, or designated management staff, will report back to the Council on each item during a regularly scheduled Workshop. An update will be provided within 30 days to indicate the progress and status of the item and a final recommendation will be brought forward within 60 days. If for any reason, a Workshop is not scheduled shortly after the 60 day time period, the report will be presented at the next regularly scheduled Workshop. Council will then determine if they want to pursue any item further through more detailed analysis and/or policy action.
5. Council gives direction to the City Manager regarding the disposition of items discussed.

(Above section amended January 8, 2013 by Resolution, No. 4635 and September 10, 2013 by Resolution No. 4722 New Series.)

3. COUNCILMEMBER BUDGET/EXPENSES

Each Councilmember elected from a district is provided \$18,000 each budget year for various expenses that will benefit the City of Glendale and meet applicable budget expenditure laws. For example, the monies may be used for postage, attending conferences and seminars, equipment, and newsletters. Items purchased are for the use of the Councilmembers during their tenure, for City business only, and remain the property of the City of Glendale. All bidding requirements and conditions of the City’s Purchasing Ordinance must be met. Monies not expended may not be carried over to subsequent years. The Mayor is not included in this appropriation.

4. COUNCIL DISTRICT IMPROVEMENT FUNDS

Each Councilmember elected from a district is provided \$15,000 each budget year for projects related to the placement, replacement or enhancement of facilities or

equipment within the City of Glendale. Monies not expended may not be carried over to subsequent years. The Mayor is not included in this appropriation.

When a Councilmember determines a use for the funds, Council staff requests information from the relevant department. The department obtains cost estimates based on the project scope as outlined by the Councilmember. After cost estimates have been obtained, Council staff completes a District Improvement form and sends to the Councilmember for comment and approval.

Departmental staff is responsible for making sure that all requirements of the City's Purchasing Ordinance have been met. If necessary, the assigned staff will be responsible for preparation, approval of and monitoring of agreements or contracts.

The Intergovernmental Programs Director must approve requests or other financial documents.

The Council staff retains copies of the related paperwork to follow up and ensure that District Improvement funds are properly tracked.

The District Improvement fund accounts are charged for all expenses associated with the project with the exception of departmental charge backs for internal labor expenses.

Ongoing maintenance costs of capital projects enabled through this funding mechanism must be paid from related district funds in future years.

5. CITY TRAVEL POLICY

The Council agrees to conform to the regulations that govern all City employees on this matter. Accordingly, the current City Travel Policy is attached and will be replaced as changes are made in the future. *See attachment A: Travel Policy, 8th Revision, 06/27/2014.*

6. OFFICIAL INVITATION EXPENSES

The City will cover expenses for any Councilmember and a guest at local events when the Councilmember and guest are jointly invited and the Councilmember is serving in an official capacity. The City does not otherwise reimburse Councilmembers for expenses incurred by their guests.

7. COUNCIL RETREAT

At a mutually agreed upon date, the Council will hold an annual retreat to discuss Council goals and other important issues.

8. SELECTION AND RESPONSIBILITIES OF THE VICE MAYOR

The Vice Mayor is selected by a majority vote of the Council. Effective August 13, 2013, at the first workshop of January in each year, the Council will consider the appointment of a Vice Mayor for the year, with the Vice Mayor serving a calendar year term (January to January). At that workshop, nominations for Vice-Mayor will be discussed by the Council. If nominations are indicated by Councilmembers at the workshop, a formal nomination and selection process will be placed on the agenda for the next regular voting meeting following the workshop.

If the Vice Mayor is unavailable for any reason, the remaining Councilmember with the most years of service will serve as the interim Vice Mayor during the Vice Mayor's absence or for the remainder of the one-year term.

City Charter: Sec. 7. Vice Mayor.

The Council shall designate one (1) of its members as Vice Mayor, who shall serve in such capacity at the pleasure of the council. The Vice Mayor shall perform the duties of the Mayor during the Mayor's absence or disability. (3-15-88)

9. COUNCIL COMMITTEES

At the first Workshop in June of each year, the Council will appoint membership to standing Council committees for the following fiscal year. The Mayor will ask the Councilmembers to indicate which committee they wish to serve on.

Each committee will be comprised of three members. The members of each committee will select their own chairperson at the first committee meeting. Councilmembers may not serve as Chairperson of more than one committee at a time unless the number of committees is greater than the number of Councilmembers. In that case, the limit is two chairmanships.

The Council may form a temporary (one-year) Council Committee and allow a defined number of members of the public to serve on the committee. The three members of the committee will select a Chair from amongst the Councilmembers serving on the committee. The committee will sunset one-year after the date of the first meeting. Any sunset extensions must be approved by the City Council.

Effective August 13, 2013, a two-year consecutive term limit with appointment annually for membership of councilmembers on Council subcommittees begins.

If new Councilmembers are seated prior to the annual selection of committee membership, the new Councilmembers will fill vacant committee positions for the remainder of the one-year term.

If any Councilmember wishes to add, delete or adjust any committee, the process indicated in City Council Guidelines, Section 2, “*Placing Items of Special Interest on Workshop Agenda*” is followed.

10. BOARD AND COMMISSION APPOINTMENTS

Board and Commission members will be appointed to serve by the Council in accordance with the Ordinance related to each Board and Commission. When vacancies occur, Councilmembers making recommendations to the Council are required to forward the application and his/her written recommendation to the Government Services Committee. The Government Services Committee will be responsible for reviewing the applications and making recommendations. The Committee will forward recommendations for Board and Commission membership and Chair designation to the full Council for discussion at Executive Session. The Council will approve Board and Commission members and the respective Chairs unless otherwise prescribed by ordinance. The appointment will be made when the majority of the Council agrees with a recommendation and a vote taken at a regular voting council meeting.

An appointment is made when the majority of the Councilmembers agree with a recommendation and a vote is taken at a regular voting council meeting. When consensus cannot be reached, the Councilmember will be responsible for bringing forward another nomination. Councilmembers should recommend appointment of individuals from their geographical district. If the district councilmember believes that an exception should be made, the issue shall be brought to the full Council for consideration.

If a Board or Commission member is not carrying out their assigned duties it is the responsibility of the Councilmember who recommended the appointment of the individual to counsel the member.

If a Board or Commission member has been properly counseled and is still not carrying out their assigned duties, the Code of Ethics addresses the removal of Board or Commission members for cause as follows, “Inappropriate behavior can lead to removal. Inappropriate behavior by a Board or Commission member should be communicated to the Chair of the Government Services Committee who will

communicate to the Councilmember who presented the member for appointment. If inappropriate behavior continues, the situation will be brought to the attention of the Council and the individual is subject to removal from the Board or Commission in accordance with any applicable ordinance.”

11. CONSTITUENT CONTACTS IN ANOTHER COUNCILMEMBER’S DISTRICT

As a courtesy, Councilmembers agree to keep each other informed of requests, telephone or personal contacts with constituents, businesspersons, etc., which may be of interest to another Councilmember with potential impacts to them.

12. WRITTEN COMMUNICATIONS FROM COUNCILMEMBERS

“City letterhead may be used only when the Councilmember is representing and speaking on behalf of the City and within the Councilmember’s official capacity. A copy of official correspondence should be given to the council office and Mayor’s office staff to be maintained as a public record.” *Sec. 4.c, Code of Conduct*

If the council member is representing the City, that Councilmember must consistently support and advocate the City’s official position on an issue and cannot foster or further a personal viewpoint that is inconsistent with the official City position.

13. STATE/FEDERAL LOBBYING

“If a Councilmember appears before another governmental agency or organization to give a statement on an issue, the Councilmember must clearly state 1) whether his or her statement reflects personal opinion or is the official stance of the City; 2) whether this is the majority or minority opinion of the Council.” *Sec. 4.a, Code of Conduct*

14. VIOLATIONS AND SANCTIONS

A. Process

(1) The first and most important step in this section is the requirement that the offended Councilmember address the concern with the offending Councilmember including a description of the specific action observed, the relationship of that event to the Council Guidelines and, if applicable, the impact it had on the offended Councilmember. The purpose of this first step is to assure that an attempt has been made to discuss the issue and resolve the conflict without proceeding further. This step requires no formal action and no involvement of other Councilmembers.

(2) Either party may request and both must agree, to seek a third party who will assist in facilitating the discussion toward a mutually satisfactory conclusion. If any

expenses are incurred they will be paid for equally from the district funds of each member engaged in the mediation.

(3) If the situation cannot be settled through the process in steps (1) and (2), either Councilmember may choose to refer the concern to the entire Council for their review. The Council will serve as a committee of the whole for purposes of Council Guidelines violation and sanction consideration.

(4) To present the concern to the Council, the offended member must advise the offending Councilmember that the issue will be taken to the Council and subsequently ask the City Manager to post the issue for the earliest upcoming executive session. All laws pertaining to executive session will apply. Included in those rules is the option for the offending Councilmember to exercise their right to request that the discussion be held in an open hearing. The City Attorney's Office will prepare a notice to the Councilmember or Councilmembers that are to be discussed in executive session as required by law.

(5) The Council will discuss the issue in order to:

- a. become fully informed;
- b. determine if there appears to be a violation of the Council Guidelines;
- c. seek resolution without further action or, if necessary schedule the issue for an upcoming public hearing for final determination regarding whether a violation occurred and if necessary;
- d. determine what sanction is most appropriate; customarily, sanctions are limited to a letter of reprimand or censure.

(6) A 2/3 vote of the Council at a regular voting council meeting will be required for a determination that a violation has occurred and likewise, a 2/3 vote for the sanction to be imposed.

(7) If a sanction is imposed, the language will follow a specific format to be established by the Council and used consistently as such situations occur.

B. Effects of Violations

The Council Guidelines document alone does not provide a basis for challenging the validity of any final enactment, resolution, decision, determination, or recommendation of the council, a board or a commission.



Legislation Description

File #: 17-180, Version: 1

RESOLUTION NO. R17-36

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ESTABLISHING THE TEMPORARY BUSINESS COUNCIL COMMITTEE.

Staff Contact: Brent Stoddard, Director, Public Affairs

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt a resolution to form a temporary (one-year) Council Committee on business focused on making it easier for people to open, operate, and grow their businesses in Glendale.

Background

At the April 18, 2017 Council Workshop, Council discussed a scope of work related to forming the temporary Council Committee. The consensus of the Council was to move forward.

The committee will be formed for the exclusive purpose of reviewing pertinent city codes and processes relating to regulatory code, licensing, planning, and development functions. The committee will make policy recommendations to the City Council regarding improvements the city could make to create an environment that makes it easier for businesses to get started and grow in our community.

The composition of the temporary committee will be:

Three (3) City Council members

- One (1) representative of a Glendale small business (1-24 employees)

- One (1) representative of a Glendale mid-sized business (25 - 99 employees)

- One (1) representative of a large business (+100 employees)

- One (1) representative to embody the viewpoint of design professionals (architect, engineer, etc.)

- One (1) representative of commercial developers

- One (1) representative of residential developers

One of the representatives from the business community must be from a woman owned business.

One of the representatives from the business community must be from a minority owned business.

Section 9 of the City Council Guidelines specifies that the formation of Council Committees.

9. COUNCIL COMMITTEES

At the first Workshop in June of each year, the Council will appoint membership to standing Council

committees for the following fiscal year. The Mayor will ask the Councilmembers to indicate which committee they wish to serve on.

Each committee will be comprised of three members. The members of each committee will select their own chairperson at the first committee meeting. Councilmembers may not serve as Chairperson of more than one committee at a time unless the number of committees is greater than the number of Councilmembers. In that case, the limit is two chairmanships.

The council may form a temporary (one-year) council committee and allow a defined number of members of the public to serve on the committee. The three members of the committee will select a chair from amongst the Councilmembers serving on the committee. The committee will sunset one-year after the date of the first meeting. Any sunset extensions must be approved by the City Council.

Effective August 13, 2013, a two-year consecutive term limit with appointment annually for membership of councilmembers on Council subcommittees begins.

If new Councilmembers are seated prior to the annual selection of committee membership, the new Councilmembers will fill vacant committee positions for the remainder of the one-year term.

If any Councilmember wishes to add, delete or adjust any committee, the process indicated in City Council Guidelines, Section 2, "Placing Items of Special Interest on Workshop Agenda" is followed.

Analysis

This resolution will allow the Council to officially form the temporary (one-year) Council Committee and allow a defined number of members of the public to serve on the committee. The committee will sunset one-year after the date of the first meeting. Any sunset extensions must be approved by the City Council.

Once the Committee has been officially formed, the city would solicit for interested and qualified members of the public to apply for the open seats on the Committee. The Government Services Committee would consider the applications and make recommendations to the full Council for discussion in Executive Session. At a voting meeting, the Council would then consider the formal approval of the public members being appointed who would be sworn in at that meeting.

Previous Related Council Action

At the April 18, 2017 Council Workshop, Council discussed a scope of work related to forming a Council Committee on business focused on making it easier for people to open, operate, and grow their businesses in Glendale. The consensus of the Council was to move forward with this committee.

At the December 20, 2016 Council Workshop, Councilmember Joyce Clark made a Council Item of Special Interest request for the temporary Council Committee.

RESOLUTION NO. R17-36

A RESOLUTION OF THE COUNCIL OF THE CITY OF
GLENDALE, MARICOPA COUNTY, ARIZONA,
ESTABLISHING THE TEMPORARY BUSINESS COUNCIL
COMMITTEE.

WHEREAS, the Mayor and City Council adopted the “Glendale, AZ City Council Guidelines” by Resolution No. 4269 New Series on May 26, 2009; and

WHEREAS, the Mayor and City Council amended the Glendale AZ City Council Guidelines by Resolution No. 4635 New Series on January 8, 2013; and

WHEREAS, the Mayor and City Council amended the Glendale, AZ City Council Guidelines by Resolution No. 4722 New Series on September 10, 2013; and

WHEREAS, the Mayor and City Council amended the Glendale, AZ City Council Guidelines by Resolution No. 4895 New Series on November 24, 2014; and

WHEREAS, the Mayor and City Council amended the Glendale, AZ City Council Guidelines by Resolution No. 4924 New Series on February 24, 2015; and

WHEREAS, the Mayor and City Council amended the Glendale, AZ City Council Guidelines by Resolution No. R17-35 on May 23, 2017 to allow for the formation of a temporary Council Committee; and

WHEREAS, the Mayor and the City Council believe it is important to ensure that it is easy for people to open, operate, and grow their businesses in Glendale; and

WHEREAS, the Mayor and the City Council wish to establish a temporary Council Committee for the exclusive purpose of reviewing pertinent city codes and processes relating to regulatory code, licensing, planning, and development functions.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. Pursuant to Section 9 of the document known as the “Glendale, AZ City Council Guidelines,” a temporary Business Council Committee is created.

SECTION 2. The composition of the temporary Business Council Committee is as follows:

Three (3) City Councilmembers

One (1) representative of a Glendale small business (1-24 employees)

One (1) representative of a Glendale mid-sized business (25 – 99 employees)

One (1) representative of a large business (+100 employees)

One (1) representative to embody the viewpoint of design professionals (architect, engineer, etc.)

One (1) representative of commercial developers

One (1) representative of residential developers

One of the representatives from the business community must be from a woman-owned business.

One of the representatives from the business community must be from a minority-owned business.

SECTION 3. The committee will dissolve one-year after the date of the first committee meeting. Any extensions must be approved by the City Council.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 23rd day of May, 2017.

Mayor Jerry P. Weiers

ATTEST:

Julie K. Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

REVIEWED BY:

Kevin R. Phelps, City Manager



Legislation Description

File #: 17-214, Version: 1

RESOLUTION NO. R17-37

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF THE FIRST AMENDMENT TO THE SETTLEMENT AGREEMENT AND MUTUAL RELEASE BETWEEN THE CITY AND JACOB F. LONG, TRUSTEE OF THE JOHN F. LONG FAMILY REVOCABLE LIVING TRUST, AS SUCCESSOR TO THE INTERESTS OF JOHN F. LONG AND MARY P. LONG; AND DIRECTING THAT AN EXHIBIT TO THE DOCUMENT BE RECORDED.

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into the First Amendment to the Settlement Agreement and Mutual Release between the city and Jacob F. Long, Trustee of the John F. Long Family Revocable Living Trust, as successor of the interests of John F. Long and Mary P. Long, to terminate the second runway use restriction and reinstate the original provisions of the warranty deed.

Background

In December 1983, John F. and Mary P. Long deeded land to the city for the purpose of constructing and operating the Glendale Municipal Airport. The deed included a reversion clause providing a possibility of reverter to the Longs or their heirs if the land should be used for any purpose other than as a municipal airport or other municipal purposes. This restriction was tested in 2001 when the city signed a lease agreement with Ryan Companies to develop part of the airport for commercial purposes, to wit, a golf course. John F. Long filed a lawsuit in 2002 contending the parcel in question was to be used for a second runway.

A settlement agreement dated June 14, 2005 included a use restriction to hold land on the airport for a second runway until January 31, 2025. The settlement agreement also provided means to conduct a study for the second runway as well as early termination of this requirement if the second runway is found not to be necessary.

The Airport submitted an application for a study on the second runway in August of 2013 to the Federal Aviation Administration (FAA). The FAA responded with a letter dated February 13, 2014 stating that FAA order 5090.3c requires an airport to be 60% to 75% of the annual service volume (takeoff and landing traffic capacity) to start the justification for a second runway or other airfield improvements.

Analysis

The airport has a capacity of 300,000 operations (takeoffs and landings) annually and has historically fallen far

short of that total. In 1998, the second runway was removed from the Airport Master Plan and Airport Layout Plan. The last full Glendale Municipal Airport Master Plan dated May 12, 2009 and Airport Layout Plan dated September 9, 2010 did not recommend a second runway. A recent draft (2016) Airport Layout Plan does not recommend a second runway.

The traffic capacity for 2016 is at 24.5% and the long-term forecast (2035) in the draft Airport Layout Plan is at 30% of the airport annual service volume. Therefore, there is no need for a second runway at the Glendale Municipal Airport.

The trustees for the John F. Long Family Revocable Trust agree with this analysis and are willing to mutually remove the requirement for a second runway as long as any development meets the original intent for the deeded land.

The city has received inquiries for aviation development on the east side of the airport. The First Amendment to the Settlement Agreement will terminate the use restriction of a second runway while maintaining the requirement that the land be used only for municipal purposes. This will allow the airport to include development of the land in the next update of the airport master plan to provide for an additional revenue stream. Any such development will be of an airport accessory nature such as construction of aircraft hangers.

The amount of land available on the east side is comparable to what is already developed on the west. Therefore, it is possible that any new development could increase the amount of airport traffic up to a possible doubling of current conditions. At 60%, the airport would stay at the low end of the FAA justification threshold for a second runway and any delays or congestion could be relieved through modifications to taxiways and other airport appurtenances.

Previous Related Council Action

On June 14, 2005, Council approved Resolution 3866 authorizing the City Manager to enter into a Settlement Agreement and Mutual Release with John F. Long.

Community Benefit/Public Involvement

The Airport plays an important role in meeting the demand for aviation services in the West Valley and serves as a general aviation reliever airport for Phoenix Sky Harbor International Airport.

The Airport Administrator provides updates on this and other projects to the Aviation Advisory Commission during its monthly meetings. The Aviation Advisory Commission is expected to discuss this matter and provide a recommendation at its May 19, 2017 meeting. The master planning process has a requirement for public input usually through public meetings.

Budget and Financial Impacts

There are no budget or financial impacts as a result of this action. However, future development of the east side of the airport will likely provide additional airport activity and revenue.

RESOLUTION NO. R17-37

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF THE FIRST AMENDMENT TO THE SETTLEMENT AGREEMENT AND MUTUAL RELEASE BETWEEN THE CITY AND JACOB F. LONG, TRUSTEE OF THE JOHN F. LONG FAMILY REVOCABLE LIVING TRUST, AS SUCCESSOR TO THE INTERESTS OF JOHN F. LONG AND MARY P. LONG; AND DIRECTING THAT AN EXHIBIT TO THE DOCUMENT BE RECORDED.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That it is deemed in the best interest of the City of Glendale and its citizens that the City and Jacob F. Long, as Trustee of the John F. Long Family Revocable Living Trust, enter into the First Amendment to the Settlement Agreement and Mutual Release between the parties, and the amendment is now on file in the office of the City Clerk of the City of Glendale.

SECTION 2. That the City Manager and the City Clerk are authorized and directed to execute and deliver the amendment on behalf of the City of Glendale.

SECTION 3. That the City Clerk is directed to forward the Termination of Supplemental Deed Restriction (attached as Exhibit "A" to this resolution as well as to the First Amendment to the Settlement Agreement and Mutual Release) to the Maricopa County Recorder's Office for recording.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 23rd day of May, 2017.

Mayor Jerry P. Weiers

ATTEST:

Julie K. Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

REVIEWED BY:

Kevin R. Phelps, City Manager

EXHIBIT "A"

TERMINATION OF SUPPLEMENTAL DEED RESTRICTION

When Recorded Return to:

John F. Long Revocable Living Trust
1118 E. Missouri Avenue, Suite A
Phoenix, AZ 85014
Attn: James J. Miller

TERMINATION OF SUPPLEMENTAL DEED RESTRICTION

NOTICE IS HEREBY GIVEN that Jacob F. Long, Trustee of the JOHN F. LONG FAMILY REVOCABLE LIVING TRUST under Agreement dated February 26, 2008, as successor to the interest of John F. Long ("Long"), and the City of Glendale, an Arizona municipal corporation ("City"), entered into a First Amendment to Settlement Agreement and Mutual Release on _____, 2017 (the "First Amendment"). The First Amendment impacts the real property (the "Parcel") described in the Supplemental Deed Restriction and Memorandum of Agreement re Reversionary Interest, recorded in the Official Records of Maricopa County, Arizona on June 22, 2005, at Recorder's No. 2005-0850677 ("Supplemental Deed Restriction"). Pursuant to the First Amendment, a copy of which is available from the City as a public record, the Supplemental Deed Restriction is hereby terminated and of no further force or effect, and the original provisions of Exhibit "A" to the Warranty Deed dated January 5, 1984, recorded in the Official Records of Maricopa County, Arizona on July 9, 1984, at Recorder's No. 1984-296588 ("Warranty Deed") are reinstated. Long and the City acknowledge and agree as follows:

The City may develop and use the Parcel, or allow a third party to develop and use the Parcel, for any service or use accessory to the airport and for any other use or purpose of a municipal nature and for no other purpose, subject to the reversionary provisions of Paragraphs 1.a and 1.b of Exhibit "A" to the Warranty Deed, which are hereby reaffirmed. For purposes of the Warranty Deed and the First Amendment, the term "use or purpose of a municipal nature" means (1) any use or purpose that is directly in furtherance of services furnished by the City to the general public, in its sovereign capacity, including without limitation, education, libraries, recreation, and open space conservation, and (2) any aviation-related purposes as approved by the Federal Aviation Administration, including commercial purposes, which include without limitation rental car facilities, restaurants, and aviation-related retail stores, but in no event for housing, clinics or other medical treatment facilities, jails or other detention facilities, or golf courses. The City shall give Long at least thirty (30) days' prior written notice specifying any proposed change to a use or purpose that is not expressly mentioned in this Section 2. At all times the City will comply with all FAA regulations applicable to the Parcel.

PURSUANT TO A.R.S. §33-404, THE NAMES AND ADDRESS OF THE BENEFICIARIES OF THE JOHN F. LONG REVOCABLE LIVING TRUST ARE MANYA J. LONG, SHIRLEY LONG AND JACOB F. LONG, 1118 E. MISSOURI AVENUE, SUITE A, PHOENIX, AZ 85014.

DATED this 9th day of May, 2017.

{SIGNATURES ON NEXT PAGES}

LONG:

JOHN F. LONG FAMILY REVOCABLE LIVING TRUST
under Agreement dated February 26, 2008

By Jacob F. Long
Jacob F. Long, Its Trustee

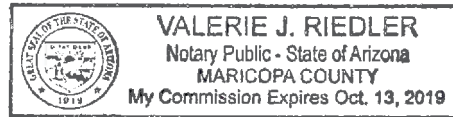
STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing Notice of Termination of Supplemental Deed Restriction was acknowledged before me this 9th day of May, 2017 by Jacob F. Long, solely in his capacity as Trustee of JOHN F. LONG FAMILY REVOCABLE LIVING TRUST under Agreement dated February 26, 2008, on behalf of the trust.

Valerie Riedler
Notary Public

My Commission expires:

10.13.2019



CITY:

CITY OF GLENDALE, an Arizona municipal corporation

By _____

Name _____

Title _____

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing Notice of Termination of Supplemental Deed Restriction was acknowledged before me this _____ day of _____, _____, by _____, solely in his/her capacity as _____ of the CITY OF GLENDALE, an Arizona municipal corporation, on its behalf.

Notary Public

My Commission expires:

**FIRST AMENDMENT TO
SETTLEMENT AGREEMENT AND MUTUAL RELEASE**

This First Amendment to the Settlement Agreement and Mutual Release (this "First Amendment") is made and entered into this _____ day of _____, 2017 ("Execution Date"), by and between the City of Glendale, an Arizona municipal corporation (the "City"), and Jacob F. Long, Trustee of the John F. Long Family Revocable Living Trust under Agreement dated February 26, 2008 ("Long"), as successor to the interests of John F. Long and Mary P. Long.

RECITALS:

WHEREAS, the City and John F. Long entered into that certain Settlement Agreement and Mutual Release (the "Settlement") dated June 14, 2005 in order to resolve a disputed matter between the parties; and

WHEREAS, among other things, the Settlement concerned the parcel of land within the Glendale Municipal Airport commonly known as Parcel B-3 and referred to as the "Parcel" in the Settlement and in this First Amendment; and

WHEREAS, the Settlement imposed a Use Restriction (as defined in the Settlement) upon the Parcel, whereby the City agreed to hold the Parcel for future construction and use as a second runway to serve the Glendale Municipal Airport; and

WHEREAS, the Use Restriction was incorporated into the original Warranty Deed (as defined in the Settlement) pursuant to that certain Supplemental Deed Restriction and Memorandum of Agreement re Reversionary Interest recorded June 22, 2005 as Instrument No. 2005-0850677, Official Records of Maricopa County, Arizona ("Supplemental Deed Restriction"); and

WHEREAS, given current air traffic conditions and land use demands at the Glendale Municipal Airport, the parties have agreed as contemplated in Paragraph II(E) of the Settlement to terminate the Use Restriction and reinstate the original provisions of the Warranty Deed, as amplified in this First Amendment; and

NOW, THEREFORE, in consideration of the promises, conditions and covenants contained in this First Amendment, the City and Long mutually agree as follows:

AGREEMENT:

1. **Recitals.** The recitals are incorporated into and made provisions of this First Amendment.
2. **Termination of Use Restriction.** The Settlement is amended to delete the Use Restriction, including but not limited to deleting all references to the the City's obligation to hold the Parcel for a second runway in Paragraphs II(A) through II(E). In addition, the parties shall record a Termination of Supplemental Deed Restriction in the form attached as Exhibit "A".

The parties acknowledge and agree that the City may develop and use the Parcel, or allow a third party to develop and use the Parcel, for any service or

use accessory to the airport and for any other use or purpose of a municipal nature and for no other purpose, subject to the reversionary provisions of Paragraphs 1.a and 1.b of Exhibit "A" to the Warranty Deed, which are hereby reaffirmed. For purposes of the Warranty Deed and this First Amendment, the term "use or purpose of a municipal nature" means (1) any use or purpose that is directly in furtherance of services furnished by the City to the general public, in its sovereign capacity, including without limitation, education, libraries, recreation, and open space conservation, and (2) any aviation-related purposes as approved by the Federal Aviation Administration, including commercial purposes, which include without limitation rental car facilities, restaurants, and aviation-related retail stores, but in no event for housing, clinics or other medical treatment facilities, jails or other detention facilities, or golf courses. The City shall give Long at least thirty (30) days' prior written notice specifying any proposed change to a use or purpose that is not expressly mentioned in this Section 2. At all times the City will comply with all FAA regulations applicable to the Parcel.

- 3. **Definitions.** Unless expressly defined in this First Amendment, all capitalized terms in this First Amendment have the same meaning as the definitions they were given in the Settlement.
- 4. **Other Terms Unmodified.** Except as provided in this First Amendment, all provisions, terms, and conditions of the Settlement remain unmodified and in effect.

IN WITNESS WHEREOF, the parties have executed this agreement on the day and year first written above.

Long:

JOHN F. LONG FAMILY REVOCABLE LIVING TRUST under Agreement dated February 26, 2008

By: _____

Jacob F. Long, Trustee

City:

CITY OF GLENDALE, an Arizona municipal corporation

By: _____

Name: _____

Title: _____

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

EXHIBIT "A"

TERMINATION OF SUPPLEMENTAL DEED RESTRICTION

When Recorded Return to:

John F. Long Revocable Living Trust
1118 E. Missouri Avenue, Suite A
Phoenix, AZ 85014
Attn: James J. Miller

TERMINATION OF SUPPLEMENTAL DEED RESTRICTION

NOTICE IS HEREBY GIVEN that Jacob F. Long, Trustee of the JOHN F. LONG FAMILY REVOCABLE LIVING TRUST under Agreement dated February 26, 2008, as successor to the interest of John F. Long ("Long"), and the City of Glendale, an Arizona municipal corporation ("City"), entered into a First Amendment to Settlement Agreement and Mutual Release on _____, 2017 (the "First Amendment"). The First Amendment impacts the real property (the "Parcel") described in the Supplemental Deed Restriction and Memorandum of Agreement re Reversionary Interest, recorded in the Official Records of Maricopa County, Arizona on June 22, 2005, at Recorder's No. 2005-0850677 ("Supplemental Deed Restriction"). Pursuant to the First Amendment, a copy of which is available from the City as a public record, the Supplemental Deed Restriction is hereby terminated and of no further force or effect, and the original provisions of Exhibit "A" to the Warranty Deed dated January 5, 1984, recorded in the Official Records of Maricopa County, Arizona on July 9, 1984, at Recorder's No. 1984-296588 ("Warranty Deed") are reinstated. Long and the City acknowledge and agree as follows:

The City may develop and use the Parcel, or allow a third party to develop and use the Parcel, for any service or use accessory to the airport and for any other use or purpose of a municipal nature and for no other purpose, subject to the reversionary provisions of Paragraphs 1.a and 1.b of Exhibit "A" to the Warranty Deed, which are hereby reaffirmed. For purposes of the Warranty Deed and the First Amendment, the term "use or purpose of a municipal nature" means (1) any use or purpose that is directly in furtherance of services furnished by the City to the general public, in its sovereign capacity, including without limitation, education, libraries, recreation, and open space conservation, and (2) any aviation-related purposes as approved by the Federal Aviation Administration, including commercial purposes, which include without limitation rental car facilities, restaurants, and aviation-related retail stores, but in no event for housing, clinics or other medical treatment facilities, jails or other detention facilities, or golf courses. The City shall give Long at least thirty (30) days' prior written notice specifying any proposed change to a use or purpose that is not expressly mentioned in this Section 2. At all times the City will comply with all FAA regulations applicable to the Parcel.

PURSUANT TO A.R.S. §33-404, THE NAMES AND ADDRESS OF THE BENEFICIARIES OF THE JOHN F. LONG REVOCABLE LIVING TRUST ARE MANYA J. LONG, SHIRLEY LONG AND JACOB F. LONG, 1118 E. MISSOURI AVENUE, SUITE A, PHOENIX, AZ 85014.

DATED this 9th day of May, 2017.

{SIGNATURES ON NEXT PAGES}

LONG:

JOHN F. LONG FAMILY REVOCABLE LIVING TRUST
under Agreement dated February 26, 2008

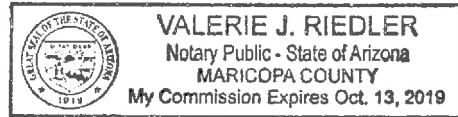
By *Jacob F. Long*
Jacob F. Long, Its Trustee

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing Notice of Termination of Supplemental Deed Restriction was acknowledged before me this 9th day of May, 2017 by Jacob F. Long, solely in his capacity as Trustee of JOHN F. LONG FAMILY REVOCABLE LIVING TRUST under Agreement dated February 26, 2008, on behalf of the trust.

Valerie Riedler
Notary Public

My Commission expires:
10.13.2019



CITY:

CITY OF GLENDALE, an Arizona municipal corporation

By _____

Name _____

Title _____

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing Notice of Termination of Supplemental Deed Restriction was acknowledged before me this _____ day of _____, _____, by _____, solely in his/her capacity as _____ of the CITY OF GLENDALE, an Arizona municipal corporation, on its behalf.

Notary Public

My Commission expires:



Legislation Description

File #: 17-202, Version: 1

ORDINANCE NO. O17-20

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ACQUISITION OF PROPERTY LOCATED ON THE WEST SIDE OF 55TH AVENUE AND SOUTH OF CACTUS ROAD NECESSARY FOR RIGHT OF WAY IMPROVEMENTS IN GLENDALE, ARIZONA; AND DIRECTING THE EXECUTION OF THE PURCHASE AGREEMENT AND ANY DOCUMENTS NECESSARY TO EFFECTUATE SAID PURCHASE.

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt an ordinance to acquire property for right of way improvements along southbound 55th Avenue and south of Cactus Road.

Background

Widening of 55th Avenue for bike lanes is a project in the Fiscal Year 2016-17 Capital Improvement Plan. The existing street section has an open irrigation ditch and no streetlighting.

This project includes widening 55th Avenue to a full-width collector roadway from the current half street configuration, and to design and construct bicycle and pedestrian improvements along the west side of 55th Avenue, from Cactus Road to 900 feet south.

In June of 2014, the city entered into an Intergovernmental Agreement (IGA) with Arizona Department of Transportation (ADOT), C-8975, to design and construct improvements for this project. In June 2016, the IGA was amended to include right of way acquisition costs, estimated at that time to be \$104,837.

Marshall & Linda Downen, the owners of the residential property located at 12020 North 55th Avenue, have agreed to sell property to the city to widen this portion of the street.

Analysis

Staff recommends acquiring the additional right-of-way along 55th Avenue south of Cactus Road. There will be little impact on city departments, staff, or service levels due to this action. Payments will be made by ADOT as part of Amendment No. 1 to the IGA as referenced above.

Specific improvements to be added to the west side of the roadway include asphalt pavement, concrete curb, gutter, and sidewalk, and an existing irrigation ditch will be relocated underground. Once completed, this project will provide a safe and convenient separation of bicyclists and pedestrians from vehicular traffic on

55th Avenue. The city will also administratively obtain a temporary construction easement for work directly on 12020 North 55th Avenue.

Previous Related Council Action

On June 14, 2016, City Council authorized entering into Amendment No. 1 to an IGA with ADOT, Contract No. C-8975-1, to pay for the usage of an ADOT on-call consultant for right of way acquisition costs, estimated at \$104,837.

On June 10, 2014, City Council authorized entering into an IGA with ADOT, Contract No. C-8975, for the design and construction of the widening of 55th Avenue, south of Cactus Road, for bicycle lanes and sidewalks to secure federal funding in the amount of \$159,266 with a local match of \$371,057.

Community Benefit/Public Involvement

Access to alternative modes of transportation is a direct quality of life benefit. Once this project is complete, pedestrians and bicyclists will have improved access to various destinations, such as schools, places of worship, parks and trails.

Transportation staff held a meeting on October 24, 2013, to solicit public comment on the project. Residents who attended provided positive feedback. Additionally, the project was included in the Annual GO Program Open Houses in 2013 and 2014, and information was presented to the Glendale Bicycle Advisory Committee and the Citizens' Transportation Oversight Commission, also in 2014.

Two one-on-one meetings between property owners, city staff, and design consultants were held to identify the needs of the property owners. The meetings occurred on February 11, 2016 and December 15, 2015. Property owners' choice of trees and conduit under their driveway are included in the project plans.

Budget and Financial Impacts

The cost of this partial property acquisition is \$62,150, which includes \$48,400 for the land and \$13,750 in administrative settlement. ADOT will issue payments towards all costs related to right of way acquisition as authorized by Council on June 14, 2016.

ORDINANCE NO. 017-20

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ACQUISITION OF PROPERTY LOCATED ON THE WEST SIDE OF 55TH AVENUE AND SOUTH OF CACTUS ROAD NECESSARY FOR RIGHT OF WAY IMPROVEMENTS IN GLENDALE, ARIZONA; AND DIRECTING THE EXECUTION OF THE PURCHASE AGREEMENT AND ANY DOCUMENTS NECESSARY TO EFFECTUATE SAID PURCHASE.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That it is deemed in the best interest of the City of Glendale and the citizens thereof to acquire the property described below to widen 55th Avenue for \$62,150.00:

Right of Way Portion of 12020 North 55th Avenue, APN 148-28-001G. Said right of way consisting of approximately 13,200 square feet or 0.303 acres of property, more particularly described in the attached Exhibit A, Legal Description.

SECTION 2. That the City Manager and the City Clerk be authorized and directed to execute and deliver all documents necessary to acquire said real property on behalf of the City of Glendale.

SECTION 3. That the duly authorized disbursing officers of the City of Glendale be authorized and directed to pay all sums necessary to acquire said real property in accordance with Exhibit B, the Purchase Agreement, as well as all recording fees and other costs necessary for the acquisition of said real property. A copy of the Purchase Agreement is now on file at the City Clerk's Office.

[Signatures on following page]

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 23rd day of May, 2017.

Mayor Jerry P. Weiers

ATTEST:

Julie K. Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

REVIEWED BY:

Kevin R. Phelps, City Manager

EXHIBIT A
LEGAL DESCRIPTION

LEGAL DESCRIPTION
FOR
RIGHT OF WAY ACQUISITION
PORTION OF APN 148-28-001G

A PARCEL OF LAND SITUATED IN THE NORTHWEST QUARTER OF SECTION 20, TOWNSHIP 3 NORTH, RANGE 2 EAST OF GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AND BEING THE EAST 40 FEET OF THAT CERTAIN PROPERTY DESCRIBED IN INSTRUMENT NO. 1983-0483960, OFFICIAL RECORDS OF MARICOPA COUNTY, ARIZONA, SAID PROPERTY BEING DESCRIBED AS FOLLOWS:

THE SOUTH 330 FEET OF THE EAST 198 FEET OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 20;

SAID RIGHT OF WAY ACQUISITION CONTAINING A COMPUTED AREA OF 13,200 SQUARE FEET OR 0.303 ACRES MORE OR LESS.

THE ATTACHED EXHIBIT 'A' IS TO BE INCLUDED AND MADE PART OF THIS DESCRIPTION.



FILE:\PROJECTS\2014\101436 Glendale GEC Grand Ave Wall Easms\CAD\EXHIBITS\APN 148-28-001G_RW.dwg DATE: Apr. 03 2017 TIME: 09:31 am

LINE DATA TABLE		
LINE	BEARING	DISTANCE
L1	N89°42'00"W	40.00'
L2	N00°40'12"E	330.01'
L3	S89°42'00"E	40.00'



NTS

RIGHT OF WAY ACQUISITION AREA:
13,200 SF OR
0.303 ACRES

LOT REMAINDER AREA:
52,141 SF OR
1.197 ACRES

THIS IS NOT A PROPERTY
BOUNDARY SURVEY.

CACTUS ROAD

EXISTING
45' R/W

APN 148-28-001F
INSTR 1985-0087360
DOUG PIMENTAL
PER MARICOPA
COUNTY
ASSESSORS MAP

APN 148-28-001G
INSTR 1983-0483960
MARSHALL & LINDA DOWNEN

APN 148-28-001Z
INSTR 2015-0439410
ORR ROXANNE GARCIA

40' R/W
PER MARICOPA
COUNTY
ASSESSORS MAP

40'
R/W

326.75'

5250.01' 55TH AVENUE

N. 1/4 COR.
SEC 20
T3N, R2E

W. SHAW
BUTTE DR.

W. DESSERT
HILLS DR.

LOT 12
FINAL PLAT
RIVIERA DRIVE ESTATES
BK. 590, PG. 23

230
231
232

188
187

152

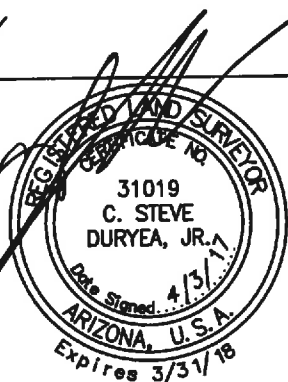
S. 1/4 COR.
SEC 20
T3N, R2E

MARLBOROUGH COUNTRY METRO
UNIT THREE

BK. 197, PG. 41



Dibble
Engineering



Dibble Engineering
Project No 101436

EXHIBIT "A"

RIGHT OF WAY ACQUISITION

A PORTION OF THE NW QUARTER SECTION 20,
T3N, R2E, GILA & SALT RIVER MERIDIAN,
MARICOPA COUNTY, ARIZONA

DATE: APRIL 2017
DRN: BAR
CHK: JPG

PAGE 2 OF 2

EXHIBIT B
PURCHASE AGREEMENT

**CITY OF GLENDALE
PURCHASE AGREEMENT**

Title Company Security Title Agency
 Address 3636 N. Central Avenue, Suite 140
 City Phoenix Arizona
 Escrow Officer Jason Bryant
 Escrow No. _____
 Grantor Marshall C. Downen & Linda K. Downen
 Address 12020 North 55th Avenue, Glendale, AZ 85304
 Phone/Fax/Mobile/Email _____

Date _____
 (to be completed by Title Company, if applicable)
 Zip Code 85012
 Phone 602-230-6247
 Fax No. 602-294-6247

Grantee: The CITY OF GLENDALE (CITY)
 Mailing Address: City of Glendale
6210 W Myrtle, Suite 111, Glendale, AZ 85301

The CITY shall pay directly to the Grantor, or deposit with the Title Company ("Escrow Agent") if escrowed, the purchase price plus all lawful costs incidental to closing as follows:

Escrow Fees _____
 Title Policy Fees _____
TOTAL ESCROW & TITLE FEES To be determined

Recording Fees
 Deed _____
 Easement _____
 Release _____
TOTAL RECORDING FEES To be determined

Other Charges
 Release Fees _____
 Prorated Taxes/Dates _____
TOTAL OTHER CHARGES To be determined
 Subtotal Fees To be determined

Title Report Credit (-) _____
Total Closing Costs To be determined

Land and Improvements*	<u>\$48,400.00</u>
Utility Easement*	_____
Temporary Construction Easement & Right of Way Contract	<u>\$1,099.00</u>
Administrative Settlement	<u>13,750.00</u>
_____	_____
_____	_____
Total Purchase Price	<u>\$63,249.00</u>
TOTAL WARRANT**	<u>To be determined</u>

Charges and disbursements to be paid from Grantor's funds as follows (check all that apply):

Total Acquisition of Grantor's Property: Full release of all monetary liens and encumbrances, and leases of any kind. Pay in full all due and delinquent real property taxes and general and special improvement assessments. Grantor will be charged for any costs necessary to make the property compliant with the Covenants, Conditions and Restrictions. Prorate the current year's real property taxes on closings that occur on or after the 3rd Monday of August each year. Escrow Agent shall withhold the prorated amounts from each party and pay the lien of the current year's taxes in full.

Partial Acquisition of Grantor's Property: Partial release of all monetary liens and encumbrances, and leases of any kind. At the discretion of City, pay due and delinquent property taxes and general and special improvement assessments, including full payment of taxes and assessments on individual assessor parcels within City's partial acquisition, and any Certificate(s) of Purchase. The current year's taxes shall not be prorated regardless of the closing date.

Easement(s): Consent to easement(s) by secured party(ies).

Other Disbursements:

Security Deposits and Prepaid Rents, if Applicable: Grantor agrees to return all security deposits and prepaid rents directly to lessee(s) outside of escrow.

Possession Date: Close of escrow/date of recording.

Special Conditions Right of Way Contract Yes No
 Entry Agreement*** Yes No

*** If yes, City shall pay statutory interest on the "Total Purchase Price" from _____ to the close of escrow/date of recording directly to Grantor by separate warrant.

Special Instructions/Information:

*Title policy fees based on these amounts only.
 **Sum of "Total Closing Costs" and "Total Purchase Price" only.

THE GRANTOR, having executed a conveyance of certain real property rights to the GRANTEE in a certain conveyance dated described in Exhibit "A" attached hereto and made a part hereof, and having delivered same to Security Title Agency, Jason Bryant, Escrow Agent, said agent is directed to deliver said conveyance to the CITY OF GLENDALE; title to said property to pass upon the acceptance of delivery and possession by the CITY OF GLENDALE.

THIS PURCHASE AGREEMENT SHALL SERVE AS THE ESCROW INSTRUCTIONS

The Escrow Agent shall first apply the purchase price on deposit to satisfy such taxes, mortgage claims, leasehold interests, special assessments, fines, fees or charges to be paid to the homeowners association and other encumbrances as may be authorized for payment, and the balance thereof shall be paid in accordance with the terms hereof. If the subject property is encumbered with Covenants, Conditions and Restrictions, the Escrow Agent shall send a Notice of Pending Sale pursuant to A.R.S. 33-1806.

The Grantor agrees that should further encumbrances be attached to this property subject to this transaction during the escrow period, including but not limited to, monetary liens, leases, easements and permits, Grantor shall remain responsible for any damages in the event of non-compliance.

The Escrow Agent is to withhold \$ -0- as a security and/or site-clearance deposit pending satisfactory delivery of the subject property to the City by the Grantor. Grantor agrees the City may apply the security deposit to payment of any unpaid rents due the City from the Grantor, or to payment for any loss or damage sustained by the City caused by the Grantor after the date of this agreement. The City will make written authorization to the Escrow Agent for disbursement of the security deposit in accordance with this agreement, after acceptance of delivery and possession of the subject property.

The Grantor is to notify the City of Glendale of the date Grantor intends to vacate the subject property.

Instructions to Escrow Agent: Deposit all escrowed funds in escrow account and disburse same by check; pay encumbrances in accordance with this agreement; prorate all agreed items; record such escrowed instruments as are necessary or proper in the issuance of title insurance; and pay the balance of the escrowed funds to the party or parties entitled thereto. It is further understood and agreed that the Title Company shall not be responsible for any liens or encumbrances not of record at the closing of escrow.

The City of Glendale will be furnished a copy of the Grantor's closing statement with the following certification signed by an authorized officer: "This is to certify this is a true and correct statement of disbursement of funds collected from the City of Glendale."

The Escrow Agent is to request the Grantor acknowledge receipt of the amount shown on the closing statement as due Grantor. Either a copy of this request or a copy of a signed receipt is to be retained in the escrow file.

The City will pay the costs of any escrow services and/or title insurance desired by it, but may, at its option, waive escrow and/or title insurance. Upon such waiver, the references to Title Company, Escrow Agent, and title insurance herein are not applicable. If this transaction is not handled through a title company, the conveyance will be delivered direct to the City of Glendale and payment will be made direct from the Grantee to the Grantor after approval and acceptance by the Director of the City of Glendale and the final filing and recording of the documents.

If cost-to-cure moneys have been paid to remove or relocate improvements on the property conveyed, Grantor agrees to remove all buildings and appurtenances including fences, floors other than concrete, plumbing lines above grade, and all combustible material not later than 30 days from the date of payment. The Grantor assumes all liability connected with said removal. It is further agreed that upon expiration of the time provided for removal, all improvements remaining partially or wholly upon the lands conveyed shall become the property of the City of Glendale, and all rights of the Grantor to said improvements shall cease and terminate. Grantor shall be liable for the reasonable costs incurred in removing said improvements. License is hereby granted to the City of Glendale to enter upon the Grantor's remaining lands where necessary to accomplish the purpose of this agreement.

If the City is acquiring only a portion of Grantor's property, then Grantor grants to the City, its agents, employees and contractors, the right to enter Grantor's remaining property as necessary for utility reconnection, driveway reconnection, facilitating removal of buildings or appurtenances where portions of acquired buildings or appurtenances are situated on Grantor's remaining property, and to facilitate sound wall construction on adjacent City -owned right of way, if required. It is further understood and agreed that this temporary right will expire and terminate thirty (30) days after completion of City's project.

Grantor agrees to allow the City entry to Grantor's remaining property on a temporary basis as reasonably required to move and construct Grantor's private irrigation ditch/pipe on Grantor's property. Such entry and construction shall be done in a manner to cause as little disruption to Grantor's property as reasonably possible. The City, at its sole cost and expense, will remove that portion of Grantor's existing irrigation ditch/pipe adjacent to the 55th Avenue roadway right of way and replace it with a similar irrigation ditch/pipe on Grantor's property. Upon commencement of the project, the City shall promptly and diligently complete construction of the irrigation ditch/pipe and install four turn out valves, subject to force majeure events and ADOT funding.

Grantor understands that they are solely responsible for all future maintenance of the irrigation ditch/pipe. Upon completion of the construction, Grantor, its successors and assigns, shall indemnify, release and hold harmless the City, and its directors, officers, employees, and agents, against and from any damage, loss or liability arising out of, resulting from or caused by the Grantor's use, operation or maintenance of the irrigation ditch/pipe. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors-in-interest, assigns, and lessees. If Grantor's property is leased to a third party, lessee's concurrence with the terms and conditions of this Agreement is required. Further, Grantor, and Grantor's successors, shall advise all successor lessees, if any, of the rights and obligations of the parties hereunder.

It is understood and agreed the consideration expressed herein is accepted by the Grantor as full and complete compensation for the interest being acquired, and in settlement for all injury or damage to the Grantor's remaining abutting lands. Further, said consideration shall constitute a waiver of any and all claims for damages or compensation to said abutting lands that may hereafter arise or result from the establishment and construction of the street in the manner proposed by the City.

City is acquiring Grantor's property through its right of eminent domain under threat of condemnation; therefore, it is not a voluntary sale in the ordinary course of real estate negotiation. Further, the settlement herein is in lieu of condemnation and not admissible as evidence of value, nor for any other evidentiary purpose, in conjunction with any judicial or administrative proceeding.

- Yes No Addendum attached hereto and made
- Notice of Pending Sale pursuant to A.R.S 33-1806.

By: Mona Cervantes
Mona Cervantes, SR/WA
Right of Way Agent, CEI

GRANTOR: Marshall C Downen & Linda K. Downen

Marshall C Downen 5-3-17
Marshall C. Downen DATE

Linda K Downen 5-3-17
Linda K. Downen DATE

CITY OF GLENDALE

_____ 20 _____

By _____
Kevin R. Phelps
City Manager

Accepted _____ Date _____
ESCROW OFFICER

LEGAL DESCRIPTION
FOR
RIGHT OF WAY
PORTION OF APN 148-28-001G

A PARCEL OF LAND SITUATED IN THE NORTHWEST QUARTER OF SECTION 20, TOWNSHIP 3 NORTH, RANGE 2 EAST OF GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AND BEING THE EAST 40 FEET OF THAT CERTAIN PROPERTY DESCRIBED IN INSTRUMENT NO. 1983-0483960, OFFICIAL RECORDS OF MARICOPA COUNTY, ARIZONA, SAID PROPERTY BEING DESCRIBED AS FOLLOWS:

THE SOUTH 330 FEET OF THE EAST 198 FEET OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 20;

SAID RIGHT OF WAY CONTAINING A COMPUTED AREA OF 13,200 SQUARE FEET OR 0.303 ACRES MORE OR LESS.

THE ATTACHED EXHIBIT 'A' IS TO BE INCLUDED AND MADE PART OF THIS DESCRIPTION.



FILE:\PROJECTS\2014\101435 Glendale DEC Grand Ave Wall Esmts\CAD\EXHIBITS\APN 148-28-001G_RW.dwg DATE: Sep. 30. 2015 TIME: 07:07 am

LINE DATA TABLE		
LINE	BEARING	DISTANCE
L1	N89°42'00"W	40.00'
L2	N00°40'12"E	330.01'
L3	S89°42'00"E	40.00'



RIGHT OF WAY AREA:
13,200 SF OR
0.303 ACRES

CACTUS ROAD

N. 1/4 COR.
SEC 20
T3N, R2E

EXISTING
45' R/W

APN 148-28-001F
INSTR 1985-0087360
DOUG PIMENTAL
PER MARICOPA
COUNTY
ASSESSORS MAP

55' R/W

APN 148-28-001Z
INSTR 2015-0439410
ORR ROXANNE GARCIA

40' R/W
PER MARICOPA
COUNTY
ASSESSORS MAP

APN 148-28-001G
INSTR 1983-0483960
MARSHALL & LINDA DOWNEN

40' R/W

5250.01' 55TH AVENUE

W. SHAW BUTTE DR.

W. DESSERT HILLS DR.

MARLBOROUGH COUNTRY METRO
UNIT THREE
BK. 197, PG. 41

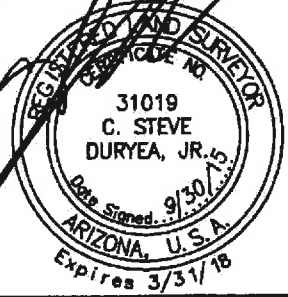
LOT 12
FINAL PLAT
RIVIERA DRIVE ESTATES
BK. 590, PG. 23

S. 1/4 COR.
SEC 20
T3N, R2E

THIS IS NOT A PROPERTY
BOUNDARY SURVEY.



Dibble
Engineering



Dibble Engineering
Project No 101436

EXHIBIT "A"
RIGHT OF WAY

A PORTION OF THE NW QUARTER SECTION 20,
T3N, R2E, GILA & SALT RIVER MERIDIAN,
MARICOPA COUNTY, ARIZONA

DATE: SEPT. 2015
DRN: BAR
CHK: JPG

PAGE 2 OF 2

LEGAL DESCRIPTION
FOR
TEMPORARY CONSTRUCTION AGREEMENT
PORTION OF APN 148-28-001G

A PARCEL OF LAND SITUATED IN THE NORTHWEST QUARTER OF SECTION 20, TOWNSHIP 3 NORTH, RANGE 2 EAST OF GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AND BEING THE WEST 10 FEET OF THE EAST 50 FEET OF THAT CERTAIN PROPERTY DESCRIBED IN INSTRUMENT NO. 1983-0483960, OFFICIAL RECORDS OF MARICOPA COUNTY, ARIZONA, SAID PROPERTY BEING DESCRIBED AS FOLLOWS:

THE SOUTH 330 FEET OF THE EAST 198 FEET OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 20;

SAID TEMPORARY CONSTRUCTION AGREEMENT CONTAINING A COMPUTED AREA OF 3,300 SQUARE FEET OR 0.075 ACRES MORE OR LESS.

THE ATTACHED EXHIBIT 'A' IS TO BE INCLUDED AND MADE PART OF THIS DESCRIPTION.



FILE:\PROJECTS\2014\101436 Glendale GEC Grand Ave Wall Exhmts\CAD\EXHIBITS\APN 148-28-001G_TCE.dwg DATE: Jan, 03 2017 TIME: 04:40 pm

LINE DATA TABLE		
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L3	N89°42'00"W	10.00'
L4	N00°40'12"E	330.01'
L5	S89°42'00"E	10.00'



AGREEMENT AREA:
3300 SF OR
0.075 ACRES

LOT REMAINDER AREA:
48,841 SF OR
1.121 ACRES

THIS IS NOT A PROPERTY
BOUNDARY SURVEY.

Dibble Engineering

Dibble Engineering
Project No 101436

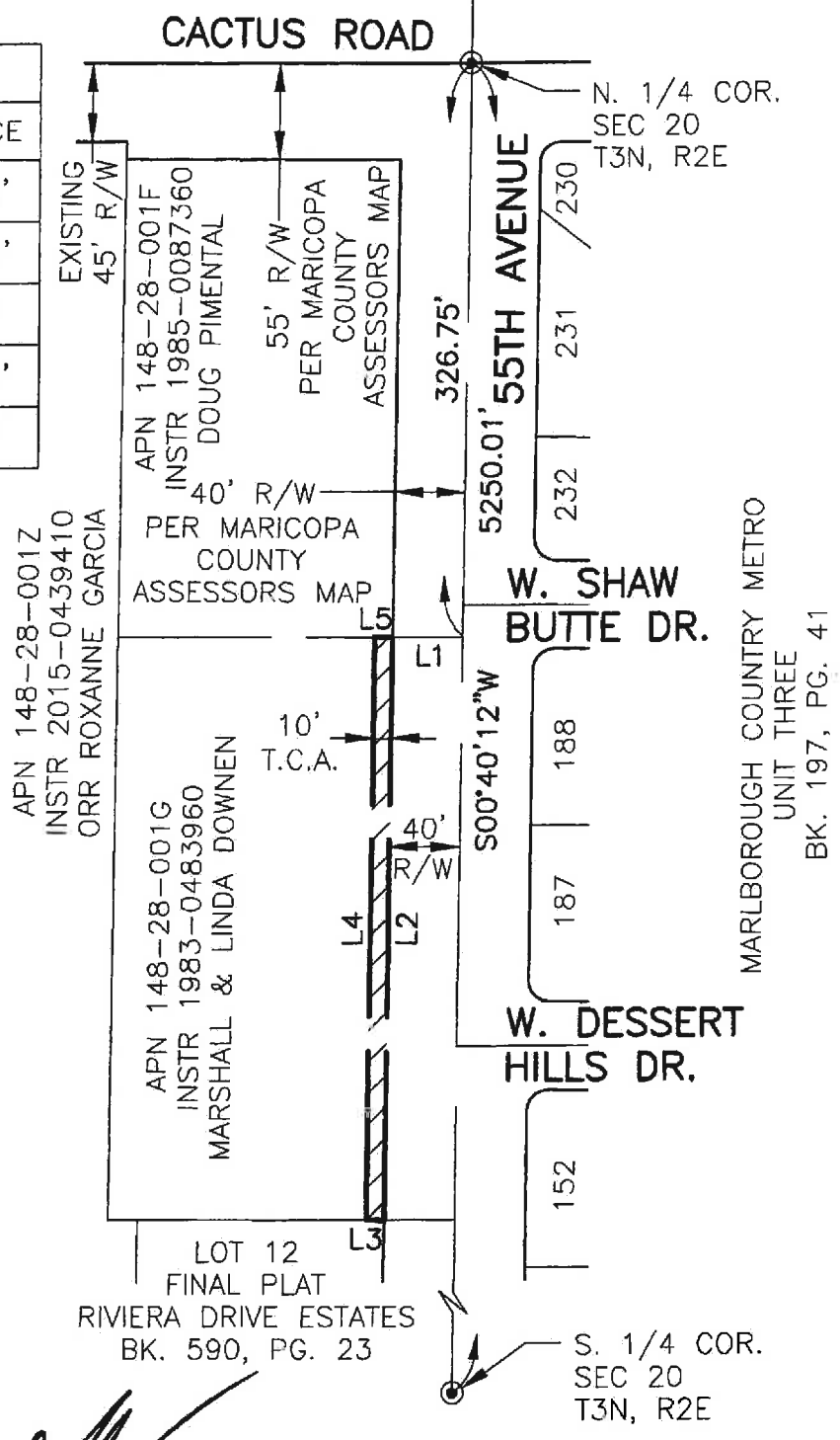
REGISTERED PROFESSIONAL SURVEYOR
31019
C. STEVE
DURYEA, JR.
Date Signed: 1/3/17
ARIZONA, U.S.A.
Expires 3/31/18

EXHIBIT "A"
TEMPORARY CONSTRUCTION AGREEMENT

A PORTION OF THE NW QUARTER SECTION 20,
T3N, R2E, GILA & SALT RIVER MERIDIAN,
MARICOPA COUNTY, ARIZONA

DATE: FEB. 2016
DRN: BAR
CHK: JPG

PAGE 2 OF 2



ADDENDUM
PURCHASE AGREEMENT
Project: 0000MA000 SZ106 01C
Section: 55th Ave. - Riviera Drive
Parcel No. 148-28-001G

Notwithstanding anything to the contrary in the printed-form Purchase Agreement to which this is an addendum, Grantor and The City of Glendale further agree as follows:

1. City of Glendale shall waive any and all permits and fees associated with the Grantors construction of a fence/block wall on this property.
2. City of Glendale shall provide Grantors with a copy of the Title Insurance Policy within 45 days after close of escrow.
- 3.
- 4.
- 5.
- 6.

GRANTOR: Marshall C. Downen & Linda K. Downen

Marshall C. Downen 5-3-17
Marshall C. Downen Date

Linda K. Downen 5-3-17
Linda K. Downen Date

Mona Cervantes
Mona Cervantes, SR/WA
Right of Way Agent

Accepted: The CITY OF GLENDALE _____ 20__

Accepted _____
ESCROW OFFICER Date

By _____
Kevin R. Phelps, City Manager

CITY OF GLENDALE
TEMPORARY CONSTRUCTION EASEMENT

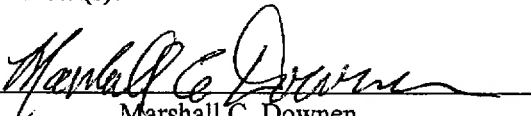
The undersigned GRANTOR, for the consideration of ONE DOLLAR AND OTHER VALUABLE CONSIDERATION, does hereby grant to the **City of Glendale**, hereinafter termed GRANTEE, an exclusive Temporary Construction Easement ("TCE") for use by its agents and contractors under GRANTEE's direction, for locating, constructing, improving, grading, landscaping and other necessary work, including the operation of equipment, and the movement of a work force, over, upon and across the described easement, together with the right of ingress and egress in connection with the construction of Project No. SZ10601C, the 55th Avenue Riviera Dr. – Cactus Rd., (the "Project"), across that certain real property situated in Maricopa County, Arizona, described as: THE ATTACHED EXHIBIT 'A' IS TO BE INCLUDED AND MADE PART OF THIS DESCRIPTION and made a part hereof (the "Property").

To the extent practicable, GRANTOR shall leave the Property in the same condition as existing immediately prior to GRANTEE's entry.

It is further understood and agreed that this TCE will commence at the onset of construction and is to expire and terminate thirty days (30) after completion of construction on the Property.

Signed on the 3 day of May, 2017.

GRANTOR(s):



Marshall C. Downen



Linda K. Downen

Accepted: City of Glendale

_____, 20

By _____
Kevin R. Phelps, City Manager

PROJECT: 0000MA000 SZ106 01C LOCATION: 55th Avenue Riviera Dr. – Cactus Rd. PARCEL: 148-28-001G

Project Number: SZ10601C

Federal Project Number: CM GLN-0-(244)T

LEGAL DESCRIPTION
FOR
TEMPORARY CONSTRUCTION AGREEMENT
PORTION OF APN 148-28-001G

A PARCEL OF LAND SITUATED IN THE NORTHWEST QUARTER OF SECTION 20, TOWNSHIP 3 NORTH, RANGE 2 EAST OF GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AND BEING THE WEST 10 FEET OF THE EAST 50 FEET OF THAT CERTAIN PROPERTY DESCRIBED IN INSTRUMENT NO. 1983-0483960, OFFICIAL RECORDS OF MARICOPA COUNTY, ARIZONA, SAID PROPERTY BEING DESCRIBED AS FOLLOWS:

THE SOUTH 330 FEET OF THE EAST 198 FEET OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 20;

SAID TEMPORARY CONSTRUCTION AGREEMENT CONTAINING A COMPUTED AREA OF 3,300 SQUARE FEET OR 0.075 ACRES MORE OR LESS.

THE ATTACHED EXHIBIT 'A' IS TO BE INCLUDED AND MADE PART OF THIS DESCRIPTION.



FILE:\PROJECTS\2014\101436 Glendale GEC Grand Ave Wall Exam\CAD\EXHIBITS\APN 148-28-001G_TCE.dwg DATE:Jan, 03 2017 TIME: 04:40 pm

LINE DATA TABLE		
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L5	S89°42'00"E	10.00'



AGREEMENT AREA:
3300 SF OR
0.075 ACRES

LOT REMAINDER AREA:
48,841 SF OR
1.121 ACRES

THIS IS NOT A PROPERTY
BOUNDARY SURVEY.

Dibble Engineering

Dibble Engineering
Project No 101436

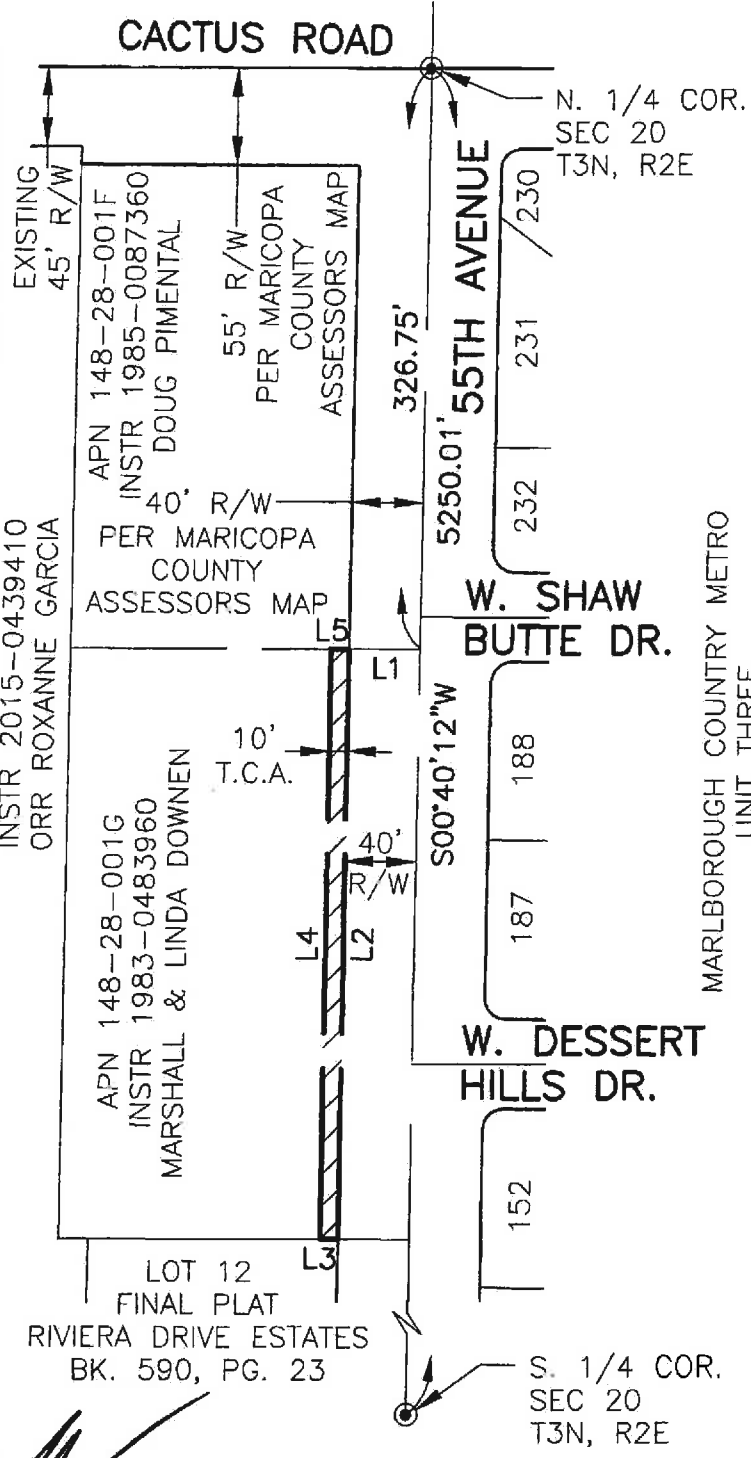
31019
C. STEVE
DURYEA, JR.
Date Signed: 1/3/17
ARIZONA, U.S.A.
Expires 3/31/18

EXHIBIT "A"
TEMPORARY CONSTRUCTION AGREEMENT

A PORTION OF THE NW QUARTER SECTION 20,
T3N, R2E, GILA & SALT RIVER MERIDIAN,
MARICOPA COUNTY, ARIZONA

DATE: FEB. 2016
DRN: BAR
CHK: JPG

PAGE 2 OF 2



ARIZONA DEPARTMENT OF TRANSPORTATION (ADOT)
RIGHT OF WAY GROUP – STATEWIDE/URBAN ACQUISITION SECTION

**SUMMARY STATEMENT OF OFFER TO PURCHASE
AND
IMPROVEMENT REPORT**

This statement accompanies our letter of 4/12/2017 and shows the basis on which the offer is made, including any settlement amount.

A. IDENTIFICATION OF THE PROPERTY

The land is identified as 12020 N 55th Ave, Glendale, Arizona 85304
Maricopa County, Arizona

also known as Assessor Parcel No(s). 148-28-001G

B. THE ESTATE OR INTEREST NEEDED

The estate(s) or interest(s) needed is/are as follows (indicated by an "X"):

<input checked="" type="checkbox"/> Fee interest (new right-of-way)	13,200	Square Feet
<input type="checkbox"/> Underlying fee interest (existing rights-of-way)		Square Feet
<input type="checkbox"/> Easement (new right-of-way)		Square Feet
<input checked="" type="checkbox"/> Temporary Construction Easement	3,300	Square Feet
<input type="checkbox"/> Temporary Construction Easement		Square Feet
<input type="checkbox"/>		Square Feet

C. THE OFFER AS JUST COMPENSATION, AND BREAKDOWN

The amount offered represents just compensation, and is the result of a review and analysis of an appraisal made by a certified real estate appraiser. If only part of the property is needed, full consideration has been given to the value of the remaining property, including items requiring compensation on a "cost-to-cure" basis, if any. The analysis of the remaining property takes into account the effect of the acquisition of the land needed, and the establishment and construction of the project. A breakdown of the offer is as follows:

Land (including improvements)	\$	48,400.00
Severance Damages to remaining property (possible on partial acquisitions only)	\$	
"Cost-to-Cure" compensation involving a facility or component on the remaining property	\$	
Temporary Construction Easement	\$	1,099.00
Total Just Compensation	\$	

D. THE IMPROVEMENTS

THE IMPROVEMENTS ASSOCIATED WITH THE PURCHASE ARE DESCRIBED AS FOLLOWS: None

It is hereby acknowledged that all buildings and other improvements listed above that are situated entirely within or partially within the Right of Way take limits are conveyed to ADOT with Rights of Entry upon the Grantors remaining land for the purpose of building removal and other improvements as noted.

E. COST TO CURE

THE COST TO CURE ASSOCIATED WITH THE PURCHASE ARE DESCRIBED AS FOLLOWS: None

COMMENTS AND/OR EXCLUSIONS:

Relocation of irrigation ditch on property

PERSONAL PROPERTY NOT ACQUIRED (INCLUDES ITEMS NOT PERMANENTLY ATTACHED):

F. THE DOCUMENTS NEEDED

Following is a summary of the documents requiring signature (indicated by "X"):

- Purchase Agreement** (this document shows the terms of the transaction, and the attached Exhibit "A" provides the exact legal description)
- Warranty/Special Warranty/Quitclaim Deed** (to be notarized)
- Extended Occupancy Agreement** **Manufactured Home**
- Right of Way Contract** (to be notarized) **Easement** (to be notarized)
- Temporary Construction Easement** **Arizona Substitute W-9 Form**
- Summary Statement of Offer to Purchase and Improvement Report** (see below)

G. SECURITY DEPOSIT INFORMATION AND ACKNOWLEDGMENT

ADOT shall withhold \$0.00 in escrow, as a security deposit, in accordance with the terms of the Purchase Agreement.

H. SUBSURFACE IMPROVEMENT STATEMENT

1. I am am not aware of the presence of any subsurface improvements (e.g., septic systems, storm cellars, ground wells) within the area of ADOT's acquisition.*
2. Well(s) Yes No Well Registration No(s): 55-
3. Irrigation Water Rights Yes No IGR Number: 58- N/A
4. Well is located within the acquisition area, outside the acquisition area.
(NOTE: If you answered yes regarding water rights, please provide a copy of the appropriate certificate if available)

*If aware of such improvements, please provide any information that may assist in locating same.

OWNER'S ACKNOWLEDGEMENT:

I/We have received and reviewed the Summary Statement of Offer to Purchase and Improvement Report. This acknowledgement is not an acceptance or rejection of the offer of just compensation.

GRANTOR

 Marshall G. Downer Date *5-3-17*

 Linda K. Downer Date *5-3-17*

WHEN RECORDED RETURN
To:
CITY OF GLENDALE
6210 WEST MYRTLE AVENUE
SUITE 111
GLENDALE AZ 85301

ESCROW NO.
EXEMPT FROM AFFIDAVIT
BY A.R.S. §11-1134-A-3

CITY OF GLENDALE
WARRANTY DEED

MARSHALL C. DOWNEN & LINDA K. DOWNEN, husband and wife, the Grantor, for the consideration of TEN DOLLARS AND OTHER VALUABLE CONSIDERATION, does hereby grant, convey and warrant to the CITY OF GLENDALE, the Grantee, that certain real property situated in Maricopa County, Arizona, more particularly described as:

**SEE EXHIBIT "A" ATTACHED HERETO
AND BY REFERENCE MADE A PART HEREOF.**

SUBJECT TO current taxes and assessments, reservations and all easements, rights of way, covenants, conditions, restrictions, liens and encumbrances of record.

PROJECT: 0000MA000 SZ106 01C LOCATION: 55th Avenue Riviera Dr. – Cactus Rd. PARCEL: 148-28-001G

Project Number: SZ10601C
Federal Project Number: CM GLN-0(244)T

Page 1 of 2

The Grantor herein, in accordance with property repurchase rights pursuant to A.R.S. §28-7099, hereby elects and agrees to the following:

Waives right of first refusal pursuant to A.R.S. §28-7099, and CITY at its election, may use, or dispose of any remaining parcel pursuant to any means permitted by law;
_____ (initial) _____ (initial)

-OR-

Possibly would re-purchase excess land, if any, and hereby requests proper notification by the Department should excess land become available;
MD (initial) LKD (initial)

IN WITNESS WHEREOF, this instrument is executed this 3rd day of May, 20 17

Marshall C Downen
(SIGNATURE)

Linda K Downen
(SIGNATURE)

BY: _____

BY: _____

ITS: _____

ITS: _____

NOTARY CERTIFICATION

Capacity claimed by signer(s)

- INDIVIDUAL(S) ATTORNEY-IN-FACT TRUSTEE(S)
- CORPORATE PARTNERSHIP GOVERNMENT OFFICER(S) OTHER

Marshall C. Downen and Linda Kathleen Downen
ENTITY(IES) REPRESENTED

TITLE OF SIGNER

STATE OF Arizona)
) SS
COUNTY OF Maricopa)

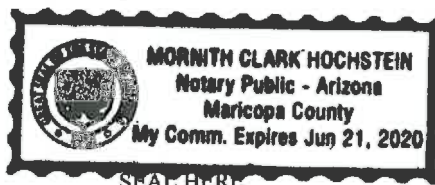
Before me, Mornith Clark Hochstein, the undersigned officer/notary
(Name of Notary)
on May 3, 2017 personally appeared _____

personally known -OR- proved to me to be the person(s) whose name (s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity on behalf of which the person(s) acted, executed the instrument.

IN WITNESS, my hand and official seal.

Mornith Clark Hochstein
(Signature of Notary)

My commission expires: June 21, 2020



SEAL HERE

Accepted: **CITY OF GLENDALE**

By: _____, 20_____
Kevin R. Phelps, City Manager, City of Glendale

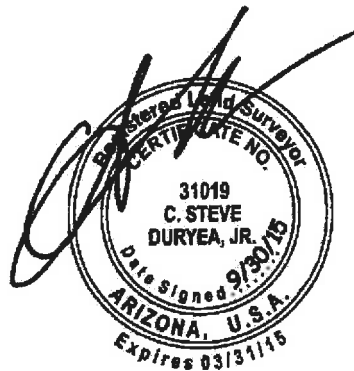
LEGAL DESCRIPTION
FOR
RIGHT OF WAY
PORTION OF APN 148-28-001G

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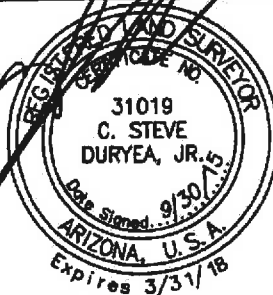
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**Dibble
Engineering**

Dibble Engineering
Project No 101436

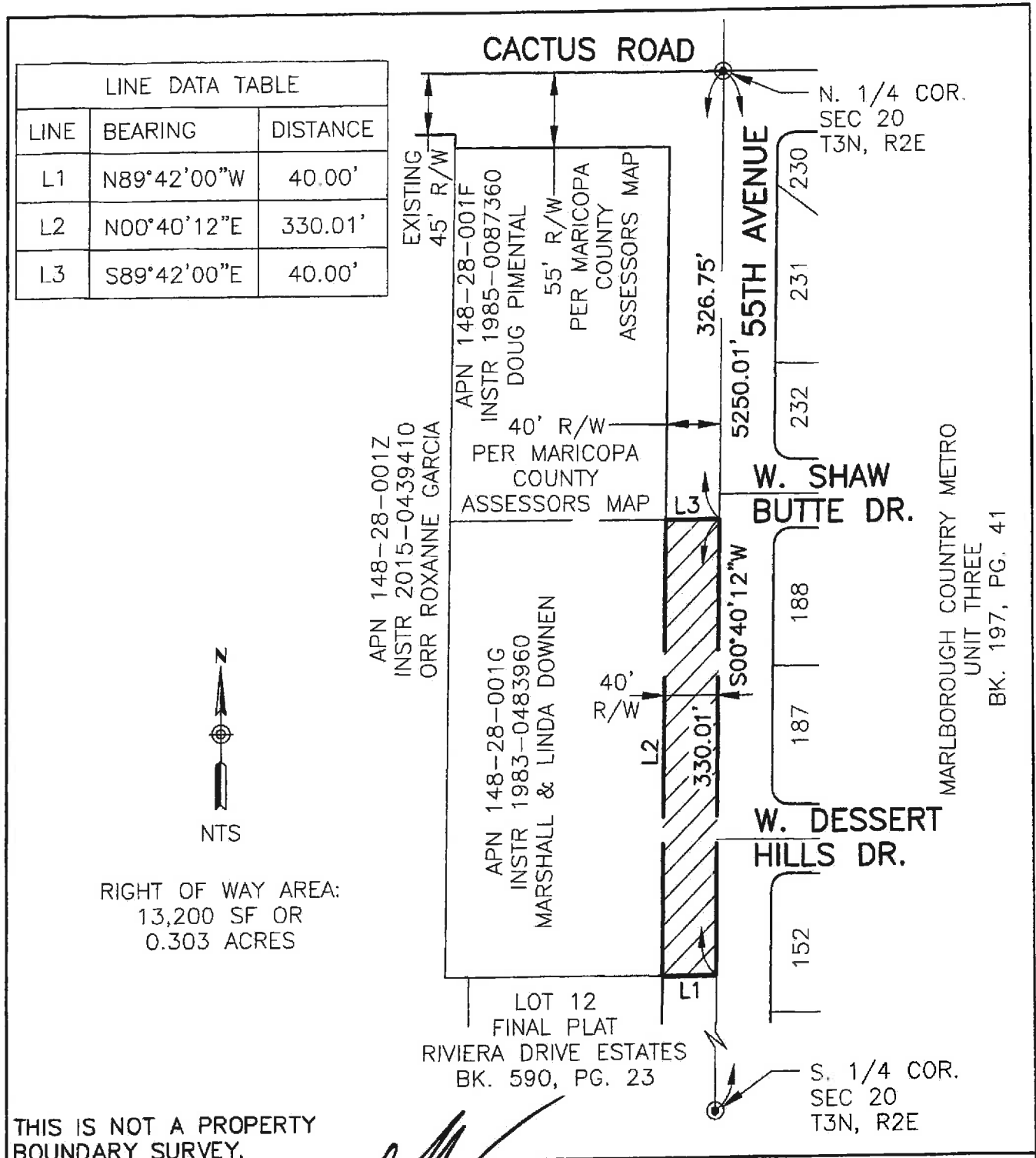


**EXHIBIT "A"
RIGHT OF WAY**

A PORTION OF THE NW QUARTER SECTION 20,
T3N, R2E, GILA & SALT RIVER MERIDIAN,
MARICOPA COUNTY, ARIZONA

DATE: SEPT. 2015
DRN: BAR
CHK: JPG

PAGE 2 OF 2



MARLBOROUGH COUNTRY METRO
UNIT THREE
BK. 197, PG. 41



Legislation Description

File #: 17-213, Version: 1

ORDINANCE NO. O17-21

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING CHAPTER 2, ARTICLE VIII, DIVISION 5, OF THE GLENDALE CITY CODE TO ABOLISH THE COMMISSION ON PERSONS WITH DISABILITIES AND CREATE A HUMAN RELATIONS COMMISSION.

Staff Contact: Nancy Mangone, Assistant City Attorney

Staff Contact: Jim Brown, Director, Human Resources and Risk Management

Purpose and Recommended Action

This is request for Council to waive reading beyond the title and adopt an ordinance to establish a City of Glendale Human Relations Commission. The Commission will be created by abolishing the existing Persons on Disabilities Commission and amending the language of Chapter 2 - Administration, Article VIII, Division 5 of the Glendale City Code.

Background

CM Aldama originally requested, as a CIOSI in a September 1, 2015 Council Workshop, that the Human Resources and Risk Management Department collect information and benchmark data on the other valley benchmark cities that have established Human Relations Commissions. The Department's benchmark data was presented to Council at a November 17, 2015 workshop. Another Council workshop followed on the February 2, 2016, where the Human Resources Director proposed that the City of Glendale create a Citizens' Human Relations and Diversity Commission. At this February workshop, Council reached consensus that the commission should be advisory in nature, should have the ability to review policies related to diversity issues, and should be able to hold a public forum in which citizens and stakeholders could be heard. At the conclusion of the workshop, the direction from Council was for staff to bring back a draft Human Relations and Diversity Commission ordinance.

At a subsequent June 7, 2016 workshop, the draft language was presented to Council. The language identified the proposed powers and duties of the Commission, as well as defined the diverse groups whose issues may be the subject of the Commission's work and recommendations. A consensus was reached on replacing and expanding the role of the Commission on Persons with Disabilities with the Diversity Commission and on the number of board members (14). Staff was directed to make further changes to the ordinance to reflect the number of members and to consult with members of the existing Disabilities Commission to determine if it was appropriate to disband or re-purpose it. After consultation with the current members of the Disabilities Commission, final language was brought back to Council for consideration

at a voting meeting.

The draft ordinance was presented for Council action at the voting meeting held on November 22, 2016. After a vigorous debate on the proposed language, the ordinance creating the Diversity Commission was tabled. CM Aldama asked that revised language be submitted as CIOSI at a subsequent workshop. A presentation with the revised language prepared at CM Aldama's direction was made to Council on April 18, 2017. At the April 18th Workshop, Council rejected CM Aldama's proposed language and instead reached consensus on alternative language proposed by CM Malnar. That language has been incorporated into the standard Ordinance template and is attached to this Report as Exhibit 1.

Analysis

Based on the direction provided by Council at prior workshops, staff provides the attached language to create a Human Relations Commission for Council adoption.

Previous Related Council Action

Council has discussed the establishment of a Human Relations in four prior workshops (November 17, 2015, February 2, 2016, June 7, 2016 and April 18, 2017) and considered, but tabled, a Human Relations Commission ordinance on November 22, 2017. Council considered different versions of language proposed by CM Aldama and CM Malnar in the April 18, 2017 workshop and reached consensus on moving the language proposed by CM Malnar forward for a vote.

Community Benefit/Public Involvement

Establishing a Human Relations Commission provides a body to advise and recommend ways to the City Council to encourage mutual respect and understanding among all people, discourage prejudice and discrimination and support unity among the community in all its diverse forms. The Commission can also recommend support of special events that promote unity.

Budget and Financial Impacts

There is no expected financial impact associated with changing the role of the Commission of Persons with Disabilities to have it become the Diversity Awareness and Human Relations Commission.

ORDINANCE NO. O17-21

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING CHAPTER 2, ARTICLE VIII, DIVISION 5, OF THE GLENDALE CITY CODE TO ABOLISH THE COMMISSION ON PERSONS WITH DISABILITIES AND CREATE A HUMAN RELATIONS COMMISSION.

WHEREAS, the City Council of the City of Glendale wishes to encourage mutual respect and understanding among all people, and discourage prejudice and discrimination in the Glendale community; and

WHEREAS, the City Council of the City of Glendale wishes to support cultural awareness and unity and special events that bring the community together; and

WHEREAS, the City Council of the City of Glendale desires to create a new commission, to be known as the Human Relations Commission, to advise the Council and make recommendations on ways to promote such unity.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That Chapter 2 – Administration, Article VIII, Division 5 is hereby amended as follows:

CHAPTER 2 – ADMINISTRATION

ARTICLE VIII

DIVISION 5. - HUMAN RELATIONS COMMISSION

Sec. 2-311. - Established.

There is hereby established within the City of Glendale a Human Relations Commission whose members shall be appointed by the City Council of the City of Glendale.

Sec. 2-312. - Members.

- (a) The Glendale Human Relations Commission shall consist of fourteen (14) members, who shall be appointed by the City Council, (two members appointed from each district, and two members at large appointed by the Mayor) to be broadly representative of the members of the community. Members of the Commission shall be residents of Glendale. The term of appointment shall be for a period of two years; however, the term of five original members shall be for a three-year term as determined by the City

Council. The chairperson and vice-chairperson shall be nominated by the government services committee for final approval by the City Council. The term of appointment for the chair and vice-chair shall be for a period of one year.

- (b) All vacancies shall be filled by the City Council for the remainder of the term of the member causing the vacancy

Sec. 2-313. - Powers and duties.

- (a) The Glendale Human Relations Commission will act as an advisory body to the Mayor and City Council by making recommendations on ways to encourage mutual respect and understanding among all people, to discourage prejudice and discrimination, and to support cultural awareness and unity of the community in all its diverse forms. The Commission may also make recommendations for special events.
- (b) The Commission may establish such rules of procedure as it deems necessary for the conduct of its business and the faithful performance of its duties. Such rules shall not be inconsistent with any provision contained in the City Code or any procedural rule adopted by the City Council or set forth in the City Charter.
- (c) The commission may establish such sub-committees as it deems necessary to assist the Commission in fulfilling its powers and duties. The members of the sub-committees shall be Glendale Human Relations Commission members and shall be appointed by the Commission. Each sub-committee shall be chaired by a member of the Commission who shall be appointed by the chairperson of the Commission. The sub-committee shall have no authority to act independent of the Commission.
- (d) A majority of the Commission shall constitute a quorum and the affirmative vote of a majority of the Commission members present and voting at a meeting shall be required to take action.
- (e) The Commission may only forward findings and recommendations to the City Council that have received an affirmative vote of the majority of its members present at a properly called Commission meeting.

SECTION 2. That the provisions of this ordinance shall become effective thirty (30) days after passage of this ordinance by the Glendale City Council.

SECTION 3. The City Clerk is instructed and authorized to forward a certified copy of this ordinance for recording to the Maricopa County Recorder's Office.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 23rd day of May, 2017.

Mayor Jerry P. Weiers

ATTEST:

Julie K. Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

REVIEWED BY:

Kevin R. Phelps, City Manager

ORDINANCE NO.

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING CHAPTER 2, ARTICLE VIII, DIVISION 5, OF THE GLENDALE CITY CODE TO ABOLISH THE COMMISSION ON PERSONS WITH DISABILITIES AND CREATE A HUMAN RELATIONS COMMISSION.

WHEREAS, the City Council of the City of Glendale wishes to encourage mutual respect and understanding among all people, and discourage prejudice and discrimination in the Glendale community; and

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WHEREAS, the City Council of the City of Glendale desires to create a new commission, to be known as the Human Relations Commission, to advise the Council and make recommendations on ways to promote such unity.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That Chapter 2 – Administration, Article VIII, Division 5 is hereby amended as follows:

CHAPTER 2 – ADMINISTRATION

ARTICLE VIII

DIVISION 5. - HUMAN RELATIONS COMMISSION

Sec. 2-311. - Established.

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Sec. 2-312. - Members.

- (a) The Glendale Human Relations Commission shall consist of fourteen (14) members, who shall be appointed by the City Council, (two members appointed from each district, and two members at large appointed by the Mayor) to be broadly representative of the members of the community. Members of the Commission shall be residents of Glendale. The term of appointment shall be for a period of two years; however, the term of five original members shall be for a three-year term as determined by the City Council. The chairperson and vice-chairperson shall be nominated by the government services

committee for final approval by the City Council. The term of appointment for the chair and vice-chair shall be for a period of one year.

- (b) All vacancies shall be filled by the City Council for the remainder of the term of the member causing the vacancy

Sec. 2-313. - Powers and duties.

- (a) The Glendale Human Relations Commission will act as an advisory body to the ~~mayor~~ Mayor and City Council council by making recommendations on ways to encourage mutual respect and understanding among all people, to discourage prejudice and discrimination, and to support cultural awareness and unity of the community in all its diverse forms. The Commission may also make recommendations for special events.
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- (~~f~~)c) The commission may establish such sub-committees as it deems necessary to assist the Commission in fulfilling its powers and duties. The members of the sub-committees shall be Glendale Human Relations Commission members and shall be appointed by the Commission. Each sub-committee shall be chaired by a member of the Commission who shall be appointed by the chairperson of the Commission. The sub-committee shall have no authority to act independent of the Commission.
- (d) A majority of the Commission shall constitute a quorum and the affirmative vote of a majority of the Commission members present and voting at a meeting shall be required to take action.
- (e) The Commission may only forward findings and recommendations to the City Council that have received an affirmative vote of the majority of its members present at a properly called ~~commission~~ Commission meeting.

~~Sec. 2-315.—Reserved.~~

SECTION 2. That the provisions of this ordinance shall become effective thirty (30) days after passage of this ordinance by the Glendale City Council.

SECTION 3. The City Clerk is instructed and authorized to forward a certified copy of this ordinance for recording to the Maricopa County Recorder's Office.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of
Glendale, Maricopa County, Arizona, this day of , 2017.

Mayor Jerry P. Weiers

ATTEST:

Julie K. Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

REVIEWED BY:

Kevin R. Phelps, City Manager



Legislation Description

File #: 17-219, Version: 1

ORDINANCE NO. O17-22

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, (1) AUTHORIZING THE EXECUTION AND DELIVERY OF A THIRD PURCHASE AGREEMENT, A THIRD TRUST AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND AN OBLIGATION PURCHASE CONTRACT; (2) APPROVING THE SALE, EXECUTION AND DELIVERY OF TRANSPORTATION EXCISE TAX REVENUE REFUNDING OBLIGATIONS IN ONE OR MORE SERIES IN ORDER TO REFUND TRANSPORTATION EXCISE TAX REVENUE OBLIGATIONS PREVIOUSLY DELIVERED TO FINANCE TRANSPORTATION IMPROVEMENTS OF THE CITY; (3) PLEDGING CERTAIN TRANSPORTATION EXCISE TAXES AND RECEIPTS IMPOSED OR RECEIVED BY THE CITY TO THE PAYMENT OF SUCH OBLIGATIONS; (4) DELEGATING TO THE ASSISTANT CITY MANAGER OR THE CHIEF FINANCIAL OFFICER OF THE CITY THE LIMITED AUTHORITY TO DESIGNATE BY SERIES THE FINAL PRINCIPAL AMOUNT, MATURITIES, INTEREST RATES AND OTHER MATTERS WITH RESPECT TO SUCH OBLIGATIONS; (5) AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS ORDINANCE, INCLUDING THE EXECUTION OF CERTAIN DOCUMENTS AND THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT AND (6) DECLARING AN EMERGENCY.

Staff Contact and Presenter: Vicki Rios, Director, Budget and Finance

Guest Presenter: Kurt Freund, Managing Director, RBC Capital Markets, LLC

Guest Presenter: Bill DeHaan, Shareholder, Greenberg Traurig, LLP

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt an ordinance authorizing the Assistant City Manager or Chief Financial Officer to execute documents and take the necessary actions to refinance a portion of City of Glendale, Arizona Transportation Excise Tax Revenue Obligations with the sale and issuance of City of Glendale, Arizona Transportation Excise Tax Revenue Refunding Obligations and Pledge Transportation Excise Tax Revenues toward the refunding obligation and declaring an emergency. Representatives from RBC Capital Markets, LLC, the city's Financial Advisor, and Greenberg Traurig, LLP, the city's Bond Counsel will be available for questions.

Background

During the FY14-15 Budget Workshops, Council directed staff to continue to examine its contractual obligations and evaluate refinancing opportunities. On October 14, 2014, Council approved an agreement with RBC Capital Markets, LLC (RBC) to be the city's Financial Advisor. RBC subsequently identified several refinancing opportunities available to the city.

Upon consultation with RBC, the city refunded a total of \$361.2 million in bonds in February and March of 2015. This resulted in \$48.1 million in net present value savings over the life of the bonds. The city also

refunded \$35 million in bonds in April of 2016 which resulted in \$4.3 million in net present value savings over the life of the bonds.

Staff has worked closely with RBC and Greenberg Traurig, LLP to develop the documentation and identify potential debt service cost savings through debt refinancing.

City of Glendale, Transportation Excise Tax Revenue Obligations

The Transportation Excise Tax Obligations are special revenue obligations of the city and were used to construct various transportation projects such as roadway widening, intersection improvements, and right-of-way acquisitions. These transportation obligations are secured and paid solely by the 0.50% transportation excise tax approved by voters on November 6, 2001.

Analysis

Based on an analysis by RBC, the Transportation Excise Tax Revenue Bonds Series 2007, par amount available to refinance of \$18,725,000, could provide debt service savings through a refinancing. The estimated net present value (NPV) savings of the refinancing, under current bond market conditions, is expected to be between \$975,000 to \$995,000 over the life of the bonds.

To accomplish this refinancing, the city intends on issuing City of Glendale, Arizona Transportation Excise Tax Revenue Refunding Obligations, Series 2017 to secure lower interest rates than the rates currently being paid on the existing bonds. The city may refinance all or a portion of the outstanding Series 2007 bonds identified above.

It is important to note that the actual debt service savings depends on bond market interest rates at the time of refinancing. As the market is subject to change, the city will only execute the transaction if, after paying all costs of issuance, net savings are realized at the time of the transaction. The proposed ordinance requires that the refinancing savings, net of all costs, shall equal at least 2.5% of the par amount of the bonds being refinanced. It is important to note that some or all of the maturities of the bonds in the series may be refunded, depending on market conditions, to realize the best savings for the city.

To achieve the lowest cost of borrowing, the obligations may be sold to a bank or a financial institution (the Bank Lender) in the form of a bank loan. If the obligations are sold to a Bank Lender, an official statement is not required and the sale will be evidenced by a certificate and receipt from the Bank Lender. If the city determines that the lending proposal from a bank or financial institution is not optimal, the bonds will be sold as municipal securities to investors in the bond market by a bond underwriter. In conjunction with the city's Financial Advisor, city staff has solicited bond underwriters through a competitive process to determine the most cost effective borrowing approach. With either option, the sale of the obligation is accounted for as a bond refunding or refinancing.

To take advantage of current interest rates, the pricing of the refunding obligations will most likely occur in June 2017. The market is anticipating that the Federal Reserve Board could raise interest rates two more times this year and the timing of those increases is uncertain. Therefore, both RBC and the city's bond counsel from Greenberg Traurig recommend the ordinance contain the language required to "declare an emergency". Without this language, there is a 30-day waiting period after Council passes the Ordinance

before the transaction can occur.

Previous Related Council Action

On November 24, 2014, the City Council adopted ordinance No. 2921 New Series authorizing the refinancing of a portion of the City of Glendale, Arizona Transportation Excise Tax Revenue Obligations.

Community Benefit/Public Involvement

Bond refinancing directly impacts the cost of borrowing (debt service costs) of the city and allows the city to structure debt service payments to its advantage. This is a complicated process involving city staff, the city's Financial advisor, the city's Bond Counsel, and other financing participants. Financial advisors have a fiduciary responsibility to the city and are critical in structuring deals that minimize costs, create financial flexibility, or address financial challenges a city may face. Bond counsel provides assurance both to issuers and to investors who purchase the bonds that all legal and tax requirements are met and works closely with city staff and the city's Financial Advisor to ensure relevant legal issues are addressed.

Budget and Financial Impacts

If savings cannot be realized, the bond refinancing will not take place. The debt service savings can only be calculated upon execution of the transaction currently anticipated for June 2017.

ORDINANCE NO. 017-22

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, (1) AUTHORIZING THE EXECUTION AND DELIVERY OF A THIRD PURCHASE AGREEMENT, A THIRD TRUST AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND AN OBLIGATION PURCHASE CONTRACT; (2) APPROVING THE SALE, EXECUTION AND DELIVERY OF TRANSPORTATION EXCISE TAX REVENUE REFUNDING OBLIGATIONS IN ONE OR MORE SERIES IN ORDER TO REFUND TRANSPORTATION EXCISE TAX REVENUE OBLIGATIONS PREVIOUSLY DELIVERED TO FINANCE TRANSPORTATION IMPROVEMENTS OF THE CITY; (3) PLEDGING CERTAIN TRANSPORTATION EXCISE TAXES AND RECEIPTS IMPOSED OR RECEIVED BY THE CITY TO THE PAYMENT OF SUCH OBLIGATIONS; (4) DELEGATING TO THE ASSISTANT CITY MANAGER OR THE CHIEF FINANCIAL OFFICER OF THE CITY THE LIMITED AUTHORITY TO DESIGNATE BY SERIES THE FINAL PRINCIPAL AMOUNT, MATURITIES, INTEREST RATES AND OTHER MATTERS WITH RESPECT TO SUCH OBLIGATIONS; (5) AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS ORDINANCE, INCLUDING THE EXECUTION OF CERTAIN DOCUMENTS AND THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT AND (6) DECLARING AN EMERGENCY.

WHEREAS, the City of Glendale, Maricopa County, Arizona (the "City") has caused to be executed and delivered Transportation Excise Tax Revenue Obligations, Series 2007 (the "2007 Obligations") pursuant to a Trust Agreement, dated as of November 1, 2007, evidencing proportionate interests of the owners of such 2007 Obligations in payments to be made by the City pursuant to a First Purchase Agreement, dated as of November 1, 2007 (the "2007 Purchase Agreement"); and

WHEREAS, the City proposes to refinance the Refunded Obligations (as defined in this Ordinance) in order to achieve debt service savings through the issuance of Transportation Excise Tax Revenue Refunding Obligations, in one or more series (the "Obligations"), evidencing proportionate interests of the owners of such Obligations in payments to be made by the City pursuant to the Purchase Agreement (as defined in this Ordinance); and

WHEREAS, the Obligations will be issued pursuant to the Trust Agreement (as defined in this Ordinance) between the City and the Trustee (as defined in this Ordinance); and

WHEREAS, pursuant to the Purchase Agreement, the City will sell to the Trustee its residual rights in the respective properties subject to the 2007 Purchase Agreement after the repayment of the applicable 2007 Obligations and repurchase such rights from the Trustee (the “Residual Rights”); and

WHEREAS, the Obligations will be secured by amounts received under the Purchase Agreement pursuant to which the City will pledge Transportation Excise Taxes on a senior lien basis on a parity with the outstanding 2015 Obligations (as such terms are defined in the Trust Agreement); and

WHEREAS, the City intends for the Obligations to be sold (i) directly to a bank or financial institution as purchaser of the Obligations (the “Bank Lender”) in the form of a bank loan (for the Bank Lender’s internal accounting purposes) evidenced by a certificate and receipt of the Bank Lender or (ii) if, based on the determination of the Assistant City Manager or the Chief Financial Officer or equivalent, an acceptable offer to directly purchase the Obligations is not received from a bank or financial institution, to one or more underwriters selected by the City (the “Underwriters”), as provided in an obligation purchase agreement (the “Purchase Contract”), in substantially the same form as that used in connection with the sale of the 2015 Obligations, with such changes as are approved by the Assistant City Manager or the Chief Financial Officer or equivalent; and

WHEREAS, if the Obligations are sold by negotiated sale to the Underwriters, the Obligations will be reoffered pursuant to the Preliminary Official Statement (as defined in this Ordinance) and the Official Statement (as defined in this Ordinance); and

WHEREAS, there have been placed on file with the City Clerk the proposed forms of the following documents: (i) a Third Purchase Agreement to be dated as of June 1, 2017, or such later date as may be determined pursuant to Section 2 of this Ordinance (the “Purchase Agreement”) by and between the City and the Trustee, (ii) a Third Trust Agreement of this Ordinance to be dated as of June 1, 2017, or such later date as may be determined pursuant to Section 2 (the “Trust Agreement”), by and between the City and the Trustee, and (iii) a continuing disclosure undertaking (the “Continuing Disclosure Undertaking”), to be executed and delivered by the City if the Obligations are sold by negotiated sale to the Underwriters; and

WHEREAS, this Council desires to authorize the execution and delivery of the Purchase Agreement, the Trust Agreement and, if the Obligations are sold by negotiated sale to the Underwriters, the Continuing Disclosure Undertaking (collectively, the “Basic Documents”) and such other documents as may be necessary in connection with the execution and delivery of said Basic Documents, the pledge of Transportation Excise Taxes for the payment of the amounts due under the Purchase Agreement and the issuance of the Obligations.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. In addition to words and terms elsewhere defined in this Ordinance, the capitalized words and terms used in this Ordinance shall have the meaning given in Article 1 of the Trust Agreement.

SECTION 2. The sale and purchase of the Residual Rights pursuant to the Purchase Agreement are approved; and the installment purchase payments (the "Purchase Payments") specified in the Purchase Agreement are approved (subject to the limitations on the source of City payments as set forth in Section 3). The Assistant City Manager and the Chief Financial Officer or equivalent are authorized and directed to execute the Basic Documents (including the Continuing Disclosure Undertaking if the Obligations are sold by negotiated sale to the Underwriters) on behalf of the City in substantially the form on file with the City Clerk with such modifications, insertions and changes as may be approved by the executing officials, which approval shall be conclusively evidenced by their execution of the Basic Documents.

SECTION 3. For the payment of the Purchase Payments due and payable under the Purchase Agreement authorized in Section 2 of this Ordinance, there are pledged, on a parity basis with the 2015 Obligations, the City's Transportation Excise Taxes. It is intended that this pledge of Transportation Excise Taxes will be sufficient to make the Purchase Payments pursuant to the Purchase Agreement and the City agrees and covenants to make said Purchase Payments from such Transportation Excise Taxes, except to the extent that it chooses to make such payments from other funds, as permitted by law. Neither the Purchase Agreement nor the promise to pay pursuant thereto nor the Obligations constitute a general obligation of the City nor shall the City be liable for the payments under the Purchase Agreement from ad valorem taxes.

SECTION 4. The City Council of the City finds and determines that the refinancing of the Refunded Obligations pursuant to the terms of the Purchase Agreement and the Trust Agreement, through the issuance and the sale of the Obligations, is in furtherance of the purposes of the City and in the public interest will enhance the standard of living within the City and within the State of Arizona (the "State").

SECTION 5. The City approves the issuance and delivery of the Obligations in an aggregate principal amount not to exceed the amount necessary to refund the Refunded Obligations and to pay costs of issuance and have an arbitrage yield for federal tax purposes of not more than five percent (5%), provided that such refinancing shall result in a present value debt service savings net of all costs associated with the Obligations of at least two and one-half percent (2.5%).

The Obligations shall be in the denomination of \$5,000 of principal or any integral multiple thereof if sold by negotiated sale to the Underwriters or in the denominations determined by the Assistant City Manager or the Chief Financial Officer or equivalent if sold to the Purchaser, shall be dated as determined by the Assistant City Manager or the Chief Financial Officer or equivalent, shall bear interest from such date payable on January 1 and July 1 of each year, commencing as determined by the Assistant City Manager or the Chief Financial Officer or equivalent, and shall be fully registered obligations without coupons. The Obligations shall mature on July 1 in the years determined by the Assistant City Manager or the Chief Financial Officer or equivalent but not later than the latest maturity of the Refunded Obligations.

The forms, terms and provisions of the Obligations and the provisions for the signatures, authentication, payment, registration, transfer, exchange and number shall be as set forth in the Trust Agreement, and, if sold to the Bank Lender, as agreed to with the Bank Lender, and are approved.

The Assistant City Manager or the Chief Financial Officer or equivalent are authorized and directed to determine on behalf of the City: (i) the principal amount of the Obligations; (ii) the final maturity schedule of the Obligations; (iii) the provisions for prepayment in advance of maturity or payment of the Obligations; (iv) the interest rates on the Obligations; (v) the sales price and terms of the purchase of the Obligations (including, if the Obligations are sold by negotiated sale to the Underwriters, the Underwriters' discount and the original issue discount or premium); (vi) the provisions for credit enhancement, if any, for the Obligations including a debt service reserve fund or surety bond; (vii) the provisions for a capitalized interest or contingency amount, if any, if deemed to be in the best interests of the City; (viii) the selection of any or all of the 2007 Obligations to be refunded (the "Refunded Obligations") and (ix) the identity of the financial institution to serve as trustee under the Trust Agreement (the "Trustee").

The provisions for redemption of the Obligations shall be as set forth in the Trust Agreement.

The forms and other terms and provisions of the Obligations and the provisions for the signatures, authentication, payment, registration, transfer, exchange, and number shall be as set forth in the Trust Agreement and are approved.

SECTION 6. The Assistant City Manager or the Chief Financial Officer or equivalent are authorized to determine whether the Obligations are to be sold to (i) the Bank Lender or (ii) the Underwriters pursuant to negotiated sale as described in the Official Statement. If it is the former, such sale will be evidenced by a certificate and receipt of the Bank Lender. If it is the latter, such sale will be evidenced by the execution and delivery of the Purchase Contract. If the Obligations are to be sold by negotiated sale to the Underwriters, the Assistant City Manager or the Chief Financial Officer or equivalent are authorized to execute and deliver the Purchase Contract, with such insertions, omissions and changes as are necessary and consistent with this Ordinance, the execution of the Purchase Contract being conclusive evidence of such approval.

SECTION 7. The forms, terms and provisions of the Basic Documents, in substantially the forms of such documents (including the exhibits thereto) on file with the City Clerk, are hereby approved. The Assistant City Manager or the Chief Financial Officer or equivalent are hereby authorized and directed to execute and deliver, and the City Clerk of the City to attest, the Basic Documents which have been approved as to form by the City Attorney, with such insertions, omissions and changes as are necessary and consistent with this Ordinance, the execution of such documents being conclusive evidence of such approval and particularly of approval and acceptance of the covenants contained in this Ordinance by the City Council of the City on behalf of the City.

SECTION 8. The Assistant City Manager or the Chief Financial Officer or equivalent are authorized to enter into such agreements as each determines necessary in conjunction with obtaining bond insurance or a reserve fund surety bond, if any and which are necessary to carry out and comply with the terms, provisions, and intent of this Ordinance.

If and to the extent applicable, all actions of the City related to preparing and distributing a form of Preliminary Official Statement, to be used if the Obligations are sold by negotiated sale to the Underwriters, in substantially the same form as that used in connection with the offer and sale of the 2015 Obligations, which may be distributed in connection with the offer and sale of the Obligations (as prepared in accordance with the terms of this Ordinance, the "Preliminary Official Statement"), are hereby approved and ratified. The portions of the Official Statement regarding the Obligations which concern and describe the City are approved and, if so necessary, the Assistant City Manager or the Chief Financial Officer or equivalent are authorized and directed to execute the same and any required certificates as to the accuracy and completeness of said Official Statement descriptions of the City.

SECTION 9. If so necessary, the Preliminary Official Statement is approved and the distribution of the same is hereby approved. If and to the extent applicable, the Preliminary Official Statement is "deemed final" (except for permitted omissions), by the City as of its date for purposes of SEC Rule 15c212(b)(1) and, if so necessary, a final official statement (the "Official Statement") will be prepared and distributed to the Underwriters for purposes of SEC Rule 15c212(b)(3) and (4). If so necessary, the Assistant City Manager or the Chief Financial Officer or equivalent are authorized and directed to complete and sign on behalf of the City and in his or her official capacity, the Official Statement, with such modifications, changes and supplements as being necessary to carry out and comply with the terms, provisions, and intent of this Ordinance. If so necessary, the Assistant City Manager or the Chief Financial Officer or equivalent are authorized to use and distribute, or authorize the use and distribution of, the Official Statement and any supplements thereto as so signed in connection with the original issuance of the Obligations as may in his or her judgment be necessary or appropriate. If and to the extent applicable, the references to the City contained in the Preliminary Official Statement and the Official Statement relating to the Obligations are authorized and approved.

SECTION 10. The Assistant City Manager, the Chief Financial Officer or equivalent and the Clerk of the City are hereby authorized and directed to do all such acts and things to execute, acknowledge and deliver all such documents (including, without limitation, tax compliance certificates, security agreements and financing statements, any amendments to such documents and all closing documents) as may in their discretion be deemed necessary or desirable to carry out and comply with the terms, provisions and intent of this Ordinance, and the Basic Documents and all exhibits to any of the foregoing. All of the acts of the officers of the City which are in conformity with the intent and purposes of this Ordinance, whether previously or in the future taken or done, shall be and the same are hereby ratified, confirmed, and approved in all respects.

SECTION 11. The City covenants that it will use, and will restrict the use and investment of, the proceeds of the Obligations in such manner and to such extent as may be necessary so that (a) the Obligations will not (i) constitute private activity bonds, arbitrage bonds

or hedge bonds under Sections 141, 148 or 149 of the Internal Revenue Code of 1986, as amended (the "Code"), or (ii) be treated other than as obligations to which Section 103(a) of the Code applies, and (b) the interest thereon will not be treated as a preference item under Section 57 of the Code. The Assistant City Manager or the Chief Financial Officer or equivalent, or any other officer having responsibility for issuance of the Obligations shall, alone or with any other necessary officer or employee or consultant to the City, give an appropriate certificate of the City, for inclusion in the transcript of proceedings for the Obligations, setting forth (i) the reasonable expectations of the City regarding the amount and use of all the proceeds of the Obligations; (ii) the facts, circumstances and estimates on which the City's expectations are based; and (iii) other facts and circumstances relevant to the tax treatment of interest on the Obligations.

The City covenants (a) that it will take or cause to be taken such actions which may be required of it for the interest on the Obligations to be and remain excluded from gross income for federal income tax purposes, (b) that it will not take or authorize to be taken any actions which would adversely affect that exclusion and (c) that it, or persons acting for it, will, among other acts of compliance: (i) apply the proceeds of the Obligations to the governmental purpose of the borrowing; (ii) restrict the yield on investment property; (iii) make timely and adequate payments to the federal government; (iv) maintain books and records and make calculations and reports; and (v) refrain from certain uses of those proceeds and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Assistant City Manager, the Chief Financial Officer, and other appropriate city officers are hereby authorized and directed to take any and all such actions, make calculations and rebate payments, and make or give such reports and certifications, as may be appropriate to assure such exclusion of that interest.

SECTION 12. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 13. All orders and ordinances or parts of such orders and ordinances inconsistent with this ordinance are waived to the extent only of such inconsistency. This waiver shall not be construed as reviving any order or ordinance or any part of such order or ordinance.

EMERGENCY CLAUSE

SECTION 14. The immediate operation of the provisions of this Ordinance is necessary for the public peace, health, and safety of the residents and citizens of the City for the reason that the obligations in this Ordinance authorized must be sold at the earliest possible time in order to obtain the most advantageous interest rate; an emergency is, therefore, declared to exist, and this Ordinance shall be in full force and effect immediately upon its passage and adoption by the Mayor and Council of the City, and it is exempt from the referendum provisions of the Constitution and laws of the State.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 23rd day of May, 2017.

Mayor Jerry P. Weiers

ATTEST:

Julie K. Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

REVIEWED BY:

Kevin R. Phelps, City Manager



Legislation Description

File #: 17-220, Version: 1

ORDINANCE NO. O17-23

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, (1) AUTHORIZING THE EXECUTION AND DELIVERY OF A THIRD PURCHASE AGREEMENT, A THIRD TRUST AGREEMENT, A DEPOSITORY TRUST AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND AN OBLIGATION PURCHASE CONTRACT; (2) APPROVING THE SALE, EXECUTION AND DELIVERY OF SUBORDINATE EXCISE TAX REVENUE REFUNDING OBLIGATIONS IN ONE OR MORE SERIES IN ORDER TO REFUND SUBORDINATE EXCISE TAX REVENUE BONDS ISSUED ON BEHALF OF THE CITY BY THE CITY OF GLENDALE MUNICIPAL PROPERTY CORPORATION; (3) PLEDGING CERTAIN EXCISE TAXES AND RECEIPTS IMPOSED OR RECEIVED BY THE CITY TO THE PAYMENT OF SUCH OBLIGATIONS; (4) DELEGATING TO THE ASSISTANT CITY MANAGER OR THE CHIEF FINANCIAL OFFICER OF THE CITY THE LIMITED AUTHORITY TO DESIGNATE BY SERIES THE FINAL PRINCIPAL AMOUNT, MATURITIES, INTEREST RATES AND OTHER MATTERS WITH RESPECT TO SUCH OBLIGATIONS; (5) AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS ORDINANCE, INCLUDING THE EXECUTION OF CERTAIN DOCUMENTS AND THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT AND (6) DECLARING AN EMERGENCY.

Staff Contact and Presenter: Vicki Rios, Director, Budget and Finance

Guest Presenter: Kurt Freund, Managing Director, RBC Capital Markets, LLC

Guest Presenter: Bill DeHaan, Shareholder, Greenberg Traurig, LLP

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt an ordinance authorizing the Assistant City Manager or Chief Financial Officer to execute documents and take the necessary actions to refinance a portion of City of Glendale, Arizona Municipal Property Corporation Subordinate Excise Tax Revenue Bonds with the sale and issuance of City of Glendale, Arizona Subordinate Excise Tax Revenue Refunding Obligations and Pledge Excise Tax Revenues toward the refunding obligation and declaring an emergency. Representatives from RBC Capital Markets, LLC, the city's Financial Advisor, and Greenberg Traurig, LLP, the city's Bond Counsel, will be available for questions.

Background

During the FY14-15 Budget Workshops, Council directed staff to continue to examine its contractual obligations and evaluate refinancing opportunities. On October 14, 2014, Council approved an agreement with RBC Capital Markets, LLC (RBC) to be the city's Financial Advisor. RBC subsequently identified several refinancing opportunities available to the city.

Upon consultation with RBC, the city refunded a total of \$361.2 million in bonds in February and March of 2015. This resulted in \$48.1 million in net present value savings over the life of the bonds. The city also

refunded \$35 million in bonds in April of 2016 which resulted in \$4.3 million in net present value savings over the life of the bonds.

Staff has worked closely with RBC and Greenberg Traurig, LLP, the city's Bond Counsel to develop the documentation and identify potential debt service cost savings through debt refinancing.

Glendale Municipal Property Corporation

A portion of the city's debt, funded by the city's General Fund, has been issued through the Glendale Municipal Property Corporation (MPC). The MPC is a non-profit corporation formed in 1982 to assist the City of Glendale in the construction and acquisition of public facilities for the city; examples include, the City Hall building and parking facilities. The MPC accomplishes this by issuing bonds which finance the public facilities with the city paying the debt service on the bonds from the city's General Fund excise (or sales) taxes. Upon final payment of the bonds, the MPC transfers the assets to the City of Glendale.

The MPC is considered a "component unit" of the City of Glendale as a) the City Council approves the selected board members, b) the City Council approves any bond sales/bond refinancing, c) debt is repaid through General Fund support, and d) the sole purpose of the MPC is to assist the city in financing public facilities. Therefore, the assets of the MPC and associated MPC debt are reported in the City of Glendale audited financial statements.

Analysis

Based on an analysis by RBC, the MPC Series 2012C, par amount available to refinance of \$75,160,000, could currently provide debt service savings through a refinancing. The estimated net present value (NPV) savings, under current market conditions) is expected to be between \$9.0 million to \$9.4 million over the term of the bonds.

To accomplish this refinancing, the city intends on issuing City of Glendale Subordinate Excise Tax Revenue Refunding Obligations to secure lower interest rates than the rates currently being paid on the existing bonds. The city may refinance all or a portion of the outstanding bonds shown above. The proposed Refunding Obligations are being issued directly by the city as opposed to through the MPC as a more direct and cost effective way to refinance the city's MPC bonds.

It is important to note that debt service savings is conditional on bond market interest rates at the time of refinancing. As the market is subject to change, the city will only execute the transaction if, after paying all costs of issuance, net savings are realized at the time of the transaction. The proposed ordinance requires that the refinancing savings, net of all costs, shall equal at least 2.5% of the par amount of the bonds being refinanced. It is important to note that some or all of the maturities of the bonds in the series may be refunded, depending on market conditions, to realize the best savings for the city. The debt service savings directly benefits the city's General Fund.

To achieve the lowest cost of borrowing, the bonds will be sold to investors through bond underwriting firms (who sell the bonds to investors in the bond market). In conjunction with the city's Financial Advisor, city staff has solicited bond underwriters through a competitive process to determine the most cost effective

borrowing approach. A Draft Preliminary Official Statement for the Subordinate Excise Tax Refunding Obligations, which provides important information about the city and its financial condition to the underwriters and potential investors, is also attached to this report. The Draft Preliminary Official Statement is substantially complete; however, as with any bond transaction, staff will continue to work with our financial advisors to update it with any changes up until the time of the bond sale.

The MPC Board adopted a resolution on November 10, 2014 supporting the refinancing of the MPC bonds and authorizing their redemption, subject to approval by the City Council.

To take advantage of current interest rates, the pricing and sale of the refunding obligations will most likely occur in June 2017. The market is anticipating that the Federal Reserve Board could raise rates two more times this year and the timing of those increases is uncertain. Therefore, both RBC and the city's bond counsel from Greenberg Traurig recommend the ordinance contain the language required to "declare an emergency". Without this language, there is a 30-day waiting period after Council passes the Ordinance before the transaction can occur.

Previous Related Council Action

On March 22, 2016, the City Council adopted an ordinance (No. 2982 New Series) authorizing the refinancing of a portion of the previously outstanding City of Glendale, Arizona Municipal Property Corporation bonds.

On November 24, 2014, the City Council adopted ordinance No. 2918 New Series authorizing the refinancing of bonds issued by the City of Glendale Municipal Property Corporation.

Community Benefit/Public Involvement

Bond refinancing directly impacts the cost of borrowing (debt service costs) of the city and allows the city to structure debt service payments to its advantage. This is a complicated process involving city staff, the city's Financial Advisor, the city's Bond Counsel, and other financing participants. Financial advisors have a fiduciary responsibility to the city and are critical in structuring deals that minimize costs, create financial flexibility, or address financial challenges a city may face. Bond counsel provides assurance both to issuers and to investors who purchase the bonds that all legal and tax requirements are met and works closely with city staff and the city's financial advisor to ensure relevant legal issues are addressed.

Budget and Financial Impacts

If savings cannot be realized, the bond refinancing will not take place. The actual debt service savings can only be calculated upon execution of the transaction.

ORDINANCE NO. O17-23

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, (1) AUTHORIZING THE EXECUTION AND DELIVERY OF A THIRD PURCHASE AGREEMENT, A THIRD TRUST AGREEMENT, A DEPOSITORY TRUST AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND AN OBLIGATION PURCHASE CONTRACT; (2) APPROVING THE SALE, EXECUTION AND DELIVERY OF SUBORDINATE EXCISE TAX REVENUE REFUNDING OBLIGATIONS IN ONE OR MORE SERIES IN ORDER TO REFUND SUBORDINATE EXCISE TAX REVENUE BONDS ISSUED ON BEHALF OF THE CITY BY THE CITY OF GLENDALE MUNICIPAL PROPERTY CORPORATION; (3) PLEDGING CERTAIN EXCISE TAXES AND RECEIPTS IMPOSED OR RECEIVED BY THE CITY TO THE PAYMENT OF SUCH OBLIGATIONS; (4) DELEGATING TO THE ASSISTANT CITY MANAGER OR THE CHIEF FINANCIAL OFFICER OF THE CITY THE LIMITED AUTHORITY TO DESIGNATE BY SERIES THE FINAL PRINCIPAL AMOUNT, MATURITIES, INTEREST RATES AND OTHER MATTERS WITH RESPECT TO SUCH OBLIGATIONS; (5) AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS ORDINANCE, INCLUDING THE EXECUTION OF CERTAIN DOCUMENTS AND THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT AND (6) DECLARING AN EMERGENCY.

WHEREAS, the City of Glendale Municipal Property Corporation, a nonprofit corporation incorporated and existing pursuant to the laws of the State of Arizona (the "Corporation") has issued several series of its Excise Tax Revenue Bonds and Excise Tax Revenue Refunding Bonds (collectively, the "Excise Tax Bonds") pursuant to a Trust Indenture dated as of October 1, 1999, as previously supplemented and amended (as so amended, the "Indenture") to the payment of which the Corporation has pledged its rights to certain of the payments owed by the City under that certain Series 1999 Lease Agreement dated as of October 1, 1999, as previously supplemented and amended (as so supplemented, the "Lease"); and

WHEREAS, the City proposes to refinance the Refunded Bonds (as defined in this ordinance) in order to achieve debt service savings through the issuance of one or more series of Obligations (as defined in this ordinance) evidencing proportionate interests of the

owners of such Obligations in payments to be made by the City in the Purchase Agreement (as defined ordinance); and

WHEREAS, the Obligations will be issued pursuant to the Trust Agreement between the City and the Trustee (as such terms are defined in this ordinance); and

WHEREAS, pursuant to the Purchase Agreement, the City will sell to the Trustee its residual rights in the respective properties subject to the Lease relating to the Bonds Being Refunded after the repayment of the applicable Excise Tax Bonds and repurchase such rights from the Trustee (the “Residual Rights”); and

WHEREAS, the Obligations will be secured by amounts received under the Purchase Agreement pursuant to which the City will pledge, on a subordinate basis, excise taxes received by the City, including the City’s sales, transaction or privilege taxes, the City’s portion of sales, transaction, privilege or income taxes imposed and collected by the State, or by any other governmental unit or agency, and the City’s other excise and franchise taxes, but excluding excise taxes, transaction privilege, franchise and income taxes of the City collected now or in the future which have been approved at an election within the City and restricted to certain uses, such as the existing City’s Public Safety Tax and Transportation Tax (“Unrestricted Excise Taxes”); and

WHEREAS, the Obligations will be sold by negotiated sale and if appropriate, may be reoffered pursuant to the Preliminary Official Statement and Official Statement (as such terms are defined in this ordinance); and

WHEREAS, the Board of Directors of the Corporation, by resolution duly adopted on November 10, 2014, has consented to the issuance and delivery of the Obligations and the execution by the Corporation of such instruments as may be necessary in accomplishing the refunding of the Refunded Bonds; and

WHEREAS, there have been presented to the City Council of the City at the meeting of the City Council of the City at which this Ordinance is being adopted, the proposed form of Preliminary Official Statement, if needed, which may be distributed in connection with the offer and sale of the Obligations (the “Preliminary Official Statement”) and there have been placed on file with the City Clerk the proposed forms of the following documents: (i) Third Purchase Agreement to be dated as of October 1, 2017 or such later date as may be determined pursuant to Section 2 of this ordinance (the “Purchase Agreement”) by and between the City and the Trustee, (ii) Third Trust Agreement to be dated as of October 1, 2017 or such later date as may be determined pursuant to Section 2 of this ordinance (the “Trust Agreement”) by and between the City and the Trustee, (iii) continuing disclosure undertaking (the “Continuing Disclosure Undertaking”), if required pursuant to Rule 15c2-12 of the Securities and Exchange Commission, and (iv) depository trust agreement to be dated as of October 1, 2017 or such later date as may be determined pursuant to Section 2 of this ordinance (the “Depository Trust Agreement”); and

WHEREAS, this Council desires to authorize the execution and delivery of the Purchase Agreement, the Trust Agreement, the Continuing Disclosure Undertaking and the Depository Trust Agreement (collectively, the “Basic Documents”) and such other documents as may be necessary in connection with the execution and delivery of said Basic Documents, the pledge of Unrestricted Excise Taxes for the payment of the amounts due under the Purchase Agreement and the issuance of the Obligations.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. In addition to words and terms elsewhere defined in this Ordinance, the capitalized words and terms used in this Ordinance shall have the meaning given in Article 1 of the Trust Agreement.

SECTION 2. The sale and purchase of the Residual Rights pursuant to the Purchase Agreement are approved; and the installment purchase payments (the “Purchase Payments”) specified in the Purchase Agreement are approved (but subject to the limitations on the source of City payments as set forth in Section 3).

SECTION 3. For the payment of the Purchase Payments due and payable under the Purchase Agreement authorized in Section 2 of this ordinance, there are pledged, on a parity basis with the Subordinate Bonds, and on a subordinate basis to the Senior Bonds (as defined in the Lease), the City’s Unrestricted Excise Taxes. It is intended that this pledge of Unrestricted Excise Taxes will be sufficient to make the Purchase Payments pursuant to the Purchase Agreement and the City agrees and covenants to make said Purchase Payments from such Unrestricted Excise Taxes, except to the extent that it chooses to make such payments from other funds, as permitted by law. Neither the Purchase Agreement nor the promise to pay pursuant to the Purchase Agreement nor the Obligations constitute a general obligation of the City nor shall the City be liable for the payments under the Purchase Agreement from ad valorem taxes.

SECTION 4. The City Council of the City finds and determines that the refinancing of the Refunded Bonds pursuant to the terms of the Purchase Agreement and the Trust Agreement, through the issuance and the sale of the Obligations, are in furtherance of the purposes of the City and in the public interest will enhance the standard of living within the City and within the State.

SECTION 5. The City approves the issuance and delivery of the Obligations in an aggregate principal amount not to exceed the amount necessary to refund the Refunded Bonds and to pay costs of issuance and have an arbitrage yield for federal tax purposes of not more than five percent (5%), provided that such refinancing shall result in a present value debt service savings net of all costs associated with the Obligations of at least two and one-half percent (2.5%).

The Obligations shall be in the denomination of \$5,000 or any integral multiple thereof, shall be dated as determined by the Assistant City Manager or Chief Financial Officer or equivalent, shall bear interest from such date payable on January 1 and July 1 of each year, commencing as determined by the Assistant City Manager or Chief Financial Officer or

equivalent, and shall be fully registered bonds without coupons. The Obligations shall mature on July 1 in the years determined by the Assistant City Manager or Chief Financial Officer or equivalent, but not later than the latest maturity of the Refunded Bonds.

The forms, terms and provisions of the Obligations and the provisions for the signatures, authentication, payment, registration, transfer, exchange and number shall be as set forth in the Trust Agreement and are approved.

The Assistant City Manager or Chief Financial Officer or equivalent are authorized and directed to determine on behalf of the City: (i) the principal amount of the Obligations; (ii) the final maturity schedule of the Obligations; (iii) the provisions for prepayment in advance of maturity or payment of the Obligations; (iv) the interest rates on the Obligations; (v) the sales price and terms of the purchase of the Obligations (including the underwriter's discount and the original issue discount or premium); (vi) the provisions for credit enhancement, if any, for the Obligations including a debt service reserve fund or surety bond; (vii) the provisions for a capitalized interest or contingency amount, if any, if deemed to be in the best interests of the City; (viii) the selection of any or all of the Corporation's outstanding Excise Tax Bonds consisting of Subordinate Excise Tax Revenue Refunding Bonds, Series 2012C and the particular maturities of bonds within such series to be refunded (the "Bonds Being Refunded") and (ix) the identity of the financial institution to serve as trustee under the Trust Agreement (the "Trustee").

The provisions for redemption of the Obligations shall be as set forth in the Trust Agreement.

The forms and other terms and provisions of the Obligations and the provisions for the signatures, authentication, payment, registration, transfer, exchange, and number shall be as set forth in the Trust Agreement and are approved.

SECTION 6. The Assistant City Manager or Chief Financial Officer or equivalent are authorized to (i) determine whether the Obligations are to be sold pursuant to negotiated sale either to one or more underwriters as described in the Official Statement or to one or more financial institutions on a private placement basis and (ii) confirm such sale through the execution and delivery of a purchase agreement in a form similar to that executed and delivered in connection with the Excise Tax Bonds. The Assistant City Manager or Chief Financial Officer or equivalent are authorized to execute and deliver such agreement in such form with such insertions, omissions and changes as are necessary and consistent with this Ordinance, the execution of such agreement being conclusive evidence of such approval.

SECTION 7. The forms, terms and provisions of the Basic Documents, in substantially the forms of such documents (including the exhibits to such documents) on file with the City Clerk, are approved. The Assistant City Manager or Chief Financial Officer or equivalent are hereby authorized and directed to execute and deliver, and the City Clerk of the City to attest, the Basic Documents which have been approved as to form by the City Attorney, with such insertions, omissions and changes as are necessary and consistent with this Ordinance, the execution of such documents being conclusive evidence of such approval and particularly of

approval and acceptance of the covenants contained therein by the City Council of the City on behalf of the City.

SECTION 8. The Assistant City Manager or Chief Financial Officer or equivalent are authorized to enter into such agreements as each determines necessary in conjunction with obtaining bond insurance or a reserve fund surety bond, if any and which are necessary to carry out and comply with the terms, provisions, and intent of this Ordinance.

All actions of the City related to preparing and distributing the Preliminary Official Statement are approved and ratified. The portions of the Official Statement regarding the Obligations which concern and describe the City are approved and the Assistant City Manager or Chief Financial Officer or equivalent are hereby authorized and directed to execute the same and any required certificates as to the accuracy and completeness of said Official Statement descriptions of the City.

SECTION 9. The Preliminary Official Statement in substantially the form submitted to the City is approved and the distribution of the same is approved. The Preliminary Official Statement is “deemed final” (except for permitted omissions), by the City as of its date for purposes of SEC Rule 15c212(b)(1) and a final official statement will be prepared and distributed to the Original Purchaser for purposes of SEC Rule 15c212(b)(3) and (4). The Assistant City Manager or Chief Financial Officer or equivalent are authorized and directed to complete and sign on behalf of the City and in his or her official capacity, the Official Statement, with such modifications, changes and supplements as being necessary to carry out and comply with the terms, provisions, and intent of this Ordinance. The Assistant City Manager or Chief Financial Officer or equivalent are authorized to use and distribute, or authorize the use and distribution of, the Official Statement and any supplements thereto as so signed in connection with the original issuance of the Obligations as may in his or her judgment be necessary or appropriate. The references to the City contained in the Preliminary Official Statement and such final Official Statement relating to the Obligations are authorized and approved.

SECTION 10. The Assistant City Manager, the Chief Financial Officer or equivalent and the Clerk of the City are authorized and directed to do all such acts and things to execute, acknowledge and deliver all such documents (including, without limitation, tax compliance certificates, security agreements and financing statements, any amendments to such documents and all closing documents) as may in their discretion be deemed necessary or desirable to carry out and comply with the terms, provisions and intent of this Ordinance, and the Basic Documents and all exhibits to any of the foregoing. All of the acts of the officers of the City which are in conformity with the intent and purposes of this Ordinance, whether previously or in the future taken or done, shall be and the same are hereby ratified, confirmed, and approved in all respects.

SECTION 11. The City covenants that it will use, and will restrict the use and investment of, the proceeds of the Obligations in such manner and to such extent as may be necessary so that (a) the Obligations will not (i) constitute private activity bonds, arbitrage bonds or hedge bonds under Section 141, 148 or 149 of the Internal Revenue Code of 1986, as amended (the “Code”), or (ii) be treated other than as bonds to which Section 103(a) of the Code applies,

and (b) the interest on the bonds will not be treated as a preference item under Section 57 of the Code. The Assistant City Manager, the Chief Financial Officer, or equivalent or any other officer having responsibility for issuance of the Obligations shall, alone or with any other necessary officer or employee or consultant to the City, give an appropriate certificate of the City, for inclusion in the transcript of proceedings for the Obligations, setting forth (i) the reasonable expectations of the City regarding the amount and use of all the proceeds of the Obligations; (ii) the facts, circumstances and estimates on which the City's expectations are based; and (iii) other facts and circumstances relevant to the tax treatment of interest on the Obligations.

The City covenants (a) that it will take or cause to be taken such actions which may be required of it for the interest on the Obligations to be and remain excluded from gross income for federal income tax purposes, (b) that it will not take or authorize to be taken any actions which would adversely affect that exclusion and (c) that it, or persons acting for it, will, among other acts of compliance; (i) apply the proceeds of the Obligations to the governmental purpose of the borrowing; (ii) restrict the yield on investment property; (iii) make timely and adequate payments to the federal government; (iv) maintain books and records and make calculations and reports; and (v) refrain from certain uses of those proceeds and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Assistant City Manager, the Chief Financial Officer or equivalent and other appropriate City officers are authorized and directed to take any and all such actions, make calculations and rebate payments, and make or give such reports and certifications, as may be appropriate to assure such exclusion of that interest.

SECTION 12. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 13. All orders and Ordinances or parts thereof inconsistent herewith are hereby waived to the extent only of such inconsistency. This waiver shall not be construed as reviving any order or Ordinance or any part thereof.

EMERGENCY CLAUSE

SECTION 14. The immediate operation of the provisions of this Ordinance is necessary for the public peace, health, and safety of the residents and citizens of the City for the reason that the bonds herein authorized must be sold at the earliest possible time in order to obtain the most advantageous interest rate; an emergency is, therefore, declared to exist, and this Ordinance shall be in full force and effect immediately upon its passage and adoption by the Mayor and Council of the City of Glendale, and it is exempt from the referendum provisions of the Constitution and laws of the State.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 23rd day of May, 2017.

Mayor Jerry P. Weiers

ATTEST:

Julie K. Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

REVIEWED BY:

Kevin R. Phelps, City Manager

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2017**NEW ISSUES – BOOK-ENTRY ONLY FORM****RATINGS: See “Ratings” herein**

In the opinion of Greenberg Traurig, LLP, Special Counsel, assuming continuing compliance with certain tax covenants and the accuracy of certain representations of the City, under existing statutes, regulations, rulings and court decisions, the portion of each installment payment made by the City pursuant to the Purchase Agreement and denominated as and comprising interest pursuant to the Purchase Agreement and received by Owners of the 2017 Obligations (the “Interest Portion”) will be excludable from gross income for federal income tax purposes. The Interest Portion will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such Interest Portion will be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on certain corporations. The Interest Portion will be exempt from income taxation under the laws of the State of Arizona so long as the Interest Portion is excludable from gross income for federal income tax purposes. See “TAX MATTERS – General” herein for a description of certain other federal tax consequences of ownership of the 2017 Obligations. See also “TAX MATTERS – Original Issue Discount and Original Issue Premium” herein.

\$ _____ *

**CITY OF GLENDALE, ARIZONA
SUBORDINATE EXCISE TAX REVENUE REFUNDING OBLIGATIONS
SERIES 2017**

Dated: Date of Initial Delivery**Due: July 1, as shown on the inside front cover page**

The Subordinate Excise Tax Revenue Refunding Obligations, Series 2017 (the “2017 Obligations”) will be executed and delivered to provide funds to (i) refund the Bonds Being Refunded (as defined herein) issued on behalf of the City of Glendale, Arizona (the “City”) and (ii) pay costs relating to the execution and delivery of the 2017 Obligations. See “PLAN OF REFUNDING” herein.

The 2017 Obligations will be dated as of the date of their initial delivery thereof, will mature on July 1 of the years and in the amounts shown on the inside front cover page hereof and will bear interest from their dated date, at the rates per annum shown on the inside front cover page hereof. Interest on the 2017 Obligations will be payable on January 1 and July 1 of each year (each, an “Interest Payment Date”), commencing on January 1, 2018*.

The 2017 Obligations will be issuable only in fully registered form and, when issued, will be available to purchasers in the denominations described above, only through the book-entry system maintained by The Depository Trust Company, New York, New York (“DTC”). The 2017 Obligations will be registered initially in the name of Cede & Co., as nominee for DTC. Beneficial interests in the 2017 Obligations will be available to purchasers in amounts of \$5,000 of principal of a series due on a specific payment date and any integral multiple thereof. While the 2017 Obligations are in the book-entry system, no physical delivery of such obligations will be made to ultimate purchasers thereof and all payments of principal, premium, if any, and interest, related to such obligations will be made directly by the Trustee to DTC which, in turn, is obligated to remit such payments to its participants for subsequent distribution to beneficial owners of such obligations, as described herein.

The 2017 Obligations will represent undivided, proportionate interests in the installment payments to be made by the City pursuant to a Third Purchase Agreement, to be dated as of October 1, 2017* (the “Purchase Agreement”) between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (together with and successors in that capacity, the “Trustee”). The 2017 Obligations will be executed and delivered pursuant to a Third Trust Agreement, to be dated as of October 1, 2017* between the City and the Trustee (the “Trust Agreement”). The City’s obligation under the Purchase Agreement is a special, limited revenue obligation of the City and is payable from and is secured by a subordinate pledge of the City’s Unrestricted Excise Taxes, as described herein. The pledge for the 2017 Obligations is on a parity with the \$_____ * of Subordinate Excise Tax Obligations (as defined herein) to be outstanding following delivery of the 2017 Obligations and the pledge of certain Unrestricted Excise Taxes to the Arizona Sports and Tourism Authority and bonds or other obligations issued on a parity therewith, which lien is junior and subordinate to the lien on Unrestricted Excise Taxes pledged to the payment of the \$246,660,000 aggregate principal amount of the City’s Senior Excise Tax Obligations (as defined herein) outstanding or other obligations issued on a parity. See “SECURITY AND SOURCES OF PAYMENT OF THE 2017 OBLIGATIONS” herein. **THE 2017 OBLIGATIONS WILL BE SPECIAL, LIMITED REVENUE OBLIGATIONS OF THE CITY AND WILL BE PAYABLE SOLELY FROM THE SOURCES DESCRIBED HEREIN. THE 2017 OBLIGATIONS WILL NOT BE GENERAL OBLIGATIONS OF THE CITY OR THE STATE OF ARIZONA OR ANY POLITICAL SUBDIVISION THEREOF, AND THE FULL FAITH AND CREDIT OF THE CITY, THE STATE OF ARIZONA OR ANY POLITICAL SUBDIVISION THEREOF WILL NOT BE PLEDGED FOR THE PAYMENT OF THE 2017 OBLIGATIONS.**

The 2017 Obligations are subject to prepayment prior to their stated payment dates as described herein. See “THE 2017 OBLIGATIONS – Prepayment Provisions” herein.

SEE PAYMENT SCHEDULE AND OTHER INFORMATION ON INSIDE FRONT COVER PAGE

This cover page contains information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement, including particularly the matters discussed under the caption “CERTAIN BONDHOLDER’S RISKS,” to obtain information essential to the making of an informed investment decision.

*The 2017 Obligations are offered, when, as and if certain conditions are satisfied and subject to the legal opinion of Greenberg Traurig, LLP, Special Counsel, and certain other conditions. Certain legal matters will be passed upon for the City by Greenberg Traurig, LLP and by the City Attorney of the City. Certain legal matters will be passed upon solely for the Underwriters by _____. It is expected that the 2017 Obligations will be available for delivery through the facilities of DTC in New York, New York, on or about October 4, 2017.**

J.P. MORGAN**MORGAN STANLEY****RAMIREZ & CO., INC.**

_____, 2017.*

* Preliminary, subject to change.

\$ _____ *

CITY OF GLENDALE, ARIZONA
SUBORDINATE EXCISE TAX REVENUE REFUNDING OBLIGATIONS
SERIES 2017

PAYMENT SCHEDULE*

<u>Payment Date (July 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾ (Base 378307)</u>
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				

⁽¹⁾ CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (“CGS”) is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright© 2017 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CGS. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the City, the Underwriters (as defined herein), the Financial Advisor (as defined herein) or their agents or counsel take responsibility for the accuracy of such numbers.

*Preliminary, subject to change

CITY OF GLENDALE, ARIZONA

MAYOR AND COUNCIL

Jerry Weiers – Mayor

Bart Turner – Councilmember, Barrel District	Ian Hugh – Vice Mayor, Cactus District
Lauren Tolmachoff – Councilmember, Cholla District	Jamie Aldama – Councilmember, Ocotillo District
Ray Malnar – Councilmember, Sahuaro District	Joyce Clark – Councilmember, Yucca District

CITY ADMINISTRATIVE OFFICERS

Kevin R. Phelps, City Manager
Thomas F. Duensing, CPA, Assistant City Manager
Michael D. Bailey, City Attorney
Julie K. Bower, City Clerk
Vicki L. Rios, CPA, Budget and Finance Director

SPECIAL SERVICES

SPECIAL COUNSEL

Greenberg Traurig, LLP
Phoenix, Arizona

FINANCIAL ADVISOR

RBC Capital Markets, LLC
Phoenix, Arizona

TRUSTEE AND DEPOSITORY TRUSTEE

The Bank of New York Mellon Trust Company, N.A.
Los Angeles, California

This Official Statement, which includes the cover page, the inside front cover page and the Appendices hereto, does not constitute an offering of any security other than the original offering of the 2017 Obligations identified on the inside front cover page hereof. No dealer, broker, salesperson or other person has been authorized by the City of Glendale, Arizona (the “City”), RBC Capital Markets, LLC (the “Financial Advisor”) or the underwriters identified on the cover page hereof (the “Underwriter”) to give any information or to make any representations other than as contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing.

The information contained in this Official Statement has been obtained from the City and other sources believed to be reliable, but the accuracy or completeness of such information is not guaranteed by, and should not be construed as a promise by, any of the foregoing. The presentation of such information, including tables of receipts from taxes and other sources, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that the past experience, as shown by such financial and other information, will necessarily continue or be repeated in the future. This Official Statement contains, in part, estimates and matters of opinion, whether or not expressly stated to be such, which are not intended as statements or representations of fact or certainty, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. All forecasts, projections, assumptions, opinions or estimates are “forward looking statements,” which must be read with an abundance of caution and which may not be realized or may not occur in the future. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the City since the date hereof.

The City, Financial Advisor, Underwriters, Underwriters’ counsel and Special Counsel are not actuaries, nor have any of them performed any actuarial or other analysis of the City’s unfunded liabilities under the Arizona State Retirement System, Arizona Public Safety Personnel Retirement System or the Elected Officials Retirement Plan.

In accordance with, and as part of, their responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction, the Underwriters have reviewed the information in this Official Statement, but do not guarantee the accuracy or completeness of such information. The delivery of this Official Statement shall not imply that the information herein is correct as of any time subsequent to the date hereof.

The information contained in Appendix F – “BOOK-ENTRY-ONLY SYSTEM” has been furnished by The Depository Trust Company and no representation has been made by the City or the Underwriter, or any of their counsel or agents, as to the accuracy or completeness of such information.

The issuance and sale of the 2017 Obligations have not been registered under the Federal Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon exemptions provided thereunder by Section 3(a)2 and 3(a)12, respectively, for the issuance and sale of municipal securities; nor has the issue been qualified under the Securities Act of Arizona, in reliance upon various exemptions in such Act. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

The City has undertaken to provide continuing disclosure with respect to the 2017 Obligations as required by Rule 15c2-12 of the Securities and Exchange Commission. See “CONTINUING DISCLOSURE” and Appendix E – “FORM OF CONTINUING DISCLOSURE UNDERTAKING” herein.

In connection with this offering, the Underwriters may allow concessions or discounts from the initial public offering prices to dealers and others, and the Underwriters may overallocate or engage in transactions intended to stabilize the prices of the 2017 Obligations at levels above those which might otherwise prevail in the open market in order to facilitate their distribution. Such stabilization, if commenced, may be discontinued at any time.

The Bank of New York Mellon Trust Company, N.A., in its capacities as Trustee and Depository Trustee, has not participated in the preparation of this Official Statement and assumes no responsibility for its content.

A wide variety of other information, including financial information, concerning the City is available from publications and websites of the City and others. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded. No such information is a part of, or incorporated into, this Official Statement, except as expressly noted herein.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION.....	1
THE 2017 OBLIGATIONS	4
General Provisions	4
Prepayment Provisions	4
Notice and Procedures for Prepayment	4
Defeasance	5
PLAN OF REFUNDING	5
SCHEDULE OF MATURITIES AND PRINCIPAL AMOUNTS OF BONDS BEING REFUNDED BY THE 2017 OBLIGATIONS	6
MATHEMATICAL VERIFICATION.....	6
SOURCES AND USES OF FUNDS.....	7
SECURITY AND SOURCES OF PAYMENT FOR THE 2017 OBLIGATIONS	7
General	7
Payments	8
Debt Service Reserve Funds for Excise Tax Obligations; No Current Funding	9
Covenants Under Senior and Subordinate Agreements Pertaining to the Unrestricted Excise Taxes	9
City’s Right to Further Encumber Unrestricted Excise Taxes.....	10
Events of Default; Acceleration of Senior Excise Tax Obligations and Subordinate Excise Tax Obligations	11
Sources for Payments Under the Purchase Agreement	11
DEBT SERVICE REQUIREMENTS	17
Subordinate Excise Tax Obligations.....	17
Senior and Subordinate Excise Tax Obligations	18
[BOND INSURANCE AND RELATED RISK FACTORS].....	20
RECENT BUDGET AND FINANCIAL DEVELOPMENTS	21
General Fund.....	21
Other Operating Funds	23
Arizona Coyotes NHL Hockey Team; Management of City-Owned Arena	23
Inter-Fund Advances	21
CERTAIN BONDHOLDER’S RISKS	22
Economic Conditions in the City and the State	25
Legislative Ability to Eliminate or Reduce State-Shared Taxes	25
Potential for Future Initiatives and Referenda Affecting Unrestricted Excise Taxes	26
Limitation of Remedies	26
Terms no Longer in Effect upon Payment of Currently Outstanding Excise Tax Obligations.....	27
Forward-Looking Statements	27
City Charter Requirement for Voter Approval of Certain New Excise Taxes	27
LITIGATION	28
TAX MATTERS	28
General	28
Information Reporting and Backup Withholding	29
Original Issue Discount and Premium	29
LEGAL MATTERS	30
CANCELLATION OF CONTRACTS	30
INDEPENDENT ACCOUNTANTS.....	31
FINANCIAL ADVISOR.....	31
UNDERWRITING.....	31
CONTINUING DISCLOSURE	31
RATINGS	32
CONCLUDING STATEMENT.....	32
Appendix A - CITY OF GLENDALE, ARIZONA; GENERAL AND FINANCIAL INFORMATION	
Appendix B - AUDITED FINANCIAL STATEMENTS OF THE CITY OF GLENDALE, ARIZONA FOR THE FISCAL YEAR ENDED JUNE 30, 2016	
Appendix C - SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT AND THE PURCHASE AGREEMENT	
Appendix D - FORM OF OPINION OF SPECIAL COUNSEL	
Appendix E - FORM OF CONTINUING DISCLOSURE UNDERTAKING	
Appendix F - BOOK-ENTRY-ONLY SYSTEM	

\$ _____*

CITY OF GLENDALE, ARIZONA
SUBORDINATE EXCISE TAX REVENUE REFUNDING OBLIGATIONS
SERIES 2017

INTRODUCTION

This Official Statement, including the cover page, inside front cover page and Appendices hereto (this “Official Statement”), is provided to furnish certain information with respect to the execution and delivery of the Subordinate Excise Tax Revenue Refunding Obligations, Series 2017 (the “2017 Obligations”). The 2017 Obligations will represent undivided proportionate interests in installment payments (the “Payments”) to be made by the City of Glendale, Arizona (the “City”), pursuant to a Third Purchase Agreement to be dated as of October 1, 2017* (the “Purchase Agreement”), between the City, as buyer, and The Bank of New York Mellon Trust Company, N.A. in its capacity as trustee (together with any successors in such capacity, the “Trustee”), as seller. The City is purchasing the Residual Rights (as defined herein) in certain properties financed with the proceeds of the Bonds Being Refunded (the “Refinanced Projects”).

The 2017 Obligations will be executed and delivered pursuant to a Third Trust Agreement, dated as of October 1, 2017* (the “Trust Agreement”) between the City and the Trustee. Certain of the Trustee’s interests under the Purchase Agreement, including, without limitation, the right to receive and collect the Payments and the right to enforce the City’s obligations to make the Payments under the Purchase Agreement, will be held by the Trustee for the benefit of the registered owners of the Obligations.

Net proceeds of the 2017 Obligations will be used to (i) refund the Bonds Being Refunded (as defined herein), and (ii) pay the costs related to the execution and delivery of the 2017 Obligations. See “PLAN OF REFUNDING” herein.

The City’s obligation under the Purchase Agreement is a special, limited revenue obligation of the City and is payable from and is secured by a subordinate lien pledge of the City’s Unrestricted Excise Taxes, which are generally all excise, transaction privilege, franchise and income taxes which the City now collects, which it may collect in the future, and which are allocated or apportioned to the City by the State of Arizona (the “State”), or any political subdivision thereof, or by any other governmental unit or agency, other than Restricted Excise Taxes, which are *not* being pledged by the City. “Restricted Excise Taxes” are (i) the City’s share of any excise, transaction privilege, franchise and income taxes which under Arizona law must be expended for other purposes, such as the motor vehicle fuel tax, and (ii) excise taxes, transaction privilege, franchise and income taxes of the City collected now or hereafter which have been approved at an election within the City and restricted to certain uses, such as the City’s existing Public Safety Tax and Transportation Tax (as such terms are defined under “SECURITY AND SOURCES OF PAYMENT OF THE 2017 OBLIGATIONS – Sources for Payments - Categories of Excise Taxes - *City Transaction Privilege (Sales) Taxes*”).

The pledge for the 2017 Obligations is on a parity with the \$ _____* aggregate principal amount of Subordinate Excise Tax Obligations (as defined below) to be outstanding following the delivery of the 2017 Obligations and the pledge of certain Unrestricted Excise Taxes to the Arizona Sports and Tourism Authority, and bonds or other obligations issued on a parity therewith, which lien is junior and subordinate to the lien on Unrestricted Excise Taxes pledged to the payment of the Senior Excise Tax Obligations (defined below) outstanding in the aggregate principal amount of \$246,660,000, or other obligations issued on a parity therewith. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2017 OBLIGATIONS” herein.

THE 2017 OBLIGATIONS AND THE OBLIGATION OF THE CITY TO MAKE PAYMENTS EACH CONSTITUTE A LIMITED OBLIGATION OF THE CITY, AND NEITHER CONSTITUTES A GENERAL OBLIGATION OF THE CITY WITHIN THE MEANING OF THE CONSTITUTION OR LAWS OF THE STATE.

*Preliminary, subject to change

THE CITY'S OBLIGATION TO MAKE PAYMENTS IS NOT SUBJECT TO ANNUAL APPROPRIATION OR BUDGETING BY THE CITY NOR IS SUCH OBLIGATION SUBJECT TO ANY CONSTITUTIONAL OR STATUTORY LIMITATION ON EXPENDITURES.

The Refinanced Projects do not secure the City's obligation to make Payments under the Purchase Agreement. Neither the Trustee nor the registered Owners of any 2017 Obligation will have any right to exclude the City from the Refinanced Projects as a remedy upon the occurrence of an event of default under the Purchase Agreement, nor to have the Refinanced Projects sold. Neither the Trustee nor the registered Owners of the 2017 Obligations will have any interest in revenues derived from the Refinanced Projects, except to the extent that they constitute Unrestricted Excise Taxes, or any property interest in the Refinanced Projects.

Unless and until discontinued, the 2017 Obligations will be held in book-entry form by The Depository Trust Company, New York, New York ("DTC"), a registered securities depository, and beneficial interests therein may only be purchased and sold, and payments of principal of, premium, if any, and interest on the 2017 Obligations will be made only to beneficial owners (the "Beneficial Owners"), through participants in the DTC system. Beneficial interests in the 2017 Obligations will be available to purchasers in amounts of \$5,000 of principal of a series due on a specific payment date and any integral multiple thereof. So long as Cede & Co. is the registered Owner of the 2017 Obligations, as nominee for DTC, references in this Official Statement to "Owner" or registered Owners of the 2017 Obligations (other than with respect to the 2017 Obligations under the caption "TAX MATTERS") shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of such 2017 Obligations. See Appendix F - "BOOK-ENTRY-ONLY SYSTEM" HEREIN.

Certain capitalized terms used herein are defined under Appendix C - "SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT AND THE PURCHASE AGREEMENT - Definitions of Certain Terms."

Reference to provisions of Arizona law, whether codified in the Arizona Revised Statutes ("A.R.S.") or uncodified, or of the Arizona Constitution, are references to those provisions in their current form. Those provisions may be amended, repealed or supplemented.

As used in this Official Statement, "Debt Service" means principal, premium, if any, and interest related to the 2017 Obligations; and "State" or "Arizona" means the State of Arizona.

This Official Statement contains descriptions of the 2017 Obligations, the Purchase Agreement and the Trust Agreement. The descriptions of the 2017 Obligations, the Purchase Agreement and the Trust Agreement and other documents described in this Official Statement do not purport to be definitive or comprehensive, all references to those documents are qualified in their entirety by reference to the form of those documents, and copies of drafts thereof are available from the City prior to the delivery of the 2017 Obligations.

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The following table sets forth the Senior Excise Tax Obligations and Subordinate Excise Tax Obligations (each as defined herein) to be outstanding following execution and delivery of the 2017 Obligations.

TABLE 1
Excise Tax Obligations to be Outstanding
City of Glendale, Arizona

<u>Issue</u>	<u>Year Issued</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>
<u>Senior Excise Tax Obligations</u>			
Senior Lien Bonds (Taxable Series 2003B)	2003	\$105,260,000	\$1,480,000
Senior Lien Bonds (Series 2008A)	2008	32,315,000	2,870,000
Senior Lien Bonds (Series 2008B)	2008	52,780,000	46,065,000
Senior Lien Bonds (Series 2012A)	2012	8,665,000	8,665,000
Senior Lien Refunding Bonds (Series 2012B)	2012	39,620,000	39,620,000
Senior Lien Refunding Obligations (Series 2015A)	2015	100,430,000	100,430,000
Senior Lien Refunding Obligations (Taxable Series 2015B)	2015	13,700,000	13,700,000
Senior Lien Refunding Obligations (Series 2016)	2016	33,830,000	33,830,000
Total Senior Excise Tax Obligations Outstanding			\$246,660,000
<u>Subordinate Excise Tax Obligations</u> ⁽²⁾			
Subordinate Lien Refunding Bonds (Series 2012C)	2012	\$183,405,000	\$183,405,000
Subordinate Lien Refunding Bonds (Taxable Series 2012D)	2012	16,850,000	6,485,000
Total Existing Subordinate Lien Obligations Outstanding			\$189,890,000
Less: Subordinate Bonds Being Refunded ⁽¹⁾			(75,160,000)*
Plus: The 2017 Obligations			*
Total Subordinate Lien Obligations to be Outstanding			\$ _____ *
Grand Total			\$ _____ *

⁽¹⁾ See "PLAN OF REFUNDING" herein.

⁽²⁾ Does not include City payment obligations to the Arizona Sports and Tourism Authority in an amount equal to, but not exceeding, the Unrestricted Excise Taxes derived by the City from transactions associated with the hereinafter-described Multipurpose Facility. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2017 OBLIGATIONS – General – Subordinate Excise Tax Obligations" herein.

SOURCE: City Finance Department.

THE 2017 OBLIGATIONS

General Provisions

The 2017 Obligations will be dated as of the date of their initial delivery, and will bear interest payable semiannually on January 1 and July 1 of each year (each an “Interest Payment Date”), commencing January 1, 2018*, until their stated payment dates or prior prepayment, at the rates set forth on the inside cover page of this Official Statement. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

As described in Appendix F - “BOOK-ENTRY-ONLY SYSTEM,” the 2017 Obligations, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of DTC. So long as DTC, or its nominee Cede & Co., is the registered owner of all the 2017 Obligations, all payments on the 2017 Obligations and notices regarding the 2017 Obligations will be made directly to DTC.

Subject to the provisions summarized in Appendix F - “BOOK-ENTRY-ONLY SYSTEM,” the principal of and premium, if any, on each 2017 Obligation will be payable at the designated office of the Trustee. Interest represented by the 2017 Obligations will be paid on each Interest Payment Date by check drawn on the Trustee mailed on or before the Interest Payment Date to the registered owners as shown on the records of the Trustee as of the fifteenth day of the month immediately preceding such Interest Payment Date or, if such date is not a business day, on the next succeeding business day (the “Regular Record Date”) or the Trustee may agree with a registered Owner of \$1,000,000 or more in aggregate principal amount of the 2017 Obligations for another form of payment.

If the Trustee fails to make payments or provision for payment of interest on the 2017 Obligations when due on any Interest Payment Date, that interest shall cease to be payable to the registered Owner of such 2017 Obligations as of the applicable Regular Record Date, and when moneys become available for payment of that interest, the Trustee shall establish a Special Record Date for the payment of that interest, which shall be at least ten days prior to the proposed interest payment date, and notice of such Special Record Date shall be mailed to each registered Owner at least ten days prior to the Special Record Date.

Each 2017 Obligation will accrue interest from the Interest Payment Date next preceding the date of its execution, unless: (1) executed on an Interest Payment Date or after a Regular Record Date but before the following Interest Payment Date, in which case interest accrues from such Interest Payment Date, (2) executed on the date of initial delivery or prior to January 1, 2018*, in which case interest accrues from its dated date, or (3) payment of interest is in default, in which case interest is payable from the last date to which interest has been paid or, if none, its dated date.

Prepayment Provisions*

Optional Prepayment of the 2017 Obligations.* The 2017 Obligations maturing on and prior to July 1, 20__ will not be subject to prepayment prior to their stated payment dates. The 2017 Obligations maturing on and after July 1, 20__ will be subject to optional prepayment prior to their stated payment dates, at the direction of the City, in whole or in part in denominations of \$5,000 or integral multiples thereof from 2017 Obligations of specific payment dates selected by the City and within any stated payment date by lot as described below, on July 1, 20__ and on any date thereafter, at a prepayment price equal to the principal amount of 2017 Obligations being prepaid plus accrued interest to the date fixed for prepayment, without premium.

Notice and Procedures for Prepayment

Selection of 2017 Obligations to be Prepaid. For purposes of any prepayment of less than all 2017 Obligations of a single stated payment date and subject to the provisions described in Appendix F – “BOOK-ENTRY-ONLY SYSTEM,” the particular 2017 Obligations to be prepaid will be selected randomly by the Trustee by such method of lottery as the Trustee deems fair and appropriate.

*Preliminary, subject to change

The Trustee will cause notice of such prepayment to be given to the registered Owner of any 2017 Obligation designated for prepayment (so long as the book-entry-only system is in effect, only Cede & Co.), at the address last appearing upon the Register by mailing a copy of the prepayment notice by first-class mail, express delivery service or other means which may evidence receipt, not less than thirty (30) days prior to the prepayment date. No defect affecting any 2017 Obligation, whether in the notice of prepayment or the delivery thereof (including any failure to mail such notice), shall affect the validity of the prepayment proceedings for any other 2017 Obligations.

Notice having been properly given, the 2017 Obligations, as applicable, shall become due and payable on the prepayment date so designated and, upon presentation and surrender thereof at the place specified in the prepayment notice, the prepayment price of such 2017 Obligations shall be paid. If on the prepayment date sufficient moneys are held by the Trustee to pay the prepayment price, then and after the prepayment date interest on the 2017 Obligations, as applicable, shall cease to accrue.

A notice of optional prepayment may contain a statement that the prepayment is conditional upon receipt by the Trustee of funds on or before the date fixed for prepayment sufficient to pay the prepayment price of the 2017 Obligations so called for prepayment, and that if such funds are not available, such prepayment shall be cancelled by written notice to owners of the 2017 Obligations called for prepayment in the same manner as the original prepayment notice was mailed.

Defeasance

If the Trustee (i) pays all of the outstanding 2017 Obligations, when due, or (ii) at or prior to the stated payment dates of all 2017 Obligations, has received in trust moneys or Defeasance Obligations which are sufficient to pay the principal of, premium, if any, and interest on such 2017 Obligations, the lien of the Trust Agreement shall terminate with respect to such 2017 Obligations, except for the obligation of the Trustee to make Payments represented by such 2017 Obligations. See Appendix C - "SUMMARY OF THE CERTAIN PROVISIONS OF THE TRUST AGREEMENT AND THE PURCHASE AGREEMENT – Trust Agreement - Release of Trust Agreement and Defeasance."

PLAN OF REFUNDING*

The proceeds received from the sale of the 2017 Obligations, net of amounts used to pay costs of issuance, will be deposited into an irrevocable trust account (the "Depository Trust") held by The Bank of New York Mellon Trust Company, N.A., as depository trustee (in such capacity, the "Depository Trustee") pursuant to a Depository Trust Agreement (the "Depository Trust Agreement") by and among the City, the Depository Trustee and the City of Glendale Municipal Property Corporation (the "Corporation") as the issuer of the Bonds Being Refunded. Amounts held in the Depository Trust will be invested in obligations issued by or unconditionally guaranteed by the United States of America ("Government Obligations"), maturing in amounts and bearing interest at rates which are calculated to be sufficient to pay the interest on and the principal or redemption price of the following outstanding Subordinate Bonds (the "Bonds Being Refunded") issued by the Corporation on behalf of the City.

* Preliminary, subject to change.

**SCHEDULE OF MATURITIES AND PRINCIPAL AMOUNTS OF BONDS BEING
REFUNDED BY THE 2017 OBLIGATIONS***

Issue Series	Maturity Date (July 1)	Coupon	Principal Amount Outstanding	Obligations to be Refunded*	Redemption Price	Redemption Date*	CUSIP® (378294)
Subordinate Series 2012C	2021	5.00%	\$3,960,000	\$3,960,000	100.00%	1/1/2018	ER9
	2022	5.00%	4,470,000	4,470,000	100.00%	1/1/2018	ES7
	2023	5.00%	4,635,000	4,635,000	100.00%	1/1/2018	ET5
	2024	5.00%	4,220,000	4,220,000	100.00%	1/1/2018	EU2
	2025	5.00%	4,380,000	4,380,000	100.00%	1/1/2018	EV0
	2026	5.00%	4,540,000	4,540,000	100.00%	1/1/2018	EW8
	2027	5.00%	7,360,000	7,360,000	100.00%	1/1/2018	EX6
	2028	5.00%	7,670,000	7,670,000	100.00%	1/1/2018	EY4
	2029	5.00%	7,955,000	7,955,000	100.00%	1/1/2018	EZ1
	2030	5.00%	8,295,000	8,295,000	100.00%	1/1/2018	FA5
	2031	5.00%	3,000,000	3,000,000	100.00%	1/1/2018	FB3
	2032	5.00%	14,675,000	14,675,000	100.00%	1/1/2018	FE7
				<u>\$75,160,000</u>	<u>\$75,160,000</u>		

Upon delivery of the 2017 Obligations and the deposit of funds into the Depository Trust, the Bonds Being Refunded will no longer be considered outstanding under their respective indentures and will no longer be secured by Unrestricted Excise Taxes.

The Bonds Being Refunded are being refunded in order to achieve debt service savings and to lower the City's annual payments required under the below-described Senior Agreements and Subordinate Agreements.

MATHEMATICAL VERIFICATION

Concurrently with the delivery of the 2017 Obligations, Grant Thornton LLP (the "Verification Agent"), a firm of independent certified public accountants, will deliver to the City and the Trustee its verification report indicating that it has verified, in accordance with standards established by the American Institute of Certified Public Accountants, the mathematical accuracy of computations related to the 2017 Obligations and the Bonds Being Refunded. Such computations were prepared using certain information provided by the Financial Advisor, on behalf of the City, relating to (a) the sufficiency of the anticipated receipts from the Government Obligations, to pay, when redeemed or prepaid, the principal, interest and applicable premiums, if any, on the Bonds Being Refunded and (b) the yield on the 2017 Obligations and the yield on the investments held in the Depository Trust for payment of the Bonds Being Refunded with proceeds of the 2017 Obligations.

The report of the Verification Agent will state that the scope of its engagement was limited to verifying the mathematical accuracy of the computations contained in schedules provided to it by Grant Thornton LLP and that it has no obligation to update its report because of events occurring, or data or information coming to its attention, subsequent to the date of its report.

* Preliminary, subject to change.

SOURCES AND USES OF FUNDS

Monies received from the issuance and sale of the 2017 Obligations will be applied as follows:

Sources of Funds:	
Principal Amount	_____
Net Original Issue Premium/(Discount)	_____
Total Sources	=====
Uses of Funds:	
Deposit to Depository Trust	_____
Costs of Issuance ¹	_____
Total Uses	=====

¹ Including underwriting, legal and advisory fees, printing costs, rating fees and other miscellaneous expenses relating to the execution and delivery of the 2017 Obligations.

SECURITY AND SOURCES OF PAYMENT FOR THE 2017 OBLIGATIONS

General

The 2017 Obligations will be special, limited revenue obligations, taking the form of undivided proportionate interests in the Payments. The obligation of the City to make the Payments will be limited to payment from Unrestricted Excise Taxes and will in no circumstance constitute a general obligation or a pledge of the full faith and credit of the City or the State or any political subdivisions thereof, or require the levy of, or be payable from the proceeds of any *ad valorem* property taxes. As set forth in the Purchase Agreement, the City may choose to, but is not required to, make Payments from other legally available funds of the City.

Senior Excise Tax Obligations. The pledge of Unrestricted Excise Taxes for the 2017 Obligations is subordinate to the senior lien pledge thereof to secure the following outstanding bonds issued by the Corporation (collectively, the “Senior Bonds”): the Corporation’s Excise Tax Revenue Refunding Bonds, Taxable Series 2003B (the “2003B Bonds”), Excise Tax Revenue Bonds, Series 2008A (the “2008A Bonds”), Excise Tax Revenue Bonds, Taxable Series 2008B (the “2008B Bonds,” together with the 2008A Bonds, the “2008 Bonds”), Senior Lien Excise Tax Revenue Refunding Bonds, Series 2012A (the “2012A Bonds”), and Senior Lien Excise Tax Revenue Refunding Bonds, Series 2012B (the “2012B Bonds”); and the following outstanding obligations issued by the City (collectively, the “Senior Obligations”), Senior Excise Tax Revenue Refunding Obligations, Series 2015A (the “2015A Obligations”) and Senior Excise Tax Revenue Refunding Obligations, Taxable Series 2015B (the “Taxable 2015B Obligations,” and together with the 2015A Obligations, the “2015 Obligations”), and Senior Lien Excise Tax Revenue Refunding Obligations, Series 2016 (the “2016 Obligations”) which are outstanding in the aggregate principal amount of \$246,660,000 and bonds or other obligations issued or incurred in the future on a parity therewith (collectively, the “Senior Excise Tax Obligations”), as provided in the respective agreements authorizing or relating to the issuance of Senior Excise Tax Obligations (collectively, the “Senior Agreements”). See, “Table 1 – Excise Tax Obligations to be Outstanding” herein. The lien on Unrestricted Excise Taxes under the Senior Agreements is senior and prior to the lien on Unrestricted Excise Taxes pledged to the payment of the Subordinate Excise Tax Obligations described below.

Subordinate Excise Tax Obligations. The pledge of Unrestricted Excise Taxes for the 2017 Obligations is on parity with the subordinate lien pledge to secure the following outstanding bonds issued by the Corporation (collectively, the “Subordinate Bonds”): the Corporation’s Subordinate Lien Excise Tax Revenue Refunding Bonds, Series 2012C (the “2012C Subordinate Excise Tax Bonds”) and Taxable Series 2012D Refunding Bonds (the “2012D Subordinate Excise Tax Bonds” and, together with the 2012C Subordinate Excise Tax Bonds, the “Subordinate 2012 Bonds”), which will be outstanding in the aggregate principal amount of \$_____ * following the delivery of the 2017 Obligations, and the City’s pledge of certain Unrestricted Excise Taxes to the Arizona Sports and Tourism Authority

*Preliminary, subject to change

("AzSTA") as described below, and bonds or other obligations issued or incurred in the future on a parity therewith (collectively, the "Subordinate Excise Tax Obligations"), as provided in the respective agreements authorizing or relating to the issuance of Subordinate Excise Tax Obligations (collectively, the "Subordinate Agreements"). See, "Table 1 – Excise Tax Obligations to be Outstanding" herein. The lien on Unrestricted Excise Taxes for the Subordinate Excise Tax Obligations is subordinate and junior to the lien on Unrestricted Excise Taxes pledged to the payment of the Senior Excise Tax Obligations. Pursuant to a Memorandum of Agreement, dated November 1, 2004, among the City, AzSTA and the Arizona Cardinals NFL Football Team, and in consideration for AzSTA financing certain infrastructure for a multipurpose facility located within the City and owned by AzSTA (the "Multipurpose Facility"), the City agreed to pay to AzSTA an amount equal to, but not exceeding, the Unrestricted Excise Taxes derived by the City from transactions associated with such Multipurpose Facility. The City's agreement to make such payments is secured by a subordinate lien pledge of Unrestricted Excise Taxes on a parity with the lien of the other Subordinate Excise Tax Obligations. The City's annual payments for the fiscal years ended June 30, 2012, 2013, 2014, 2015 and 2016 were \$1,776,973, \$2,154,463, \$2,236,089, \$4,609,333 and \$4,251,358, respectively. The City payment amounts began increasing in fiscal year 2013 and thereafter in part due to the 0.7% increase in the City's sale tax rate which became effective on June 12, 2012. In addition, the amounts for fiscal years 2015 and 2016 increased due to the Super Bowl being held at the Multipurpose Facility in 2015 and the College Football National Championship game in 2016. See "Sources for Payments Under the Purchase Agreement – City's Transaction Privilege (Sales) Taxes."

The 2017 Obligations and the obligation of the City to make Payments under the Purchase Agreement are not a general obligation of the City, but are a special, limited revenue obligation of the City and are payable from and are secured by a subordinate lien pledge of the City's Unrestricted Excise Taxes. See "Sources for Payments Under the Purchase Agreement" below.

Payments

Under the Purchase Agreement and other respective Subordinate Agreements authorizing or relating to the issuance of Subordinate Excise Tax Obligations, the City will be required to make monthly payments from Unrestricted Excise Taxes sufficient to pay 1/6 of the amount representing interest due on the next interest payment date and 1/12 of the amount representing principal due on the next principal payment date on the Subordinate Excise Tax Obligations and upon satisfaction of the deposit requirements under the Subordinate Agreements, then 1/6 of the amount representing interest due on the next interest payment date and 1/12 of the amount representing principal due on the next principal payment date on Subordinate Excise Tax Obligations (other than with respect to the initial principal and interest payment dates for which modified equal monthly installments will be required). In addition, the City may hereafter issue or incur additional excise tax obligations (the "Additional Subordinate Excise Tax Obligations"), either as additional bonds issued under the Subordinate Agreements or otherwise, which are payable from and secured by a pledge of Unrestricted Excise Taxes on a parity with the pledge of such taxes made for the outstanding Subordinate Excise Tax Obligations, as provided in the Subordinate Agreements, as described below under "Covenants Under Subordinate Agreements Pertaining to the Unrestricted Excise Taxes – *Covenant Regarding Maintenance of Unrestricted Excise Taxes Under Subordinate Agreements*" and "City's Right to Further Encumber Unrestricted Excise Taxes." The 2017 Obligations are subordinate to the pledge of the City's Unrestricted Excise Taxes under the 2003B Lease Supplement for the Senior 2003B Bonds, the 2008 Lease Supplement for the Senior 2008A/B Bonds, the 2012A Lease Supplement for the Senior 2012A Bonds, the 2012B Lease Supplement for the Senior 2012B Bonds, the First Purchase Agreement which secures the Senior 2015A/B Obligations, and the Second Purchase Agreement which secures the Senior 2016 Obligations, with a total aggregate principal amount of \$246,660,000* that are outstanding, and on parity with the pledge of certain Unrestricted Excise Taxes to AzSTA and the City may hereafter issue or incur additional obligations (the "Additional Subordinate Excise Tax Obligations"), which are payable from and secured by a pledge of Unrestricted Excise Taxes on a parity with the pledge of such taxes made for the outstanding Subordinate Excise Tax Obligations and on a basis which is junior and subordinate to the lien on such taxes for Senior Excise Tax Obligations, as described below under "Covenants Under Subordinate Agreements Pertaining to the Unrestricted Excise Taxes – *Senior Excise Tax Obligation Covenant Regarding Maintenance of Unrestricted Excise Taxes*" and "City's Right to Further Encumber Unrestricted Excise Taxes."

The Payments are secured by a subordinate lien claim and pledge by the City of all of the City's Unrestricted Excise Taxes, which comprise all excise, transaction privilege, franchise and income tax which it now collects, which it may collect in the future, or which are allocated or apportioned to the City by the State or any political subdivision

* Preliminary, subject to change.

thereof, or by any other governmental unit or agency, other than Restricted Excise Taxes, which are not being pledged by the City.

Debt Service Reserve Funds for Excise Tax Obligations; No Current Funding

Subordinate Excise Tax Obligations. The Trust Agreement establishes a separate Reserve Fund for the payment of the 2017 Obligations. The Reserve Fund is not currently funded and will not be funded, nor will a Reserve Fund Surety Bond be in place, on the date of issuance of the 2017 Obligations. The Trust Agreement and the Purchase Agreement provide that the City will fund the Reserve Fund, or in the alternative, deliver a Reserve Fund Surety Bond to the Trustee, if the Unrestricted Excise Taxes collected by the City during the preceding fiscal year are less than two times the Maximum Annual Debt Service on the Senior Excise Tax Obligations and the Subordinate Excise Tax Obligations. The City will determine, and provide the Trustee with a written statement of the amount of such coverage ratio prior to the January 1 following the end of each fiscal year and if the aforementioned coverage ratio of two times is not met, shall fund from Unrestricted Excise Taxes in twelve equal monthly installments on the 15th day of each month beginning January 15 until the Reserve Fund equals the Reserve Requirement (as hereinafter defined), or in the alternative, the City shall on such January 15, deliver to the Trustee a Reserve Fund Surety Bond with a value equal to the Reserve Requirement. The Reserve Requirement for 2017 Obligations shall mean the least of (i) 10% of the original principal amount of the 2017 Obligations; (ii) maximum annual debt service on the 2017 Obligations; and (iii) 125% of the average annual debt service on the 2017 Obligations. The Subordinate Agreement relating to the Subordinate 2012 Bonds requires funding of a reserve fund for the Subordinate 2012 Bonds under the same terms and conditions as the Trust Agreement, with the reserve requirement determined solely with respect to the Subordinate 2012 Bonds. Funding of a Reserve Fund for the 2017 Obligations or any other Subordinate Excise Tax Obligations will be made after funding of Bond Service Charges of Senior Excise Tax Obligations. The provisions set forth in the Trust Agreement and the Purchase Agreement related to the Reserve Fund for the 2017 Obligations will be effective only to the extent that such provision exists for any other Subordinate Excise Tax Obligations. Consequently, the City would not be required to fund a Reserve Fund once the Subordinate 2012 Bonds are no longer outstanding under the applicable Subordinate Agreement. See "CERTAIN BONDHOLDER'S RISKS – Terms No Longer in Effect upon Payment of Currently Outstanding Excise Tax Obligations."

Senior Excise Tax Obligations. The Senior Agreements relating to the currently outstanding Senior Excise Tax Obligations require funding of a reserve fund for the respective Senior Excise Tax Obligations under substantially similar terms and conditions as the Subordinate Excise Tax Obligations under the Trust Agreement, except that Unrestricted Excise Taxes collected by the City during the preceding fiscal year shall have been less than three times the Maximum Annual Debt Service on the Senior Excise Tax Obligations, with the reserve requirements determined solely with respect to the respective Senior Excise Tax Obligations. Such provisions will only be effective until the Senior Excise Tax Obligations issued prior to the 2015 Obligations are no longer outstanding under the applicable Senior Agreements.

Covenants Under Senior and Subordinate Agreements Pertaining to the Unrestricted Excise Taxes

Senior Excise Tax Obligation Covenant Regarding Maintenance of Unrestricted Excise Taxes. The City covenants in the Purchase Agreement that the Unrestricted Excise Taxes it imposes will be retained and maintained so that the amount of all Unrestricted Excise Taxes received within and for the next preceding fiscal year, will be equal to at least three times the rental or other payment requirements payable on Senior Excise Tax Obligations in the current fiscal year. The City further covenants that if such receipts for any such preceding fiscal year shall not equal three times the rental or other payment requirements of the current fiscal year, or if at any time it appears that the current receipts will not be sufficient to meet the rental or other payment requirements for Senior Excise Tax Obligations in the current fiscal year, it will, in each case to the extent permitted by law, either impose new Unrestricted Excise Taxes or will increase the rate of such taxes currently imposed in order that (i) the current receipts will be sufficient to meet all current requirements under the Purchase Agreement for payments on the Senior Excise Tax Obligations, and (ii) the current year's receipts will be reasonably calculated to attain the level required for the succeeding fiscal year's requirements.

In connection with the City's foregoing covenants, the City's Charter presently provides that voter approval would be required for the City Council to impose new City transaction privilege taxes, but no such voter approval would be required for the City Council to increase the rates on City transaction privilege taxes then in effect.

Covenant Regarding Maintenance of Unrestricted Excise Taxes Under Subordinate Agreements. In addition, the City covenants in the current Subordinate Agreements that the Unrestricted Excise Taxes it imposes will be retained and maintained so that the amount of all Unrestricted Excise Taxes received within and for the next preceding fiscal year, will be equal to at least two times the combined total rentals or other payment requirements for Senior Excise Tax Obligations and Subordinate Excise Tax Obligations in the current fiscal year. The City further covenants therein that if receipts from Unrestricted Excise Taxes for any preceding fiscal year shall not equal two times the combined total rental requirements of the current fiscal year, or if at any time it appears that the current receipts will not be sufficient to meet the rental or other payment requirements for all Senior Excise Tax Obligations and Subordinate Excise Tax Obligations in the current fiscal year, the City will, to the extent permitted by law, either impose new Unrestricted Excise Taxes or will increase the rates of such taxes currently imposed in order that (i) the current receipts will be sufficient to meet all current requirements under the Senior Excise Tax Obligations and Subordinate Excise Tax Obligations, and (ii) the current year's receipts will be reasonably calculated to attain the level as required above for the succeeding fiscal year's rental or other payment requirements.

City's Right to Further Encumber Unrestricted Excise Taxes

In the Purchase Agreement and other current Subordinate Agreements, the City retains the right to issue or incur additional obligations payable from its Unrestricted Excise Taxes, whether as Additional Subordinate Excise Tax Obligations, Additional Senior Excise Tax Obligations or obligations subordinate to the Subordinate Excise Tax Obligations ("Third Lien Obligations"), as described below. Such additional obligations may be incurred in connection with the issuance of Additional Senior Excise Tax Obligations or Additional Subordinate Excise Tax Obligation, as applicable, upon compliance with provisions of the Senior Agreements and the Subordinate Agreements for Additional Senior Excise Tax Obligations or Additional Subordinate Excise Tax Obligations, as applicable, and certain other conditions are met. However, under the Purchase Agreement and the other Subordinate Agreements, the City is permitted to issue or incur such additional excise tax obligations, whether as Additional Senior Excise Tax Obligations, Subordinate Excise Tax Obligations or Third Lien Obligations, under other documentation and without regard to the requirements of the provisions of the Senior Agreements and the Subordinate Agreements for the issuance of any such bonds, upon compliance with the requirements contained in the Purchase Agreement. See "Appendix C – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT AND THE PURCHASE AGREEMENT – The Purchase Agreement".

Conditions for the Issuance of Additional Senior Excise Tax Obligations Under Senior Agreements. Under the Purchase Agreement and the other Senior Agreements, the City covenants that it will not further encumber Unrestricted Excise Taxes pledged to the payment of Senior Excise Tax Obligations, including the Senior Bonds, unless the Unrestricted Excise Taxes collected in the next preceding fiscal year amounted to at least three times the highest combined interest and principal requirements for any succeeding twelve (12) months' period for all Senior Excise Tax Obligations and any Additional Senior Excise Tax Obligations so proposed to be secured by a pledge of such Unrestricted Excise Taxes.

The City has no current plans for issuing any Additional Senior Lien Excise Tax Obligations.

Conditions for the Issuance of Additional Excise Tax Obligations Under Subordinate Agreements. In addition, in the current Subordinate Agreements, the City covenants and agrees that, so long as any Subordinate Excise Tax Obligations remain Outstanding, including the 2017 Obligations, it will not encumber the Unrestricted Excise Taxes on a basis equal to or superior to the lien granted in the Subordinate Agreements unless the Unrestricted Excise Taxes collected in the next preceding fiscal year amounted to at least two times the Maximum Annual Debt Service for any succeeding twelve (12) months' period for all Senior Excise Tax Obligations and Subordinate Excise Tax Obligations then outstanding and any Additional Senior Excise Tax Obligations or Additional Subordinate Excise Tax Obligations so proposed to be secured by a pledge of such Unrestricted Excise Taxes on a parity with the Senior Excise Tax Obligations or the Subordinate Excise Tax Obligations, as applicable.

Notwithstanding the foregoing, the City may incur additional Subordinate Excise Tax Obligations for refunding purposes without complying with the preceding sentence if the combined principal and interest requirements for Senior Excise Tax Obligations and Subordinate Excise Tax Obligations in each fiscal year are lower as a result of the refunding.

The City has no current plans to issue any Additional Subordinate Lien Excise Tax Obligations.

Third Lien Excise Tax Obligations. None of the Senior Agreements or the Subordinate Agreements place any restriction on the City's ability to issue or incur Third Lien Excise Tax Obligations payable from and secured by a pledge of Unrestricted Excise Taxes on a basis subordinate and junior to the pledge of such Unrestricted Excise Taxes securing the Senior Excise Tax Obligations and Subordinate Excise Tax Obligations. The City currently has no plans to issue or incur such Third Lien Excise Tax Obligations, and no such Third Lien Obligations are outstanding.

Events of Default; Acceleration of Senior Excise Tax Obligations and Subordinate Excise Tax Obligations

The Trust Agreement and the other current Senior Agreements, as well as the current Subordinate Agreements provide that upon the occurrence and continuance of an Event of Default, as defined therein, the Trustee may, and upon the written request of the owners of at least twenty five percent (25%) in principal amount of each series of the Senior Excise Tax Obligations or Subordinate Excise Tax Obligations outstanding, as applicable, will, exercise certain remedies. See Appendix C - "SUMMARY OF THE CERTAIN PROVISIONS OF THE TRUST AGREEMENT AND THE PURCHASE AGREEMENT – Purchase Agreement – Default; Remedies upon Default - *Events of Default and Remedies- Senior Excise Tax Obligations*". These remedies include the acceleration of principal amounts of the Senior Excise Tax Obligations or Subordinate Excise Tax Obligations, as applicable, provided; however, the Subordinate Agreements provide that so long as the Senior Excise Tax Obligations have not been accelerated, the Subordinate Excise Tax Obligations will not be accelerated.

The provisions set forth in the Purchase Agreement related to acceleration of the 2017 Obligations will be effective only to the extent that a comparable requirement exists for any other outstanding Subordinate Obligations. Consequently, the 2017 Obligations will not be subject to acceleration once the Subordinate 2012 Bonds are no longer outstanding under the applicable Subordinate Agreement. [The City has covenanted not to issue or incur Additional Subordinate Obligations subject to acceleration as long as the Subordinate 2012 Bonds or the 2017 Obligations are Outstanding.] Similar acceleration provisions exist under the Senior Agreements with respect to the Senior Excise Tax Obligations. The currently outstanding Senior Excise Tax Obligations will not be subject to acceleration once the Senior Excise Tax Obligations issued prior to 2015 are no longer outstanding under the applicable Senior Agreements.

Sources for Payments Under the Purchase Agreement

The source of revenues for making Payments under the Purchase Agreement is Unrestricted Excise Taxes of the City, which are more fully discussed below.

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City’s Transaction Privilege (Sales) Taxes

The City’s transaction privilege (sales) tax is levied by the City upon persons on account of their business activities within the City. The amount of tax due is calculated by applying the tax rate against the gross proceeds of sales of gross income derived from the business activities shown in the table below.

**TABLE 2(a)
Transaction Privilege Taxes By Category**

<u>Category</u>	<u>Tax Rate</u>
Advertising (local).....	2.9%
Amusements	2.9
Construction Contracting.....	2.9
Hotel/Motel – 30 days or less	7.9 ⁽¹⁾
Hotel/Motel – More than 30 days	2.9
Jet Fuel	\$0.028 /gallon
Job Printing.....	2.9
Publishing.....	2.9
Rental, Leasing, Licensing of Real Property – Long-Term residential	2.2
Rental, Leasing, Licensing of Real Property – Commercial Licensing.....	2.9
Rental, Leasing, Licensing of Tangible Personal Property.....	2.9
Restaurant and Bars	3.9
Retail Sales – Items \$5,000 and Less	2.9
Retail Sales – Single Item Costing Over \$5,000.....	2.2
Retail Sales – Food for Home Consumption	2.5
Transportation and Towing	2.9
Telecommunications.....	6.1
Cable TV	0.0
Utilities	2.9
Use Tax – Items \$5,000 and Less	2.9
Use Tax – Single Item Costing Over \$5,000.....	2.2

⁽¹⁾ Consists of the 2.9% base tax rate plus a 5% transient lodging tax. 1.6% of the tax is restricted by State statutes to be used for the promotion of tourism (the “Restricted Portion of the Hotel Tax”). Accordingly, the Restricted Portion of the Hotel Tax does not constitute part of the Unrestricted Excise Taxes.

Source: City Finance Department

The City’s transaction privilege tax rate is presently 2.9% across most categories. Of the total tax rate, 0.5% (one-half of one percent) approved on April 14, 1994 and September 11, 2007 is dedicated to public safety (the “Public Safety Tax”) and 0.5% (one-half of one percent) approved on November 6, 2001 is dedicated to transportation (the “Transportation Tax”). Revenues from the Public Safety Tax, the Transportation Tax and the Restricted Portion of the Hotel Tax do *not* constitute part of the Unrestricted Excise Taxes which the City has pledged in the Purchase Agreement for payment of the 2017 Obligations. The City Council approved a 0.7% increase in the City’s general transaction privilege (sales) tax rate on June 12, 2012, effective August 1, 2012 (the “0.7% Increase”), the revenues from which are included in Unrestricted Excise Taxes.

The City’s Charter presently provides that voter approval is required for the City Council to impose new City transaction privilege taxes, but no such voter approval would be required for the City Council to increase the rates on City transaction privilege taxes then in effect. Senate Bill 1152, which was recently enacted into law, further provides that an election to seek voter approval to impose new City transaction privilege taxes may only be held at the November election date in even-numbered years.

An approximate breakdown by percentage of the City's transaction privilege (sales) tax collections, including those related to the Public Safety Tax and the Transportation Tax, which are not Unrestricted Excise Taxes, by major categories during fiscal years 2012 through 2016 are as follows:

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TABLE 2(b)
Percentage of Transaction Privilege (Sales) Tax
Revenues by Category

<u>Category</u>	<u>Fiscal Year Ended June 30</u>				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Utilities	7%	7%	7%	6%	6%
Telecommunications	5%	5%	4%	3%	3%
Restaurants and Bars	12%	11%	12%	12%	12%
Amusements	3%	2%	1%	4%	3%
Rental Real Property	12%	11%	11%	11%	11%
Contracting	5%	4%	6%	4%	3%
Retail Sales	52%	55%	55%	55%	56%
Other	4%	5%	4%	5%	6%

Source: City Finance Department

Recent Legislative Changes Regarding Municipal Excise Taxes. The City, like most larger Arizona municipalities, currently administers the collection and enforcement of its own transaction privilege (sales) taxes, including Unrestricted Excise Taxes. Chapter 255, Laws of Arizona 2013 (commonly referred to by its original bill number, HB2111), made changes to the collection process for such taxes, as well as modifying certain categories of business activity, as described below.

Beginning January 1, 2016, the Arizona Department of Revenue (“ADOR”) became the single point of administration for licensing, filing and payment of all State, county and municipal transaction privilege taxes. The law requires ADOR to establish and administer a single online portal so that taxpayers can pay all State, county or municipal transaction privilege taxes online. Starting in January 1, 2017, businesses began reporting and remitting their sales taxes to ADOR. The ADOR will process the tax returns and payments and send to the City the amounts paid and reported by Glendale taxpayers.

The law allows ADOR, subject to statutory guidelines, to disclose confidential information related to transaction privilege taxes collected by the department from any jurisdiction to any county, city or town tax official if it relates to a taxpayer who is subject to an ADOR audit. The law stipulates that taxpayers are subject to a single audit, eliminating possible subsequent or joint audits by cities and towns. The law also stipulates a variety of requirements for the audit, most of which generally require ADOR’s active involvement.

In addition, effective January 1, 2015, HB2111 also exempts from the “prime” construction contracting classification certain service contractors and design phase and professional services and modifies provisions regarding sourcing of certain transactions involving tangible personal property by providing that the sale of a motor vehicle to a nonresident delivered and intended for use outside of Arizona is exempt from state and municipal transaction privilege taxes, and removing an exemption for personal tangible property shipped or delivered directly to a location outside of the United States that is to be used in that location.

While no specific assurance can be given, the City does not expect the changes due to HB2111 to have a significant impact on the administration, collection or enforcement of the City’s transaction privilege taxes, including the Unrestricted Excise Taxes, or amounts to be collected therefrom as the ADOR currently collects transaction privilege (sales) taxes for the State and many political subdivisions in the State. It is anticipated that businesses in the City will continue to collect and remit the required transaction privilege taxes, even though payments will begin flowing through the State to the City. The Arizona cities and towns affected by this legislation are working cooperatively with the ADOR to help achieve a smooth transition of tax administration. Additional information is available at <https://www.azdor.gov/TPTSimplification.aspx>.

State Shared Sales Taxes

Pursuant to statutory formula, cities and towns in the State receive a portion of the State-levied transaction privilege (sales) tax. The State transaction privilege (sales) tax is levied against the same categories of business activity as the City’s transaction privilege (sales) tax with the exception of food sales, which the State exempts from the tax. As the table below indicates, the rate of taxation varies among the different types of business activities taxed, with the most common rate being 5.0% of the amount or volume of business transacted.

The aggregate amount distributed to all Arizona cities and towns is equal to 25% of the “distribution share” of revenues attributable to each category of taxable activity. Each city’s or town’s allocation of the revenues available to all cities and towns in the State is based on its population relative to the aggregate population of all cities and towns that is used for revenue sharing based on the latest census. State-levied transaction privilege (sales) taxes are collected by the State and are distributed monthly to cities and towns.

TABLE 3
State Sales Tax
Taxable Activities, Tax Rates and Distribution Share

<u>Taxable Activities</u>	<u>Tax Rate</u>	<u>Distribution Base</u>
Mining – Severance	2.5%	80%
Mining, Oil & Gas	3.6	32
Transportation & Towing	6.3	20
Utilities	6.3	20
Communications	6.3	20
Railroads & Aircraft	6.3	20
Publishing	6.3	20
Printing	6.3	20
Private Car/Pipelines.....	6.3	20
Contracting (prime).....	6.3	20
Restaurants and Bars.....	6.3	40
Amusements	6.3	40
Rentals/Personal Property	6.3	40
Retail ⁽¹⁾	6.3	40
Hotel/Motel.....	7.3	50
Use	6.6	0
Jet Fuel (1st 10 million Gallons).....	\$0.0335/gallon	40

⁽¹⁾ Effective July 1, 1980, sales of food for home consumption were exempted from the tax.

The amount and continued receipt of State-shared sales taxes by the City could be adversely affected by future changes in law by the State Legislature. See “CERTAIN BONDHOLDER’S RISKS - Legislative Ability to Eliminate or Reduce State-Shared Taxes” below.

Sales Tax Increase for Education Funding Purposes. On November 7, 2000, Arizona voters passed Proposition 301, which increased the State’s sales tax rate from 5% to 5.6%, effective June 1, 2001. Tax revenues received allocable to the 0.6% tax rate increase have been earmarked for educational purposes and are *not* included in the sales tax revenues shared by the State with the City.

State-Shared Income Taxes

Under current State law, cities and towns are preempted by the State from imposing a local income tax. Cities and towns are, however, entitled by statutory formula to typically receive 15.0% of the net revenues of the State personal and corporate income tax collections for the fiscal year which was two years prior to the current fiscal year. Distribution of such funds is made monthly based on the proportion of each city’s or town’s population to the total population of all incorporated cities and towns in the State as determined by the latest decennial or special census.

The State Legislature has at various times adjusted the distribution percentage. Currently, the percentage of state shared income tax received by cities and towns is 15.0%, but may be adjusted in future years. The amount and continued receipt of State-shared income taxes by the City could be adversely affected by future changes in law by the State Legislature. See “CERTAIN BONDHOLDER’S RISKS - Legislative Ability to Eliminate or Reduce State-Shared Taxes” below.

The distribution of income tax revenue is also based upon the relation of the City’s population to the total state population figure used for revenue sharing. Prior to the 2010 Census, the City had been receiving just under 5% of the State income tax and sales tax shared with cities and towns, but with the 2010 Census, the City now receives approximately 4.5% of these revenues shared with local governments.

The most significant component of State-shared revenue is income tax. It is primarily driven by personal income rather than business income as personal income tax receipts comprise about two-thirds of all the State’s income tax receipts. Income tax revenue distributions to municipalities lag collection by the State by two years.

Other Excise Tax Revenues

Cities and towns in the State have exclusive control over public rights of way dedicated to the municipality and may grant franchise agreements to and impose franchise taxes on utilities using those rights of way. A franchise may be granted only with voter approval and the term of franchises is limited to 25 years. The City has granted franchises to and imposed franchise taxes on utility and cable television providers.

The City also imposes and collects fees for licenses and permits to engage in certain activities within the City and for the right to utilize certain City property, and imposes and collects fines and forfeitures for violations of State laws or City ordinances relating to traffic, parking, animal control and other offenses.

The following table sets forth a summary of the City’s combined receipt of Unrestricted Excise Tax receipts for the last five fiscal years.

TABLE 4
City of Glendale
Unrestricted Excise Tax Receipts¹

	Fiscal Year Ended June 30				Budget
	2013⁴	2014⁴	2015⁴	2016⁵	2017⁵
City Sales Tax Revenues ^{2,3}	\$82,678,263	\$88,764,000	\$93,746,525	\$96,762,345	\$103,449,149
State-Shared Sales Taxes	18,557,531	19,734,423	20,694,671	21,482,333	22,601,416
State-Shared Income Taxes	23,159,063	25,270,933	27,445,979	27,297,178	29,376,937
Other City Excise Tax Revenues	5,381,685	5,668,472	5,466,082	5,598,509	5,485,608
TOTAL	\$129,776,542	\$139,437,828	\$147,353,257	\$151,140,365	\$160,913,110
Percent Change	32.0%	7.4%	5.7%	3.9%	6.5%

1. Figures for fiscal years 2013 through 2016 are derived from City’s financial statements which are prepared on an accrual basis, after deduction of amounts derived from the Public Safety Tax and the Transportation Tax.
2. Represents Unrestricted Sales Tax Revenues and does not include Public Safety Tax or Transportation Tax.
3. Excludes Unrestricted Sales Tax Revenues generated around the Multipurpose Facility and remitted to the AzSTA per a 2004 agreement among the City, AzSTA, and the Arizona Cardinals. Also, excludes the Restricted Portion of the Hotel Tax which by State statute must be used for the promotion of tourism and which the City uses to fund the Glendale Convention and Visitors Bureau. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2017 OBLIGATIONS – General – Subordinate Excise Tax Obligations” and Table 6 herein.
4. Includes the 0.7% Increase in the City’s transaction privilege tax, effective August 1, 2012.
5. Reflects budget for fiscal year 2017. The information presented constitutes “forward looking statements” which must be read with an abundance of caution and may not be realized or may not occur in the future.

Source: City Finance Department.

DEBT SERVICE REQUIREMENTS

Subordinate Excise Tax Obligations

The annual debt service requirements for the Subordinate Excise Tax Obligations, including the Series 2017 Obligations, are set forth below.

TABLE 5(a)
Debt Service Requirements on Subordinate Excise Tax Obligations*

Fiscal Year Ending June 30 ¹	Outstanding Subordinate Bonds Debt Service	Less: Bonds Being Refunded	2017 Obligation Debt Service			Total Subordinate Excise Tax Obligations Debt Service
			Principal	Interest ²	Total	
2017	\$8,863,193					
2018	8,863,193	\$3,758,000				
2019	10,908,193	3,758,000				
2020	13,249,000	3,758,000				
2021	12,630,250	7,718,000				
2022	12,942,250	8,030,000				
2023	12,883,750	7,971,500				
2024	12,237,000	7,324,750				
2025	12,186,000	7,273,750				
2026	12,127,000	7,214,750				
2027	14,720,000	9,807,750				
2028	14,662,000	9,749,750				
2029	14,563,500	9,651,250				
2030	14,505,750	9,593,500				
2031	14,446,000	9,533,750				
2032	14,388,500	9,476,250				
2033	14,337,250					
2034	22,532,600					
2035	22,533,050					
2036	22,531,650					
2037	22,531,850					
2038	22,531,900					

¹ The fiscal year ending June 30 includes the payment of principal and interest on the following day.

² The first interest payment date is January 1, 2018*. Interest is estimated.

*Preliminary, subject to change

Senior and Subordinate Excise Tax Obligations

The annual debt service requirements for the Senior Excise Tax Obligations and Subordinate Excise Tax Obligations, including the Series 2017 Obligations, are set forth below.

TABLE 5(b)
Debt Service Requirements on Senior and Subordinate Excise Tax Obligations*

Fiscal Year Ending June 30¹	Senior Excise Tax Obligations Debt Service	Subordinate Excise Tax Obligations Debt Service²	Total Excise Tax Obligations Debt Service
2017	\$17,303,431		
2018	18,117,563		
2019	22,353,939		
2020	21,113,864		
2021	23,663,413		
2022	23,346,777		
2023	23,409,106		
2024	24,053,435		
2025	24,102,114		
2026	24,167,589		
2027	21,569,741		
2028	21,626,099		
2029	21,728,048		
2030	21,788,422		
2031	21,846,356		
2032	21,905,443		
2033	22,487,464		
2034			
2035			
2036			
2037			
2038			

¹ The fiscal year ending June 30 includes the payment of principal and interest on the following day.

² Net of Bonds Being Refunded and after giving effect to the issuance of the 2017 Obligations.

*Preliminary, subject to change

The following table sets forth the percentage of the City’s aggregate lease and installment payment obligations under the Senior Agreements and the Subordinate Agreements secured by the Unrestricted Excise Tax collections.

TABLE 6
Unrestricted Excise Tax Revenues, Senior and Subordinate Excise Tax Obligations Debt Service Requirements and Debt Service Coverage*

Fiscal Year Ending June 30¹	Unrestricted Excise Tax Revenues	Total Senior Excise Tax Obligations Debt Service²	Coverage on Senior Excise Tax Obligations	Total Subordinate Excise Tax Obligations Debt Service³	Combined Senior and Subordinate Excise Tax Obligations Debt Service⁴	Combined Debt Service Coverage⁵
2016	\$153,091,799					
2017		\$17,303,431	8.84x			
2018		18,117,563	8.44x			
2019		22,353,939	6.84x			
2020		21,113,864	7.25x			
2021		23,663,413	6.46x			
2022		23,346,777	6.55x			
2023		23,409,106	6.53x			
2024		24,053,435	6.36x			
2025		24,102,114	6.35x			
2026		24,167,589	6.33x			
2027		21,569,741	7.09x			
2028		21,626,099	7.07x			
2029		21,728,048	7.04x			
2030		21,788,422	7.02x			
2031		21,846,356	7.00x			
2032		21,905,443	6.98x			
2033		22,487,464	6.80x			
2034						
2035						
2036						
2037						
2038						

1. The fiscal year ending June 30 includes the payment of principal and interest on the following day.
2. Subordinate Debt Service from Table 5(a) “DEBT SERVICE REQUIREMENTS ON SUBORDINATE EXCISE TAX OBLIGATIONS.”
3. Senior Debt Service from Table 5(b) “DEBT SERVICE REQUIREMENTS ON SENIOR AND SUBORDINATE OBLIGATIONS.”
4. Does not include estimated annual payments to AzSTA. Payments are limited, and equal, to the amount of Unrestricted Excise Tax revenue associated with AzSTA’s Multipurpose Facility.
5. Coverage based upon annual debt service compared to estimated Unrestricted Excise Tax Revenues for fiscal year 2017. See “CERTAIN BONDHOLDER’S RISKS - Legislative Ability to Eliminate or Reduce State-Shared Taxes” herein.

*Preliminary, subject to change

[BOND INSURANCE AND RELATED RISK FACTORS]

[The City has applied for a bond insurance policy to guarantee the scheduled payment of principal and interest on the 2017 Obligations. The City has yet to determine whether an insurance policy will be purchased with the 2017 Obligations. If an insurance policy is purchased, the following are risk factors relating to bond insurance.]

In the event of default of the payment of principal or interest with respect to the 2017 Obligations when all or some becomes due, any owner of the 2017 Obligations shall have a claim under the applicable Bond Insurance Policy (the "Policy") for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the 2017 Obligations by the issuer which is recovered by the issuer from the obligation owner as a voidable preference under applicable bankruptcy law is covered by the insurance policy, however, such payments will be made by the Insurer at such time and in such amounts as would have been due absence such prepayment by the City unless the Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Insurer without appropriate consent. The Insurer may direct and must consent to any remedies and the Insurer's consent may be required in connection with amendments to any applicable bond documents.

In the event the Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the 2017 Obligations are payable solely from the moneys received pursuant to the applicable bond documents. In the event the Insurer becomes obligated to make payments with respect to the 2017 Obligations, no assurance is given that such event will not adversely affect the market price of the 2017 Obligations or the marketability (liquidity) for the 2017 Obligations.

The long-term ratings on the 2017 Obligations are dependent in part on the financial strength of the Insurer and its claim paying ability. The Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and of the ratings on the 2017 Obligations insured by the Insurer will not be subject to downgrade and such event could adversely affect the market price of the 2017 Obligations or the marketability (liquidity) for the 2017 Obligations. See description of RATINGS herein.

The obligations of the Insurer are general obligations of the Insurer and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

None of the City, Special Counsel, the Financial Advisor, the Underwriters or Underwriters' Counsel have made independent investigation into the claims paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the City to pay principal and interest on the 2017 Obligations and the claims paying ability of the Insurer, particularly over the life of the investment.]

RECENT BUDGET AND FINANCIAL DEVELOPMENTS

General Fund

At June 30, 2016, the audited ending fund balance for the General Fund was \$59.1 million compared to \$48.6 million at June 30, 2015. This ending fund balance reflects \$8.5million in restricted fund balance for police and fire services which were not included in the General Fund Activity prior to Fiscal Year 2015 as presented below. Audited cash and investments in the General Fund totaled \$60.6 million at June 30, 2016 compared to \$52.3 million at June 30, 2015. At June 30, 2016, a payable exists in an amount of \$5.0 million to the National Hockey League in Fiscal Year 2017 as further discussed below under “Arizona Coyotes NHL Hockey Team; Management of City-Owned Arena.”

The General Fund Activity table below, in conjunction with the narrative following the table, provides an overview of the General Fund audited financial results for Fiscal Years 2012 through 2016, and provides amounts estimated by the City for Fiscal Year 2017.

Table 7
City of Glendale, Arizona
General Fund Activity
(000's omitted)

Fiscal Year:	Audited					Estimated
	2012	2013	2014	2015	2016	2017 ³
Revenues:						
Taxes & Assessments ¹	\$60,852	\$87,849	\$97,675	\$127,297	\$131,590	\$138,559
Licenses & Permits	9,172	9,598	9,833	8,867	10,171	10,784
Intergovernmental	44,780	50,040	54,005	57,165	58,228	63,274
Charges for Services	9,236	10,797	13,642	16,600	10,397	11,114
Other	11,613	6,143	7,167	8,961	9,606	6,204
Total	135,653	164,427	182,322	218,890	219,992	229,935
Expenditures:						
General Government	17,696	15,785	29,445	33,417	33,475	\$37,250
Public Safety	74,509	81,639	85,029	110,166	120,293	127,416
Public Works	7,635	7,822	7,444	8,637	9,395	12,001
Community Services	19,209	15,371	13,438	13,546	14,597	17,354
Debt	1,626	2,815	1,508	11,171	52	0
Capital Outlay	2,983	699	2,540	6,012	6,848	7,675
Other	2,362	3,196	2,712	4,621	779	965
Total	126,020	127,327	142,116	187,570	185,439	202,661
Other Fin. Sources/(Uses):						
Net Transfers	(21,267)	(22,895)	(30,878)	19,022	(21,823)	(29,213)
NHL Owners Fee	(25,000)	0	0	0	0	0
Other	650	643	480	266	175	200
Total	(45,617)	(22,252)	(30,398)	19,288	(21,648)	(29,013)
Beginning Balance (July 1)	9,335 ²	(26,649)	(11,801)	(1,993)	46,239 ²	59,144
Net Change in Fund Balance	(35,984)	14,848	9,808	50,608	12,905	(1,739)
Ending Balance (June 30)	(\$26,649)	(\$11,801)	(\$1,993)	\$48,615	\$59,144	57,405
Unassigned Fund Balance	(\$29,565)	(\$14,438)	(\$4,835)	\$28,409	\$35,226	\$36,265

¹ Reflects the 0.7% Increase effective August 1, 2012.

² Restated due to implementation of Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Reporting for Post-employment Benefits other than Pensions and reclassification of two funds previously reported in the General Fund and Other Non-major Governmental Special Revenue Funds as Internal service funds..

³ The information presented constitutes “forward looking statements” which must be read with an abundance of caution and may not be realized or may not occur in the future. The information presented for Fiscal Year 2017 is based on estimated actuals through March 31, 2017.

The unassigned/unreserved fund balance for the City's General Fund was reduced by \$86.7 million over the four-year period from Fiscal Year 2008 through Fiscal Year 2012. In part to address this situation, on June 12, 2012, the City Council approved the 0.7% Increase in the City's transaction privilege (sales) tax rate. This increase, which was implemented on August 1, 2012, was due to expire on July 31, 2017. During the Fiscal Year 2015 budget process, there was significant planning centered on the detailed five-year financial forecast, and on June 24, 2014, the City Council acted to eliminate the termination date (or "sunset" provision), effectively making the 0.7% Increase permanent. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2017 OBLIGATIONS – Sources for Payment Under the Purchase Agreement – City's Transaction Privilege (Sales) Tax".

Fiscal Year 2013 saw the first year of a net increase in the General Fund balance reflecting the City's increased sales tax receipts and limitation on expenditures. However, in Fiscal Year 2014, a newly negotiated Arena Management Agreement for the City-owned Gila River Arena described below had an estimated net negative General Fund impact of approximately \$8.5 million beginning in August 2013. Additionally, an increase in debt service related to the Camelback Ranch Major League Baseball Spring Training Facility ("Camelback Ranch") began in Fiscal Year 2014, which had a General Fund negative impact of approximately \$11.1 million in Fiscal Year 2014.

The Fiscal Year 2014 adopted General Fund budget was the first fiscal year in which the General Fund fully funded the impacts of the Arena Management Agreement and the increased debt service costs related to the Camelback Ranch Major League Baseball Spring Training Facility. As a result, the Fiscal Year 2014 budget for the General Fund included an expected planned spend-down of \$14.3 million in fund balance. Despite these financial events, the actual Fiscal Year 2014 General Fund deficit was reduced as the net change in fund balance increased by \$9.8 million as illustrated in the General Fund Activity table above for Fiscal Year 2014.

The Fiscal Year 2015 adopted General Fund budget included a planned spend-down of \$9.2 million in fund balance. This included one-time funding for anticipated Super Bowl XLIX expenditures totaling \$2.1 million. Instead, the fund balance for the General Fund actually increased by a total of \$50.6 million for fiscal year 2015. The significant increase in fund balance was primarily attributable to (a) a reclassification of the inter-fund advances between the General Fund and certain enterprise funds resulting in \$39.3 million increase, (b) revenues in excess of expenditures exceeding forecasted estimates by \$9.5 million, and (c) an early capital lease payoff resulting in a \$9.2 million reduction of fund balance.

The Fiscal Year 2016 adopted General Fund budget anticipated a planned spend-down of \$0.8 million in fund balance. This was primarily attributed to a planned spend-down of \$4.2 million from the City's Vehicle Replacement Fund, a Sub Fund of the General Fund. This was offset by an adopted budget surplus of \$3.4 million in the City's General Fund (exclusive of the Sub Fund noted above). At June 30, 2016, the actual increase in the General Fund ending balance was \$12.9 million. Inclusive in this increase was an actual increase in the General Fund balance (exclusive of the Sub Fund) of \$8.5 million. This increase, when compared to the budgeted \$3.4 million budgetary increase in fund balance is due primarily to the impact of cancellation and subsequent amendment to the July 2013 management agreement described in the *Arizona Coyotes NHL Hockey Team; Management of City-Owned Arena* section below.

The largest revenue category in the General Fund is Taxes and Assessments. As noted above, effective August 1, 2012, the City's sales tax rate was increased by the 0.7% Increase to address the significant debt supported by the General Fund for the Arena and Camelback Ranch, thus resulting in significant growth of revenues from taxes and assessments beginning in Fiscal Year 2013. After factoring out the partial-year impact of the 0.7% Increase during Fiscal Year 2013, the actual sales tax revenue increased by approximately 5% in Fiscal Year 2014 from Fiscal Year 2013. The significant growth in taxes and assessments in Fiscal Year 2015 was due primarily to the inclusion of the Police and Fire Sales Tax Special Revenue Fund as a component of the General Fund beginning that fiscal year. Factoring out the \$22.5 million of police and fire taxes and assessments, the net taxes and assessments revenue for Fiscal Year 2015 totaled \$104.8 million, representing an increase of 7.3% over the prior fiscal year. The growth in revenues from taxes and assessments in Fiscal Year 2016 was \$4.3 million, representing a 3.4% increase.

The second largest revenue category in the General Fund is intergovernmental revenue.. This consists primarily of State-Shared Sales Tax, State-Shared Income Tax, and State-Shared Motor Vehicle In-Lieu Tax. Per Arizona State law, the distribution of State-Shared Sales and State-Shared Income Tax revenue is based upon the relation of the City's population to the total State population while the distribution of Motor Vehicle In-Lieu revenue is based on the City's population in relation to the total incorporated population of Maricopa County. State Shared-Income Tax revenue declined by \$4.5 million (19%) in Fiscal Year 2012. This decline was the result of the nationwide

economic downturn. It is important to note that State-Shared Income Tax revenues lag actual state income tax collections by two years. Thus, revenues the City received in Fiscal Year 2012 were based on the statewide collections of income tax in Fiscal Year 2010. In Fiscal Year 2013, State-Shared Income Tax revenues began recovering and revenue increases were realized in subsequent years. State-Shared Income Tax revenues decreased 0.5%, or \$150,000, in Fiscal Year 2016.. State-Shared Sales Tax revenues increased 3.8%, or \$790,000, in Fiscal Year 2016. Motor Vehicle In-Lieu taxes increased 7.9%, or \$690,000, in Fiscal Year 2016.

Other Revenues have also remained relatively stable over the five-year period with the exception of Charges for Services which reflected a reduction of ticket surcharges and shared parking fees from the amended Arena management agreement which were budgeted at approximately \$4.9 million. The reduction was offset by a reduction in Arena management costs of \$8.5 million as described in the *Arizona Coyotes NHL Hockey Team; Management of City-Owned Arena* section below.

Overall, General Fund expenditures increased from \$126.0 million in Fiscal Year 2012 to 142.1 million in Fiscal Year 2014. The growth in Fiscal Year 2014 expenditures was due primarily to the cost of the new Arena Management Agreement which totaled approximately \$14.0 million in Fiscal Year 2014 (a partial contract year) and increased to \$15.0 million for Fiscal Year 2015. Arena management costs for Fiscal Year 2016 were reduced from \$15 million to \$6.5 million, a reduction of \$8.5 million. Total expenditures in Fiscal Year 2015 increased 32%, or \$45.5 million. This significant increase was due primarily to the inclusion of approximately \$25 million in expenditures formally recognized in the Police and Fire Sales Tax Special Revenue Fund which became recognized in the General Fund beginning in Fiscal Year 2015. Additionally, increases in debt service expenditures totaled \$9.7 million due primarily to the early payoff of a City capital lease in Fiscal Year 2015. In Fiscal Year 2015, net transfers increased by \$49.7 million due primarily to the reclassification of the inter-fund advances between the General Fund and certain enterprise funds totaling \$39.3 million and transfers from the Police and Fire Sales Tax Special Revenue Fund totaling \$11.1 million which were eliminated due to the consolidation of such Fund into the General Fund.

The General Fund is made up of one primary General Fund and four additional general governmental funds: Vehicle Replacement Fund, General Governmental Capital Projects Fund, the Police Sales Tax Fund, and the Fire Sales Tax Fund. The primary General Fund supports the Sub-Funds. The Fiscal Year 2017 General Fund budget process began with a detailed Five-Year Financial Forecast presented to the City Council in December 2016 and had an estimated fund balance increase of \$1.0 million in the primary General Fund.

Of note, based on the Public Safety Personnel Retirement System (PSPRS) actuarial valuation dated November 29, 2016, the City's employer contribution rates for both the police and fire retirement systems will increase by 23% and 34%, respectively, beginning in Fiscal Year 2018. A significant increase was expected and the estimated total increase for Fiscal Year 2018 is approximately \$6.1 million to the General Fund.

Other Operating Funds

The other major operating funds include the Highway User Revenue Fund (HURF), Transportation, Police, and Fire Special Revenue Funds and the Water and Sewer, Sanitation, and Landfill Enterprise Funds (collectively, the "Other Enterprise Funds"). Similar to the General Fund, Five-Year Financial Forecasts were presented to the City Council in December 2016 for the other operating funds in preparation for the Fiscal Year 2018 budget process. These forecasts included revised Fiscal Year 2017 estimates.

The financial planning for the Other Operating Funds of the City include analyses of compliance with bond covenants for existing debt supported from these funds. In particular, Fiscal Year 2017 rate reviews are underway for the enterprise funds with results of the rate reviews anticipated in the Summer of 2017.

Arizona Coyotes NHL Hockey Team; Management of City-Owned Arena

The Arizona Coyotes of the National Hockey League (NHL) is the anchor tenant in the City-owned Arena. The NHL acquired the assets of the Coyotes in 2009 after the prior owner filed for bankruptcy and the City entered into an agreement with an NHL affiliate to manage the Arena. Pursuant to agreements between the City and the NHL, the Coyotes continued to use the Arena as its home-game venue during the 2010-11, 2011-12, and 2012-13 seasons, but home games in the Arena during the 2012-13 season were interrupted by a labor dispute. The City agreed to pay the NHL a total of \$50 million for managing the Arena over this period. The first \$25 million payment was made to the NHL in Fiscal Year 2011. The second \$25 million was encumbered by the City in Fiscal Year 2012. From this

amount, the City made a cash payment of \$20 million into an escrow account for the NHL to draw down in four equal installments from Fiscal Year 2013 through Fiscal Year 2016. The final planned \$5 million payment was paid from the encumbered amounts in the General Fund in Fiscal Year 2017. A total of \$45 million of the overall \$50 million cost was financed through inter-fund advances, which were subsequently reclassified in Fiscal Year 2015 to inter-fund transfers, as described below.

On July 2, 2013, an Arena Management Agreement with IceArizona (with its affiliates, the “Team Owner” or the “Arena Manager”) was approved by the City Council with an effective date of August 5, 2013. This fifteen-year agreement required the City to pay the Arena Manager a total management fee of \$15 million per year. Additionally, the Arena Management Agreement stated the City was to make capital improvement contributions of \$500,000 per year through Fiscal Year 2019, growing to \$1.0 million per year through Fiscal Year 2027. The City’s annual management fee payments and capital improvement contributions were partially offset by the City’s share of revenues generated at the Arena during the same period. The Fiscal Year 2014 (a partial fiscal year) and Fiscal Year 2015 net General Fund impact totaled \$8.5 million and \$8.9 million, respectively (management fees and capital improvement contributions offset by Arena Management Agreement revenues).

On June 10, 2015, the City Council directed the City Manager and City Attorney to cancel the Management Agreement. Subsequently, on July 24, 2015, City Council rescinded the June 10, 2015 Council action to cancel the agreement and adopted an ordinance directing the City Manager to enter into a First Amendment to the July 2013 Management Agreement. The amendment reduced the term of the agreement from fifteen years to four years with a June 30, 2017 termination date. Under the amendment, the City had the option to replace the Arena Manager at any time after June 30, 2016 with a 90 day notice. The City chose to exercise the option to replace the Arena Manager, effective July 1, 2016. Following the City’s exercise of this option, AEG Facilities was chosen to manage the Arena with the professional hockey team occupying the facility through June 30, 2017.

The amended Management Agreement had a positive net General Fund impact estimated at \$3.6 million for Fiscal Year 2016, which is expected to continue in future years as well. The net positive impact reflects a reduced management fee of approximately \$8.5 million offset by an estimated \$4.9 million of arena-associated revenue realized by the Arena Manager instead of the City.

As stated previously, the City exercised its option to replace the Arena Manager which became effective July 1, 2016. This was done through a Request for Proposal (RFP) process. On February 3, 2016, AEG Facilities, a venue manager that owns, operates or consults with over 120 venues worldwide, was chosen to manage the Arena. Under the terms of the Arena management agreement, the City pays management fees of \$5.6 million per year which is offset by sharing in the gross operating revenue less operating expenses (EBITDA) of the Arena management operations between AEG Facilities and the City. The EBITDA is calculated as follows: (i) first, Five Hundred Thousand Dollars (\$500,000) to the Arena Manager, (ii) second, Five Hundred Thousand Dollars (\$500,000) to the City, (iii) third, fifty percent (50%) to the Arena Manager and fifty percent (50%) to the City until each has received One Million Dollars (\$1,000,000), (iv) thereafter, seventy-five percent (75%) to the Arena Manager and twenty-five percent (25%) to the City. As the manager of the Arena, AEG Facilities is responsible for negotiating with the Arizona Coyotes for use of the facility. Currently, the Arizona Coyotes have committed to play the 2017-2018 hockey season in the Gila River Arena. The Coyotes also have the option of negotiating new long term lease with AEG Facilities or to continue to play in the Arena beyond June 30, 2018.

Inter-Fund Advances

A total of \$45 million in inter-fund advances were made to the General Fund in Fiscal Years 2011 and 2012, of which \$40 million of the inter-fund advances came from certain enterprise funds and \$5 million came from Sub-Funds of the General Fund. As the Sub-Funds are components of the General Fund, the \$5 million of advances from the Sub-Funds are not part of the General Fund liability owed to other funds.

On April 14, 2015, the City Council adopted a resolution to reclassify the inter-fund advances between the General Fund and the affected enterprise funds to inter-fund transfers. This action reclassified the inter-fund advances in the City’s general ledger to inter-fund transfers and removed the liability from the General Fund balance sheet, thereby making the cash transfers permanent in nature. This transaction did not involve the transfer of cash between funds. The cash was recorded, via inter-fund advance, in Fiscal Year 2012 and Fiscal Year 2013. Currently, the City Council has the option to appropriate or not appropriate annual inter-fund transfers from the General Fund each fiscal year. To date,

the City Council has elected as part of the annual budget process to make annual transfers to the enterprise funds to support their operations each year.

At present, the City does not anticipate making any future inter-fund advances or transfers from its enterprise funds. Any such advances require approval of the City Council.

CERTAIN BONDHOLDER'S RISKS

THE 2017 OBLIGATIONS ARE SUBJECT TO A NUMBER OF MATERIAL RISK FACTORS. THE FOLLOWING IS A DISCUSSION OF SOME, BUT NOT NECESSARILY ALL, OF THE POSSIBLE RISK FACTORS WHICH SHOULD BE CAREFULLY EVALUATED BY PROSPECTIVE PURCHASERS.

Economic Conditions in the City and the State

The 2017 Obligations are payable from and secured by a subordinate lien pledge of Unrestricted Excise Taxes, as described under "SECURITY AND SOURCES OF PAYMENT FOR THE 2017 OBLIGATIONS" and "SOURCES FOR PAYMENTS UNDER THE PURCHASE AGREEMENT." The amount of Unrestricted Excise Taxes received by the City at any time is largely dependent upon the level of retail and other sales activity, which level is, in turn, dependent upon the level of economic activity in the City and in the State generally.

Starting with fiscal year 2008, the economy of the City and State went through a prolonged economic downturn that resulted in a series of decreases in annual receipts of Unrestricted Excise Taxes, and higher than historic unemployment rates and other economic indicators. While the economy of the City and State have improved in recent years, the economic recovery has been slower than expected, with projections for growth remaining below historical averages.

For additional information relating to historic and current economic conditions in the City, see "Table 4 -- City of Glendale Unrestricted Excise Tax Receipts" and Appendix A -- "CITY OF GLENDALE, ARIZONA -- GENERAL AND FINANCIAL INFORMATION."

Legislative Ability to Eliminate or Reduce State-Shared Taxes

The State has shared transaction privilege tax receipts with Arizona cities and towns continuously since 1942 and shared income tax receipts continuously since 1972. However, the State Legislature may eliminate State-shared sales and income taxes and any other State-shared revenues or may change the amount and timing of State-shared sales and income taxes and any other State-shared revenues and is under no legal obligation to maintain the amount of State-shared sales and income taxes or any other State-shared revenues distributed to the City at any amount or level. Accordingly, the City is unable to maintain its State-shared sales and income taxes at any particular level for payment of the Senior Excise Tax Obligations or the Subordinate Excise Tax Obligations. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2017 OBLIGATIONS -- Purchase Agreement Covenants Pertaining to the Unrestricted Excise Taxes" regarding the City's covenants to maintain overall Unrestricted Excise Tax receipts at certain levels.

From time to time, bills are introduced in the Arizona Legislature to make changes to the formulas used to allot State-shared sales taxes and State revenue sharing or other potential changes, such as those described in the following paragraph. The possibility of changes in this regard are more likely to be adverse to the City when the State is experiencing financial difficulties. The City cannot determine whether any such measures will become law or how they might affect the revenues that comprise the Unrestricted Excise Taxes. In addition, initiative measures are circulated from time to time seeking to place on the ballot changes in Arizona law which repeal or modify State sales taxes and State income taxes (the major sources of funds for State revenue sharing). The City cannot predict if any such initiative measures will ever actually be submitted to the electors, what form the measures might take or the outcome of any such election.

Legislation recently enacted, that will become effective ninety days after the end of the current legislative session, permits the State to withhold certain State-shared revenues from a city, town or county (a "Local Jurisdiction")

if such Local Jurisdiction has passed an ordinance, regulation or other official action (a “Local Enactment”) that violates State law or the State constitution, in the determination of the State Attorney General. Under the legislation, any member of the State Legislature may ask the State Attorney General to investigate a Local Enactment. On being notified of a determination by the State Attorney General, the Local Jurisdiction will have thirty days to resolve the violation as determined by the State Attorney General, or if not, the State Attorney General is required to notify the State Treasurer to withhold State-shared Sales Taxes and State-shared Income Taxes from such Local Jurisdiction until the State Attorney General determines that no violation of State law exists. In withholding any such distributions of such State-shared revenues, the State Treasurer may not withhold any amount that the affected Local Jurisdiction certifies to the State Attorney General and the State Treasurer as being necessary to make any required deposits or payments for debt service on bonds or other long-term obligations of such Local Jurisdiction that were issued or incurred before committing the violation.

The City is not aware of any current or proposed Local Enactment that would potentially violate State law. If the City received a determination that an adopted Local Enactment violated State law in the determination of the State Attorney General, the City expects it would take whatever actions may be necessary to address the issue within the thirty day period permitted by the legislation. Such actions would include notifying the State Attorney General and the State Treasurer of the amounts of State-shared Sales Taxes and State Shared Income Taxes necessary to make required deposits or debt service payments on the City’s long-term obligations secured by such funds issued or incurred before the violation occurred and which could not be withheld.

Potential for Future Initiatives and Referenda Affecting Unrestricted Excise Taxes

Initiative measures are circulated from time to time seeking to submit to the voters changes in the legislative actions of the City Council, including those which would repeal or modify the City’s transaction privilege and use taxes. For example, Proposition 457 was an initiative measure placed on the ballot at the November 6, 2012 general election seeking to amend the City Charter to require voter approval for increases to certain transaction privilege taxes, which its proponents contended would have repealed the 2012 0.7% increase if Proposition 457 had been approved. Proposition 457 was defeated by a wide margin; but see the following discussion with respect to the City’s inability to predict future initiatives. Referenda are also possible for a limited time after a legislative action is taken by the City Council seeking to submit such legislative actions to approval by the voters.

The City believes that initiative or referendum measures are subject to constitutional limitations on impairment of contractual obligations and consequently, such measures could not repeal or reduce transaction privilege taxes legally in place at the time of issuance of obligations such as the 2017 Obligations to the extent that such transaction privilege taxes are necessary for the City to comply with the covenants described above under “SECURITY AND SOURCES OF PAYMENT FOR THE 2017 OBLIGATIONS - Covenants Pertaining to the Unrestricted Excise Taxes.” However, the City cannot predict if any future initiatives or referenda will actually be submitted to the voters, what form the measures may take, the outcome of any future election and whether such action would materially and adversely affect its ability to collect or increase Unrestricted Excise Taxes or subsequent judicial interpretations of the effect of the City Council’s legislative actions.

Limitation of Remedies

Upon the occurrence of an Event of Default under the Trust Agreement or the Purchase Agreement, the Trustee, on behalf of the Owners of the 2017 Obligations is entitled to enforce the covenants and agreements of the City by specific performance or other legal or equitable remedy. Any judgment will, however, only be enforceable against the Unrestricted Excise Taxes and other funds held under the Trust Agreement in accordance with the senior lien priority assigned to the 2017 Obligations and not against any other funds or properties of the City.

The availability of remedies under the Trust Agreement and the Purchase Agreement may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights generally; the application of equitable principles and the exercise of judicial discretion in appropriate cases; common law and statutes affecting the enforceability of contractual obligations generally; principles of public policy concerning, affecting or limiting the enforcement of rights or remedies against governmental entities such as the City. Due to the delays in obtaining judicial remedies, it should not be assumed that these remedies could be accomplished rapidly. Any delays in obtaining judicial remedies to enforce the covenants and agreements of the City under the

Indenture and the Purchase Agreement, to the extent enforceable, could result in delays in payment of Debt Service on the 2017 Obligations.

Terms no Longer in Effect upon Payment of Currently Outstanding Excise Tax Obligations.

The provisions set forth in the Trust Agreement and described above under “SECURITY AND SOURCES OF PAYMENT FOR THE 2017 OBLIGATIONS – Debt Service Reserve Fund for Excise Tax Obligations; No Current Funding,” related to the Reserve Fund for the 2017 Obligations will be effective only to the extent that a comparable requirement exists for the currently outstanding Subordinate 2012 Bonds. Consequently, the City would not be required to fund a Reserve Fund once the currently outstanding Subordinate 2012 Bonds are no longer outstanding under the applicable Subordinate Agreement. The City reserves the right to issue or incur Additional Subordinate Excise Tax Obligations supported by a debt service reserve fund that is not available to the holders of the currently outstanding Subordinate 2012 Bonds or the 2017 Obligations.

Furthermore, the provisions set forth in the Purchase Agreement related to acceleration of the 2017 Obligations will be effective only to the extent that a comparable requirement exists for currently outstanding Subordinate 2012 Bonds. Consequently, the 2017 Obligations would not be subject to acceleration once the currently outstanding Subordinate 2012 Bonds are no longer outstanding under the applicable Subordinate Agreement. The City covenants in the Purchase Agreement that it will not issue or incur Additional Subordinate Excise Tax Obligations subject to acceleration as long as the currently outstanding Subordinate 2012 Bonds or the 2017 Obligations are Outstanding.

Forward-Looking Statements

This Official Statement contains statements relating to future results that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words “estimate,” “forecast,” “intend,” “expect,” and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstance may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and actual results.

City Charter Requirement for Voter Approval of Certain New Excise Taxes

As more fully described under SECURITY AND SOURCES OF PAYMENT FOR THE 2017 OBLIGATIONS – Covenants Under Senior Agreements Pertaining to the Unrestricted Excise Taxes,” the City covenants in the Purchase Agreement that the Unrestricted Excise Taxes it imposes will be retained and maintained so that the amount of all Unrestricted Excise Taxes received within and for the next preceding fiscal year, will be equal to (a) with respect to Senior Excise Tax Obligations, at least three times the rental requirements payable on Senior Excise Tax Obligations in the current fiscal year and (b) with respect to the Subordinate Excise Tax Obligations, at least two times the combined total rental requirements on Senior Excise Tax Obligations and Subordinate Excise Tax Obligations, and that if such receipts for any such preceding fiscal year shall not equal those levels for the current fiscal year, or if at any time it appears that the current receipts will not be sufficient to meet the rental requirements for Senior Excise Tax Obligations or Subordinate Excise Tax Obligations in the current fiscal year, the City will, to the extent permitted by law, either impose new Unrestricted Excise Taxes or will increase the rate of such taxes currently imposed in order that (i) the current receipts will be sufficient to meet all current requirements under the Purchase Agreement for payments on the Senior Excise Tax Obligations and Subordinate Excise Tax Obligations, and (ii) the current year’s receipts will be reasonably calculated to attain the level required for the succeeding fiscal year’s requirements.

In connection with the City’s foregoing covenants, purchasers of the 2017 Obligations should consider that the City’s Charter presently provides that voter approval would be required for the City Council to impose new City transaction privilege taxes, but no such voter approval would be required for the City Council to increase the rates on City transaction privilege taxes then in effect. Senate Bill 1152, which was recently enacted into law, further provides that an election to seek voter approval to impose new City transaction privilege taxes may only be held at the November election date in even-numbered years.

LITIGATION

The City is contingently liable in respect to lawsuits and other claims incidental to the ordinary course of its operations. The City Attorney has advised City management of the nature and extent of pending or threatened claims against the City. In the opinion of City management, such matters will not, either alone or in the aggregate, have a materially adverse effect on the City's financial position or its ability to comply with the requirements of the Purchase Agreement, including making timely Payments under the Purchase Agreement.

In addition to the matters discussed above, in April 2015, the City brought a lawsuit against Vieste LLC ("Vieste"), asking a Maricopa County Superior Court judge to interpret various provisions of a 2012 waste supply agreement. In the agreement, the City only promised to provide Vieste with its normally collected garbage as "feedstock" for a secondary recycling facility constructed and operated by Vieste. Vieste countersued the City seeking up to \$200 million of damages, contending that the garbage the City provides to them for recycling must be pre-sorted to remove waste Vieste finds undesirable. The case is currently in the discovery stage with the expected trial no sooner than August 2016. In the City's opinion, substantive rulings have favored the City. Furthermore, much of the \$200 million in claimed damages would be compensation to Vieste's third party investors, whose indirect or consequential claims are barred under the contract in the City's opinion. Vieste has requested only \$8 million to retrofit the facility to properly process the city's normally collected garbage. The City is vigorously defending its legal position and believes it will prevail in this litigation. In the event a future ruling results in any liability for the City, such liability would be paid from the City's Landfill Enterprise Fund.

To the knowledge of the City Attorney, no litigation or administrative action or proceeding is pending or overtly threatened restraining or enjoining, or seeking to restrain or enjoin, the execution, delivery or performance of the 2017 Obligations or the Purchase Agreement by the City or contesting or questioning the proceedings and authority under which the 2017 Obligations and the Purchase Agreement will be executed or delivered, or the validity of the 2017 Obligations or the Purchase Agreement. Certificates of appropriate representatives of the City to that effect will be executed at the time of the delivery of the 2017 Obligations.

TAX MATTERS

General

The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements which the City must continue to meet after the execution and delivery of the Obligations in order that the portion of each of the Payments made by the City pursuant to the Purchase Agreement and denominated as and comprising interest pursuant to the Purchase Agreement and received by the Owners of the Obligations (the "Interest Portion") be and remain excludable from gross income of the holders thereof for federal income tax purposes. The City's failure to meet these requirements may cause the Interest Portion to be included in gross income for federal income tax purposes retroactively to the date of execution and delivery of the Obligations. The City has covenanted to take the actions required by the Code in order to maintain the excludability from gross income for federal income tax purposes of the Interest Portion and not to take any actions that would adversely affect that excludability.

In the opinion of Special Counsel, assuming continuing compliance by the City with the tax covenants referred to above and the accuracy of certain representations of the City, under existing statutes, regulations, rulings and court decisions, the Interest Portion will be excludable from gross income for federal income tax purposes. The Interest Portion will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, the Interest Portion will be taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations.

Special Counsel is further of the opinion that the Interest Portion will be exempt from income taxation under the laws of the State of Arizona so long as the Interest Portion is excludable from gross income for federal income tax purposes.

Except as described above, Special Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the Interest Portion or the ownership or disposition of the Obligations. Prospective purchasers of Obligations should be aware that the ownership of Obligations may result in

other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Obligations or, in the case of a financial institution, that portion of the owner's interest expense allocable to the Interest Portion, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including the Interest Portion, (iii) the inclusion of the Interest Portion in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of the Interest Portion in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, and (v) recipients of certain Social Security and Railroad Retirement benefits being required to take into account receipts and accrual of the Interest Portion in determining whether a portion of such benefits are included in gross income for federal income tax purposes.

From time to time, there are legislative proposals in Congress which, if enacted, could alter or amend one or more of the federal income tax matters referred to herein or adversely affect the market value of the Obligations. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to obligations (such as the Obligations), executed and delivered prior to enactment.

The discussion of tax matters in this Official Statement applies only in the case of purchasers of the Obligations at their original execution and delivery and at the respective prices indicated on the inside front cover page of this Official Statement. It does not address any other tax consequences, such as, among others, the consequence of the existence of any market discount to subsequent purchasers of the Obligations. Purchasers of the Obligations should consult their own tax advisers regarding their particular tax status or other tax considerations resulting from ownership of the Obligations.

Information Reporting and Backup Withholding

Interest paid on obligations such as the Obligations is subject to information reporting to the Internal Revenue Service (the "IRS") in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of the Interest Portion from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Obligations, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the Obligations and proceeds from the sale of Obligations. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Obligations. This withholding generally applies if the owner of Obligations (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Obligations may also wish to consult with their tax advisers with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Original Issue Discount and Premium

Certain of the Obligations, as indicated on the inside front cover page of this Official Statement ("Discount Obligations"), were offered and will be sold to the public at an original issue discount ("Original Issue Discount"). Original Issue Discount is the excess of the stated prepayment price at payment (the principal amount) over the "issue price" of a Discount Obligation. The issue price of a Discount Obligation is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Obligations of the same payment date will be sold pursuant to that offering. For federal income tax purposes, Original Issue Discount accrues to the owner of a Discount Obligation over the period to payment date based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of Original Issue Discount that accrues during the period of ownership of a Discount Obligation (i) will be interest excludable from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as the Interest Portion, and (ii) will be added to the owner's tax basis for purposes of determining gain or loss on the payment, prepayment, prior sale or other disposition of that Discount Obligation. A purchaser of a Discount Obligation in the initial public offering at the price for that Discount Obligation stated on the inside front cover of this Official Statement who holds that Discount Obligation to its payment date will realize no gain or loss upon the retirement of that Discount Obligation.

Certain of the Obligations, as indicated on the inside front cover page of this Official Statement (the “Premium Obligations”), were offered and will be sold to the public at a price in excess of their stated prepayment price at their payment date. That excess constitutes obligation premium. For federal income tax purposes, obligation premium is amortized over the period to the payment date of a Premium Obligation, based on the yield to the payment date of that Premium Obligation (or, in the case of a Premium Obligation callable prior to its stated payment date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Obligation), compounded semiannually (or over a shorter permitted compounding interval selected by the owner). No portion of that obligation premium is deductible by the owner of a Premium Obligation. For purposes of determining the owner’s gain or loss on the sale, prepayment (including prepayment at its payment date) or other disposition of a Premium Obligation, the owner’s tax basis in the Premium Obligation is reduced by the amount of obligation premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Obligation for an amount equal to or less than the amount paid by the owner for that Premium Obligation. A purchaser of a Premium Obligation in the initial public offering at the price for that Premium Obligation stated on the inside front cover of this Official Statement who holds that Premium Obligation to its payment date (or, in the case of a callable Premium Obligation, to its earlier call date that results in the lowest yield on that Premium Obligation) will realize no gain or loss upon the retirement of that Premium Obligation.

Owners of Discount Obligations and Premium Obligations should consult their own tax advisors as to the determination for federal income tax purposes of the amount of Original Issue Discount or obligation premium properly accruable in any period with respect to the Discount Obligations or Premium Obligations and as to other federal tax consequences, and the treatment of Original Issue Discount and obligation premium for purposes of state and local taxes on, or based on, income.

LEGAL MATTERS

Legal matters incident to the issuance of the 2017 Obligations and with regard to the status of the Interest Portion relating to the Obligations (see “TAX MATTERS”) are subject to the legal opinions of Greenberg Traurig, LLP, Special Counsel. Signed copies of the opinions, dated and speaking only as of the date of delivery of the 2017 Obligations, will be delivered to the Underwriter. The proposed form of legal opinion is set forth as Appendix D. The legal opinion to be delivered may vary from that text if necessary to reflect facts and law on the date of delivery. The opinion will speak only as of its date and subsequent distributions of it by recirculation of this Official Statement or otherwise shall create no implication that Special Counsel has reviewed or expresses any opinion concerning any of the matters referred to in the opinions subsequent to its date. In rendering its opinions, Special Counsel will rely upon certificates and representations of facts to be contained in the transcript of proceedings which Special Counsel will not have independently verified.

The due authorization, execution, and delivery by the City, and the validity and enforceability against the City, of the Trust Agreement and the Purchase Agreement and certain other legal matters will be passed upon for the City by Greenberg Traurig, LLP, special counsel to the City, and by the City Attorney. Certain legal matters will be passed upon solely for the Underwriters by _____.

The legal opinions express the professional opinions of counsel rendering them, but are not binding on any court or other governmental agency and are not guarantees of a particular result.

CANCELLATION OF CONTRACTS

The provisions of Arizona Revised Statutes Section 38-511, as amended, provide that certain public bodies, including the City, may, within three years after its execution, cancel any contract, without penalty or further obligation, made by the public body if any person significantly involved in the initiating, negotiating, securing, drafting or creating of the contract on behalf of the public body 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 to the subject matter thereof. The cancellation shall be effective when written notice from the governing body of the public body is received by all other parties to the contract unless the notice specifies a later time. The City is a party to several contracts which are material to the payment of the 2017 Obligations, including the Purchase Agreement. The

City and the Trustee each represent that it is not presently aware of any violation of such Section. Exercise of a remedy under A.R.S. Section 38-511, as amended, would adversely affect the Owners of the 2017 Obligations.

INDEPENDENT ACCOUNTANTS

The financial statements of the City as of June 30, 2016 and for its fiscal year then ended, which are included as Appendix B of this Official Statement, have been audited by CliftonLarsonAllen LLP, Independent Auditors, as stated in their report which appears in Appendix B. Such financial statements are the most recent audited financial statements available. The City neither requested nor obtained the consent of CliftonLarsonAllen LLP to include its report and CliftonLarsonAllen LLP has performed no procedures subsequent to rendering its opinion on the financial statements.

FINANCIAL ADVISOR

RBC Capital Markets, LLC is serving as Financial Advisor to the City in connection with the 2017 Obligations. The Financial Advisor's fee for services rendered with respect to the sale of the 2017 Obligations is contingent upon the issuance and delivery of the 2017 Obligations. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information in this Official Statement.

The Financial Advisor may also receive a fee for conducting a competitive bidding process regarding the investment of certain proceeds of the 2017 Obligations.

UNDERWRITING

The 2017 Obligations are being purchased for reoffering by _____ (the "Underwriter"). The Underwriters have agreed to purchase, subject to certain conditions, the 2017 Obligations at an aggregate purchase price of \$_____, consisting of the principal amount thereof plus a net reoffering premium of \$_____ and less an underwriters' discount of \$_____. The Underwriters will commit to purchase all of the 2017 Obligations if any are purchased. The 2017 Obligations are offered for sale initially at the approximate yields set forth on the inside front cover page of this Official Statement, which yields may be changed, from time to time, by the Underwriters. The 2017 Obligations may be offered and sold to certain dealers (including underwriters and dealers depositing the 2017 Obligations into investment trusts) at prices lower than the public offering price.

CONTINUING DISCLOSURE

The City will covenant for the benefit of the beneficial owners of the 2017 Obligations to provide certain financial information and operating data relating to the City by not later than February 1 in each year commencing February 1, 2018 (the "Annual Reports"), and to provide notices of the occurrence of certain enumerated events (the "Notices of Listed Events"). The Annual Reports and the Notices of Listed Events will be filed by the City with the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board (the "MSRB"). The specific nature of the information to be contained in the Annual Reports and the Notices of Listed Events is set forth in Appendix E - "FORM OF CONTINUING DISCLOSURE UNDERTAKING", attached hereto. These covenants have been made in order to assist the Underwriters in complying with S.E.C. Rule 15c2-12(b)(5) (the "Rule"). A failure by the City to comply with these covenants must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the 2017 Obligations in the secondary market. Consequently, such a failure may adversely affect the transferability, liquidity, market price and marketability of the 2017 Obligations.

The City previously entered into continuing disclosure undertakings with respect to certain previously issued Senior Lien Excise Tax Obligations, Subordinate Lien Excise Tax Obligations, Third Lien Excise Tax Bonds, General Obligation Bonds, Senior Lien Water and Sewer Obligations, Subordinate Lien Water and Sewer Obligations, and Street and Highway User Revenue Bonds, which require the filing on or before February 1 of each year of Annual Reports consisting of audited financial statements ("Audited Financial Statements") and annual updates with respect to certain financial information and operating data related to the City ("Annual Financial Information"). During the

previous five years, while the City has generally filed the majority of the information in its Annual Reports on a timely basis, the following filings were not made timely:

1. Annual Financial Information and Audited Financial Statements for the fiscal year ended June 30, 2011, due February 1, 2012, were not filed properly by CUSIP for the Subordinate Lien Excise Tax Obligations: Series 14 (2002) and Series 16 (2003). The City filed Audited Financial Statements and Annual Financial Information listed above on or prior to November 27, 2012 through EMMA.
2. Notice of a January 17, 2013 downgrade of Assured Guaranty Municipal Corp. (“AGM”) by Moody’s Investors Service was not filed properly by CUSIP for the Senior Excise Tax Bonds, Series 2008A and a March 18, 2014 upgrade of AGM by Standard & Poor’s was not properly filed. Although the rating of Assured Guaranty Municipal Corp. is readily available through many publicly available resources, the City filed such notices on April 5, 2016 through EMMA.
3. Notice of a May 10, 2013 upgrade of National Public Finance Guaranty by Standard & Poor’s was not filed. Although the rating of National Public Finance Guaranty is readily available through many publicly available resources, the City filed a notice of such rating upgrade on April 5, 2016 through EMMA.

In addition, the City has established procedures that it has employed, and intends to continue to employ, to make timely filings of the City’s Annual Reports and Notices of Listed Events.

RATINGS

Moody’s Investors Service (“Moody’s”) and S&P Global Ratings, a business unit of Standard and Poor’s Financial Services LLC (“Standard and Poor’s”) have assigned the 2017 Obligations long-term ratings of “A1” and “[AA+]”, respectively. Such ratings reflect only the views of such organization, and an explanation of the significance of such rating may be obtained only from Moody’s at 7 World Trade Center, 250 Greenwich Street, New York, New York 10041 and Standard and Poor’s at 55 Water Street, New York, New York 10004. Each rating agency was provided with materials relating to the City and the 2017 Obligations and other relevant information, which includes information not included in this Official Statement, and, except as described below, no application has been made to any other rating agency for the purpose of obtaining a rating on the 2017 Obligations. There is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by Moody’s or Standard and Poor’s if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price or marketability of the 2017 Obligations.

CONCLUDING STATEMENT

The summaries or descriptions of provisions in the Trust Agreement and the Purchase Agreement contained herein and all references to other materials not purporting to be quoted in full are only brief outlines of certain provisions thereof and do not constitute complete statements of such provisions and do not summarize all the pertinent provisions of such documents. For further information, reference should be made to the complete documents, copies of which are available as described under “INTRODUCTION.”

All projections, forecasts and other information in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. Neither this Official Statement nor any statements that may have been or that may be made orally or in writing are to be construed as part of a contract or agreement between the City or the Underwriters and the purchasers or holders of any of the 2017 Obligations.

The attached Appendices A through F are integral parts of this Official Statement and must be read together with all of the foregoing statements.

CITY OF GLENDALE, ARIZONA

By: _____
City Manager

DRAFT

**CITY OF GLENDALE, ARIZONA
GENERAL AND FINANCIAL INFORMATION**

General

The City of Glendale, Arizona (the “City” or “Glendale”) is the fifth largest city by population in the State of Arizona and is located in the northwest portion of the Phoenix metropolitan area. The City is one of eight major cities comprising the greater Phoenix metropolitan area, which is Arizona’s economic, political, and population center.

Founded in 1892 and incorporated in 1910, the City had an estimated 2016 population of 237,723. The following table illustrates Glendale’s growth expressed by population statistics for the City along with the population statistics for Maricopa County, Arizona (the “County”) and the State of Arizona, (the “State” or “Arizona”) respectively.

Population Statistics			
Year	City of Glendale	Maricopa County	State of Arizona
2016 Estimate (a)	237,723	4,137,076	6,835,518
2010 Census	226,721	3,817,117	6,392,017
2005 Special Census	242,369	3,700,516	6,044,985
2000 Census	218,812	3,072,149	5,130,632
1995 Special Census	172,684	2,355,900	4,307,150
1990 Census	148,134	2,122,101	3,665,305
1985 Special Census	122,392	1,829,500	3,187,000
1980 Census	97,172	1,509,262	2,716,333
1970 Census	36,228	971,228	1,775,399

(a) Population estimates as of July 1, 2016 (released December 2016) provided by the Office of Employment and Population Statistics, Arizona Department of Administration.

Source: U.S. Census Bureau; City Planning Department.

Along with population growth, the City has also grown in terms of land area as evidenced by the following table which illustrates the City’s square mile statistics.

Square Mile Statistics City of Glendale, Arizona	
Year	Square Miles
2016	59.85
2010	59.02
2000	54.60
1990	50.09
1980	39.94
1970	16.83
1960	3.80

Source: City Planning Department.

Municipal Government and Organization

The City operates under and is governed by the Council-Manager form of government, in accordance with its Charter. In addition, under the Arizona Constitution, the City may exercise all powers of local self-government to the extent it is not in conflict with applicable general laws. The City is also subject to certain general laws that are applicable to all Arizona cities.

Legislative authority is vested in a seven-member City Council consisting of a mayor elected at large and six council members elected based on a system of geographic districts. Council members serve a term of four years on a staggered basis and the Mayor is elected for a four-year term. The Council fixes compensation of officials and employees, enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades and other municipal purposes and appoints the City Manager, the City Clerk, the City Treasurer, municipal judge and assistant municipal judge and the City Attorney. The Council also appoints members to a number of City boards and commissions.

Key Administrative Staff

Kevin R. Phelps, *City Manager* – Kevin Phelps brings more than 30 years of private sector experience and 18 years of government sector experience to the city’s top management job. Mr. Phelps was appointed as Glendale’s City Manager in February of 2016. For the past six years, Mr. Phelps has been the highest-ranking appointed official in Pierce County, Washington, an area that includes greater Tacoma and is Washington’s second-largest county. Mr. Phelps was previously a deputy auditor in the Washington State Auditor’s Office and served for seven years as an elected councilmember for the City of Tacoma. Prior to his tenure in government, Mr. Phelps spent decades in the private sector as founder and managing general partner of the Landmark Convention Center which is also in Tacoma, Washington.

Michael D Bailey, *City Attorney* - Michael Bailey is the City Attorney. Mr. Bailey is licensed to practice law in Arizona and California. Mr. Bailey holds a bachelor’s degree of Science in Business Administration and a Juris Doctorate from Chapman University. Additionally, Mr. Bailey holds a Masters in Public Administration from American Public University. Prior to serving Glendale, Mr. Bailey was the City Attorney for the City of Surprise, Arizona.

Tom Duensing, *Assistant City Manager* - Tom Duensing has over 25 years of government finance experience. Prior to his appointment as Assistant City Manager, Mr. Duensing served as the Finance and Technology Director for the City since October 2013. Prior to working in Glendale, he served at the City of Tempe and the City of Maricopa in various financial roles including Accounting Supervisor, Deputy Finance Director, City Auditor, Finance Director and Assistant City Manager. Mr. Duensing has also worked as an auditor in public accounting specializing in local government auditing and in the Arizona Governor’s Office where he was responsible for grants administration. Mr. Duensing holds a B.S. in Accounting, a M.B.A., and is a Certified Public Accountant. He is a member of the Government Finance Officers Association of Arizona, the Government Finance Officers Association, the American Institute of Certified Public Accountants, and the Arizona Society of Certified Public Accountants. In October 2014, Mr. Duensing received the “Turnaround of the Year” Award from the Phoenix Business Journal’s Outstanding CFO’s (Chief Financial Officer) Program.

Vicki Rios, *Budget and Finance Director* – Vicki Rios has 18 years of government finance experience. In July, 2016, Ms. Rios began serving the City as Budget and Finance Director. She previously served the City as Interim Finance and Technology Director and Assistant Finance Director. Prior to working in Glendale, Ms. Rios served as Deputy Finance Director and Interim Treasurer for the City of Phoenix and held progressively responsible positions with the City of Peoria, Arizona, including her most recent position as Revenue Manager. Since 2002, Ms. Rios has been an adjunct professor at Arizona State University and Glendale Community College. Ms. Rios is also the Chairperson of the Certification Advisory Committee for the Arizona State Board of Accountancy. She holds a Bachelor’s degree, a Post-Baccalaureate Certificate in Accountancy, a M.B.A, and is a Certified Public Accountant. She is recognized as a Certified Public Finance Officer (CPFO) and is a member of the Government Finance Officers Association of Arizona and the Arizona Society of Certified Public Accountants.

Employees

As of June 30, 2016, the City had approximately 1,633 full-time employees and a fiscal year 2016 gross payroll of \$103 million. The City Council establishes salaries, wages and other economic benefits for City employees. In 2005, the City Council enacted an ordinance allowing certain members of the City’s Fire Department and Police Department to be represented by employee organizations. City management is authorized to meet and confer with the employee organizations on specific matters, including wages, working conditions, and non-healthcare related benefits.

Economy

As Arizona's sixth largest city with a population of over 240,000 and a median household income of \$46,453, the City is an economic engine of the Greater Phoenix West Valley, bordering the City of Phoenix on its eastern/southern borders. From its beginnings as an early farming settlement in the 1880's, to a military center of excellence after World War II, the City has now evolved into a major sports, healthcare, education and corporate employment center.

As a result of the City's strategic location within the County and the Phoenix metropolitan area, its economic efforts toward a business-friendly environment and its amenities and workforce attractiveness, the City has seen several significant business investments in recent years. City staff has helped facilitate the creation of more than 2,500 new jobs in Glendale between January 2016 and March 2017. Currently, there is nearly 2.8 million square feet of new office, industrial and retail space under construction and an additional 1.5 million square feet of commercial and industrial space in the planning stages within the City. In the last eight years, more than 15,200 quality jobs have been created in the City as result of the 128 new business locates and expansions; 9,784 jobs were associated with new companies locating in Glendale and 5,424 jobs from existing companies resulting in over 10.1 million square feet absorbed city-wide. Newly-located businesses in Glendale over the last eight years include: NPL (Northern Pipeline), Alaska USA Federal Credit Union, Harvard Drug, American Furniture Warehouse, Redflex Traffic Systems, Progressive Finance, Terminix, Canyon State Bus, Performance Steel, Dignity Health, Honor Health, Avanti Windows, Emperon Marketing, Lockheed Martin, Ring, and Banner Health.

Several key economic corridors within the City include the Northern Economic Corridor, Historic Downtown, the 101 Economic Corridor and the Loop 303 Corridor.

Northern Economic Corridor.

The Northern Economic Corridor includes the following key elements:

Arrowhead Towne Center/Bell Road Retail Corridor – a mixed use master planned community with residential, employment, recreation, shopping and dining. Approximately 1/3 of the City's retail sales tax revenues are generated in this area.

Midwestern University – the 143-acre Glendale campus has been developed over the past decade. The campus offers state-of-the-art practice labs, lecture halls, and classrooms, as well as a comprehensive library and several outpatient clinics. The campus has over 3,000 graduate students and is the largest medical school in the State. Currently, the school offers the following six major programs: The Arizona College of Osteopathic Medicine, College of Pharmacy, College of Health Sciences, College of Optometry, College of Dental Medicine – Arizona and the College of Veterinary Medicine.

Banner Thunderbird Medical Center – currently the fourth largest hospital in the Phoenix metropolitan area with 561 licensed beds and nearly 3,000 employees.

Honeywell Aerospace – the Glendale facility of Honeywell Aerospace is one of the City's larger private employers with over 830 employees.

CSAA/AAA Glendale Operations Center – a major information technology and customer service center in the City with over 1,065 employees.

Talavi Business Park – home to Progressive Finance, Federated Insurance, Alaska USA Federal Credit Union, Phoenix Heart, Redflex Traffic Systems, CSAA/AAA and Cardiac Solutions.

Historic Downtown.

The City's Historic Downtown area includes:

Glendale Civic Center – located in the heart of historic downtown, the Glendale Civic Center offers 33,000 square feet of indoor and outdoor meeting space for corporate events, trade shows, weddings and private parties.

Murphy Park/Caitlin Court – includes areas labeled by the City as the "Downtown Dining District," "Arts and Culture District," "Old Towne Shopping District," and "Antiques Capital of Arizona."

Saguaro Ranch Park – one of the region’s oldest and most magnificent ranches, the 17-acre Saguaro Ranch Park Historic Area features 13 original buildings, a rose garden, barnyard and historic orchards. Listed on the National Register of Historical Places and known as the “Showplace of the Valley,” the Saguaro Ranch Park Historic Area offers activities, exhibits and guided tours.

101 Economic Corridor.

The 101 Economic Corridor includes the following key elements:

Westgate Entertainment District – Westgate Entertainment District offers a vibrant outdoor setting with unique water features, delivering an interactive shopping, dining and entertainment experience. It is anchored by the Gila River Arena, home to the Arizona Coyotes, and the University of Phoenix Stadium, home to the Arizona Cardinals. Some of the major businesses located within Westgate Entertainment District are:

- (i) Gila River Arena (the “Arena”) is owned by the City and is home to the National Hockey League's Arizona Coyotes (the “Coyotes”).
- (ii) Tanger Factory Outlets Westgate – this outlet mall opened in November 2012 and was expanded in 2014 to its current size. Located just west of the Westgate Entertainment District along the Loop 101 Freeway in the City’s Sports and Entertainment District, the 454,000 square feet of space is home to approximately 90 top name-brand shops, such as Saks 5th Avenue OFF 5th, Abercrombie & Fitch, Banana Republic, Brooks Brothers, Michael Kors, Nike and Coach.
- (iii) Cabela’s – in addition to offering quality outdoor merchandise, the 160,000 square foot showroom is an educational and entertainment attraction, featuring a décor of museum-quality animal displays, huge aquariums and trophy animals interacting in realistic re-creations of their natural habitats.
- (iv) University of Phoenix Stadium – the University of Phoenix Stadium is a multi-use facility which primarily hosts the NFL's Arizona Cardinals and the annual college football Fiesta Bowl. In addition, the facility hosted the NFL Super Bowl in 2008 and 2015, the College Football Playoff in 2016, the Bowl Collegiate Series Championship in 2007 and 2011, Wrestlemania in 2010, along with a multitude of concerts including The Rolling Stones and U2, The facility hosted a multi-day international soccer tournament, Copa America Centenario, in June 2016 and the NCAA Men’s Final Four college basketball championship in April 2017.

Dignity Health – St. Joseph’s Westgate Medical Center, owned and operated by Dignity Health, is a not-for-profit, 24-bed inpatient hospital that opened in May 2014. The medical campus and hospital features new approaches to healthcare, including the innovative uses of materials to promote patient safety, patient satisfaction and medical efficiency. St. Joseph’s Westgate provides two operating rooms, two procedure rooms, a 12-bed emergency room and 12 universal care beds. Services included general surgery, orthopedics, urology, gastrointestinal and endoscopy. Phase II includes a 60,000 square foot medical office building currently under construction.

Conair – Having a presence since 1992, Conair is a large manufacturer and distributor of personal care, grooming, health and beauty products, and premium kitchen electrics, tools, and cookware. In December 2016, Conair broke ground on a new 1 million square foot facility in Glendale, adjacent to their existing space in the Glen Harbor Business Park which will serve as a distribution hub for the company's hair dryers, brushes, various accessories and kitchen appliances. Upon completion, Conair will have 2.3 million square feet under roof, making it the second largest corporate campus in the Metro Phoenix area. The new facility is expected to add an additional 300 jobs, for a total of 750 employees in Glendale.

Camelback Ranch – A state-of-the-art baseball facility, Camelback Ranch - Glendale (Ariz.) is the Spring Training home of the Los Angeles Dodgers and Chicago White Sox. Located on 141 acres at 111th Avenue and Camelback Road, this Sonoran Desert-inspired, two-team facility offers baseball fans more than top-quality playing fields and facilities. The site also features picturesque walking trails, landscaped grounds and an orange grove. Guests can also enjoy water features and a fully stocked lake between the Dodgers and White Sox facilities.

Glendale’s Future Economic Corridor – the Loop 303 Corridor.

Luke Air Force Base - Luke Air Force Base (“Luke”) is one of Glendale’s, and the West Valley’s, primary economic drivers, located just east of the Loop 303 Freeway. Luke was officially annexed into the City in 1995 and

is considered the economic center of both the Loop 303 corridor and the West Valley. The base population includes approximately 5,100 military members and Department of Defense civilians. With approximately 70,000 retired military members living in greater Phoenix, the base services a total population of nearly 80,000 people. Approximately 300 pilots train at Luke annually and proceed to combat assignments throughout the world. The 56th Fighter Wing also trains more than 350 maintenance technicians each year. The base has an economic impact estimated at over \$2 billion annually to the Arizona economy and in recent years celebrated the opening of its F-35 Lightning II Academic Training Center.

This new facility provides state-of-the-art training for fighter pilots and continues Luke's mission to train the world's best fighter pilots. The F-35 is considered the world's most advanced multi-role fighter plane and will replace aging fighter inventories in the Air Force, Navy and Marines.

Glendale 2025, the City's General Plan, identifies future land uses for this area that are compatible with Luke Air Force Base and captures appropriate land uses adjacent to the Loop 303 Freeway. Much of the land in this area is located within the 65-decibel noise contours for Luke with the goal of continuing to protect Air Force operations.

The City has a relatively diverse employer base. The following is a list of the major employers in the City.

**Major Employers
City of Glendale, Arizona
as of April 2017**

Employer	Service	Approximate Number of Employees
Luke Air Force Base	Military	5,100
Banner Thunderbird Health System	Health Care	3,000
Arrowhead Towne Center	Retail	2,650
Wal-Mart	Retail	2,175
Glendale Union High School District	Education	1,974
Glendale Community College	Education	1,948
City of Glendale	Government	1,633
Deer Valley Unified School District	Education	1,594
Glendale Elementary School District	Education	1,400
Tanger Outlet Westgate	Retail	1,200

Source: City of Glendale, Arizona (<http://www.glendaleaz.com/EconomicDevelopment/MajorEmployers.cfm>)

The following table compares the City's unemployment averages with those of the United States, the State and the County for the periods shown.

Unemployment Averages

Year	United States	State of Arizona	Maricopa County	City of Glendale
2016	4.9%	5.2%	4.6%	5.0%
2015	5.3	5.9	5.2	5.5
2014	6.2	6.7	5.8	6.3
2013	7.4	7.6	6.6	7.1
2012	8.1	8.3	7.3	8.1

Source: United States Department of Labor, Bureau of Labor Statistics.

Construction

The following tables depict building permit activity and value for residential and non-residential construction in the City. The City believes that construction activity within the City has stabilized in the range shown over the last four years and may have a slight downward trend as Glendale approaches build-out.

**Value of Building Permits
City of Glendale, Arizona**

Fiscal Year	Residential	Commercial & Industrial	Other^(a)	Total
2016	\$71,369,904	\$96,315,531	\$55,934,416	\$223,619,851
2015	111,674,762	78,155,864	79,781,023	269,611,649
2014	42,250,810	109,564,039	51,825,857	203,640,706
2013	81,624,695	110,568,843	79,288,170	271,481,707
2012	99,977,051	48,425,681	54,837,384	203,240,116

^(a) Comprised of a variety of sources including residential garages and carpoos, swimming pools and spas, signs, demolitions and razings, and other miscellaneous sources.

Source: City Building Safety Department.

**Building Permits^(a)
City of Glendale, Arizona**

Fiscal Year	Total Building Permits
2016	5,488
2015	5,449
2014	4,799
2013	6,383
2012	5,304

^(a) The date on which the permit is issued is not to be construed as the date of construction.

Source: City Building Safety Department.

Sales Tax Revenue

The following City sales tax revenue is based on the City’s sales and use tax collections from its general sales tax levy, together with the sales tax levy on restaurants and bars, hotels, construction, and communications. The revenues shown do not reflect sales tax revenues received by the City which are restricted to use for police, fire, transportation, and tourism promotion.

**Sales Tax Revenue
City of Glendale, Arizona**

Fiscal Year	Amount
2016	\$96,762,345
2015	93,746,525
2014	88,764,000
2013 (a)	82,678,263
2012	56,138,067

^(a) Reflects 11-months of collections of the 0.7% sales tax increase adopted by the City on June 12, 2012.

Source: City Finance Department.

Transportation

Industry, business and residents benefit from the transportation network available in and near the City. Rail, bus, highway and air facilities are developed throughout the area.

In 2000, the Loop 101 Freeway was opened as part of the City's general plan for future west area development. The freeway's opening has spurred residential, commercial and industrial development in the adjacent areas, and increased access to the City's Sports and Entertainment District including venues such as the Arena and the University of Phoenix NFL stadium. Major transportation corridors that connect Glendale to the entire metropolitan region include historic Grand Avenue, the Loop 303 Freeway in the far west, the Loop 101 Freeway in the western and northern parts of the City, and the Northern Parkway, which is currently in phase two of construction, connecting several West Valley cities. Glendale is a member of Valley Metro, which provides mass transit, fixed rail services to certain portions of the Phoenix metropolitan area. Glendale Transit provides a wide range of convenient, low-cost transportation alternatives for Glendale citizens and visitors, including fixed-route bus service, Glendale Dial-A-Ride, Glendale Urban Shuttle (GUS) bus service, ADA service and a taxi-subsidy program.

Glendale also operates a municipal airport. Located just five miles west of downtown Glendale, five miles east of Luke Air Force Base, and 30 minutes northwest of downtown Phoenix, this 477-acre modern airport features a two-story, 18,000 square-foot terminal, a Federal Aviation Administration contract-tower, and complete airport services for general aviation and corporate jet traffic. The airport's facilities include a 7,150 foot paved and lighted runway, a \$2.3 million terminal, a 10,000 square-foot hangar and many smaller, enclosed hangars for aircraft. The full-service airport is accessible to general aviation aircraft from single-engine planes to corporate jets. Twenty-one businesses are located on the field and 186 new hangars have been built. In addition, a new business park is being planned for the east side of the landing field. A full service fixed base operator is located on the field with two grades of fuel and full maintenance is available.

Businesses and residents of the City are also served by Phoenix Sky Harbor International Airport. Sky Harbor Airport is among the busiest airports in the United States, providing passenger, freight and cargo air services both domestically and internationally.

Airlines Serving Sky Harbor International Airport as of April 2017

Airline	
Air Canada	Hawaiian Airlines
Alaska Airlines	JetBlue Airways
American Airlines	Southwest Airlines
British Airways	Spirit Airlines
Boutique Air	Sun Country Airlines
Delta Airlines	United Airlines
Frontier Airlines	Volaris
Great Lakes Airlines	WestJet

Source: City of Phoenix, Aviation Department.

Number of Passengers Arriving and Departing Sky Harbor International Airport

Calendar Year	Deplaned	Enplaned	Total
2016	21,710,110	21,673,418	43,383,528
2015	22,003,330	22,000,510	44,003,840
2014	21,107,296	20,998,549	42,105,845
2013	20,174,643	20,166,971	40,341,614
2012	20,279,006	20,169,926	40,448,932

Source: City of Phoenix, Aviation Department.

Education

The City is home to four major institutions of higher education. Glendale Community College is one of the campuses that comprise the Maricopa County Community College District. The College offers a curriculum leading to an Associate of Arts degree.

Midwestern University has a 143-acre campus located in Glendale. This university specializes in health care education, providing programs that range from osteopathic medicine to cardiovascular science. Midwestern is in the midst of a multiyear expansion and currently has over 3,000 students on the Glendale Campus.

The Arizona State University West campus is a 300-acre campus located on Glendale's eastern border. Over 400 business classes are offered at the campus for junior and senior students. In addition, a complete Masters of Business Administration program is available.

Thunderbird School of Global Management, a unit of Arizona State University Knowledge Enterprise, is a 148-acre campus that offers masters programs with a focus on global management, in addition to a large international executive education program and, beginning fall 2015, undergraduate programs. The Thunderbird School of Global Management was acquired by the Arizona State University in December 2014.

Residents of the City are also served by numerous elementary schools, junior high schools and high schools.

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DEBT AND FINANCIAL DATA

Introduction

The City's fiscal year is from July 1 through June 30.

The Director of Finance and Technology is responsible for finance, management and budget, procurement, accounting, computer-related planning, evaluation and installation of hardware and software throughout the City. The Economic Development Director is responsible for attracting, retaining and expanding businesses and providing redevelopment and business assistance, which encompasses economic development, planning and building safety services.

Expenditure Limitation

Commencing in fiscal year 1982-83, the City became subject to an annual expenditure limitation which is set by the Arizona Economic Estimates Commission. This limitation is based on the City's actual expenditures for fiscal year 1979-80, with this base adjusted annually to reflect population, cost of living and boundary changes. Certain expenditures are specifically exempt from the limit, such as expenditures made from federal funds and bond sale proceeds, as well as debt service payments. The limitation can be exceeded for certain emergency expenditures or if approved by the voters. The constitutional provisions which relate to the expenditure limitation provide three processes to exceed the spending limit: a local home rule option; a permanent base adjustment; and a one-time override.

On March 16, 1982, the voters of the City approved a local home-rule option proposition referred to them by the City Council to exceed the statutorily imposed expenditure limit in all areas of City operations in the 1982-83 fiscal year and the three succeeding fiscal years to the extent of revenues anticipated to be received by the City. Successive authorizations to exceed the statutory limitation for four-year periods were approved in March 1986, in March 1990 and in March 1994. On February 24, 1998 the City Council adopted a Resolution proposing an extension of the Alternative Local Expenditure Limitation tests for four more years, which was approved by voters at the May 19, 1998 General Election. From July 1982 to June 2002, the City was subject to the home-rule option. The City is now subject to the State imposed expenditure limitation with which the City is in full compliance. On May 16, 2000, voters approved a permanent base adjustment to the 1980 expenditure limitation thereby increasing it from \$21.5 million to \$68 million (in 1980 dollars). This base year is adjusted by an inflation and population factor from year to year.

Operating Budget Process

The budget process emphasizes the City's objective of making the budget not only a financial plan but also a policy document, operations guide and a communications device as recommended by the Government Finance Officers Association ("GFOA"). GFOA has awarded the City's 2016 budget its "Distinguished Budget Presentation," the 24th year the City has received this award. The 2017 budget has been submitted to GFOA. The annual and long-range budgeting process is shaped and guided by the four key foundation documents included in the annual budget document:

1. The annual operating budget
2. The 10-year capital plan
3. The 5-Year Forecast
4. The Financial Plan and Financial Policies

The annual budget document for Fiscal Year 2017 and the past few fiscal years are located at <http://www.glendaleaz.com/budget/documents/FY16-17BudgetMaster10.20.16.pdf>.

Prior to Fiscal Year 2014, the budget process involved an approach where each department received target allocations. The responsible department would then be given a "base budget target allocation", and when additional funding was available, supplemental requests were then made for increases in services or the addition of new services. Supplemental requests were not considered starting with the Fiscal Year 2010 budget and continuing through the development of the Fiscal Year 2014 budget. Fiscal Year 2015 was the first year the City utilized a "zero-based" budget approach. A zero-based approach means departments requested and justified all Fiscal Year 2015 appropriated funds and did not receive "base budget target allocations" at the beginning of the budget process.

The proposed budget is typically presented to the City Council in March and April for the upcoming fiscal year, with an emphasis on the City's largest operating fund, the General Fund, along with the proposed capital improvement plan. The state-defined budget adoption process occurs in May and June following public hearings on the City Manager's proposed budget. This process results in the City Council's formal adoption of the City's total budget for the upcoming fiscal year.

City budgeting for a fiscal year formally begins with the preparation of the budget. It is subsequently adopted, after a public hearing, by July 1 for the fiscal year. The budget must contain the information indicated above and a tax levy is made in accordance with State law. Additionally, the City has a formal Debt Management Plan and a 10-year capital improvement plan which are also incorporated in the budget process.

During the Fiscal Year 2016 budget process, the Mayor and Council adopted revised financial policies. In order to address financial stability, the fund balance policy for the General Fund was revised. The revised policy states "the minimum unrestricted (*the total amount of the committed, assigned, and unassigned*) fund balance in the General Fund shall total 25% of projected annual ongoing revenues."

Five-Year Financial Forecast

In December of 2013, the City initiated a comprehensive Five-Year Financial Forecast that is prepared for each of the City's major operating funds. The City updates the Five-Year Forecast annually to initiate the budget process.

The Five-Year Financial Forecast is a planning tool which is designed to serve several purposes, including providing a long-term view of current-year budget decisions impacting the City, providing an estimate of fund balances and illustrating the sensitivity to revenue and expenditure changes over the forecasted periods. The City's financial forecast is based on realistic, yet conservative, revenue and expense estimates. The Five-Year Financial Forecast incorporates various revenue and expense assumptions that have not been formally approved by the City as of the date of the forecast. The forecast serves as a planning tool to guide the City's long-term financial decisions and to ensure financial stability. As a result, the dollar amounts presented in the forecast do not necessarily represent budget actions that the City will approve or anticipates approving in the future, including the changes in revenues and expenses or the resulting fund balances.

Capital Improvement Plan

Glendale's Capital Improvement Plan (the "Capital Plan") is a ten-year road map for creating, maintaining and rehabilitating Glendale's present and future infrastructure needs. The Capital Plan also represents a funding plan for capital expenditures. The Capital Plan is designed to ensure that capital improvements will be made when and where they are needed, and that the City will have the funds to pay for such improvements.

In conjunction with the annual budgeting process, the Finance Department coordinates the city-wide process of revising and updating the Capital Plan.

The City Council reviews all of the existing and proposed projects, considers requests made by citizens and City boards and commissions, and evaluates management, financial and planning staff recommendations before making the final decision about which projects should be included in the annual Capital Plan and how those projects should be integrated into the City's annual budgeting process.

Financial Reports and Examination of Accounts

Annually, independent certified public accountants audit the financial records as required by State law and the City's Charter. See Appendix D – "AUDITED FINANCIAL STATEMENTS OF THE CITY OF GLENDALE, ARIZONA FOR FISCAL YEAR ENDED JUNE 30, 2016" for the financial statements from the City's June 30, 2016, Comprehensive Annual Financial Report. The City received a Certificate of Achievement for Excellence in Financial Reporting from GFOA for its 2016 Comprehensive Annual Financial Report as well as in each of the 31 preceding years.

PROPERTY TAX INFORMATION

Recent Constitutional and Statutory Changes Affecting Property Taxes

Beginning in Fiscal Year 2015-16 and for each fiscal year thereafter, a voter-approved constitutional amendment and related enabling legislation imposes additional limits on the growth in taxable value of most real property and improvements, including mobile homes, used for levying ad valorem property taxes, including both primary and secondary ad valorem taxes. Primary ad valorem taxes are levied for the maintenance and operation of counties, cities, towns, school districts, community college districts and certain special taxing districts as described below. Secondary ad valorem taxes are levied for debt retirement (e.g., debt service on the Bonds), voter-approved budget overrides and the maintenance and operation of special service districts as described below.

Prior to Fiscal Year 2015-16, the value of real property and improvements, including mobile homes, used for levying primary ad valorem taxes was based on a limited property value described below (“Primary Property Tax Value”) and the value used for levying secondary ad valorem taxes (“Secondary Property Tax Value”) was based on full cash value (“Full Cash Value”) described below. The Primary Property Tax Value for property increased by the greater of either 10% of the prior year’s Primary Property Tax Value or 25% of the difference between the prior year’s Primary Property Tax Value and the current year’s Full Cash Value. There was no limit on the growth of Full Cash Value or Secondary Property Tax Value. See “Tax Procedure – Determination of Full Cash Value” herein. As more fully described below, property assessment ratios were then applied against these respective values, and property exempt from taxation was netted out of the valuation, to arrive at “Net Assessed Primary Value” and “Net Assessed Secondary Value”. The tax rate imposed for primary tax and secondary tax purposes was then applied against the respective Net Assessed Primary Value or Net Assessed Secondary Value to determine the respective primary and secondary tax levy amounts.

Beginning with Fiscal Year 2015-16 and thereafter, both primary ad valorem taxes and secondary ad valorem taxes are levied based upon a revised limited property value (the “Limited Property Value”), which (i) for locally assessed property (as described below) in existence in the prior year that did not undergo modification through construction, destruction, split or change in use, is equal to the lesser of (a) the Full Cash Value of the property or (b) an amount five percent greater than the Limited Property Value of such property determined for the prior year and (ii) for centrally valued property (as described below) is equal to the Full Cash Value. Property that is subject to an equalization order that the State Legislature exempts from the above property tax limitation is also valued at Full Cash Value. There is no limit on the growth of Full Cash Value of such exempted or centrally assessed property. The property tax assessment ratios are then applied against the Limited Property Value, and property exempt from taxation is netted out of the Limited Property Value, to arrive at “Net Assessed Limited Property Value.” The tax rates imposed for both primary tax and secondary tax purposes are then applied against the Net Assessed Limited Property Value to determine the respective primary and secondary tax levy amounts.

Because Fiscal Year 2015-16 was the first year for implementation of the constitutional amendment and use of Limited Property Values and Net Assessed Limited Property Values, there is currently limited comparative data for such property values from prior fiscal years to present in this Official Statement. Accordingly, information prior to Fiscal Year 2014-15 is presented using the then-applicable, but now replaced valuation rules, including Net Assessed Primary Values and Net Assessed Secondary Values.

Additional changes may be made to the manner in which properties are valued for tax purposes and taxes are levied. The City cannot determine whether any such measures will become law or how they might affect property tax collections for the City. However, removing or amending limits on the growth rate of Limited Property Value for locally assessed property would require further amendment to the State Constitution.

Ad Valorem Taxes

General

For tax purposes in Arizona, real property is either valued by the Assessor of the County or by the Arizona Department of Revenue. Property valued by the Assessor of the County is referred to as “locally assessed” property and generally encompasses residential, agricultural and traditional commercial and industrial property. Property valued by the Arizona Department of Revenue is referred to as “centrally valued” property and includes: (1) property used in the business of patented or unpatented producing mines, mills and smelters; (2) producing oil, gas and geothermal interests; (3) real property and improvements used for operation of telephone, telegraph, gas, water

and electric utilities; (4) aircraft regularly scheduled and operated by an aircraft company; (5) standing timber; (6) pipelines; and (7) personal property, except mobile home.

Primary Taxes

Taxes levied for the maintenance and operation of counties, cities, towns, school districts, community college districts, certain special taxing districts, and the State are primary taxes. These taxes are levied against the Net Assessed Limited Property Value of the taxing jurisdiction. The State does not currently levy ad valorem taxes but the State currently requires a county (including the County) to levy a “State equalization assistance property tax” to provide equalization assistance to school districts in such county which is used to offset the cost of State equalization to those school districts.

The amount of primary taxes levied by a county (including the County), city, town and community college district is constitutionally limited to a maximum increase of 2% over the maximum allowable prior year’s levy limit amount plus any taxes on property not subject to tax in the preceding year (e.g., new construction and property brought into the jurisdiction because of annexation). Each taxing entity’s maximum allowable property tax levy limit amount was rebased to the amount of actual 2005 primary property taxes levied (plus amounts levied against property not subject to taxation in the prior year). The 2% limitation does not apply to primary taxes levied on behalf of school districts.

Primary taxes on residential property only are constitutionally limited to 1% of the Limited Property Value of such property.

Secondary Taxes

Taxes levied for debt retirement (e.g., debt service on the bonds), voter-approved budget overrides and the maintenance and operation of special service districts such as sanitary, fire and road improvement districts are secondary taxes. These taxes are levied against the Net Assessed Limited Property Value. There is no limitation on annual levies for voter-approved bond indebtedness and certain special district assessments are also unlimited. Debt service on bonds is payable solely from secondary property taxes.

Tax Procedures

Tax Year

The Arizona tax year is defined as the calendar year, although tax procedures begin prior to January 1 of the tax year and continue through May of the succeeding calendar year, when payment of the second installment of property taxes for the prior tax year becomes delinquent.

Determination of Full Cash Value

The first step in the tax process is the determination of the Full Cash Value of each parcel of real property within the State. Full Cash Value is statutorily defined to mean “that value determined as prescribed by statute” or if no statutory method is prescribed it is “synonymous with market value.” “Market value” means that estimate of value that is derived annually by use of standard appraisal methods and techniques, which generally includes the market approach, the cost approach and the income approach. As a general matter, the various county assessors use a cost approach for commercial/industrial property and a sales data approach for residential property. Arizona law allows taxpayers to appeal the county assessor’s valuations by providing evidence of a lower value, which may be based upon another valuation approach.

The Assessor of the County, upon meeting certain conditions, may value residential, agricultural and vacant land at the same Full Cash Value for up to three years. The Assessor of the County currently values existing properties on a two-year cycle.

Arizona law provides for a property valuation “freeze” on Full Cash Value for certain residential property owners 65 years of age and older. Owners of residential property may obtain such freeze against valuation increases (the “Property Valuation Protection Option”) if the owners’ total income from all sources does not exceed 400% (500% for two or more owners of the same property) of the “Social Security Income Benefit Rate.” The Property Valuation Protection Option must be renewed every three years. If the property is sold to a person who does not

qualify, the valuation reverts to its then-current Full Cash Value. Any freeze on increases in Full Cash Value will translate to the assessed value of the affected property as hereinafter described.

Following the determination of the Full Cash Value, the Assessor of the County then determines the Limited Property Value by applying any applicable property growth limitations as described under “Recent Constitutional and Statutory Changes Affecting Property Taxes” above.

Assessment Ratios

All property, both real and personal, is assigned a classification to determine its assessed valuation for tax purposes. Each legal classification is defined by property use and has an assessment ratio (a percentage factor) that is multiplied by the applicable Limited Property Value to obtain the assessed valuation. The appropriate property classification ratio is applied to the Limited Property Value of each property parcel according to its classification to determine the assessed valuation for such parcel. The current assessment ratios for each class of property are set forth in the following table.

**TABLE 1
Property Tax Assessment Ratios
Tax Years 2013 through 2017**

Property Classification (a)	Assessment as Percentage of Taxable Value				
	2013	2014	2015	2016	2017
Mining, Utilities, Commercial and Industrial (b)	19.5%	19%	18.5%	18%	18 %
Agriculture and Vacant Land (b)	16%	16%	16%	15%	15%
Owner Occupied Residential	10%	10%	10%	10%	10%
Leased or Rented Residential	10%	10%	10%	10%	10%
Railroad, Private Car Company and Airline Flight Property (c)	15%	16%	15%	14%	15%

- (a) Additional classes of property exist, but seldom amount to a significant portion of a taxing jurisdiction’s total valuation.
- (b) For tax year 2017, Full Cash Values, up to an amount established by law for each tax year, on commercial, industrial and agricultural personal property are exempt from taxation (for tax year 2017, such maximum amount is \$159,498). This exemption is indexed annually for inflation. Any portion of the Full Cash Value in excess of that amount will be assessed at the applicable rate.
- (c) This percentage is determined annually to be equal to the ratio of (i) the total Limited Property Value of all mining, utility, commercial, industrial, and military reuse zone properties, agricultural personal property and certain leasehold personal property to (ii) the total Full Cash Value of such properties.

Source: *State and County Abstract of the Assessment Roll*, Arizona Department of Revenue

On or before the third Monday in August of each year, the Board of Supervisors of the County prepares the tax roll that sets forth the valuation by taxing district of all property in the County subject to taxation. The Assessor of the County is required to complete the assessment roll by December 15th of the year prior to the levy. This tax roll also shows the valuation and classification of each parcel of land located within the County for the tax year. The tax roll is then forwarded to the Treasurer. With the various budgetary procedures having been completed by the governmental entities, the appropriate primary and secondary tax rate for each jurisdiction is then applied to the Net Assessed Limited Property Value of each parcel of property in order to determine the total tax owed by each property owner. Any subsequent decrease in the value of the tax roll as it existed on the date of the levy due to appeals or other reasons would reduce the amount of taxes received by each jurisdiction.

The property tax lien on real property attaches on January 1 of the fiscal year the tax is levied. Such lien is prior and superior to all other liens and encumbrances on the property subject to such tax except liens or encumbrances held by the State or liens for taxes accruing in any other years.

The State Legislature, from time to time, may change the manner in which taxes are levied, including changing the assessment ratios and property classifications. The City cannot determine whether any such measures will become law or how they might affect property tax collections for the City. However, removing or amending

limits on the growth rate of Limited Property Value for locally assessed property would require further amendment to the State Constitution.

Delinquent Tax Procedures

The property taxes due the City are billed, along with State, County, and other taxes, in September of each year and are payable in two installments on the subsequent October 1 and March 1. The delinquent tax dates are November 1 and May 1 and delinquent taxes are subject to a penalty of 16% per annum unless the full year's taxes are paid by December 31. (Delinquent interest is waived if a taxpayer, delinquent as to the November 1 payment, pays the entire year's tax bill by December 31.) At the close of the tax collection period, the Treasurer prepares a delinquent property tax list and the property so listed is subject to a tax lien sale in February of the succeeding year. In the event that there is no purchaser for the tax lien at the sale, the tax lien is assigned to the State, and the property is reoffered for sale from time to time until such time as it is sold, subject to redemption, for an amount sufficient to cover all delinquent taxes.

After three years from the sale of the tax lien, the tax lien certificate holder may bring an action in a court of competent jurisdiction to foreclose the right of redemption and, if the delinquent taxes plus accrued interest are not paid by the owner of record or any entity having a right to redeem, a judgment is entered ordering the Treasurer of the County to deliver a treasurer's deed to the certificate holder as prescribed by law.

It should be noted that in the event of bankruptcy of a taxpayer pursuant to the United States Bankruptcy Code (the "Bankruptcy Code"), the law is currently unsettled as to whether a lien can attach against the taxpayer's property for property taxes levied during the pendency of bankruptcy. Such taxes might constitute an unsecured and possibly noninterest bearing administrative expense payable only to the extent that the secured creditors of a taxpayer are over secured, and then possibly only on the prorated basis with other allowed administrative claims. It cannot be determined, therefore, what adverse impact bankruptcy might have on the ability to collect ad valorem taxes on a property of a bankrupt taxpayer within the City. Proceeds to pay such taxes come only from the taxpayer or from a sale of the tax lien on the property.

When a debtor files or is forced into bankruptcy, any act to obtain possession of the debtor's estate, any act to create or perfect any lien against the property of the debtor or any act to collect, assess or recover a claim against the debtor that arose before the commencement of the bankruptcy would be stayed pursuant to the Bankruptcy Code. While the automatic stay of a bankruptcy court may not prevent the sale of tax liens against the real property of a bankrupt taxpayer, the judicial or administrative foreclosure of a tax lien against the real property of a debtor would be subject to the stay of a bankruptcy court. It is reasonable to conclude that "tax sale investors" may be reluctant to purchase tax liens under such circumstances, and, therefore, the timeliness of post-bankruptcy petition tax collections becomes uncertain.

It cannot be determined what impact any deterioration of the financial condition of any taxpayer, whether or not protection under the Bankruptcy Code is sought, may have on payment of or the secondary market for the bonds. Neither the City nor the Underwriters have undertaken any independent investigation of the operations and financial condition of any taxpayer, nor have they assumed responsibility for the same.

In the event the Treasurer is expressly enjoined or prohibited by law from collecting taxes due from any taxpayer, such as may result from the bankruptcy of a taxpayer, any resulting deficiency could be collected in subsequent tax years by adjusting the City's tax rate charged to non-bankrupt taxpayers during such subsequent tax years.

FINANCIAL INFORMATION FOR THE CITY

Property Valuations

The following table lists the various property valuations for the City for fiscal year 2016-17 and estimated property valuations for fiscal year 2017-18. As used herein, “Estimated Net Full Cash Value” is the Full Cash Value net of the estimated Full Cash Value of property exempt from taxation. For more information on constitutional and statutory changes in the taxable values of property beginning in fiscal year 2015-16 and thereafter, see “Recent Constitutional and Statutory Changes Affecting Property Taxes” above.

Property Valuations for Fiscal Year 2016-17

Estimated Net Full Cash Value	\$13,007,977,253
Net Assessed Limited Property Value	1,173,091,035

Estimated Property Valuations for Fiscal Year 2017-18 (a)

Estimated Net Full Cash Value	\$14,046,075,845
Net Assessed Limited Property Value	1,227,220,727

- (a) Estimated valuations for the Fiscal Year 2017-18 are provided by the Maricopa County Assessor. Valuations for the Fiscal Year 2017-18 are not official until approved by the County Board of Supervisors on the third Monday in August for the following fiscal year. Although the final official valuations are not expected to differ materially from the estimated valuations, they are subject to positive or negative adjustments until approved by the Board of Supervisors.

Source: *Abstract by Tax Authority*, Maricopa County Assessor’s Office.

Net Assessed Valuation Comparisons and Trends

The tables shown below indicate (a) for fiscal years 2015-16 and 2016-17, the Net Assessed Limited Property Value for the City, the County and the State, utilizing new constitutional and statutory property valuation requirements, and (b) for fiscal years 2011-12 through 2014-15, changes in the then-applicable, but now-replaced Net Assessed Secondary Values of the City, the County and the State.

Fiscal Years 2015-16 and 2016-17 Net Assessed Limited Property Values

Fiscal Year	City of Glendale	Percent Increase/ (Decrease)	Maricopa County	Percent Increase/ (Decrease)	State of Arizona	Percent Increase/ (Decrease)
2016-17	\$1,173,091,035	3.90%	\$36,135,494,474	4.37%	\$56,589,582,481	3.19%
2015-16(a)	1,129,008,207	(1.66%)	34,623,670,323	(0.92%)	54,838,548,829	(0.93%)

- (a) Percent increase/(decrease) shown for fiscal year 2015-16 reflects the change from fiscal year 2014-15 net assessed secondary values.

**Fiscal Years 2011-12 to 2014-15
Changes in Net Assessed Secondary Values**

Fiscal Year	City of Glendale	Percent Change	Maricopa County	Percent Change	State of Arizona	Percent Change
2014-15	\$1,148,164,650	9.26%	\$35,079,646,593	8.84%	\$55,352,051,074	5.24%
2013-14	1,050,893,890	(8.56%)	32,229,006,810	(6.31%)	52,594,377,492	(6.54%)
2012-13	1,149,264,817	(12.51%)	34,400,455,716	(11.25%)	56,271,814,583	(8.80%)
2011-12	1,313,557,625	(25.09%)	38,760,296,714	(22.02%)	61,700,292,915	(18.43%)

Source: *Property Tax Rates and Assessed Values*, Arizona Tax Research Association and *Abstract of the Assessment Roll*, State of Arizona Department of Revenue.

Net Assessed Valuation and Estimated Net Full Cash Value Comparison

The following tables indicate (a) for fiscal years 2015-16 and 2016-17, the ratio between Net Assessed Limited Property Value and estimated Net Full Cash Value for the City, utilizing new constitutional and statutory property valuation requirements, and (b) for fiscal years 2011-12 through 2014-15, the ratio between Net Assessed Secondary Values and estimated Net Full Cash Values for the City, using the then-applicable but now-replaced Net Assessed Secondary Values of the City. As used herein, "Estimated Net Full Cash Value" is the Full Cash Value net of the estimated Full Cash Value of property exempt from taxation.

**Fiscal Years 2015-16 and 2016-17
Ratio Between Net Assessed Limited Property Value and Estimated Net Full Cash Value**

Fiscal Year	Net Assessed Limited Property Value	Estimated Net Full Cash Value (a)	Percent of Net Assessed Limited Property Value to Estimated Net Full Cash Value
2016-17	\$1,173,091,035	\$13,007,977,253	9.02%
2015-16	1,129,008,207	12,017,464,875	9.39%

**Fiscal Years 2011-12 to 2014-15
Ratio Between Net Assessed Secondary Values and Estimated Net Full Cash Values (a)**

Fiscal Year	Net Assessed Secondary Value	Estimated Net Full Cash Value (b)	Percent of Net Assessed Secondary Value to Estimated Net Full Cash Value
2014-15	\$1,148,164,650	\$9,500,554,715	12.09%
2013-14	1,050,893,890	8,460,156,933	12.42%
2012-13	1,149,264,817	9,079,552,277	12.66%
2011-12	1,313,557,625	10,332,582,284	12.71%

(a) Full Cash Value net of the estimated value of property exempt from taxation.

Source: *Property Tax Rates and Assessed Values*, Arizona Tax Research Association and *Abstract of the Assessment Roll*, Arizona Department of Revenue.

Net Assessed Valuation by Property Classification

The following tables are shown to indicate (a) for fiscal years 2015-16 and 2016-17, the Net Assessed Limited Property Values by property classification for the City, utilizing new constitutional and statutory property valuation requirements, and (b) for fiscal years 2011-12 through 2014-15, the Net Assessed Secondary Values by property classification for the City, using the then-applicable but now-replaced Net Assessed Secondary Values.

Fiscal Years 2015-16 and 2016-17 Net Assessed Limited Property Values by Property Classification

Property Classification	2015-16 Net Assessed Limited Property Value	2016-17 Net Assessed Limited Property Value	2016-17 Percent of Total
Mining, Utilities, Commercial	\$385,851,099	\$400,272,291	34.12%
Agricultural & Vacant	34,836,064	27,869,688	2.38
Owner Occupied	504,560,952	526,531,430	44.88
Rented Residential, Residential Common Areas	198,564,493	213,365,696	18.19
Railroad, Private Car Companies, Flight Properties	3,371,856	3,144,336	0.27
Noncommercial Historic, Foreign Trade Zones	1,821,456	1,905,192	0.16
Improvements on federal, state, county or municipal property	2,287	2,402	0.00
	\$1,129,008,207	\$1,173,091,035	100.00%

Fiscal Years 2011-12 through 2014-15 Net Assessed Secondary Values by Property Classification

Property Classification	Net Assessed Secondary Value			
	2011-12	2012-13	2013-14	2014-15
Mining, Utilities, Commercial	\$523,112,818	\$457,931,612	\$399,921,841	\$388,607,342
Agricultural & Vacant	51,691,663	34,511,646	29,886,641	38,792,733
Owner Occupied	570,472,083	508,535,638	452,907,081	515,232,088
Rented Residential, Residential Common Areas	161,780,917	141,682,436	162,535,615	200,044,976
Railroad, Private Car Companies, Flight Properties	4,054,796	4,178,098	3,346,730	3,629,388
Noncommercial Historic, Foreign Trade Zones	2,441,900	2,422,240	2,293,330	1,855,942
Improvements on federal, state, county or municipal property	3,447	3,145	2,650	2,179
	\$1,313,557,624	\$1,149,264,815	\$1,050,893,888	\$1,148,164,648

Source: *Abstract of the Assessment Roll*, Arizona Department of Revenue.

Net Assessed Property Values of Major Taxpayers

The table shown indicates the major property taxpayers located within the City, an estimate of their 2016-17 Net Assessed Limited Property Value, utilizing new constitutional and statutory property valuation requirements, and their relative proportion of the total Net Assessed Limited Property Value for the City.

Fiscal Year 2016-17 Major Taxpayers

Taxpayer (a)	Type of Property	2016-17 Net Assessed Limited Property Values	As % of City's Net Assessed Limited Property Values
Arizona Public Service Company	Electric Utility	\$17,463,653	1.49%
VHS of Arrowhead Inc.	Health Care	11,563,240	0.99
Arrowhead Towne Center LLC	Shopping Center	10,090,965	0.86
New Westgate LLC	Office Buildings	8,903,336	0.76
Wal-Mart Stores Inc.	Retail	7,475,290	0.64
Qwest Corporation	Telecommunications	6,404,690	0.55
Outlets at Westgate LLC	Shopping Center	6,171,469	0.53
American Furniture Warehouse Co.	Retail	5,446,954	0.46
JQH-Glendale AZ Development LLC	Hotel	5,103,000	0.44
Southwest Gas Corporation (T&D)	Gas Utility	4,793,606	0.41
	TOTAL	\$83,416,203	7.13%

- (a) The assessed valuation of property owned by the Salt River Project Agricultural Improvement and Power District ("SRP") is not included in the assessed valuation of the City in the prior table or in any other valuation information set forth in this Official Statement. Because of SRP's quasi-governmental nature, property owned by SRP is exempt from property taxation.

However, SRP may elect each year to make voluntary contributions in lieu of property taxes with respect to certain of its electrical facilities (the "SRP Electric Plant"). If SRP elects to make the in lieu contribution for the year, the full cash value of the SRP Electric Plant and the in lieu contribution amount is determined in the same manner as the full cash value and property taxes owed is determined for similar non-governmental public utility property, with certain special deductions.

If SRP elected not to make such contributions, the City would be required to contribute funds from other sources or levy an increased tax rate on all other taxable property to provide sufficient amounts to make timely payment of debt service on the bonds. If after electing to make the in lieu contribution, SRP then failed to make the in lieu contribution when due, neither the Treasurer of the County nor the City have any recourse against the property of SRP.

Since 1964, when the in lieu contribution was originally authorized in State statute, SRP has never failed to make that election and contribution. The Fiscal Year 2016-17 in lieu assessed valuation of SRP within the City is \$ 14,864,659, which represents approximately 1.27% of the combined Net Assessed Limited Property Value in the City. SRP's total estimated contribution in lieu of property tax payments is approximately \$319,441 for Fiscal Year 2016-17.

- (b) Some of these taxpayers or their parent companies are subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith file reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information (collectively, the "Filings") may be inspected, copied and obtained at prescribed rates at Commission's public reference facilities at 100 F Street, N.E., Washington, D.C. 20549-2736. In addition, the Filings may also be inspected at the offices of the New York Stock Exchange at 20 Broad Street, New York, NY 10005. The Filings may also be obtained through the Internet on the Commission's EDGAR database at <http://www.sec.gov>. None of the City, the Financial Advisor, Bond Counsel, Underwriters' Counsel, or the Underwriters examined the information set forth in the Filings for accuracy or completeness, nor do they assume responsibility for the same.
- (c) As of December 30, 2014, Thunderbird was acquired by Arizona State University and, as such, may no longer be subject to property taxation.

Source: Maricopa County Treasurer's Office.

Record of Real and Secured Property Taxes Levied and Collected

Property taxes are levied and collected on property within the City and certified by the Treasurer of the County on behalf of the City. The following table sets forth the tax collection record of the City for the current fiscal year and past five fiscal years.

Fiscal Year	Tax Levy(c)	Collected to June 30 End of Tax Fiscal Year (a)		Total Collections (b)	
		Amount	Percent of Tax Levy	Amount	Percent of Tax Levy
2016-17	\$25,252,756	(d)	(d)	\$16,076,311	63.66%
2015-16	24,849,701	\$24,254,557	97.61%	24,566,554	98.86%
2014-15	24,429,111	23,728,620	97.13%	24,044,637	98.43%
2013-14	23,942,746	23,490,204	98.11%	23,748,137	99.19%
2012-13	21,840,578	21,295,512	97.50%	21,466,719	98.29%
2011-12	20,787,346	20,089,536	96.64%	20,414,590	98.21%

- (a) Reflects collections made through June 30, the end of the fiscal year, on such year's levy. Property taxes are payable in two installments. The first installment is due the first day of October and becomes delinquent on November 1; interest on delinquent November installments is waived if the full tax year's taxes are paid in full by December 31 of such tax year. The second installment becomes due the first day of the subsequent March and is delinquent on May 1. Interest at the rate of 16% per annum, which is prorated at a monthly rate of 1.33%, attaches on first and second installments following their delinquent dates. Penalties for delinquent payments are not included in the above collection figures, but are deposited in the County's General Fund.
- (b) Reflects collections made through March 31, 2017, against current and prior levies.
- (c) Tax levy amount shown is based on the original levy set by the County and does not reflect adjustments.
- (d) In the process of collection.

Source: Maricopa County Treasurer's Office.

Tax Rate Data

The tax rates provided below reflect the total property tax rate levied by the City. As such, the rates are the sum of the tax rate for debt service payments and the tax rate for all other purposes. For fiscal year 2015-16 and 2016-17, the tax rates are based on the Net Assessed Limited Property Value of the City, utilizing new constitutional and statutory property valuation requirements. For prior years, the primary tax was based on the Net Assessed Primary Value within the City and the secondary tax was based on the Net Assessed Secondary Value within the City.

Fiscal Year	City's Primary Tax Rate Per \$100 Assessed	City's Secondary Tax Rate Per \$100 Assessed	City's Total Tax Rate Per \$100 Assessed
2016-17	\$0.4792	\$1.6698	\$2.1490
2015-16	0.4898	1.7067	2.1965
2014-15	0.4896	1.6605	2.1501
2013-14	0.4974	1.7915	2.2889
2012-13	0.2252	1.6753	1.9005
2011-12	0.2252	1.3699	1.5951

Source: *Property Tax Rates and Assessed Values*, Arizona Tax Research Association.

Debt Limitation

Under the provisions of the Arizona Constitution, outstanding general obligation bonded debt for combined water, sewer, light, parks and open space, transportation and public safety purposes may not exceed 20% of a city's Net Assessed Full Cash Value, nor may outstanding general obligation bonded debt for all other purposes exceed 6% of a city's Net Assessed Full Cash Value. In the following computation of the City's borrowing capacity, general obligation bonds that are to be supported from enterprise funds are included in the appropriate category.

Water, Sewer, Light, Parks and Open Space, Transportation and Public Safety Purpose Bonds		All Other General Obligation Bonds	
20% Constitutional Limitation	\$303,932,932	6% Constitutional Limitation	\$91,179,880
Direct General Obligation Bonds Outstanding (a)	<u>135,130,000</u>	Direct General Obligation Bonds Outstanding (a)	<u>0</u>
Unused 20% Limitation Borrowing Capacity	<u>\$168,802,932</u>	Unused 6% Limitation Borrowing Capacity	<u>\$91,179,880</u>

Outstanding Bonded Indebtedness

The following table lists the outstanding General Obligation Bonds for the City.

Direct General Obligation Bonded Debt

Purpose	Year Issued	Original Amount	Outstanding Portion Subject to 6% Limit (a)	Outstanding Portion Subject to 20% Limit (a)	Total Principal Outstanding
Various Purpose	2003	\$66,400,000	None	\$4,335,000	\$4,335,000
Various Purpose	2006	29,365,000	None	4,250,000	2,170,000
Various Purpose	2007	61,000,000	None	12,895,000	8,775,000
Various Purpose	2009	41,650,000	None	35,155,000	33,275,000
Refunding Bonds	2010	38,300,000	None	30,180,000	23,680,000
Refunding Bonds	2015	39,490,000	None	39,490,000	35,610,000
Various Purpose	2016	16,705,000	None	16,705,000	16,705,000
Various Purpose	2016	10,580,000	None	10,580,000	10,580,000
Total Direct General Obligation Bonded Debt					<u>\$135,130,000</u>

(a) See "Debt Limitation" above.

Outstanding Water and Sewer Revenue Bonded Debt

The following table lists the outstanding Water and Sewer Revenue Bonds for the City, which are secured by and payable from revenues of the City's Water and Sewer Enterprise Fund.

Purpose	Year Issued	Original Amount	Total Principal Outstanding
Water and Sewer Obligations	2007	\$44,500,000	\$2,215,000
Water and Sewer Obligations	2008	65,500,000	6,020,000
Water and Sewer Obligations	2010	25,685,000	25,685,000
Water and Sewer Obligations	2012	77,635,000	67,155,000
Water and Sewer Obligations	2015	121,245,000	121,245,000
Total Water and Sewer Revenue Bonded Debt			<u>\$222,320,000</u>

Outstanding Transportation Excise Tax Revenue Bonded Debt

The following table lists the outstanding Transportation Excise Tax Revenue Obligations for the City, which are secured by and payable from a special sales tax levy for transportation purposes only.

Purpose	Year Issued	Original Amount	Total Principal Outstanding
Transportation Excise Tax Revenue Obligations	2007	\$109,110,000	\$22,275,000 (a)
Transportation Excise Tax Revenue Refunding Obligations	2015	55,635,000	55,340,000
Total Transportation Excise Tax Revenue Bonded Debt			\$77,615,000

(a) Does not reflect the impact of the transportation excise tax revenue refunding obligations the City expects to issue in June 2017.

Annual Debt Service Requirements of General Obligation Bonded Debt Outstanding (a)

The following table lists the annual debt service requirements of the City's outstanding general obligation debt.

Fiscal Year Ending	Outstanding General Obligation Debt Service Requirements		Direct Payments (b)	General Obligation Requirements(c)
	Principal	Interest		
2017	\$15,130,000	\$5,861,115	(\$552,376)	\$20,438,739
2018	14,810,000	5,068,316	(527,347)	19,350,969
2019	14,690,000	4,512,013	(500,061)	18,701,952
2020	15,320,000	3,878,689	(470,363)	18,728,325
2021	15,955,000	3,223,106	(439,712)	18,738,394
2022	14,285,000	2,546,054	(407,230)	16,423,823
2023	3,690,000	1,906,621	(372,787)	5,223,835
2024	3,800,000	1,758,690	(336,245)	5,222,445
2025	3,925,000	1,597,584	(296,577)	5,226,007
2026	4,060,000	1,422,669	(253,485)	5,229,184
2027	4,200,000	1,236,153	(207,778)	5,228,375
2028	4,350,000	1,037,394	(159,290)	5,228,104
2029	4,675,000	842,863	(108,969)	5,408,894
2030	4,680,000	605,988	(55,562)	5,230,426
2031	1,760,000	390,481	-	2,150,481
2032	1,830,000	320,081	-	2,150,081
2033	1,890,000	260,606	-	2,150,606
2034	1,970,000	185,006	-	2,155,006
2035	2,025,000	125,906	-	2,150,906
2036	2,085,000	65,156	-	2,150,156

(b) Rows may not add due to rounding.

(c) Reflects payments anticipated to be received by the City from the United States Treasury (the "Direct Payments") in association with the Series 2009B Bonds. These bonds were issued as "Build America Bonds," for which Direct Payments equal to 35% of the interest payments on such bonds are expected to be made by the federal government, subject to any reductions in such amounts made by the federal government. In federal fiscal year 2012-13 and each subsequent fiscal year to date, the federal government has reduced the Direct Payments and it is expected that such reductions will continue in the current and future years until altered by the federal government. The amounts shown reflect 2016-17 sequestration rate of 6.9% which results in Direct Payments equal to 32.59%.

(d) Does not reflect amounts held in reserve in the City's Debt Service Fund, which are restricted to only being used to pay debt service on the City's General Obligation Bonds. As of June 30, 2016, such amounts were \$_____ million (audited).

Net Direct and Overlapping General Obligation Bonded Debt

Overlapping bonded debt figures were compiled from information obtained from the Treasurer of the County and individual jurisdictions. A breakdown of each overlapping jurisdiction's applicable general obligation bonded debt, Net Assessed Limited Property Value and combined tax rate per \$100 of Net Assessed Limited Property Value follows. Outstanding bonded debt is comprised of general obligation bonds outstanding and general obligation bonds scheduled for sale. The applicable percentage of each municipality's Net Assessed Limited Property Value which lies within the City's boundaries (see the "Approximate Percent" column below) was derived from information obtained from the Treasurer of the County.

Direct and Overlapping Jurisdiction	2016-17 Net Assessed Limited Property Value	Net Outstanding Bonded Debt (a)	Proportion Applicable to the City		2016-17 Combined Tax Rate Per \$100 Assessed (b)
			Approx. Percent	Amount	
State of Arizona	\$56,589,592,481	None	2.05%	None	\$0.5010(c)
Maricopa County	36,135,494,474	None	3.26%	None	1.7869(d)
Maricopa Special Health Care District	36,135,494,474	\$73,000,000	3.26%	\$2,369,848	0.3053
Maricopa Community College District	36,135,494,474	509,430,000	3.26%	16,537,971	1.4651
Western Maricopa Education Center (West-Mec)	13,286,755,160	71,220,000	8.46%	6,032,199	0.0840
Washington Elementary School District No. 6	11,142,985,708	75,265,000	2.57%	199,387	5.6348
Glendale Elementary School District No. 40	257,621,609	27,180,000	99.19%	27,049,185	6.0655
Alhambra Elementary School District No. 68	288,006,534	None	18.52%	None	7.1527
Litchfield Elementary School District No. 79	703,245,154	44,425,000	0.11%	83,007	3.8142
Pendergast Elementary School District No. 92	282,212,106	37,955,000	26.84%	10,530,331	6.6931
Peoria Unified School District No. 11	1,549,607,885	236,250,000	19.86%	45,582,567	8.0431
Dysart Unified School District No. 89	1,150,639,963	151,488,000	0.08%	136,341	7.1282
Deer Valley Unified School District No. 97	2,299,621,371	219,675,000	20.01%	43,926,021	6.6976
Glendale Union High School District No. 205	1,400,607,317	116,850,000	20.31%	23,852,169	4.6738
Phoenix Union High School District No. 210	4,328,567,331	266,275,000	1.16%	3,049,191	5.0684
Tolleson Union High School District No. 214	987,529,742	28,600,000	7.66%	2,267,590	3.5652
Agua Fria Union High School District No. 216	1,030,770,138	91,530,000	0.08%	116,680	3.4734
City of Glendale (e)	1,173,091,035	135,130,000	100.00%	135,130,000	2.1490
Total Net Direct and Overlapping General Obligation Bonded Debt				<u>\$316,862,488</u>	

(a) Includes general obligation bonds outstanding less general obligation bonds supported from enterprise revenues. Does not include the Salt River Project Agricultural Improvement and Power District general obligation bonded debt. Such debt has been refunded in advance of maturity and is secured for payment by government securities held in an irrevocable trust.

Also does not include the obligation of the Central Arizona Water Conservation District (“CAWCD”) to the United States of America, Department of the Interior, for repayment of certain capital costs for construction of the Central Arizona Project (“CAP”), a major reclamation project that has been substantially completed by the Department of the Interior. The obligation is evidenced by a master contract between CAWCD and the Department of the Interior. In April of 2003, the United States and CAWCD agreed to settle litigation over the amount of the construction cost repayment obligation, the amount of the respective obligations for payment of the operation, maintenance and replacement costs and the application of certain revenues and credits against such obligations and costs. Under the agreement, CAWCD’s obligation for substantially all of the CAP features that have been constructed so far will be set at \$1.646 billion, which amount assumes (but does not mandate) that the United States will acquire a total of 667,724 acre feet of CAP water for federal purposes. The United States will complete unfinished CAP construction work related to the water supply system and regulatory storage stages of CAP at no additional cost to CAWCD. Of the \$1.646 billion repayment obligation, 73% is interest bearing and the remaining 27% is non-interest bearing. These percentages are fixed for the entire 50-year repayment period, which commenced October 1, 1993. CAWCD is a multi-county water conservation district having boundaries coterminous with the exterior boundaries of Arizona’s Maricopa, Pima and Pinal Counties. It was formed for the express purpose of paying administrative costs and expenses of the CAP and to assist in the repayment to the United States of the CAP capital costs. Repayment will be made from a combination of power revenues, subcontract revenues (i.e., agreements with municipal, industrial and agricultural water users for delivery of CAP water) and a tax levy against all taxable property within CAWCD’s boundaries. At the date of this Official Statement, the tax levy is limited to fourteen cents per \$100 of Net Assessed Limited Property Value, of which fourteen cents is being currently levied. (See Sections 48-3715 and 48-3715.02, Arizona Revised Statutes.) There can be no assurance that such levy limit will not be increased or removed at any time during the life of the contract.

The following table lists general obligation bonds that are authorized, but unissued, for each of the overlapping jurisdictions.

Jurisdiction	Authorized But Unissued General Obligation Bonds
Maricopa County Special Health Care District	\$829,000,000
Western Maricopa Education Center (West-Mec)	141,000,000
Washington Elementary School District No.6	98,000,000
Litchfield Elementary School District No. 79	23,000,000
Pendergast Elementary School District No. 92	45,670,000
Peoria Unified School District No. 11	54,800,000
Deer Valley Unified School District No. 97	78,315,000
Glendale Union High School District No. 205	40,000,000
Phoenix Union High School District No. 210	50,000,000
Agua Fria Union High School District No. 216	20,000,000
City of Glendale	335,554,054

- (b) The combined tax rate includes the tax rate for debt service payments and the tax rate for all other purposes such as maintenance and operation and capital outlay each of which is based on the Net Assessed Limited Property Value of the entity.
- (c) Includes the “State Equalization Assistance Property Tax.” The State Equalization Assistance Property Tax in fiscal year 2016-17 has been set at \$0.5010 and is adjusted annually pursuant to Arizona Revised Statutes Section 41-1276. The monies received from this tax are distributed to school districts in the State.
- (d) The tax rate includes the \$1.4009 county tax rate, the \$0.1792 tax rate of the Maricopa County Flood Control District, the \$0.0556 tax rate of the Maricopa County Free Library District, the \$0.1400 tax rate of the CAP and the \$0.0112 tax rate for the County’s contribution to fire districts. It should be noted that the County Flood Control District does not levy taxes on real property.
- (e) Includes outstanding general obligation debt as of May 1, 2017, does not include outstanding bonds and obligations issued by the City and payable from revenue sources other than property taxes.

Net Direct and Overlapping General Obligation Bonded Debt Ratios

The City's direct and overlapping general obligation bonded debt as described in above table is shown below on a per capita basis and as a percent of the City's Net Assessed Limited Property Value and estimated Net Full Cash Value. As used herein, "Estimated Net Full Cash Value" is the Full Cash Value net of the estimated Full Cash Value of property exempt from taxation.

	Per Capita Net Debt (Pop. @ 237,723 (a))	As Percent of City's 2016-17	
		Net Assessed Limited Property Value (\$1,173,091,035)	Estimated Net Full Cash Value (\$13,007,977,253)
Net Direct General Obligation Bonded Debt (\$135,130,000)	\$568.43	11.52%	1.04%
Net Direct and Overlapping General Obligation Bonded Debt (\$316,862,488) (b)	\$1,332.91	27.01%	2.44%

(a) The population count is provided by the City of Glendale Planning Department. See "POPULATION STATISTICS" table on page A-1.

(b) Overlapping debt from "DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT" table on page A-23.

Source: City of Glendale, Maricopa County Treasurer's Office.

OTHER INDEBTEDNESS AND OBLIGATIONS

Lease Purchase Financing

The City has entered into lease-purchase agreements for the acquisition of radios for the Police Department and photocopiers. These agreements are renewable annually at the option of the City, with payments due thereunder to be annually budgeted and encumbered in the City's General Fund, or in the case of certain sanitation equipment, in the Sanitation Enterprise Fund. Assuming that these agreements are not terminated or prepaid, the City's annual budget requirements to service these agreements would be as follows:

Lease-Purchase Agreements City of Glendale, Arizona

Fiscal Year	Annual Capital Lease Requirements
2017	\$2,352,991
2018	2,352,991
2019	2,352,991
Total Minimum Lease Payments	\$7,058,973
Less: Amount Representing Interest	0
Present Value of Net Minimum Lease Payments	\$7,058,973

Source: City Finance Department.

As stated in Note XI in Appendix D – "AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE CITY OF GLENDALE, ARIZONA FOR THE FISCAL YEAR ENDED JUNE 30, 2016", the City has other obligations in the amount of \$ [REDACTED] outstanding as of June 30, 2016.

PENSIONS AND OTHER POST EMPLOYEE BENEFITS

Employee Retirement Systems

The City contributes to three separate State owned and managed defined benefit pension plans for the benefit of all full-time employees and elected officials, of which two of the plans are described below. **Please refer to “Note XVIII” of Appendix D hereto for a more detailed description of these plans and the City contributions to the various plans.**

The Arizona State Retirement System (“ASRS”), a cost-sharing, multiple employer defined benefit plan, has reported increases in its unfunded liabilities. The most recent annual reports for the ASRS may be accessed at: <https://www.azasrs.gov/content/annualreports>. The increase in ASRS’ unfunded liabilities is expected to result in increased future annual contribution to ASRS by the City and its employees.

For the year ended June 30, 2016, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.47 percent (11.35 percent for retirement and 0.12 percent for long-term disability) of the members’ annual covered payroll. The City was required by statute to contribute at the actuarially determined rate of 11.47 percent (10.85 percent for retirement, 0.50 percent for health insurance premium benefit, and 0.12 percent for long-term disability) of the active members’ annual covered payroll. In addition, the City was required by statute to contribute at the actuarially determined rate of 9.36 percent (9.17 percent for retirement, 0.13 percent for health insurance premium benefit and 0.06 percent for long-term disability) of annual covered payroll of retired members who worked for the City in positions that would typically be filled by an employee who contributes to the ASRS. Contributions to the pension plan for the year ended June 30, 2016, were \$6,413. The City’s employer contributions to ASRS for the years ended June 30, 2016, 2015 and 2014 were \$___ million, \$6.0 million and \$6.3 million, respectively, which were equal to the required contributions for the year. The City’s employee contributions to ASRS were equal to the employers required contributions.

[Update for 2017 contribution levels]

The Arizona Public Safety Personnel Retirement System (“PSPRS”), an agent multiple-employer defined benefit plan that covers public safety personnel who are regularly assigned to hazardous duties, for which the Arizona State Legislature establishes and may amend active plan members’ contribution rate, has reported increases in its unfunded liabilities. The most recent annual reports for the PSPRS may be accessed at http://www.psprs.com/sys_psprs/AnnualReports/cato_annual_rpts_psprs.htm. The increase in the PSPRS’s unfunded liabilities is expected to result in increased future annual contributions to PSPRS by the City and possibly its employees, however the specific impact on the City, or on the City’s and its employees’ future annual contributions to the PSPRS, cannot be determined at this time.

For the year ended June 30, 2016, active PSPRS members were required by statute to contribute at the lesser of 11.65% of the member’s annual covered payroll; or 33.3% of the sum of the member’s contribution rate from the preceding fiscal year, plus the aggregate computed employer contribution rate; subject to a minimum employee contribution rate of 7.65%. The City was required to contribute at the actuarially determined rate of 31.46% for fire and 36.95% for police, the aggregate of which is the actuarially required amount. In addition, the City is required to pay an Alternate Contribution Rate for any PSPRS member who returns to work after July 20, 2011 and is required to participate in another state retirement system.

The City’s PSPRS rate for police for the fiscal year ending June 30, 2016 is 36.95%. The City’s PSPRS rate for fire for the fiscal year ending June 30, 2016 is 31.46%.

[Update for 2017 contribution levels]

[It should be noted that the PSPRS Board of Directors has adopted a three year contribution rate phase-in associated with an Arizona Supreme Court decision which determined that the reduction in the permanent benefit increase enacted by the State Legislature in 2011 (Senate Bill 1609) is unconstitutional. Had this contribution rate phase-in been adopted by the Council, the employer contribution rate for fiscal year ending 2016 would have been set at 34.01% for police and 28.99% for fire. Glendale City Council chose to contribute at the higher “no phase-in” contribution rates. Other litigation relating to the 2011 legislation remains outstanding. If the ultimate outcome

overturns additional portions of the legislation, there will be further adverse impacts on the funded ration and the actuarially determined contribution rates.]

New Reporting Requirements. Governmental Accounting Standards Board (“GASB”) Statement No. 67, Financial Reporting for Pension Plans, An Amendment of GASB Statement No. 25, is designed to improve financial reporting by state and local governmental pension plans. This statement replaces the requirements of Statements No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and No. 50, Pension Disclosures, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria.

[On February 16, 2016, the Governor of Arizona signed into law pension overhaul legislation which made several changes to the PSPRS. The changes, which only affect new hires that start after July 1, 2017, will require new public employees to serve until the age of 55 before being eligible for full pension benefits. The new legislation will also cap pension benefits for new hires and split the cost of pensions 50/50 between employers and new employees, offer new hires the option of a 100% defined contribution plan and tie cost-of-living adjustments to the regional Consumer Price Index, with a cap of 2% (the “COLA Provision”). The COLA Provision will also apply to current members of the PSPRS if approved by the voters at an election scheduled for May 17, 2016.]

Other Post-Employment Benefits

In fiscal year 2007-08, the City implemented GASB Statement No. 45, Accounting by Employers for Post-Employment Benefits Other than Pensions (“GASB 45”), which requires reporting the actuarially accrued cost of post-employment benefits, other than pension benefits (“OPEB”), such as health and life insurance for current and future retirees. Plan benefits covered by GASB 45 must be recognized as current costs over the working lifetime of employees, and to the extent such costs are not pre-funded, the reporting of such costs as a financial statement liability.

In fiscal year 2015-16, the City implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, which establishes guidelines for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

The City is not required to provide post-employment benefits other than pension benefits. However, the City does allow all of its retired employees to participate in the health care and life insurance plan provided to active employees, and at the same rates as active employees. Prior to June 30, 2014, the City also subsidized the cost of such participation by retirees and their family members. Beginning July 1, 2014, the City eliminated this provision and no longer pays any portion of the retiree or their family members’ premiums. As such, the City has no direct cash outlay for OPEB, but does incur an implicit rate subsidy by allowing retirees and their family members to access the plans at the same rate as active employees. The City engaged an actuary to perform calculations of the City’s liability with respect to its OPEB liability. In its report dated November 11, 2016, the actuary determined that the City’s liability for other post-employment benefits that Governmental Accounting Standards Board Statement 75 requires the City to include in its comprehensive annual financial statement balance sheet was approximately \$64.1 million at June 30, 2016, which includes amortization of the unfunded \$64.1million actuarial liability over 30 years.

OTHER FINANCIAL MATTERS

Insurance

In January 1987, the City Council established a risk management fund for torts; theft of, damage to and destruction of assets; errors and omissions; and natural disaster. The City’s risk management fund purchases commercial insurance for property, aviation, Inland Marine, errors and omissions, boiler and machinery, special events and vehicle property damage. The risk management fund was fully self-insured through June 30, 1998, for tort liability loss. Effective July 1, 1998, the City purchased excess public entity liability insurance with \$1 million of self-insurance retention for claims incurred on or after July 1, 1998.

City Funds receiving insurance coverage pay monthly premiums to the risk management fund based upon an actuarial review. Premium payments to insurance carriers are made directly from the risk management fund.

There have been no settlements paid in excess of insurance in any of the past three years nor has insurance coverage been significantly reduced in recent years.

On July 1, 1994, the City established a workers' compensation fund for work-related injuries to employees. The workers' compensation fund provides coverage up to a maximum of \$500 for each workers' compensation claim and purchases commercial insurance for claims in excess of \$500. City Funds receiving insurance coverage pay monthly premiums to the workers' compensation fund based upon a budget model taking into consideration prior loss experience, staffing level, and the National Council on Compensation insurance workers' compensation manual rates. Premium payments to insurance carriers are made directly from the workers' compensation fund. There have been no settlements paid in excess of insurance in any of the past three years. See Appendix D – "AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE CITY OF GLENDALE, ARIZONA OF THE FISCAL YEAR ENDED JUNE 30, 2016", Note VII.B for further information.

In the fall of 2012, the internal auditor of the city performed an audit on the Risk Management and Workers Compensation trust funds. The audit noted some payments out of the trust funds that may not have been appropriate uses of the trust funds. The City Manager met with the City Council to detail all findings in the audit in December, 2012. Subsequently, management addressed all of the audit findings and presented those results to the City Council in two meetings, November 19, 2013 and June 4, 2014. Currently, the Risk Management and Workers Compensation Funds are above the 55% confidence level.

DRAFT

**AUDITED FINANCIAL STATEMENTS
OF THE
CITY OF GLENDALE, ARIZONA
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

DRAFT

**SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT
AND THE PURCHASE AGREEMENT**

The following statements are summaries of certain definitions and provisions of the Trust Agreement and the Purchase Agreement, as amended by the Trust Agreement. Some of these provisions, together with certain other provisions thereof, have been summarized elsewhere in the Official Statement. All such summaries are qualified in their entirety by reference to the full text of such documents and reference is made to such documents for a full and complete statement of their provisions.

DEFINITIONS

“Annual Debt Service” means (i) with respect to Senior Excise Tax Obligations, the amount to be paid by the City under the Senior Agreements in any Fiscal Year with respect to the Senior Excise Tax Obligations for principal and interest requirements and (ii) with respect to Subordinate Excise Tax Obligations, the amount to be paid by the City in any Fiscal Year with respect to Subordinate Excise Tax Obligations for principal and interest requirements.

“AzSTA Pledge” means the pledge of Unrestricted Excise Taxes by the City on a basis subordinate to the pledge under the Senior Agreements to the Tourism and Sports Authority (the “Authority”), doing business as the Arizona Sports and Tourism Authority, pursuant to the Memorandum of Agreement, dated November 1, 2004, by and among the City, the Authority and B&B Holdings, Inc., d/b/a Arizona Cardinals (the “Team”), and signed on behalf of the City on November 16, 2004, on behalf of the Authority on May 12, 2005 and on behalf of the Team on May 11, 2005.

“Bond Year” means each one-year period beginning on the day after the expiration of the preceding Bond Year. The first Bond Year shall begin on the date of issue of the Obligations and shall end on the date selected by the City, provided that the first Bond Year shall not exceed one calendar year. The last Bond Year shall end on the date of retirement of the last Obligation.

“Business Day” means any day of the week other than a Saturday, Sunday or a day which shall be in the State a legal holiday or a day on which the Trustee is authorized or obligated by law or executive order to close or a day on which the Federal Reserve is closed.

“City Representative” means the City Manager, the Chief Financial Officer or any other person authorized by the City Manager or the Mayor and Council to act on behalf of the City with respect to this Trust Agreement.

“Corporation” means the City of Glendale Municipal Property Corporation.

“Defeasance Obligations” means, to the extent permitted by law, (1) cash, (2) non-callable direct obligations of the United States of America (“Treasuries”), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) pre-refunded municipal obligations rated “AAA” and “Aaa” by S&P and Moody’s, respectively, (5) securities eligible for “AAA” defeasance under then-existing criteria of S&P or (6) any combination of the foregoing.

“Depository Trustee” means any bank or trust company, which may include the Trustee, designated by the City, meeting the requirements of the Trust Agreement.

“Event of Default” means an event of default described under the Purchase Agreement.

“Financial Agreement” means an agreement, between the City and the Surety Provider setting forth the rights and obligations of the parties thereto with respect to matters such as payments under the Surety Bond and reimbursement thereof.

“Fiscal Year” means the fiscal year for the City, currently July 1 through and including June 30.

“Independent Counsel” means an attorney duly admitted to the practice of law before the highest court of the state in which such attorney maintains an office and who is not an employee of the City or the Trustee and which may include the counsel giving a Special Counsel’s Opinion.

“Interest Payment Date” means the dates specified in the Trust Agreement on which interest is due and payable on the Obligations.

“Maximum Annual Debt Service” means the greatest Annual Debt Service for the then-current or any succeeding Fiscal Year.

“Obligations” means the Subordinate Excise Tax Revenue Refunding Obligations, Series 2017.

“Outstanding” refers to Obligations issued in accordance with the Trust Agreement, excluding: (i) Obligations which have been exchanged or replaced; (ii) Obligations which have been paid; (iii) Obligations which have become due and for the payment of which moneys have been duly provided to the Trustee; and (iv) Obligations for which there have been irrevocably set aside with a Depository Trustee sufficient moneys or obligations permitted hereby and by the Purchase Agreement bearing interest at such rates and with such maturities as will provide sufficient funds to pay the principal and interest, represented by such Obligations, provided, however, that if principal represented by any such Obligations is to be prepaid, the City shall have taken all action necessary to prepay such Obligations and notice of such prepayment shall have been duly mailed in accordance with the proceedings under which such Obligations were issued or irrevocable instructions so to give such notice shall have been given to the Trustee.

“Owner” or any similar term, when used with respect to an Obligation means the person in whose name such Obligation shall be registered.

“Payments” means all payments required to be paid by the City pursuant to the Purchase Agreement.

“Payment Fund” means the fund by that name established pursuant to the Trust Agreement.

“Reimbursement Period” means twelve months.

“Reimbursement Rate” means the rate set forth in the Financial Agreement.

“Reserve Fund” means the fund by that name established pursuant to the Trust Agreement.

“Reserve Fund Surety Bond” or “Surety Bond” means the surety bond or bonds or policy or policies of insurance issued to the City in amounts which, when added to funds on deposit in the Reserve Fund, are equal to the Reserve Requirement, the proceeds of which shall be used only to prevent deficiencies in the payment of the principal or interest on the Obligations resulting from insufficient amounts being on deposit in the Payment Fund to make such payments of principal and interest as the same become due.

“Reserve Requirement” means an amount equal to the least of: (i) Maximum Annual Debt Service on all Outstanding Obligations; (ii) 125% of the average Annual Debt Service on all Outstanding Obligations; or, (iii) 10% of the stated principal amount of all Outstanding Obligations.

“S&P” means S&P Global Ratings, a business unit of Standard and Poor’s Financial Services LLC business, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the City by notice to the Trustee.

“Senior Agreements” means, collectively, the Series 1999 Lease Agreement dated as of October 1, 1999, as supplemented and amended by supplements relating to the Senior Bonds, the First Purchase Agreement dated as of March 1, 2015, the Second Purchase Agreement dated as of June 1, 2016 and any other agreement with a parity pledge therewith as to Unrestricted Excise Taxes.

“Senior Bonds” means the Corporation’s Excise Tax Revenue Bonds, Taxable Series 2003B; Excise Tax Revenue Bonds Series 2008A and Taxable Series 2008B and Senior Lien Excise Tax Revenue Refunding Bonds, Series 2012A and Series 2012B.

“Senior Excise Tax Obligations” or “Senior Obligations” means, collectively, the Senior Bonds, the Senior Obligations and any other bonds or obligations secured by a parity pledge therewith as to Unrestricted Excise Taxes.

“Senior Obligations” means the City of Glendale Senior Excise Tax Revenue Refunding Obligations, Series 2015A, Taxable Series 2015B and Series 2016.

“Subordinate Agreements” means, collectively, the Series 1999 Lease Agreement dated as of October 1, 1999, as supplemented and amended by the Twelfth Supplemental Agreement related to the Subordinate Bonds, the AzSTA Pledge, the Purchase Agreement and any other agreement with a parity pledge therewith as to Unrestricted Excise Taxes.

“Subordinate Bonds” means the Corporation’s Subordinate Excise Tax Revenue Refunding Bonds, Taxable Series 2012D.

“Subordinate Excise Tax Obligations” or “Subordinate Obligations” means, collectively, the Subordinate Bonds, the AzSTA Pledge, the Obligations and any additional obligations which may be issued or incurred by the City (or any financing conduit acting on behalf of the City) having a lien upon and payable from the Unrestricted Excise Taxes on a parity with, and in compliance with the terms of the Purchase Agreement and the Subordinate Agreements.

“Special Counsel’s Opinion” means an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the City.

“Surety Bond Coverage” means the amount available at any particular time to be paid to the Trustee under the terms of the Surety Bond, which amount shall never exceed the Surety Bond Limit.

“Surety Bond Limit” means an amount less than or equal to the Reserve Requirement.

“Surety Bond Payment” means an amount equal to the debt service payment required to be made by the City pursuant to the Trust Agreement less (i) that portion of the debt service payment paid by the City, and (ii) other funds legally available to the Trustee for payment to the Owners, all as certified by the Trustee in a demand for payment under the Surety Bond.

“Surety Provider” means the provider of a Surety Bond.

“Surety Reimbursement Fund” means the fund by that name established pursuant to the Trust Agreement.

“Unrestricted Excise Taxes” means excise taxes received by the City, including the City’s sales, transaction or privilege taxes, the City’s portion of sales, transaction, privilege or income taxes imposed and collected by the State, or by any other governmental unit or agency, and the City’s other excise and franchise taxes; provided, however, that Restricted Excise Taxes, as described in the next sentence, are not included within the definition of Unrestricted Excise Taxes. Restricted Excise Taxes are excise taxes, transaction privilege, franchise and income taxes of the City collected now or hereafter which have been approved at an election within the City and restricted to certain uses, such as the existing City’s Public Safety Tax and Transportation Tax.

THE TRUST AGREEMENT

Establishment and Application of Payment Fund. The Trustee shall establish a special trust fund designated as the “Series 2017 City of Glendale Subordinate Excise Tax Revenue Payment Fund” (herein referred to as the “Payment Fund”). So long as any Obligations are Outstanding, the City shall have no beneficial right or interest in the Payment Fund or the moneys deposited therein, except only as provided in the Trust Agreement, and such moneys shall be used and applied by the Trustee as hereinafter set forth.

The City is required to make Payments on a monthly basis pursuant to the Purchase Agreement. If any such payment is not made within one (1) Business Day after the date such Payment is due, the Trustee shall notify the City of the amount required to be paid, after taking into account amounts currently on deposit in the Payment Fund. All amounts received by the Trustee as Payments pursuant to the Purchase Agreement and transfers pursuant hereto shall be deposited in the Payment Fund, the Reserve Fund or the Surety Bond Reimbursement Fund, if and to the extent applicable.

All amounts in the Payment Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the principal and interest represented by the Obligations as the same shall become due and payable, in accordance with the provisions of the Trust Agreement.

Establishment and Application of Reserve Fund and Surety Reimbursement Fund.

The Trust Agreement creates a Reserve Fund for the Obligations and a Surety Reimbursement Fund.

The City shall not be required to fund the Reserve Fund, nor be required to deliver a Reserve Fund Surety Bond on the date of delivery of the Obligations. The City shall fund the Reserve Fund, or in the alternative, deliver a Reserve Fund Surety Bond, as provided below, to the Trustee, if the Unrestricted Excise Taxes collected by the City during a Fiscal Year are less than two (2) times the aggregate Maximum Annual Debt Service for Senior Excise Tax Obligations and Subordinate Tax Obligations. The City shall determine, and provide the Trustee with a written statement of the amount of, such coverage ratio prior to the January 1 following the end of each Fiscal Year and if the aforementioned coverage ratio of two (2) times is not met, the City shall fund from Unrestricted Excise Taxes in twelve equal monthly installments on the 15th of each month beginning January 15 following the end of such Fiscal Year until the Reserve Fund equals the Reserve Fund Requirement, or in the alternative, the City shall on such January 15th deliver to the Trustee a Reserve Fund Surety Bond with a value equal to the Reserve Fund Requirement.

The provisions set forth in the Trust Agreement for the Reserve Fund shall be effective only (i) upon the determination that the Reserve Fund shall be funded as provided in the preceding sentence and (ii) only to the extent that a comparable requirement exists for the Subordinate 2012 Bonds currently outstanding.

The City will be required monthly, commencing on the first day of the month following a payment made on the Reserve Fund Surety Bond with respect to the Obligations, to pay to the Trustee an amount equal to one-twelfth of the amount required to restore the Reserve Fund to an amount which, together with the Surety Bond

Coverage, is equal to the Reserve Requirement for the Obligations. The Trustee shall, to the extent it has funds available for payment into the Reserve Fund, apply such funds to the Reserve Fund to the extent that the Reserve Requirement for the Obligations exceeds the Surety Bond Limit with respect to the Obligations. No deposit need be made into the Reserve Fund if the amount of money contained therein is at least equal to an amount equal to the Reserve Requirement for the Obligations minus the Surety Bond Coverage with respect to the Obligations.

The City shall be required monthly, commencing on the first day of the month following any payment made on the Reserve Fund Surety Bond with respect to the Obligations, to pay to the Trustee for deposit in the Surety Reimbursement Fund a sum of money equal to the amount required to reimburse the provider of a Surety Bond for any interest owed by the City to the Surety Provider for payments made by the Surety Provider under the Reserve Fund Surety Bond with respect to the Obligations or for any other moneys owed by the City to the Surety Provider under the Financial Agreement with respect to the Obligations. Such reimbursement must be made by the Trustee before the expiration of the Reimbursement Period for each Surety Bond Payment made by the Surety Provider with interest on the Surety Bond Payment from the date made to the date of reimbursement at the lesser of the Reimbursement Rate or the maximum rate permitted by then applicable law. All moneys in the Surety Reimbursement Fund shall be used and withdrawn by the City solely for the purpose of reimbursing the Surety Provider for any interest owed by the City to the Surety Provider for payments made by the provider of a Surety Bond under the Reserve Fund Surety Bond with respect to the Obligations or any other moneys owed by the City to the Surety Provider under the Financial Agreement with respect to the Obligations. Such deposits into the Surety Reimbursement Fund shall be made prior to the making of any required cash payments to the Reserve Fund.

Appointment of Trustee. The City shall maintain as the Trustee a bank or trust company with a combined capital and surplus of at least Fifty Million Dollars (\$50,000,000), and subject to supervision or examination by federal or State authority, so long as any of the Obligations are Outstanding.

Liability of Trustee; Protection and Rights of the Trustee. Except with respect to its authority and power generally and authorization to execute the Trust Agreement, the recitals of facts, covenants and agreements in the Trust Agreement and the Purchase Agreement and in the Obligations shall be taken as statements, covenants and agreements of the City, and the Trustee assumes no responsibility for the correctness of the same.

The Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificates, statements, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine and to have been passed or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of the Trust Agreement, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee shall not be bound to recognize any person as an Owner of any Obligation or to take any action at his request unless such Obligation shall be deposited with the Trustee and satisfactory evidence of the ownership of such Obligation shall be furnished to the Trustee. The Trustee may consult with counsel with regard to legal questions, and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance therewith.

Whenever in the administration of its duties under the Trust Agreement, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be specifically prescribed) shall be deemed to be conclusively proved and established by the certificate of the City Representative and such certificate shall be full warranty to the Trustee for any action taken or suffered under the provisions of the Trust Agreement upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

The Trustee may become the Owner of the Obligations with the same rights it would have if it were not Trustee; may acquire and dispose of other bonds or evidence of indebtedness of the City with the same rights it would have if it were not the Trustee and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of

Obligations, whether or not such committee shall represent the Owners of the majority in principal amount of the Obligations then Outstanding.

The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the Trustee shall not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care. The Trustee shall not be answerable for the exercise of any discretion or power under the Trust Agreement or for anything whatever in connection with the funds and accounts established hereunder, except only for its own willful misconduct or gross negligence.

No provision in the Trust Agreement shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability (including, without limitation, any and all environmental liability) in the performance of any of its duties hereunder or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it.

Removal and Resignation of Trustee. The City (but only if no Event of Default has occurred and is continuing) or the Owners of a majority in aggregate principal amount of all Obligations Outstanding, at any time upon thirty (30) days' prior written notice, and for any reason, may remove the Trustee and any successor thereto, but any such successor shall be a bank or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least Fifty Million Dollars (\$50,000,000) and subject to supervision or examination by federal or State authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or the requirements of any supervising or examining authority above referred to, then, for the purposes of the Trust Agreement, the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Trustee may at any time resign by giving written notice to the City. Upon receiving such notice of resignation, the City shall promptly appoint a successor trustee by an instrument in writing; provided, however, that in the event that the City does not appoint a successor trustee within thirty (30) days following receipt of such notice of resignation or its giving notice of removal, the retiring Trustee may petition the appropriate court having jurisdiction to appoint a successor trustee. Any resignation or removal of the Trustee and appointment of a successor trustee shall become effective upon acceptance of appointment by the successor trustee. The Trustee and the City shall execute any documents reasonably required to effect the transfer of rights and obligations of the Trustee to the successor trustee subject, however, to the terms and conditions set forth in the Trust Agreement, including, without limitation, the right of the predecessor Trustee to be paid and reimbursed in full for its reasonable charges and expenses (including reasonable fees and expenses of its counsel) and the indemnification under the Trust Agreement.

Amendments Permitted Without Written Consent of Obligation Owners. The Trust Agreement and the rights and obligations of the Owners of the Obligations, and the Purchase Agreement and the rights and obligations of the parties thereto, may be modified or amended at any time by a supplemental or amending agreement, without the consent of any such Owners, but only (1) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power reserved to the Trustee (for its own behalf) or the City, (2) to secure additional revenues or provide additional security or reserves for payment of the Obligations, (3) to comply with the requirements of any state or federal securities laws or the Trust Indenture Act of 1939, as from time to time amended, if required by law or regulation lawfully issued thereunder, (4) to provide for the appointment of a successor trustee pursuant to the terms hereof, (5) to preserve the exclusion of interest represented by the Tax-Exempt Obligations from gross income for purposes of federal or State income taxes and to preserve the power of the City to continue to issue bonds or incur other obligations the interest on which is likewise exempt from federal and State income taxes, (6) to cure, correct or supplement any ambiguous or defective provision contained in the Purchase Agreement or the Trust Agreement, (7) with respect to rating matters or (8) in regard to questions arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable and which shall not materially adversely affect the interests of the Owners of the Obligations as evidenced by a Special Counsel's Opinion delivered by the City to the Trustee. Any such supplemental or amending agreement shall become effective upon execution and delivery by the parties hereto or

thereto as the case may be. The Trustee may rely upon a Special Counsel's Opinion as conclusive evidence that any such supplemental or amending agreement complies with the Trust Agreement.

Procedure for Amendment With Written Consent of Obligation Owners. The Trust Agreement and the rights and obligations of the Owners of the Obligations and the Purchase Agreement and the rights and obligations of the parties thereto, may be modified or amended at any time by a supplemental agreement which shall become effective when the written consent of the Owners of a majority in aggregate principal amount of the Obligations then Outstanding, exclusive of Obligations disqualified as provided in the Trust Agreement, shall have been filed with the Trustee. No such modification or amendment shall (1) extend or have the effect of extending the fixed maturity of any Obligation or reducing the interest rate with respect thereto or extending the time of payment of interest, or reducing the amount of principal thereof or reducing any premium payable upon the redemption thereof, without the express consent of the Owner of such Obligation, or (2) reduce or have the effect of reducing the percentage of Obligations required for the affirmative vote or written consent to an amendment or modification of the Purchase Agreement, or (3) modify any of the rights or obligations of the Trustee without its written assent thereto.

Limited Liability of the City. Except for the payment of Payments from Unrestricted Excise Taxes when due in accordance with the Purchase Agreement and the performance of the other covenants and agreements of the City contained in the Purchase Agreement, the City shall have no pecuniary obligation or liability to any of the other parties or to the Owners of the Obligations with respect to the Trust Agreement, or the terms, execution, delivery or transfer of the Obligations, or the distribution of Payments to the Owners by the Trustee.

Before being required to take any action, the Trustee may require an opinion of Independent Counsel acceptable to the Trustee, which opinion shall be made available to the other parties hereto upon request or a verified certificate of any party hereto, or both, concerning the proposed action. If it does so in good faith, the Trustee shall be absolutely protected in relying thereon.

Remedies Upon Default. If an Event of Default shall happen, then and in each and every such case during the continuance of such Event of Default, the Trustee may, or upon request of the Owners of a majority in aggregate principal amount of the Obligations then Outstanding and receiving indemnity satisfactory to it shall, exercise one or more of the remedies granted pursuant to the Purchase Agreement.

Application of Funds. All moneys received by the Trustee pursuant to any right given or action taken pursuant to the provisions of the Trust Agreement or the Purchase Agreement shall be applied by the Trustee in the order following, in the case of the Obligations, upon presentation of the several Obligations, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default, including reasonable compensation to its or their agents, attorneys and counsel and

Second, to the payment of the whole amount then owing and unpaid with respect to the Obligations and, with interest on the overdue principal and installments of interest at the rate of twelve percent (12%) per annum (but such interest on overdue installments of interest shall be paid only to the extent funds are available therefor following payment of principal and interest and interest on overdue principal, as aforesaid), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid with respect to the Obligations, then to the payment of such principal and interest without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Limitation on Obligation Owners' Right to Sue. No Owner of any Obligation issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon the Trust Agreement, unless (1) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default thereunder; (2) the Owners of at least a majority in aggregate principal amount of all Obligations then Outstanding shall have made written request upon the Trustee to exercise the powers granted under the Trust Agreement or to institute such action, suit or proceeding in its own name; (3) said Owners shall have tendered to the Trustee

indemnity satisfactory to it against the costs, expenses, and liabilities to be incurred in compliance with such request and (4) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Defeasance. Obligation or portions thereof may be paid and considered no longer Outstanding in any one or more of the following ways:

(1) By paying or causing to be paid the principal and interest represented by such Obligations Outstanding, as and when the same become due and payable;

(2) By depositing with a Depository Trustee, in trust for such purpose, at or before the payment date therefor, money which, together with the amounts then on deposit in the Payment Fund is fully sufficient to pay or cause to be paid all principal and interest due represented by such Obligations Outstanding; or

(3) By depositing with a Depository Trustee, in trust for such purpose, Defeasance Obligations which are noncallable in such amount as shall be certified to the Trustee and the City in a report (the "Verification") by an independent firm of nationally recognized certified public accountants or other financial or consulting firm acceptable to the Trustee and the City, as being fully sufficient, together with the interest to accrue thereon and moneys then on deposit in the Payment Fund together with the interest to accrue thereon, to pay and discharge or cause to be paid and discharged all principal and interest represented by such Obligations at their respective payment or prepayment dates, which deposit may be made in accordance with the provisions of the Purchase Agreement;

notwithstanding that any Obligations shall not have been surrendered for payment, all obligations of the Trustee and the City with respect to such Outstanding Obligations shall cease and terminate, except only the obligation of the Trustee to pay or cause to be paid, from funds deposited pursuant to paragraphs (2) or (3) above and paid to the Trustee by the Depository Trustee, to the Owners of the Obligations not so surrendered and paid all sums due with respect thereto, and in the event of deposits pursuant to paragraphs (2) or (3) above, the Obligations shall continue to represent direct and proportionate interests of the Owners thereof in such funds.

THE PURCHASE AGREEMENT

Terms and Payments.

In order to refinance the lease payments under the Subordinate Agreements related to the Refinanced Projects which have not been paid to date pursuant to the terms hereof, City sells and conveys the residual rights in the Refinanced Projects to the Trustee and the Trustee in turn sells and conveys back to City, without warranty, and City purchases from Trustee, any interests Trustee has in such residual rights.

As the purchase price, City shall pay the Payments to Trustee. (The Interest Portion of the Payments is interest for purposes of the Code.) The Agreement shall be deemed and construed to be a "*net purchase agreement*," and the Payments shall be an absolute net return to Trustee, free and clear of any expenses or charges whatsoever, except as otherwise specifically provided in the Purchase Agreement. The Interest Portion of the Payments due on the following Interest Payment Date with respect to the Obligations as set forth in the Purchase Agreement shall be paid by the City in equal monthly installments on the first day of each month commencing November 1, 2017 with respect to the January 1, 2018 Interest Payment Date. The principal portion of the Payments due on the Obligations on the dates set forth in the Purchase Agreement shall be paid by the City in equal monthly installments on the first day of each month over the 12 months prior to the payment date for such principal portion, commencing November 1, 2017 with respect to the July 1, 2018 principal payment date in eight monthly installments.

City shall also pay to Trustee its fees and expenses in accordance with the provisions of the Trust Agreement.

The City shall also pay to the Trustee, if and to the extent required, any amounts needed to fund the Reserve Requirement or the Surety Reimbursement Fund pursuant to the Trust Agreement.

The obligation of City to pay the amounts described above from the sources described in the Purchase Agreement and to comply with the other provisions hereof shall be absolute and unconditional and shall not be subject to any defense or any right of set-off, abatement, counterclaim, or recoupment arising out of any breach by Trustee of any obligation to City or otherwise, or out of indebtedness or liability at any time owing to City by Trustee. Until such time as all of the City's payment obligations under the Purchase Agreement shall have been fully paid or provided for, City (i) shall not suspend or discontinue the same, (ii) shall comply with the other provisions hereof and (iii) shall not terminate this Agreement for any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Refinanced Projects, the taking by *eminent domain* of title to or temporary use of any or all of the Refinanced Projects, commercial frustration of purpose, abandonment of the Refinanced Projects by City, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either or any failure of Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Trust Agreement or this Agreement. Nothing contained in the Purchase Agreement shall be construed to release Trustee from the performance of any of the agreements on its part in the Purchase Agreement or in the Trust Agreement contained and in the event Trustee shall fail to perform any such agreements on its part, City may institute such action against Trustee as City may deem necessary to compel performance so long as such action does not abrogate the obligations of City contained in the first sentence of this paragraph.

Pledge of Unrestricted Excise Taxes; Limited Obligation. City pledges for the payment of the purchase price and all other amounts payable pursuant to the Purchase Agreement its Unrestricted Excise Taxes. City intends that this pledge shall be a subordinate lien pledge upon such amounts of the Unrestricted Excise Taxes as will be sufficient to make the Payments pursuant to the Purchase Agreement when due. City covenants to make such Payments from such Unrestricted Excise Taxes, except to the extent it chooses to make the Payments from other funds. The pledge of, and lien on, the Unrestricted Excise Taxes is irrevocably made and created for the prompt and punctual payment of the amounts due under the Purchase Agreement. All of the Payments are coequal as to the pledge of and lien on the Unrestricted Excise Taxes pledged for the payments under the Purchase Agreement and share ratably, without preference, priority or distinction, as to the source or method of payment from Unrestricted Excise Taxes or security therefor. The pledge and lien is on a parity with the pledge of and lien on such Unrestricted Excise Taxes for the payments due with respect to any Subordinate Excise Tax Obligations, but subordinate to the pledge under the Senior Agreements with respect to Senior Excise Tax Obligations.

City's obligation to make payments of any amounts due under the Purchase Agreement, including amounts due after default or termination thereof, is limited to payment from Unrestricted Excise Taxes and shall in no circumstances constitute a general obligation of, or a pledge of the full faith and credit of, City, the State of Arizona, or any of its political subdivisions, or require the levy of, or be payable from the proceeds of, any ad valorem taxes.

Additional Subordinate Excise Tax Obligations. Additional Subordinate Excise Tax Obligations may be incurred but only if Unrestricted Excise Taxes in the most recently completed Fiscal Year shall have amounted to at least two (2) times the Maximum Annual Debt Service for any succeeding twelve (12) months' period for all Senior Excise Tax Obligations and Subordinate Excise Tax Obligations. The City shall not issue or incur obligations payable from Unrestricted Excise Taxes on a basis senior to the Parity Obligations, but reserves the right to issue or incur obligations payable from Unrestricted Excise Taxes on any subordinate lien basis to the Subordinate Excise Tax Obligations.

Rate Covenant and Coverage. The City covenants and agrees that the Unrestricted Excise Taxes which it presently imposes will be retained and maintained so that the amount of all such taxes received from such sources plus the amount of other such taxes allocated to it by any other governmental unit, all within and for the next preceding Fiscal Year, shall be equal to at least two (2) times the total of rental requirements under the Senior Agreements and the Subordinate Agreements in the current Fiscal Year. The City further covenants and agrees that if such receipts for any such preceding Fiscal Year shall not equal two (2) times the rental requirements under the Senior Agreements and the Subordinate Agreements of any current Fiscal Year, or if at any time it appears that the current receipts will not be sufficient to meet such rental requirements and Payments, it will, to the extent permitted by law, either impose new Unrestricted Excise Taxes or will increase the rates of such taxes currently imposed in order that (i) the current receipts will be sufficient to meet all current rental requirements and Payments, and (ii) the current year's

receipts will be reasonably calculated to attain the level as required above for the succeeding Fiscal Year's rental and Payment requirements.

Default: Remedies Upon Default.

(a) Upon (1) the nonpayment of the whole or any part of any payment amount at the time when the same are to be paid as provided in the Purchase Agreement or in the Trust Agreement or with respect to Parity Obligations, whether due at stated maturity, mandatory redemption, acceleration or otherwise, (2) the violation by City of any other covenant or provision of the Purchase Agreement or the Trust Agreement, (3) the violation of any covenant or provision of under the Senior Agreements or (4) the insolvency or bankruptcy of City as the same may be defined under any law of the United States of America or the State, or any voluntary or involuntary action of City or others to take advantage of, or to impose, as the case may be, any law for the relief of debtors or creditors, including a petition for reorganization, and

(b) If such default has not been cured (1) in the case of an event described in paragraph (a)(1) above; (2) in the case of an event described in paragraph (a)(2) above not cured within sixty (60) days after notice in writing from Trustee specifying such default; (3) in the case of an event described in paragraph (a)(3) above after any notice and passage of time provided for under the proceedings under which such obligations were issued then and (4) in the case of an event described in paragraph (a)(4) above,

(c) Subject to the limitations of the Trust Agreement, Trustee may take whatever action at law or in equity, including the remedy of specific performance, may appear necessary or desirable to collect the Payments and any other amounts payable by City under the Trust Agreement or this Agreement then due (but not the Payments and such other amounts accruing), or to enforce performance and observance of any pledge, obligation, agreement or covenant of City under the Trust Agreement or this Agreement, and with respect to Unrestricted Excise Taxes, without notice and without giving any bond or surety to City or anyone claiming under City, have a receiver appointed of Unrestricted Excise Taxes which are pledged to the payment of amounts due hereunder, with such powers as the court making such appointment shall confer (and City does hereby irrevocably consent to such appointment); provided, however, that under no circumstances may the Payments be accelerated.

(d) Upon the occurrence of an event permitting the acceleration of any Subordinate Excise Tax Obligations, the Trustee, by notice in writing to the City, may, and upon the written request of the Owners of at least twenty five percent (25%) in the principal amount of the Obligations at the time then Outstanding, shall declare, by notice in writing to the City, the principal of all the Obligations then outstanding (if not then due and payable), and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same will become and will be immediately due and payable. This provision, however, is subject to the condition that if, at any time after declaration or the occurrence of acceleration and before any judgment or decree for the payment of the moneys due will have been obtained or entered, the City pays to or deposits with the Trustee a sum sufficient to pay all principal on the Obligations matured prior to such declaration and all matured installments of interest (if any) upon all the Obligations, plus to the extent permitted by law, interest at the same rate as before maturity on such overdue installments of principal, and all existing Events of Default will have been cured then, and in every case, the Trustee will waive the Event of Default and its consequences and will rescind and annul such declaration and its consequences; but no waiver or rescission and annulment will extend to or will affect any subsequent Event of Default, or will impair any rights consequent thereon.

Notwithstanding the foregoing, (i) the Obligations shall only be subject to acceleration to the extent such acceleration right exists with respect to any Subordinate Excise Tax Obligations, outstanding as of the date of issuance of the Obligations and (ii) the obligations shall not be subject to acceleration as long as the Senior Excise Tax Obligations have not been accelerated.

FORM OF SPECIAL COUNSEL OPINION

[Closing Date]

The Bank of New York Mellon Trust
Company, N.A., as Trustee

Re: Subordinate Excise Tax Revenue Refunding Obligations, Series 2017 Representing Proportionate Interests of the Owners Thereof in Purchase Price Payments to be Made by City of Glendale, Arizona, to The Bank of New York Mellon Trust Company, N.A., as Trustee

We have examined the transcript of proceedings (the “Transcript”) relating to the execution and delivery by The Bank of New York Mellon Trust Company, N.A. (the “Trustee”) of the Subordinate Excise Tax Revenue Refunding Obligations, Series 2017 (the “Obligations”), pursuant to a Third Trust Agreement, dated as of October 1, 2017 (the “Trust Agreement”), between the Trustee and City of Glendale, Arizona (the “City”). Each of the Obligations is an undivided, participating, proportionate interest in certain payments (the “Payments”) to be made by the City pursuant to a Third Purchase Agreement, dated as of October 1, 2017 (the “Third Purchase Agreement”), between the Trustee as seller and the City as buyer to refinance the payments owed by the City with respect to certain Obligations previously issued to finance or refinance certain public improvements of the City. The Payments are secured by a subordinate lien on and pledge of certain excise, transaction privilege, franchise and income taxes which the City collects or which are allocated or apportioned to the City by the State of Arizona (collectively, the “Unrestricted Excise Taxes”). In addition, we have examined such other proceedings, proofs, instruments, certificates and other documents as well as such other materials and such matters of law as we have deemed necessary or appropriate for the purposes of the opinions rendered herein below.

In such an examination, we have examined originals (or copies certified or otherwise identified to our satisfaction) of the foregoing and have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to the original documents of all documents submitted to us as copies and the accuracy of the statements contained in such documents. As to any facts material to our opinion, we have, when relevant facts were not independently established, relied upon the aforesaid documents contained in the Transcript. We have also relied upon the opinions of the City Attorney delivered even date herewith as to the matters provided therein.

Based upon such examination, we are of the opinion that, under the law existing on the date of this opinion:

1. The Obligations, the Trust Agreement and the Third Purchase Agreement are legal, valid, binding and enforceable in accordance with their respective terms, except that the binding effect and enforceability thereof and the rights thereunder are subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting the rights of creditors generally; except to the extent that the enforceability thereof and the rights thereunder may be limited by the application of general principles of equity and, as to the Trust Agreement, except to the extent that the enforceability of the indemnification provisions thereof may be affected by applicable securities laws.

2. The City is obligated to make the Payments solely from the Unrestricted Excise Taxes and other moneys pledged and assigned pursuant to the Trust Agreement to secure such Payments. The Trust Agreement creates the pledge which it purports to create in the pledged revenues and of other moneys in the funds and accounts created by the Trust Agreement (other than the Rebate Fund), which pledge will be perfected only as to the revenue and other moneys on deposit in the funds and accounts created by the Trust Agreement and held by or on behalf of the Trustee. Such Payments are not secured by an obligation or pledge of any moneys raised by taxation; the Obligations

do not represent or constitute a debt or pledge of the general credit of the City and the Third Purchase Agreement, including the obligation of the City to make the Payments required thereunder, does not represent or constitute a debt or pledge of the general credit of the City.

3. (a) Subject to the assumption stated in the last sentence of this paragraph, the portion of each Payment made by the City pursuant to the Second Purchase Agreement, denominated and comprising interest with respect to the Obligations and received by the beneficial owners of the Obligations (the "Interest Portion"), is excludible from the gross income of the beneficial owners thereof for federal income tax purposes. Furthermore, the Interest Portion is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however the Interest Portion is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on certain corporations. (We express no opinion regarding other federal tax consequences resulting from the receipt or accrual of the Interest Portion on, or ownership or disposition of, the Obligations.) The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements which the City must continue to meet after the execution and delivery of the Obligations in order that the Interest Portion not be included in gross income for federal income tax purposes. The failure of the City to meet these requirements may cause the Interest Portion to be included in gross income for federal income tax purposes retroactive to their date of issuance. The City has covenanted in the Second Purchase Agreement to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of the Interest Portion. In rendering the opinion expressed in this paragraph, we have assumed continuing compliance with the tax covenants referred to hereinabove that must be met after the execution and delivery of the Obligations in order that the Interest Portion not be included in gross income for federal tax purposes.

(b) Assuming the Interest Portion is so excludable for federal income tax purposes, the Interest Portion is exempt from income taxation under the laws of the State of Arizona. (We express no opinion regarding other State tax consequences resulting from the receipt or accrual of such interest on, or ownership or disposition of, the Obligations.)

In rendering the foregoing opinions, we have assumed and relied upon compliance with the City's covenants and the accuracy, including with respect to the application of the proceeds of the Obligations being refunded and the Obligations, respectively, which we have not independently verified, of the City's representations and certifications contained in the transcript. The accuracy of those representations and certifications, and the City's compliance with those covenants, may be necessary for the Interest Portion to be and remain excluded from gross income for federal and State income tax purposes and for certain of the other tax effects stated above. Failure to comply with certain requirements subsequent to delivery of the Obligations could cause Interest Portion to be included in gross income for federal and State income tax purposes retroactively to the date of delivery of the Obligations. We have also relied upon the Verification Report of Grant Thornton LLP, certified public accountants, as to the adequacy of the Obligations issued or guaranteed by the United States Government in which proceeds of the Obligations have been invested to provide for retirement of certain of the obligations being refunded.

The rights of the owners of the Obligations and the enforceability of those rights under the Obligations and the documents referred to above may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and the enforcement of those rights may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Our opinion represents our legal judgment based upon our review of the law and the facts we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof, and we assume no obligation to review or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

FORM OF CONTINUING DISCLOSURE UNDERTAKING

**CITY OF GLENDALE (“CITY”)
CONTINUING DISCLOSURE UNDERTAKING
FOR THE PURPOSE OF PROVIDING
CONTINUING DISCLOSURE INFORMATION
UNDER SECTION (B)(5) OF RULE 15C2-12**

This Continuing Disclosure Undertaking (the “Undertaking”) is executed and delivered as of this __ day of October, 2017 by the City of Glendale, Arizona (the “City”) in connection with the execution and delivery of \$_____ principal amount of Subordinate Excise Tax Revenue Refunding Obligations, Series 2017 (the “Obligations”) representing undivided proportionate interests in installment payments to be made by the City to The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”) pursuant to a Third Purchase Agreement, dated as of October 1, 2017 between the City and the Trustee (the “Purchase Agreement”). The Obligations are being issued pursuant to a Third Trust Agreement, dated as of October 1, 2017 (the “Trust Agreement”) between the City and the Trustee.

The City covenants and agrees as follows:

1. Purpose of this Undertaking. This Undertaking is executed and delivered by the City as of the date set forth below, for the benefit of the beneficial owners of the Obligations and in order to assist the Participating Underwriter in complying with the requirements of the Rule (as defined below). The City represents that it will be the only obligated person with respect to the Obligations at the time the Obligations are delivered to the Participating Underwriter and that no other person is expected to become so committed at any time after issuance of the Obligations.

2. Definitions. The terms set forth below shall have the following meanings in this Undertaking, unless the context clearly otherwise requires.

“Annual Information” means the financial information and operating data set forth in Exhibit I.

“Annual Information Disclosure” means the dissemination of disclosure concerning Annual Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

“Audited Financial Statements” means the audited financial statements of the City prepared pursuant to the standards and as described in Exhibit I.

“Commission” means the Securities and Exchange Commission.

“Dissemination Agent” means any agent designated as such in writing by the City and which has filed with the City a written acceptance of such designation, and such agent’s successors and assigns.

“EMMA” means the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board. As of the date of this Undertaking, information regarding submissions to EMMA is available at <http://emma.msrb.org/submission>.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Listed Event” means the occurrence of any of the events with respect to the Obligations set forth in Exhibit II.

“Listed Events Disclosure” means dissemination of a notice of a Listed Event as set forth in Section 5.

“MSRB” means the Municipal Securities Rulemaking Board.

“Participating Underwriter” means each broker, dealer or municipal securities dealer acting as an Underwriter in the primary offering of the Obligations.

“Purchase Agreement” means Third Purchase Agreement, dated as of October 1, 2017, between the City and the Trustee, in its separate capacity as “Seller”.

“Rule” means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

“State” means the State of Arizona.

“Undertaking” means the obligations of the City pursuant to Sections 4 and 5 hereof.

3. CUSIP Number/Final Official Statement. The base CUSIP Number of the Obligations is _____. The Final Official Statement relating to the Obligations is dated _____, 2017 (the “Final Official Statement”).

4. Annual Information Disclosure. Subject to Section 8 of this Undertaking, the City shall disseminate its Annual Information and its Audited Financial Statement, if any, (in the form and by the dates set forth in Exhibit I) through EMMA. The City is required to deliver such information in such manner and by such time so that such entities receive the information on the date specified.

If any part of the Annual Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the City will disseminate a statement to such effect as part of its Annual Information for the year in which such event first occurs.

If any amendment is made to this Agreement, the Annual Financial Information for the year in which such amendment is made (or in any notice or supplement provided through EMMA) shall contain a narrative description of the reasons for such amendment and its impact on the type of information being provided.

5. Listed Events Disclosure. Subject to Section 8 of this Undertaking, the City hereby covenants that it will disseminate within ten (10) business days Listed Events Disclosure through EMMA. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Obligations or defeasance of any Obligations need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Indenture.

6. Consequences of Failure of the City to Provide Information. The City shall give notice within ten (10) business days through EMMA of any failure to provide Annual Information Disclosure when the same is due hereunder.

In the event of a failure of the City to comply with any provision of this Undertaking, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the City to comply with its obligations under this Undertaking. A default under this Undertaking shall not be an Event of Default under the Purchase Agreement or the Trust Agreement. The sole remedy under this Undertaking in the event of any failure of the City to comply with this Undertaking shall be an action to compel performance.

7. Amendments; Waiver. Notwithstanding any other provision of this Undertaking, the City by certified resolution authorizing such amendment or waiver, may amend this Undertaking, and any provision of this Undertaking may be waived, if

(a) The amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the City, or type of business conducted;

(b) This Undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of the beneficial owners of the Obligations, as determined by a counsel or other entity unaffiliated with the City.

8. Termination of Undertaking. The Undertaking of the City shall be terminated hereunder if the City shall no longer have liability for any obligation on or relating to repayment of the Obligations under the Purchase Agreement or Trust Agreement. The City shall give notice within ten (10) business days if this Section is applicable through EMMA.

9. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

10. Additional Information. Nothing in this Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any Annual Information Disclosure or notice of occurrence of a Listed Event, in addition to that which is required by this Undertaking. If the City chooses to include any information from any document or notice of occurrence of a Listed Event in addition to that which is specifically required by this Undertaking, the City shall have no obligation under this Undertaking to update such information or include it in any future disclosure or notice of occurrence of a Listed Event.

11. Beneficiaries. This Undertaking has been executed in order to assist the Participating Underwriter in complying with the Rule; however, this Undertaking shall inure solely to the benefit of the City, the Dissemination Agent, if any, and the beneficial owners of the Obligations, and shall create no rights in any other person or entity.

12. Recordkeeping. The City shall maintain records of all Annual Information Disclosure and Listed Events Disclosure including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

13. Governing Law. This Undertaking shall be governed by the laws of the State.

CITY OF GLENDALE, ARIZONA

By: _____
Its: City Manager

Date: October __, 2017

Exhibit I

**Annual Financial Information and Timing and
Audited Financial Statements**

“Annual Financial Information” means financial information and operating data of the type contained in the Official Statement under the following captions:

CAPTION/TABLE

- Table 4 – City of Glendale Unrestricted Excise Tax Receipts
- Table 5(a) – Debt Service Requirements on Subordinate Excise Tax Obligations
- Table 5(b) – Debt Service Requirements on Senior and Subordinate Excise Tax Obligations

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted through EMMA, or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available from the MSRB; the Final Official Statement need not be available through EMMA or the Commission. The City shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be provided through EMMA, on or before February 1 of each year, commencing February 1, 2018 for information as of the previous June 30 (unless otherwise specified). Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included and the Audited Financial Statements shall be subsequently provided within 30 days after their availability to the City.

Audited Financial Statements will be prepared according to GAAP standards, as applied to governmental units as modified by State law.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the City will disseminate a notice of such change as required by Section 4.

Exhibit II

Events with respect to the Obligations for which Listed Events Disclosure is Required

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity provider, or their failure to perform.
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other notices or determinations, in each case, with respect to the tax status of the Obligations.
7. Modifications to the rights of security holders, if material.
8. Obligation calls, if material, and tender offers.
9. Defeasances.
10. Release, substitution or sale of property securing repayment, if material.
11. Rating changes.
12. Bankruptcy, insolvency, receivership or similar events of the City, being if any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under State or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

Whether event listed above subject to the standard “material” would be material shall be determined under applicable federal securities laws.

BOOK-ENTRY-ONLY SYSTEM

THE INFORMATION PROVIDED IN THIS APPENDIX F “BOOK-ENTRY-ONLY SYSTEM” HAS BEEN PROVIDED BY THE DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK (“DTC”). NO REPRESENTATION IS MADE BY THE CITY, THE FINANCIAL ADVISOR, THE UNDERWRITERS OR THEIR RESPECTIVE COUNSEL AS TO THE ACCURACY OR ADEQUACY OF SUCH INFORMATION PROVIDED BY DTC OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

DTC will act as securities depository for the 2017 Obligations. The 2017 Obligations will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Obligation certificate will be issued for each stated payment date of each series of the 2017 Obligations, totaling in the aggregate the principal amount of each series of the 2017 Obligations, and will be deposited with DTC. The owners of book-entry interest will not receive or have the right to receive physical delivery of the 2017 Obligations.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Securities Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants” and, together with the Direct Participants, “Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of 2017 Obligations under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2017 Obligations on DTC’s records. The ownership interest of each actual purchaser of each 2017 Obligation (“Beneficial Owner”) is in turn to be recorded on the Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of beneficial ownership interests in 2017 Obligations are to be accomplished by entries made on the books of Direct Participants and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2017 Obligations, except in the event that use of the book-entry system for the 2017 Obligations is discontinued.

To facilitate subsequent transfers, all 2017 Obligations deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2017 Obligations with DTC and their registration in the name of Cede & Co. or such other nominee effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2017 Obligations; DTC’s records reflect only the identity of the Direct Participants to whose

accounts such 2017 Obligations are credited, which may or may not be the Beneficial Owners. The Direct Participants and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2017 Obligations may wish to take certain steps to augment transmission to them of notices of significant events with respect to the 2017 Obligations, such as redemptions (if any), defaults, and proposed amendments to the 2017 Obligation documents. For example, Beneficial Owners of 2017 Obligations may wish to ascertain that the nominee holding the 2017 Obligations for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2017 Obligations within a stated payment date are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the 2017 Obligations to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2017 Obligations unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2017 Obligations are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments represented by the 2017 Obligations will be made by the Trustee to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the City or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct Participants and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the 2017 Obligations at any time by giving reasonable notice to the Trustee or the City. Under such circumstances, in the event that a successor securities depository is not obtained, Obligation certificates are required to be printed and delivered. The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Obligation certificates will be printed and delivered.

NEITHER THE CITY NOR THE TRUSTEE WILL HAVE RESPONSIBILITY OR OBLIGATION TO DTC, TO DIRECT PARTICIPANTS OR TO INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (2) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE 2017 OBLIGATIONS UNDER THE TRUST AGREEMENT; (3) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE 2017 OBLIGATIONS; (4) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR INTEREST DUE WITH RESPECT TO THE 2017 OBLIGATIONS; (5) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF 2017 OBLIGATIONS; OR (6) ANY OTHER MATTERS.

So long as Cede & Co. is the registered owner of the 2017 Obligations, as nominee for DTC, references in this Official Statement to "Owner" or registered owners of the 2017 Obligations (other than with respect to the 2017

Obligations under the caption “TAX MATTERS”) shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of such 2017 Obligations.

When reference is made in this Official Statement to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the City or the Trustee to DTC only.

In the event that the Book-Entry-Only System is discontinued, the following provisions will apply: principal of the 2017 Obligations when due, will be payable in lawful money of the United States of America at the designated corporate trust office of the Trustee. The transfer of the 2017 Obligations will be registrable and the 2017 Obligations may be exchanged at the designated corporate trust office of the Trustee upon the payment of any taxes or other governmental charges required to be paid with respect to such transfer or exchange.

DRAFT



Legislation Description

File #: 17-204, Version: 1

RESOLUTION NO. R17-38

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ADOPTING A TENTATIVE BUDGET OF THE AMOUNTS REQUIRED FOR THE PUBLIC EXPENSE FOR THE CITY OF GLENDALE FOR THE FISCAL YEAR 2017-2018; SETTING FORTH THE REVENUE AND THE AMOUNT TO BE RAISED BY DIRECT PROPERTY TAXATION FOR THE VARIOUS PURPOSES; ADOPTING CITY COUNCIL'S FINANCIAL POLICIES; AND GIVING NOTICE OF THE TIME FOR HEARING TAXPAYERS AND FOR FIXING TAX LEVIES.

Staff Contact: Vicki Rios, Director, Budget and Finance

Purpose and Policy Guidance

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the Adoption of the Fiscal Year 2017-2018 (FY17-18) Tentative Budget, including the proposed Capital Improvement Plan (CIP). This is also a request for City Council to give notice of the date for public hearings on the following items:

- ❖ The FY17-18 Final Budget and property tax levy on June 13, 2017 at 6:00 p.m. in the Council Chambers;
- ❖ The FY17-18 property tax levy adoption on June 27, 2017 at 6:00 p.m. in the Council Chambers

Once the Tentative Budget is approved by Council, it will be published together with the notice of public hearings in a newspaper of general circulation for two weeks as required by state statute.

Background

Development of the budget centered on the following key priorities identified by the Council during the past year:

Financial Stability and Sustainability

- \$50 million unrestricted fund balance by year FY19-20
- No projected general fund deficits over the 5-year planning forecast
- Continued review of financial policies

Excellence in Service Delivery

- Budget requests are driven by customer and service delivery needs
- Core programs are retained without cuts in service levels

Investment in Capital Improvements and Infrastructure

- Increases to begin addressing deferred asset maintenance

Strategic Planning

- Gathering data to establish metrics
- Funding for initiatives to improve efficiency

The FY17-18 budget process included a five-year forecast of the operating funds, a review of the proposed ten-year Capital Improvement Plan, and review of the detailed budget requests for each of the departments, which included both the operating funds and the capital outlay. To inform and deliberate on current budget issues and financing opportunities, Council held seven Budget Workshops to discuss specific budget and financial strategies for FY17-18 and future fiscal years.

State law requires that on or before the third Monday in July of each fiscal year, the City Council must adopt a tentative budget. Once this tentative budget has been adopted, the expenditures may not be increased upon final adoption; however, they may be decreased. This adoption sets the maximum “limits” for expenditure. The tentative budget must be fully itemized in conformance with the Auditor General’s State Budget Forms and entered upon the council meeting minutes.

For cities with a property tax, the final budget must be adopted by the third Monday in August. State law requires at least fourteen days between adoption of the final budget and adoption of the tax levy. In addition, special legislation further requires cities to publish a notice of Truth in Taxation if the proposed primary tax levy, excluding amounts attributable to new construction, is greater than the amount levied by the City in previous year.

The proposed FY17-18 Tentative Budget does not require a notice of Truth in Taxation because the proposed tax levy will be increased only by the amount attributable to new construction.

The City’s financial and budget policies are a key component of the budget process and prioritization of resources. The polices cover five major areas;

1. Fiscal Planning and Budgeting
2. Cash and Budget Appropriation Transfers
3. Expenditure Control
4. Capital Asset and Debt Management
5. Fund Reserves and Structure

The tentative budget document includes the Council’s revised financial policies to be considered for adoption along with the tentative budget.

Analysis

The FY17-18 budget process started at the December 20, 2016 City Council Workshop, where staff presented the Five-Year Financial Forecasts for the General Fund and other major operating funds of the city. Budget discussion continued with a series of seven Council Budget workshops beginning in February and culminating on May 2, 2017. At the Budget Workshops, staff received policy guidance and input from the Council on various budgetary items and advised Council of the potential impacts of budgetary decisions on the long-term financial forecasts.

The following items have been changed or added from the draft budget presented at the May 2nd budget workshop to the tentative budget being presented for adoption:

- 1) The request by the Public Works Department for one-time contractual funding for a Real Estate Coordinator was changed to a request for a full-time ongoing Real Estate Coordinator position. This changes the total request for new positions from 13.25 FTE's to 14.25 FTE's.
- 2) The Parks Maintenance Division, Professional and Contractual line item was increased by \$100,000. Over the course of FY17-18, department staff will determine the proper allocation of this funding (utilities, park maintenance, equipment maintenance, landscape maintenance, etc.)
- 3) Budget adjustments were made to account for changes to the HALO program. For FY17-18 only, HALO has agreed to staff and reimburse the city for one flight nurse. Based on discussions with the Fire Department, the remaining FTE's in the HALO division will be redeployed with no net budgetary impact in FY17-18. In FY17-18, sworn personnel will be redeployed to Fire Department operations and offset overtime necessary to maintain staffing levels for unanticipated leave. The non-sworn HALO position will be absorbed by maintaining one non-sworn, vacant position in the Fire Department.
- 4) At the direction of the Council, a project for \$57.7 million for Heroes Park Buildout was added to the Capital Improvement Plan in FY23-27.
- 5) At the direction of the Council, the description of project T1822 was revised and renamed to O'Neil Park Improvements.

The proposed Tentative Budget for FY17-18 is \$672 million and includes an operating budget of \$399 million, a capital improvement budget of \$152 million, a debt service budget of \$77 million, and a contingency appropriation of \$44 million. The total revenue budget is \$537 million and the total transfer budget is \$129 million. The budget does not include an increase to the primary property tax rate. The tentative budget also includes revised financial targets for the Water and Sewer Enterprise funds as presented to the Council at the April 24, 2017 Budget Workshop.

The attached report (Exhibit A) contains a detailed analysis of the proposed Tentative Budget.

Previous Related Council Action

On May 2, 2017 the final FY17-18 Budget Workshop included follow up presentations on the city's FY 2018-2027 Capital Improvement Plan and Department Operating budgets.

On April 28, 2017 the second of two all-day budget workshops included presentation on several city department operating budgets for the FY17-18 Budget.

On April 24, 2017 the first of two all-day budget workshops included presentation on several city department operating budgets for the FY17-18 Budget.

On April 4, 2017 the FY17-18 Budget Workshop included follow-up presentations on the City's Draft FY2018-

2027 Capital Improvement Plan.

On March 21, 2017 the FY17-18 Budget Workshop included presentation of the Draft FY2018-2027 Capital Improvement Plan.

On March 7, 2017 the FY17-18 Budget Overview including; revenues and other future discussion items were presented to the City Council at the second in a series of budget workshops.

February 7, 2017, the FY17-18 Budget Overview including; calendar, process, legal requirements, major budget components and future discussion items was presented to the City Council at the first in a series of budget workshops.

On December 20, 2016, the General Fund and Major Operating Funds Five-Year Financial Forecast was presented at Council Workshop and initiated the FY17-18 budget process.

Community Benefit/Public Involvement

The community benefit of the City's budget process, policy direction, and budgetary decisions demonstrates sound financial decisions are made through a transparent and public process where ultimate budgetary decisions align with the strategic direction of the City and provide the public with information on services provided and Council priorities.

Budget and Financial Impacts

Budget and financial impacts are based on Council feedback.

RESOLUTION NO. R17-38

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ADOPTING A TENTATIVE BUDGET OF THE AMOUNTS REQUIRED FOR THE PUBLIC EXPENSE FOR THE CITY OF GLENDALE FOR THE FISCAL YEAR 2017-2018; SETTING FORTH THE REVENUE AND THE AMOUNT TO BE RAISED BY DIRECT PROPERTY TAXATION FOR THE VARIOUS PURPOSES; ADOPTING CITY COUNCIL'S FINANCIAL POLICIES; AND GIVING NOTICE OF THE TIME FOR HEARING TAXPAYERS AND FOR FIXING TAX LEVIES.

WHEREAS, pursuant to the provisions of the laws of the United States, the State of Arizona, and the charter and ordinances of the City of Glendale, the Council must adopt a tentative budget for the fiscal year beginning July 1, 2017, and ending June 30, 2018; and

WHEREAS, the Mayor and City Council of the City of Glendale, Arizona have reviewed the proposed budget.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That the schedules contained in the tentative budget to this resolution are adopted for the purpose as set forth in the tentative budget for the City of Glendale for the fiscal year 2017-2018.

SECTION 2. That the financial policies contained in the tentative budget are adopted and approved.

SECTION 3. That the Council will conduct a hearing on the property tax levy on June 13 2017 and levy the tax at a regularly scheduled meeting on June 27, 2017.

SECTION 4. That the Council will conduct a public hearing for the purpose of hearing taxpayers on the budget on June 13, 2017 and then enter a special meeting on that same date to determine and adopt a final budget for fiscal year 2017-2018.

SECTION 5. That upon the recommendation by the City Manager and with the approval of the City Council, expenditures may be made from the appropriation for contingencies.

SECTION 6. That money from any fund may be used for any and all of these appropriations, except monies specifically restricted by federal and state law, City Charter and ordinances.

SECTION 7. That all sums contained in the tentative budget's estimated expenditures are considered as specific appropriation and authority for the expenditures of such sums, as provided

in the tentative budget, the laws of the United States Government, the State of Arizona, the Charter and ordinances of the City of Glendale.

SECTION 8. That pursuant to Glendale City Charter, Article VI, *et seq.*, and A.R.S. § 42-17101 *et seq.*, the City Council directs that the tentative budget along with a notice of the dates the Council will meet for the purpose of hearing taxpayers as to the final budget and tax levies, as well as the date set for the levy on the property tax, all be published in the official newspaper of the city once a week for at least two (2) consecutive weeks following the adoption of this tentative budget.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 23rd day of May, 2017.

Mayor Jerry P. Weiers

ATTEST:

Julie K. Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

REVIEWED BY:

Kevin R. Phelps, City Manager



Memorandum

DATE: May 23, 2017
TO: Mayor & Council
FROM: Kevin Phelps, City Manager
SUBJECT: FY17-18 Tentative Budget Adoption

I am pleased to present the City Manager's FY17-18 Tentative Budget to the City Council for consideration for adoption. Once this tentative budget has been adopted, the expenditures may not be increased upon final adoption, however they may be decreased. With adoption of the tentative budget, the Council will set its maximum limits for expenditure. The tentative budget is itemized on the attachment which includes the revised Financial Policies, Fund Balance Analysis, the State Auditor General Forms (A-G) as required by state budget law, and the Capital Improvement Plan.

Overall, the goal of the FY17-18 budget is to continue to improve the city's financial stability while maintaining a high quality of service delivery, addressing deferred asset maintenance and moving forward with the development of the city's strategic plan. Development of the budget centered around the following key priorities:

- Financial Stability and Sustainability
 - \$50 million unrestricted fund balance by year FY19-20
 - No projected general fund deficits over the 5-year planning forecast
 - Continued review of financial policies
- Excellence in Service Delivery
 - Budget requests are driven by customer and service delivery needs
 - Core programs are retained without cuts in service levels
- Investment in Capital Improvements and Infrastructure
 - Increases to address deferred asset maintenance
- Strategic Planning
 - Gathering data to establish metrics
 - Funding for initiatives to improve efficiency

The FY17-18 Tentative Budget request totals \$672 million. This is a 3.0% decrease over the prior year's budget (FY16-17) of \$693 million. The budget decrease is mainly attributable to a reduction in the city's Capital Improvement Plan. The following two tables show the total budget by category and by fund type, respectively:

By Category	FY17-18 Total Expenditure Request (in millions)
Operating Expenditures	\$399.0
Debt Service	77.0
Capital Outlay	151.6
Contingency	44.4
Total Expenditures	\$672

Fund	FY17-18 Total Expenditure Request (in millions)
General Fund	\$202.6
General Fund-Vehicle Replacement	3.6
Special Revenue Funds	68.5
Debt Service Funds	54.4
Capital Projects Funds	85.1
Permanent Funds	5.7
Enterprise Funds	192.5
Internal Service Funds	59.6
Total Expenditures	\$672

The City's Annual Budget can be broken down further into four major components: revenues, operations, capital projects, and debt service.

Revenues

Total revenues for FY17-18 are projected at \$536.8 million. The General Fund revenues are the largest source at \$214.4 million. These revenues are primarily used for general government operations. Key General Fund revenues are sales taxes (\$107 million), property taxes (\$5.7 million), and State Shared Revenues (\$63.1 million). Enterprise Funds revenues are the next largest source at \$124.6 million. These revenues are mainly from user fees and charges for services such as water and sewer, solid waste and landfill.

Fund	Revenue (in millions)
General Fund	\$214.4
General Fund-Vehicle Replacement	0.3
Special Revenue Funds	102.0
Debt Service Funds	20.4
Capital Projects Funds	22.3
Permanent Funds	0.03
Enterprise Funds	124.6
Internal Service Funds	52.8
Totals	\$536.8

Operations

The total FY17-18 Operating Budget is \$399 million which is a 2% increase over the FY16-17 Operating Budget of \$391 million. A few of the highlights of the proposed budget include:

- No increase to the Primary Property Tax Levy
- Continued funding of vehicle replacements
- Funding for maintenance of police body cameras and related safety equipment
- Addition of a half-time position for Code Enforcement and absorption of two Code Enforcement positions which were previously grant funded
- Increased staffing in the city attorney’s office to address the demands of the city’s specialized Mental Health Court
- Increased staffing in Engineering to support Enterprise funded infrastructure projects
- Funding of a pilot program in the Convention and Visitor’s Bureau (CVB) to increase hotel/motel occupancy
- Increased funding to replace aging residential recycling containers
- Funding for strategic initiatives including LEAN academy and stakeholder survey tools
- Funding to assess the condition and management of the city’s property holdings

A total of 14.25 full time equivalent positions (FTE’s) have been incorporated into the FY17-18 operating budget. The table below is a summary of additional positions.

Priority	Department	Resources
Capital and Infrastructure	Public Works/Engineering	6.0 Positions
Public Safety	City Attorney, Court	1.25 Positons
Service Delivery/ Efficiencies	Development Services, Council Office, CVB, Public Works	7.0 Positions

Total Operating Budget Request

The total FY17-18 proposed operating budget request of \$399 million is depicted below by fund type. Increases in operating budgets are primarily attributable to wage and benefit increases. The decrease in Fleet Replacement is a reduction of one-time funding from the General Fund for FY17-18.

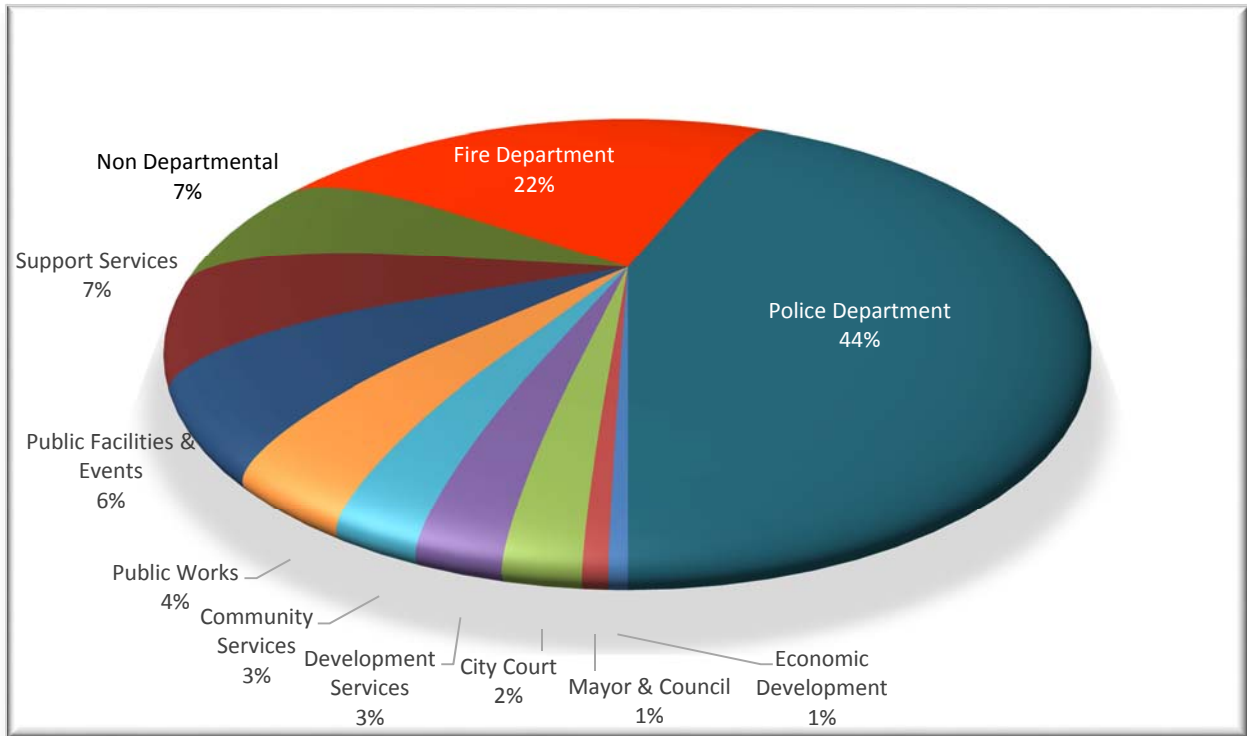
Fund Type	Operating Budget Request FY16-17	Operating Budget Request FY17-18	% Change
General Fund	\$196,653,699	\$200,643,560	2.03%
Fleet Replacement	4,732,500	3,608,735	-23.75%
Special Revenue Funds	43,767,139	46,856,812	7.06%
Enterprise Funds	92,137,545	93,610,217	1.60%
Internal Service Funds/Other	53,676,650	54,301,589	1.16%
Total	\$390,967,533	\$399,020,913	2.06%

General Fund

The General Fund is the largest operating fund and as such, it has been the focus of much of the attention during the budget process. Overall, the General Fund recommended budget has revenues and other financing sources exceeding expenditures and other uses by \$726,434 as illustrated below:

General Fund Sources and Uses	FY17-18 Request
Projected Revenues	\$214,420,313
Transfers In	26,403,268
Operating	(200,643,560)
Contingency	(2,000,000)
Transfers Out	(37,453,587)
Total Surplus (Sources – Uses)	\$726,434

**Total General Fund Operating Budget
\$200.6 million**



Within the General Fund, the largest operating budget request is for public safety expenditures of \$131.5 million or 66%. The next largest share of General Fund expenses is Non- Departmental at \$15 million. The Non- Departmental budget includes appropriation for items which are not specific to a particular department or program. Examples include arena management fees, and various development agreement and sales tax rebate payments. Support Services accounts for 7% of the General Fund operating budget and primarily consists of Human Resources, Budget and Finance, City Attorney and the City Manager’s Office. Transfers out include a maintenance of effort payment of just over \$1.2 million to the Enterprise Funds as directed by the Council. Total appropriations also include \$2 million in contingency which can be used for unforeseen expenditures or unexpected revenue shortfalls which may occur during the budget year.

Special Revenue Funds

Special Revenue Funds are used to track specific activities restricted based on the nature of the revenues. Major funds include the Highway User Revenue Fund (streets and right-of-way), Transportation Sales Tax Fund (transportation, streets and airport) and the two restricted Fire and Police Public Safety Sales Tax Funds (enhanced public safety services). An enhanced level of service analysis is completed annually to determine the level of support allowed from these funds and then a corresponding transfer is budgeted to the General Fund from the Public Safety special revenue funds. A variety of grants are also categorized as special revenue funds. The largest federal grant source is the Community Development Block Grant (Dept. of Housing and Urban Development). Airport operations are also included in this fund type. The major special revenue fund budgets are shown in the table below:

Fund	FY17-18 Operating Budget
Grants	\$16,200,705
HURF	10,597,408
Transportation Sales Tax	13,922,695
Other	6,136,004
Total	\$46,856,812

Enterprise Funds

Enterprise Funds are used to account for operations, including debt service, 1) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or 2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The enterprise funds which the city currently maintains are the water and sewer, landfill, sanitation, and housing funds. The public housing fund supports Glendale's public housing program.

Fund	FY17-18 Operating Budget
Water & Sewer	\$53,312,517
Landfill	10,153,828
Solid Waste	14,238,231
Public Housing	15,905,641
Total	\$93,610,217

Internal Service Funds

Internal service funds are used to account for the financing of services provided by one city department to other city departments on a cost-reimbursement basis. The city maintains six internal service funds: 1) the Risk Management Trust Fund, which provides liability insurance coverage; 2) the Workers' Compensation Trust Fund; 3) the Employee Benefits Fund, which provides health insurance to current and retired employees; 4) the Technology Fund, which supports the information technology systems of the city including all hardware, software, telephones and networks; 5) the Technology Projects Fund which supports city-wide information technology projects; and 6) the Fleet Services Fund, which services the city's rolling stock and equipment maintenance needs.

The total FY17-18 internal service funds operating budget request is \$54.3 million broken down as follows:

Fund	FY17-18 Operating Budget
Benefits Program Trust Fund	\$28,963,184
Risk Management Trust Fund	2,967,948
Worker's Comp Trust Fund	2,279,542
Fleet Services	9,239,326
Information Technology	8,323,272
Technology Projects	2,528,317
Total	\$54,301,589

Capital Projects

Capital project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. Capital projects are also accounted for in the enterprise funds.

The 2018-2027 Capital Improvement Plan (CIP) totals approximately \$1.1 billion. The first five years of the ten-year plan are fully funded with available or anticipated revenues. The last five years of the plan will be evaluated and funded as sources become available. The capital improvement plan is re-evaluated and updated each fiscal year.

Only the first year of the plan will be appropriated by the Council when it adopts the FY17-18 budget. The FY17-18 CIP totals \$151,587,415. Notable projects in the first year of the CIP include:

- Public Safety Equipment (Replacement of Fire Department Airpacks/SCBA's) of \$836,000
- Western Area Library and Books (Development Impact Fees) of \$3.5 million
- Pavement Management of \$12.8 million (\$10.8 million in HURF funding and \$2.0 million in Transportation Special Revenue funding)
- Street Reconstruction Program of \$5.2 million
- Plant Improvements at Cholla Water Treatment Plant of \$4.5 million
- Improvements at Arrowhead Water Reclamation Facility of \$10.3 million
- City-Wide ERP Solution for \$2.8 million (\$3.9 million total project cost)

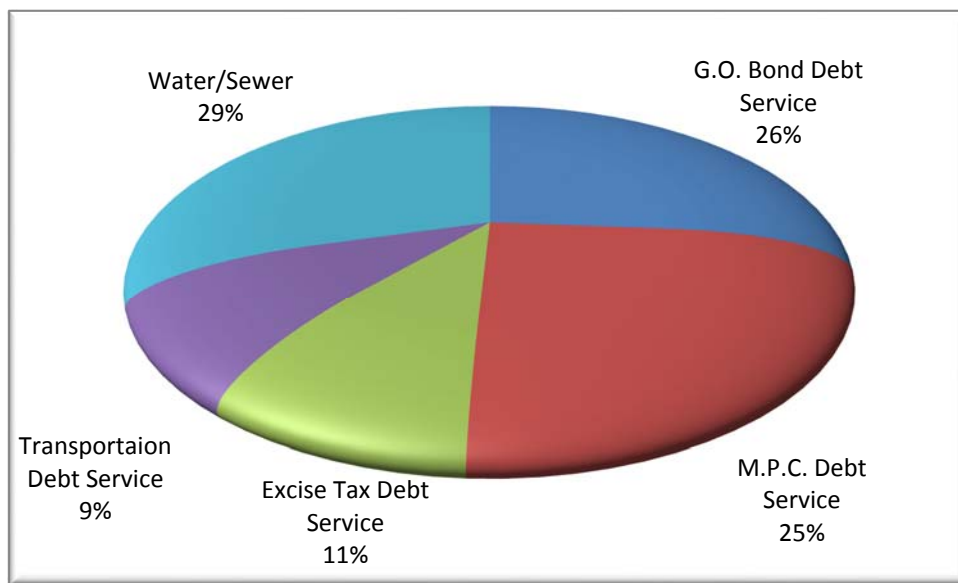
The funding sources for the FY17-18 capital projects are summarized in the table below:

Source	FY16-17 Budget (in millions)
Bond Construction	\$24.3
Development Impact Fees	8.8
Enterprise Funds	63.1
Transportation Fund	16.2
HURF	17.5
Grant Funds	7.1
Pay-as-you-go	14.6
Total	\$151.6

Debt Service

Budgeted Debt Service for FY17-18 totals \$77 million. This includes General Obligation Bonds (GO) totaling \$20.2 million which is serviced through the secondary property tax levy. Other debt includes Municipal Property Corporation Debt (MPC) Service totaling \$18.9 million and Excise Tax Debt Service at another \$8.0 million. The MPC and Excise Tax debt is serviced directly from General Fund Revenues. Transportation Debt Service of \$7.2 million is funded directly through the Transportation Sales Taxes. Water and Sewer Debt, totaling \$22.6 million, is serviced directly by the Enterprise Funds through user fees.

Debt Service by Type



Inter-Fund Transfers

Appropriated inter-fund transfer requests are a necessary mechanism for one fund to appropriately support the operations of other funds. For example, a budgeted transfer from the Transportation Sales Tax Operating Fund to the Transportation Capital Projects Fund is necessary to fund related capital projects. As requested by council, the FY17-18 budget also includes maintenance of effort transfers of \$1.2 million from the General Fund to the Enterprise Funds to support their operations. Inter-Fund Transfer appropriations for the FY17-18 budget total \$129.1 million.

Contingency

Contingency is included in the requested budget for unforeseen or unplanned expenditures. The FY17-18 request includes \$44.4 million in contingency appropriation with largest appropriation request residing in the Special Revenue Funds to be able to take advantage of grant opportunities if they arise. The General Fund contingency request totals \$2 million which is approximately 1% of total General Fund revenues. It is important to note that the use of contingency appropriation requires City Council approval.

Summary

This year's budget process was highly focused on increasing efficiency and investing in the city's infrastructure. Through conservative fiscal planning, the city is poised to produce positive results and achieve a sustainable future. Through the collaborative efforts of city staff, and the guidance and support of the City Council, this budget represents the City's commitment to success and its continued focus on long-term financial stability.

The FY17-18 Final Budget and Property Tax Levy are scheduled for a public hearing and formal adoption on June 13, 2017. The property tax rate will be set by ordinance on June 27, 2017.

Exhibit A

Tentative Budget

Budget Document

Section 1 – Financial Policies

This section includes the financial policies that are key to financial stability and long-term planning. The financial policies will be included in the FY17-18 Annual Budget book and cover four major areas;

1. Fiscal Planning and Budgeting
2. Cash and Budget Appropriation Transfers
3. Expenditure Control
4. Capital Asset and Debt Management
5. Fund Reserves and Structure

Section 2 - Schedule One

This section includes Schedule One, a summary of the FY17-18 budgeted revenues and expenditures by fund. Schedule One is included in every annual budget document and provides a quick fund level summary of expected inflows (such as revenues) and outflows (such as expenditures) for each fund and, at a broader level, fund grouping (such as General Fund Group, Debt Service Fund Group, Internal Service Fund Group, etc.). Schedule One shows a total budget of \$672 million for FY17-18 with an operating budget of \$399 million, a capital improvement budget of \$151.5 million, a debt service budget of \$77 million, and a contingency appropriation of \$44.4 million. Schedule One also shows a total revenue budget of \$536.8 million and a total transfers budget of \$129 million.

Section 3 - State of Arizona's Auditor General Budget Schedules

This section includes all of the State of Arizona's Office of the Auditor General's (AG) budget schedules. These schedules are labeled A through G and are identified in the following bullet points:

- Schedule A - Summary Schedule of Estimated Revenues and Expenditures/Expenses
- Schedule B - Tax Levy and Tax Rate Information
- Schedule C - Revenues Other Than Property Taxes
- Schedule D - Other Financing Sources/Uses and Interfund Transfers
- Schedule E - Expenditures/Expenses by Fund
- Schedule F - Expenditures/Expenses by Department
- Schedule G - Full-Time Employees and Personnel Compensation

Section 4 – FY 2018-2027 Capital Improvement Plan

This section includes the City's Ten-Year Capital Improvement Plan. The reports included are identified by the following bullet points:

- Summary of All Capital Projects by Funding Type
- Fund Summary and Project Detail

Section 1

Financial Policies

FINANCIAL POLICIES

A key component of the Fiscal Year 2017-18 (FY17-18) budget is the adoption of the Council's financial policies. This budget document includes the Council's amended financial policies to be considered for approval as part of the in the FY17-18 budget adoption process.

Council's financial policies serve as the foundation for establishing a strong, sustainable financial plan. The policies provide broad policy guidance related to *Fiscal Planning and Budgeting, Cash and Budget Appropriation Transfers, Expenditure Control, Capital Asset and Debt Management, and Fund Reserves and Structure*.

These five key financial policy areas are discussed on the following pages. For the purpose of these policies, a department is defined as a separate departmental unit presented in the City's most recent organizational chart. A fund is defined as a balanced set of accounts which appears as a column for reporting purposes in either the "Basic Financial Statements" or the "Combining Financial Statements" section of the City's Comprehensive Annual Financial Report (CAFR).

FISCAL PLANNING AND BUDGETING

Fiscal planning is the process of identifying resources and allocating them among numerous and complex competing purposes. The primary vehicle for this planning is the preparation, monitoring and analysis of the budget. It is essential to incorporate a long-term perspective and to monitor the performance of the programs that are competing to receive funding.

The City Manager will submit to the Council a proposed annual budget, based on Council's established goals, and will execute the budget as finally adopted, pursuant to Title 42, Chapter 17, Article 3, Section 17105 of the Arizona Revised Statutes, as amended.

1. Revenue and expenditure forecasts will be prepared annually and will include a Five-Year Forecast for each major operating fund (General Fund, Enterprise Funds, and certain Special Revenue Funds). These Five-Year Forecasts will be prepared at the beginning of the operating budget process and 1) provide a long-term view of current year budget decisions affecting the City and 2) provide an estimate of the fund balance and sensitivity to revenue and expenditures changes over the forecast period.

- a. The budget will be balanced, by fund, when all projected ongoing revenue sources do not exceed all ongoing expenses proposed for the current FY and for the upcoming FY. Use of the unassigned fund balance will occur only as authorized by Council and to address one-time costs, not ongoing costs or planned utilization of fund balance.
- b. Revenues will not be dedicated for specific purposes unless approved by Council or required by law. All non-restricted revenues will be deposited in the General Fund and appropriated through the annual budget process.

2. To ensure ongoing General Fund stability, the primary property tax levy will be set each year at the maximum allowable amount.

3. Any proposed new service or program initiative will be developed to reflect current Council policy directives and shall be considered in the context of balancing ongoing anticipated revenues against ongoing anticipated expenses. Proposals will follow all related Council Financial Policies.

4. To ensure compliance with existing policy, all grant programs and any programs supplemented by outside funding will include a sunset provision consistent with the projected end of funding. Personnel paid with these funds will be considered temporary with no certainty of continued employment beyond the life of the funding unless otherwise approved by Council. Equipment and technology purchases with these kinds of funds are subject to the policies for the replacement funds.

5. The City Manager's recommended budget presented to Council will contain, at a minimum, the following elements:

- a. Revenue projections by major category, by fund;
- b. Expenditure projections by program levels and major expenditure category, by fund, including support provided to or received from other funds;
- c. Debt service principal and interest amounts;
- d. Proposed inter-fund transfers;
- e. Projected fund balance by fund;
- f. Proposed personnel staffing levels;
- g. Detailed schedule of capital projects;
- h. Any additional information, data, or analysis requested by Council.

6. The operating budget will be based on the principle that current ongoing operating expenditures, including debt service and support for other funds, will be funded with current ongoing revenues. The enterprise funds (water/sewer, sanitation and landfill) and the transportation sales tax fund will pay the indirect cost charges for services provided by other funds. Additional funds may be added upon Council approval.

7. The budget will not use one-time (non-recurring) sources to fund continuing (recurring) expenditures.

8. Addition of personnel will be requested only to meet existing program initiatives and policy directives after service needs have been thoroughly examined and only if increased net ongoing revenue is substantiated.

9. The Budget and Finance Department and Human Resources Department will work together to manage position control. The number of full-time and regular part-time employees on the payroll will not exceed the total number of full-time equivalent positions that Council authorizes and adopts with the annual budget.

10. Benefits and compensation will be administered in accordance with Council policy direction.
 - a. Total compensation will be evaluated periodically for competitiveness.
 - b. A cost containment strategy means total costs for health insurance premiums will be shared between the employer, employees and retirees. Total premiums will be evaluated on an annual basis to ensure they are reasonable, competitive and expected to address anticipated claims plus the maintenance of an adequate reserve for the Employee Benefits Fund. Funding will be based on an annual actuarial report and its 75% confidence funding level recommendation.
 - c. A policy will be developed regarding the continuation of retiree health insurance after the completion of a comprehensive evaluation of the impact of GASB 67 and the presentation of results to Council.
11. Ideas for improving the efficiency and effectiveness of the city's programs and the productivity of its employees will be considered during the budget process.
12. Carryover of unspent appropriation from one fiscal year to the next is not automatic. The Budget and Finance Department staff will evaluate carryover requests and make recommendations to the City Manager. Recommended requests will be included in the City Manager's budget presented to Council.
13. Salary savings will be retained to the greatest extent possible to build fund balance. Salary savings may be used for expenses upon the City Manager or their designee's, approval if within the same fund/department. Salary savings may be used for expenses between funds/departments upon Council approval within the last three months of the fiscal year.
14. Total fund appropriation changes must be approved by the Council. These changes must also comply with the city's Alternative Expenditure Limitation in accordance with Article IX, Section 20, Constitution of Arizona and A.R.S. § 41-563 where final budget adoption sets the maximum allowable appropriation for the upcoming fiscal year.
15. The replacement of General Fund capital equipment and related support for technology, vehicles and telephonic equipment [except cell phones] will be accomplished through the use of a "rental rate structure" that is revised annually as part of the annual budget process.
 - a. Any equipment purchased with grant funding will be considered for ongoing replacement and ongoing replacement premium funding only if specifically authorized by the City Manager and noted in the budget submittal.
 - b. The ongoing replacement costs for new technology and new vehicle purchases will be incorporated into the upcoming fiscal year's rental rate structure regardless of whether they are initially purchased through a lease or pay-as-you-go funding.
 - c. Replacements will be based on equipment lifecycle analyses by the Public Works Department for City vehicles, or the Budget and Finance Department for technology and telephonic systems.
16. The City Council supports economic development objectives that support the creation and retention of quality jobs (25% greater than the median average wage in Maricopa County), add

revenue, and enhance the quality of life in Glendale. City Council will consider incentives when the circumstances of the economic development opportunity warrant them necessary and appropriate for the opportunity and in the best interest of the City.

Cash and Budget Appropriation Transfers

1. Purpose & Restrictions

The following policy is established to implement an effective and efficient process by which the adopted City budget may be amended.

Throughout the course of the fiscal year, amendments to the budget are necessary to address new issues, increased prices, changes in scope of existing projects, and unforeseen issues affecting City operations. This policy applies to all cash and budget appropriation transfers initiated by the Mayor and City Council, the City Manager's Office, and/or departments. The City's Budget and Finance Department will process budget amendments in the financial management system, following appropriate authorization by the Mayor and City Council, the City Manager, and a Department Director.

For non-departmental operations, it may be necessary to transfer certain unanticipated amounts during the course of a fiscal year for unforeseen expenditures. These contingency appropriation transfers are not specific to any particular department and are established each fiscal year to cover unforeseen operation expenses, revenue shortages, or capital project acceleration as approved by Council. These funds can only be directed by Council during the fiscal year. Similar to contingency, the Council approves appropriations for Miscellaneous Grants which are not specific to any particular department and are established to cover unanticipated grants received during the fiscal year. The policy covering these types of transfers is covered in the Contingency & Miscellaneous Grant Appropriation Transfers section below.

Article VI, Section 11 of the City Charter establishes the legal restriction for budget appropriation transfers and reads as follows:

The city manager may at any time transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditures within an office, department or agency. At the request of the city manager and within the last three months of the fiscal year, the council may by ordinance transfer any unencumbered appropriation balance or portion thereof from one office, department or agency to another.

2. Policy

Based on the purpose and restrictions surrounding cash and budget transfers, the following policy sets forth the restrictions surrounding cash and budgetary appropriation transfers.

- a. Cash Transfers - Cash transfers between funds can only be authorized by Council in the last three months of the fiscal year.
- b. Cash & Appropriation Transfers Between Funds - Cash and associated budget appropriation transfers between funds can only be authorized by Council in the last three months of the fiscal year.

c. Appropriation Transfers

i. Between Funds- Budget appropriation transfers between funds can only be authorized by Council approval in the last three months of the fiscal year.

ii. Between Departments- Budget appropriation transfers between departments can only be authorized by Council approval in the last three months of the fiscal year.

iii. Within the Same Fund, Within the Same Department- Budget appropriation transfers within the same fund and within the same department can be authorized by City Manager approval throughout the fiscal year.

iv. Between Capital/Improvement Projects

(1) Between Departments - Capital improvement project budget appropriation transfers for projects managed between departments can be only authorized by Council approval in the last three months of the fiscal year.

(2) Within Departments - Capital improvement project budget appropriation transfers within the same department, and the same fund, can be authorized by City Manager approval throughout the fiscal year.

d. Restricted Fund Transfers - Cash and/or appropriation transfers into, and out of, restricted funds can only be authorized by Council approval. Only transfers within the intent of the restricted funds will be approved by Council. For restricted fund transfers, the Council shall be provided with

- i. justification that such transfers are consistent with restricted fund purposes,
- ii. assurance that the transfer has been legally reviewed by the City Attorney, and
- iii. assurance that the transfer meets the restrictions set out in this transfer policy.

e. Contingency & Miscellaneous Grant Appropriation Transfers- These types of transfers are not specific to any particular department:

- i. Contingency- Contingency budget appropriation transfers can be authorized by Council throughout the fiscal year.
- ii. Miscellaneous Grants- Miscellaneous Grant appropriation transfers can be authorized by the City Manager throughout the fiscal year.

f. Approval of Expenditures in Excess of Budget Appropriations - There may be emergency situations where a transfer is required before it is possible to obtain formal Council approval. In such cases, the Budget and Finance Department will advise the City Manager of the emergency condition and request approval. Upon approval, the Budget and Finance Department will seek Council ratification at the first possible Council meeting.

g. Authorization Levels: A tabular summary of the transfer type and authorization level is presented below:

	Authorization Level
Cash Transfers (Between Funds)	Council
Cash & Appropriation Transfers (Between Funds)	Council
Appropriation Transfers	
Between Funds	Council
Between Funds – Same Departments	Council
Same Fund – Different Departments	Council
Same Fund – Same Department	City Manager
Contingency Appropriation	Council
Miscellaneous Grants	City Manager
Appropriation Transfers – Between Capital Improvement Projects	
Between Departments	Council
Same Fund – Same Department	City Manager

EXPENDITURE CONTROL

Management will ensure compliance with the City Council adopted budget.

1. Expenditures will be controlled by an annual appropriated budget. Council will establish appropriations through the budget process. Council may transfer these appropriations as necessary through the budget amendment process as previously described.
2. The purchasing system will provide commodities and services in a timely manner to avoid interruptions in the delivery of services. All purchases will be made in accordance with the procurement code, purchasing policies, guidelines and procedures and applicable state and federal laws. The city may join various cooperative purchasing agreements to obtain supplies, equipment and services at the best value.
3. A system of internal controls and procedures using best practices will be maintained for the procurement and payment processes.
4. The State of Arizona sets a limit on the expenditures of local jurisdictions. Compliance with these expenditure limitations is required. The city will submit an audited expenditure limitation report as defined by the Uniform Expenditure Reporting System (A.R.S. Section 41-1279.07) along with audited financial statements to the State Auditor General within the required timeframe.

CAPITAL ASSET AND DEBT MANAGEMENT

Long term debt is used to finance capital projects with long useful lives. Financing capital projects with debt provides for an “intergenerational equity” because the actual users of the capital asset pay for its cost over time, rather than one group of users paying in advance for the costs of the asset. The city will not give or loan its credit in aid of, nor make any donation, grant, or payment of any public funds, by subsidy or otherwise, to any individual, association, or corporation, except where there is a clearly identified public purpose and the city either receives direct consideration substantially equal to its expenditure or provides direct assistance to those in need. Long-term debt will not be used to fund current operations or smaller projects that can be financed from current revenues or resources.

1. A 10-year Capital Improvement Plan (CIP) will be updated annually as part of the budget process. It will include projected life cycle costing. Only the first year of the plan will be appropriated. The remainder will be projections to be addressed in subsequent years.
 - a. Life cycle costing is a method of calculating the total cost of a physical asset throughout its life. It is concerned with all costs of ownership and takes into account all of the costs incurred by an asset from its acquisition to its disposal, including design, installation, operating, and maintenance costs.
2. The 10-year CIP will address capital needs in the following order:
 - a. to improve existing assets;
 - b. to replace existing assets;
 - c. to construct new assets.

3. All projects will be evaluated annually by a multi-departmental team regarding
 - a. accuracy of the projected costs;
 - b. consistency with the General Plan and Council policy goals;
 - c. long-range master plans;
 - d. ability to finance initial capital costs;
 - e. ability to finance life cycle costs;
 - f. ability to cover the associated additional ongoing operating costs.

4. All projects funded with general obligation bonds will be undertaken only with voter approval as required through a bond election.
 - a. General Obligation debt is supported by secondary property tax revenues. The secondary property tax revenues assessed are based upon the ability to finance the City's debt service obligations and the rate is dependent upon the revenue requirements and the assessed valuation of taxable property. At a minimum, the general obligation debt service fund balance will be at least 10% of the next fiscal year's property tax supported debt service.

5. Non-voter approved debt supported by General Fund revenues such as Municipal Property Corporation (MPC) bonds, excise tax bonds, and lease obligations will be used only when a dedicated ongoing revenue source is identified to pay the associated debt service obligations. This type of debt service will not exceed 10% of the 5-year average of the General Fund's operating revenue available to support the debt service obligations.
 - a. For FY17-18, debt service is 12.1% of the General Fund operating revenue as defined above.

6. For non-voter approved debt, the following considerations will be made prior to the pledging of projected revenues for the ongoing payment of associated ongoing debt service obligations:
 - a. The project requires ongoing revenue not available from other sources.
 - b. Matching monies are available that may be lost if not applied for in a timely manner.
 - c. Catastrophic conditions.

7. Short-term borrowing or lease/purchase contracts should be considered for financing major operating capital equipment only when:
 - a. The repayment term does not exceed the expected useful life of the equipment to be purchased;
 - b. An ongoing revenue source is identified to pay the annual debt service; and
 - c. The Budget and Finance Director, along with the city's financial advisors, determine that this is in the city's best financial interest.

8. These policies are in addition to the policies incorporated in the Debt Management Plan.

FUND RESERVES AND STRUCTURE

Fund balance is an important indicator of the City's financial position. Adequate fund balances are maintained to allow the City to continue to providing services to the community in case of economic downturns and/or unexpected emergencies or requirements. To ensure the continuance of sound financial management of public resources, committed, assigned, or unassigned General Fund, fund balance will be maintained to provide resources to address emergencies, sudden loss of revenue, or unexpected downturns in the economy. Use of fund balances will be limited to address unanticipated, non-recurring needs and planned future one-time or non-recurring obligations. Unassigned balances may, however, be used to allow time to restructure operations and must be approved by the City Council.

1. The minimum fund balance in the General Fund, which is defined as the total of the unassigned amount plus the assigned amount less the amount assigned for the equipment replacement, shall total 25% of the total annual ongoing revenues.
 - a. Inclusive in the 25% General Fund unassigned fund balance, a Budget Stabilization Reserve will be maintained at 10% of the General Fund operating revenues to be used in the event of unexpected revenue shortfalls if needed, and to be adjusted at year end.
 - b. Inclusive in the 25% General Fund unassigned fund balance, an Operating Reserve (established in FY14-15) for amounts over the General Fund Budget Stabilization Reserve and which will increase incrementally each year until it reaches at least 15% of the General Fund operating revenues by FY19-20, which is the ensuing five fiscal years. Any usage of this reserve must be approved by the majority of the City Council, and the City shall strive to replenish the Operating Reserve the following fiscal year. Examples of potential usage would be to provide funding to deal with fluctuations in fiscal cycles and Council approved operating requirements.
2. For the Water and Sewer Enterprise Fund;
 - a. The target for Working Capital will be 50% of operating expenses.
 - b. The Senior Lien Debt Service Coverage Ratio target will be 1.85.
 - c. The target for Days Cash on Hand will be 250 days.
3. For the Solid Waste Enterprise Fund, working capital will be maintained at 10% of operating revenues.
5. For the Landfill Enterprise Fund, working capital will be maintained at 15% of operating revenues.
6. For the other major governmental operating funds, the total minimum unassigned fund balance shall be as follows.
 - a. PSST 5% of operating revenue
 - b. HURF 15% of operating revenue
 - c. Others: 10% of operating revenue
7. If a situation arises where fund balance at the end of the current fiscal year is less than the Council approved fund balance level, the deficiency should be replenished in the coming fiscal years, not to exceed a total of five consecutive years.

7. If a situation arises where fund balance at the end of the current fiscal year is less than the Council approved fund balance level, the deficiency should be replenished in the coming fiscal years, not to exceed a total of five consecutive years.
8. The City Manager may establish additional assigned fund balance reserves for certain anticipated obligations or other purposes.
8. Any balance in excess of the fund balance reserves may be used to support one-time expenditures. Council approval is required to use these funds to supplement "pay as you go" capital outlay, one-time operating expenditures, or to prepay existing debt.
9. The fund balance for the various Trust Funds will be based on annual actuarial reports and the target funding level must be at the 75% confidence funding level.
10. Separate fund balance operating reserves may be required by bond issuance documents for those funds with outstanding bonded debt. These requirements will not be viewed as additional fund balance needs unless they are greater than those established by these goals.

Section 2
Schedule One
Fund Balance Analysis

City of Glendale
Schedule 1 - Fund Balance Analysis

	Beginning Fund Balance	Projected Revenues	Transfer In	Transfer Out	Operations	Capital Outlay	Debt Service	Contingency	Total Appropriation	Ending Fund Balance
General Fund										
1000 General	41,265,832	214,420,313	26,403,268	(37,453,587)	(200,643,560)	-	-	(2,000,000)	(202,643,560)	41,992,266
1120 Vehicle Replacement	183,251	270,000	3,608,735	-	(3,608,735)	-	-	-	(3,608,735)	453,251
Sub-Total General Fund	41,449,083	214,690,313	30,012,003	(37,453,587)	(204,252,295)	-	-	(2,000,000)	(206,252,295)	42,445,517
Special Revenue Funds										
1200 Utility Bill Donation	52,610	165,400	-	-	(200,000)	-	-	-	(200,000)	18,010
1220 Arts Commission Fund	1,143,800	304,800	-	-	(247,911)	(883,849)	-	-	(1,131,760)	316,840
1240 Court Security/Bonds	465,821	447,890	-	-	(608,814)	-	-	-	(608,814)	304,897
1300 Home Grant	101,450	1,708,454	-	-	(1,678,454)	-	-	-	(1,678,454)	131,450
1310 Neighborhood Stabilization Pgm	111,253	298,816	-	-	(227,368)	-	-	-	(227,368)	182,701
1311 N'hood Stabilization Pgm III	90,559	227,300	-	-	(227,300)	-	-	-	(227,300)	90,559
1320 C.D.B.G.	-	4,215,127	-	-	(4,215,127)	-	-	-	(4,215,127)	-
1340 Highway User Gas Tax	18,901,221	15,616,779	-	(17,534,795)	(10,597,408)	-	-	(720,000)	(11,317,408)	5,665,797
1650 Transportation Grants	-	1,218,055	-	-	(1,000,000)	(218,055)	-	-	(1,218,055)	-
1660 Transportation Sales Tax	30,470,792	26,194,311	-	(23,672,484)	(13,922,695)	-	-	(2,100,000)	(16,022,695)	16,969,924
1700 Police Special Revenue	6,259,623	16,649,485	-	(17,919,485)	-	-	-	-	-	4,989,623
1720 Fire Special Revenue	960,070	8,383,783	-	(8,483,783)	-	-	-	-	-	860,070
1760 Airport Special Revenue	-	545,779	147,047	-	(692,826)	-	-	-	(692,826)	-
1820 CAP Grant	-	1,259,620	64,299	-	(1,323,919)	-	-	-	(1,323,919)	-
1830 Emergency Shelter Grants	-	208,992	-	-	(208,992)	-	-	-	(208,992)	-
1840 Grants	2,060,399	16,338,650	-	-	(7,528,537)	(15,000)	-	(10,855,512)	(18,399,049)	-
1860 RICO Funds	2,267,105	1,015,000	-	-	(2,258,922)	-	-	-	(2,258,922)	1,023,183
1885 Parks & Recreation Designated	196,027	6,480	-	-	(68,877)	-	-	-	(68,877)	133,630
2120 Airport Capital Grants	-	6,821,236	-	-	-	(6,821,236)	-	-	(6,821,236)	-
2530 Training Facility Revenue Fund	130,300	393,736	1,455,926	-	(1,849,662)	-	-	-	(1,849,662)	130,300
Sub-Total Special Revenue Fund	63,211,030	102,019,693	1,667,272	(67,610,547)	(46,856,812)	(7,938,140)	-	(13,675,512)	(68,470,464)	30,816,984
Debt Service Funds										
1900 G.O. Bond Debt Service	3,040,001	20,377,342	-	-	-	-	(20,203,317)	-	(20,203,317)	3,214,026
1940 M.P.C. Debt Service	2,623,542	-	18,180,235	-	-	-	(18,980,235)	-	(18,980,235)	1,823,542
1950 Excise Tax Deb Service	22,648	-	8,040,521	-	-	-	(8,040,521)	-	(8,040,521)	22,648
1970 Transportation Debt Service	194,315	-	7,146,500	-	-	-	(7,151,500)	-	(7,151,500)	189,315
Sub-Total Debt Service Funds	5,880,506	20,377,342	33,367,256	-	-	-	(54,375,573)	-	(54,375,573)	5,249,531
Permanent Funds										
2280 Cemetery Perpetual Care	5,709,583	26,000	-	-	-	-	-	(5,735,583)	(5,735,583)	-
Sub-Total Permanent Funds	5,709,583	26,000	-	-	-	-	-	(5,735,583)	(5,735,583)	-

City of Glendale
Schedule 1 - Fund Balance Analysis

	Beginning Fund Balance	Projected Revenues	Transfer In	Transfer Out	Operations	Capital Outlay	Debt Service	Contingency	Total Appropriation	Ending Fund Balance
Capital Project Funds										
1380 DIF Library Blds	1,775,843	10,000	-	-	-	(1,755,029)	-	(30,814)	(1,785,843)	-
1421+ DIF-Fire Protection Facilities	1,527,536	254,762	-	-	-	-	-	(1,782,298)	(1,782,298)	-
1441+ DIF-Police Facilities	661,997	94,294	-	-	-	-	-	(756,291)	(756,291)	-
1461+ DIF-Citywide Parks	437,725	1,679	-	-	-	(332,453)	-	(106,951)	(439,404)	-
1481+ DIF-Citywide Recreation Fac	795,808	1,192	-	-	-	(797,000)	-	-	(797,000)	-
1501+ DIF-Libraries	2,112,171	13,172	-	-	-	(1,764,424)	-	(360,919)	(2,125,343)	-
1520 DIF-Citywide Open Spaces	509,016	2,546	-	-	-	(318,100)	-	(193,462)	(511,562)	-
1541+ DIF-Parks Dev Zone 1	445,013	171,448	-	-	-	(552,278)	-	(64,183)	(616,461)	-
1561+ DIF-Parks Dev Zone 2	457,670	1,265	-	-	-	(165,438)	-	(293,497)	(458,935)	-
1581+ DIF-Parks Dev Zone 3	-	429	-	-	-	-	-	(429)	(429)	-
1601+ DIF-Roadway Improvements	5,140,163	820,140	-	-	-	(3,115,478)	-	(2,844,825)	(5,960,303)	-
1620 DIF-General Government	163,370	818	-	-	-	-	-	(164,188)	(164,188)	-
1980 Streets Constr. - 1999 Auth	847,264	11,625,450	-	-	-	(12,472,714)	-	-	(12,472,714)	-
2000 HURF Street Bonds	-	-	17,534,795	-	-	(17,534,795)	-	-	(17,534,795)	-
2040 Public Safety Construction	357,506	2,351,250	-	-	-	(2,351,250)	-	(357,506)	(2,708,756)	-
2060 Parks Construction	121,728	-	-	-	-	(50,000)	-	(71,728)	(121,728)	-
2070 General Gov Capital Projects	7,888,273	-	3,097,148	-	-	(10,835,421)	-	(150,000)	(10,985,421)	-
2100 Economic Dev. Constr-1999 Auth	-	7,000,000	-	-	-	(7,000,000)	-	-	(7,000,000)	-
2130 Cultural Facility Bond Fund	262,088	-	-	-	-	(200,000)	-	(62,088)	(262,088)	-
2140 Open Space/Trails Constr-99 Au	226,795	-	-	-	-	(50,000)	-	(176,795)	(226,795)	-
2180 Flood Control Construction	2,128,956	-	-	-	-	(2,128,956)	-	-	(2,128,956)	-
2210 Transportation Capital Project	-	-	16,231,020	-	-	(16,231,020)	-	-	(16,231,020)	-
Sub-Total Capital Fund	25,858,922	22,348,445	36,862,963	-	-	(77,654,356)	-	(7,415,974)	(85,070,330)	-
Enterprise Funds										
2360+ Water and Sewer	99,307,087	83,355,399	23,060,046	(23,820,047)	(53,312,517)	(55,455,662)	(22,660,233)	(12,000,000)	(143,428,412)	38,474,073
2440 Landfill	9,049,671	10,383,545	674,772	(214,915)	(10,153,828)	(7,087,454)	-	(700,000)	(17,941,282)	1,951,791
2480 Solid Waste	1,910,475	15,339,883	128,528	-	(14,238,231)	(589,581)	-	(400,000)	(15,227,812)	2,151,074
2500 Pub Housing Budget Activities	-	15,519,078	386,563	-	(15,905,641)	-	-	-	(15,905,641)	-
Sub-Total Enterprise Funds	110,267,233	124,597,905	24,249,909	(24,034,962)	(93,610,217)	(63,132,697)	(22,660,233)	(13,100,000)	(192,503,147)	42,576,938
Internal Service Funds										
2540 Risk Management Self Insurance	1,963,275	4,001,466	-	-	(2,967,948)	-	-	(1,000,000)	(3,967,948)	1,996,793
2560 Workers Comp. Self Insurance	7,654,274	1,355,278	-	-	(2,279,542)	-	-	(1,000,000)	(3,279,542)	5,730,010
2580 Benefits Trust Fund	-	28,963,184	-	-	(28,963,184)	-	-	-	(28,963,184)	-
2590 Fleet Services	-	9,239,326	-	-	(9,239,326)	-	-	-	(9,239,326)	-
2591 Technology	-	8,752,070	-	-	(8,323,272)	-	-	(428,798)	(8,752,070)	-
2592 Technology Projects	2,050,448	477,869	-	-	(2,528,317)	-	-	-	(2,528,317)	-
2593 Citywide ERP Solution	-	-	2,939,693	-	-	(2,862,221)	-	-	(2,862,221)	77,472
Sub-Total Internal Service Funds	11,667,997	52,789,193	2,939,693	-	(54,301,589)	(2,862,221)	-	(2,428,798)	(59,592,608)	7,804,275
TOTAL	264,044,354	536,848,891	129,099,096	(129,099,096)	(399,020,913)	(151,587,414)	(77,035,806)	(44,355,867)	(672,000,000)	128,893,245

Section 3

Auditor General Schedules (A thru G)

City of Glendale
Summary Schedule of Estimated Revenues and Expenditures/Expenses
 Fiscal Year 2018

Fiscal Year	S c h	FUNDS								
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds	
2017	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	206,386,199	76,873,059	54,667,611	76,828,057	5,709,583	217,691,791	54,843,700	693,000,000
2017	Actual Expenditures/Expenses**	E	203,504,668	45,790,293	54,667,611	36,888,612	0	147,270,095	53,358,957	541,480,236
2018	Fund Balance/Net Position at July 1***		41,449,083	63,211,030	5,880,506	25,858,922	5,709,583	110,267,233	11,667,997	264,044,354
2018	Primary Property Tax Levy	B	5,684,486							5,684,486
2018	Secondary Property Tax Levy	B			19,807,342					19,807,342
2018	Estimated Revenues Other than Property Taxes	C	209,005,827	102,019,693	570,000	22,348,445	26,000	124,597,905	52,789,193	511,357,063
2018	Other Financing Sources	D	0	0	0	0	0	0	0	0
2018	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2018	Interfund Transfers In	D	30,012,003	1,667,272	33,367,256	36,862,963	0	24,249,909	2,939,693	129,099,096
2018	Interfund Transfers (Out)	D	37,453,587	67,610,547	0	0	0	24,034,962	0	129,099,096
2018	Reduction for Amounts Not Available:									
	LESS: Amounts for Future Debt Retirement:									0
										0
										0
										0
2018	Total Financial Resources Available		248,697,812	99,287,448	59,625,104	85,070,330	5,735,583	235,080,085	67,396,883	800,893,245
2018	Budgeted Expenditures/Expenses	E	206,252,295	68,470,464	54,375,573	85,070,330	5,735,583	192,503,147	59,592,608	672,000,000

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses
2. Add/subtract: estimated net reconciling items
3. Budgeted expenditures/expenses adjusted for reconciling items
4. Less: estimated exclusions
5. Amount subject to the expenditure limitation
6. EEC expenditure limitation

	2017	2018
1. Budgeted expenditures/expenses	\$ 693,000,000	\$ 672,000,000
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	693,000,000	672,000,000
4. Less: estimated exclusions	220,089,427	249,924,142
5. Amount subject to the expenditure limitation	\$ 472,910,573	\$ 422,075,858
6. EEC expenditure limitation	\$ 554,464,628	\$ 568,852,831

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

**City of Glendale
Tax Levy and Tax Rate Information
Fiscal Year 2018**

	2017	2018
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>5,732,896</u>	\$ <u>5,732,986</u>
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>5,621,452</u>	\$ <u>5,684,486</u>
B. Secondary property taxes	<u>19,587,858</u>	<u>19,807,342</u>
C. Total property tax levy amounts	\$ <u>25,209,310</u>	\$ <u>25,491,828</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ <u>5,565,237</u>	
(2) Prior years' levies	<u>16,002</u>	
(3) Total primary property taxes	\$ <u>5,581,239</u>	
B. Secondary property taxes		
(1) Current year's levy	\$ <u>19,391,979</u>	
(2) Prior years' levies	<u>48,733</u>	
(3) Total secondary property taxes	\$ <u>19,440,712</u>	
C. Total property taxes collected	\$ <u>25,021,952</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>0.4792</u>	<u>0.4632</u>
(2) Secondary property tax rate	<u>1.6698</u>	<u>1.6140</u>
(3) Total city/town tax rate	<u>2.1490</u>	<u>2.0772</u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating _____ special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**City of Glendale
Revenues Other Than Property Taxes
Fiscal Year 2018**

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
GENERAL FUND			
Local taxes			
City Sales Tax	\$ 103,449,149	\$ 103,449,149	\$ 106,417,818
Arena Fees	1,249,618	1,249,618	1,249,618
Licenses and permits			
Gas/Electric Franchise Fees	2,856,280	2,856,280	\$ 2,884,843
Cable Franchise Fees	1,572,061	1,572,061	1,572,061
Building Permits	1,343,924	1,343,924	1,412,355
Fire Department Other Fees	1,012,525	1,012,525	1,119,022
Sales Tax Licenses	676,878	676,878	771,708
Right-of-Way Permits	336,627	336,627	362,824
Fire Dept CD Fees	361,258	361,258	464,772
Liquor Licenses	185,806	185,806	188,965
Planning/Zoning	239,300	239,300	264,470
Bus./Prof. Licenses	112,653	112,653	114,568
Miscellaneous CD Fees	145,310	145,310	160,594
Arena Fees	182,828	182,828	202,058
Engineering Plan Check Revenue	9,153	9,153	10,116
Plan Check Fees	4,137	4,137	4,572
Intergovernmental			
State Income Tax	\$ 29,376,937	\$ 29,376,937	\$ 30,138,618
State Shared Sales Tax	22,601,416	22,601,416	22,823,614
Motor Vehicle In-Lieu	9,329,684	9,329,684	10,180,951
Partner Revenue			
Arena Fees	350,000	350,000	350,000
Miscellaneous			
Charges for services			
Internal Charges	\$	\$	\$
Staff & Adm Chargebacks	9,700,000	9,700,000	10,000,000
Arena Fees	920,000	920,000	920,000
Facility Rental Income	1,986,963	1,986,963	2,018,728
Recreation Revenue	2,213,516	2,213,516	2,446,331
Partner Revenue			
Audio/Video Rental	25,503	25,503	28,185
Security Revenue	747,940	747,940	
Plan Check Fees	724,002	724,002	740,517
Miscellaneous	490,845	490,845	490,845
Fire Department Other Fees	493,047	493,047	493,047
Right-of-Way Permits	254,250	254,250	280,992
City Property Rental	332,822	332,822	332,822
Engineering Plan Check Revenue	132,404	132,404	149,797
Health Care Revenue	62,480	62,480	69,051
Court Revenue	56,952	56,952	62,942
Camelback Ranch Rev- Fire	54,065	54,065	59,752
Traffic Engineering Plan Check	31,181	31,181	35,046
Equipment Rental			

*Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**City of Glendale
Revenues Other Than Property Taxes
Fiscal Year 2018**

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
Fines and forfeits			
Court Revenue	2,753,610	2,753,610	\$ 2,784,540
Miscellaneous	255,278	255,278	282,128
Library Fines/Fees	134,085	134,085	148,188
Interest on investments			
Interest	420,041	426,431	\$ 468,507
In-lieu property taxes			
Contributions			
SRP In-Lieu	278,315	278,315	\$ 278,315
Miscellaneous			
Miscellaneous	4,436,721	4,789,795	\$ 4,001,231
Fire Department Other Fees	1,004,577	1,004,577	233,000
City Property Rental	1,003,354	1,003,354	1,003,354
Lease Proceeds	508,040	508,040	561,476
Cemetery Revenue	188,145	188,145	191,343
Library Fines/Fees	135,917	135,917	150,213
Other			
Total General Fund	\$ 204,821,527	\$ 205,180,991	\$ 209,005,827
SPECIAL REVENUE FUNDS			
Public Facilities and Events Funds			
Recreation Revenue	\$ 9,000	\$ 9,000	\$ 6,000
Interest	300	300	480
	\$ 9,300	\$ 9,300	\$ 6,480
Community Services Grants			
Grants	\$ 7,074,355	\$ 7,105,531	\$ 7,737,071
Miscellaneous	210,005	247,117	181,238
	\$ 7,284,360	\$ 7,352,648	\$ 7,918,309
Other Grants			
Grants	\$ 14,821,313	\$ 14,754,005	\$ 15,712,529
Miscellaneous	669,087	626,713	626,121
	\$ 15,490,400	\$ 15,380,718	\$ 16,338,650
Public Safety Funds			
City Sales Tax	\$ 14,249,636	\$ 14,249,636	\$ 14,748,373
City Sales Tax - PS .4	9,937,096	9,937,096	10,284,895
State Forfeitures	1,000,000	1,000,000	1,000,000
Federal Forfeitures	15,000	15,000	15,000
	\$ 25,201,732	\$ 25,201,732	\$ 26,048,268

*Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**City of Glendale
Revenues Other Than Property Taxes
Fiscal Year 2018**

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
Transportation/HURF Funds			
City Sales Tax	\$ 25,053,441	\$ 25,053,441	\$ 25,930,311
Grants	6,116,338	6,760,018	7,821,236
Highway User Revenues	14,288,974	14,288,974	15,608,779
Miscellaneous	15,867,586	3,559,017	289,974
Airport Fees	481,860	481,860	481,860
Transit Revenue	124,000	124,000	124,000
Interest	140,000	140,000	140,000
	<u>\$ 62,072,199</u>	<u>\$ 50,407,310</u>	<u>\$ 50,396,160</u>
Charges for services			
Partner Revenue	\$ 1,644,474	\$ 1,644,474	\$ 393,736
	<u>\$ 1,644,474</u>	<u>\$ 1,644,474</u>	<u>\$ 393,736</u>
Fines and forfeits			
Court Revenue	\$ 413,700	\$ 416,700	\$ 607,437
Interest	1,190		
	<u>\$ 414,890</u>	<u>\$ 416,700</u>	<u>\$ 607,437</u>
Miscellaneous			
Miscellaneous	\$ 437,573	\$ 212,050	\$ 310,653
	<u>\$ 437,573</u>	<u>\$ 212,050</u>	<u>\$ 310,653</u>
Total Special Revenue Funds	<u>\$ 112,554,928</u>	<u>\$ 100,624,932</u>	<u>\$ 102,019,693</u>
DEBT SERVICE FUNDS			
Miscellaneous	\$ 570,000	\$ 570,000	\$ 570,000
	<u>\$ 570,000</u>	<u>\$ 570,000</u>	<u>\$ 570,000</u>
Total Debt Service Funds	<u>\$ 570,000</u>	<u>\$ 570,000</u>	<u>\$ 570,000</u>
CAPITAL PROJECTS FUNDS			
Development Impact Fee Funds			
Development Impact Fees	\$ 1,681,000	\$ 2,130,480	\$ 1,303,941
Interest	88,146	94,679	67,804
	<u>\$ 1,769,146</u>	<u>\$ 2,225,159</u>	<u>\$ 1,371,745</u>
G.O. Bond Funds			
Miscellaneous	104,151		
Bond Proceeds	10,545,000		20,976,700
	<u>\$ 10,649,151</u>	<u>\$</u>	<u>\$ 20,976,700</u>
Total Capital Projects Funds	<u>\$ 12,418,297</u>	<u>\$ 2,225,159</u>	<u>\$ 22,348,445</u>
PERMANENT FUNDS			
Cemetery Perpetual Care			
Interest	\$ 26,000	\$ 27,000	\$ 26,000
	<u>\$ 26,000</u>	<u>\$ 27,000</u>	<u>\$ 26,000</u>
Total Permanent Funds	<u>\$ 26,000</u>	<u>\$ 27,000</u>	<u>\$ 26,000</u>

*Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**City of Glendale
Revenues Other Than Property Taxes
Fiscal Year 2018**

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
ENTERPRISE FUNDS			
Water/Sewer Funds			
Water Revenues	\$ 45,484,000	\$ 45,484,000	\$ 44,661,750
Sewer Revenue	31,830,000	31,830,000	31,518,875
Miscellaneous	11,479,000	11,479,000	4,948,274
Water Development Impact Fees	1,120,000	1,120,000	1,120,000
Sewer Development Impact Fees	700,000	700,000	700,000
Interest	253,500	253,500	253,500
Staff & Adm Chargebacks	82,000	82,000	82,000
City Property Rental	65,000	65,000	65,000
Facility Rental Income	6,000	6,000	6,000
	<u>\$ 91,019,500</u>	<u>\$ 91,019,500</u>	<u>\$ 83,355,399</u>
Landfill			
Tipping Fees	\$ 5,371,644	\$ 5,371,644	\$ 5,272,815
Recycling Sales	1,565,500	1,565,500	1,581,155
Internal Charges	2,550,000	2,550,000	2,728,500
Staff & Adm Chargebacks	431,000	431,000	431,000
Miscellaneous	215,000	215,000	215,000
Other	109,625	109,625	109,625
Interest	45,450	45,450	45,450
	<u>\$ 10,288,219</u>	<u>\$ 10,288,219</u>	<u>\$ 10,383,545</u>
Solid Waste			
Residential Sanitation	\$ 10,683,150	\$ 10,683,150	\$ 11,380,760
Commercial Sanitation Frontload	2,817,000	2,817,000	2,831,085
Commercial Sanitation Rolloff	800,000	800,000	804,000
Miscellaneous	101,000	101,000	101,000
Internal Charges	115,000	115,000	115,000
Miscellaneous Bin Service	100,500	100,500	101,003
Interest	7,000	7,000	7,035
	<u>\$ 14,623,650</u>	<u>\$ 14,623,650</u>	<u>\$ 15,339,883</u>
Pub Housing Budget Activities			
Grants	\$ 15,959,127	\$ 15,959,127	\$ 15,519,078
	<u>\$ 15,959,127</u>	<u>\$ 15,959,127</u>	<u>\$ 15,519,078</u>
Total Enterprise Funds	<u>\$ 131,890,496</u>	<u>\$ 131,890,496</u>	<u>\$ 124,597,905</u>

*Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**City of Glendale
Revenues Other Than Property Taxes
Fiscal Year 2018**

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
INTERNAL SERVICE FUNDS			
Risk Management Self Insurance			
Internal Charges	\$ 3,058,001	\$ 3,058,001	\$ 3,851,466
Security Revenue	30,000	30,000	30,000
Interest	20,000	20,000	20,000
Miscellaneous	100,000	100,000	100,000
	<u>\$ 3,208,001</u>	<u>\$ 3,208,001</u>	<u>\$ 4,001,466</u>
Workers Comp. Self Insurance			
Internal Charges	\$ 2,300,014	\$ 2,300,014	\$ 1,299,278
Security Revenue	30,000	30,000	30,000
Interest	26,000	26,000	26,000
	<u>\$ 2,356,014</u>	<u>\$ 2,356,014</u>	<u>\$ 1,355,278</u>
Benefits Trust Fund			
City Contributions	\$ 15,946,287	\$ 15,946,287	\$ 18,083,924
Employee Contributions	5,946,545	5,946,545	5,946,472
Retiree Contributions	4,825,836	4,825,836	4,825,836
Miscellaneous	104,552	104,552	104,552
Right-of-Way Permits	1,620	1,620	1,620
Interest	780	780	780
	<u>\$ 26,825,620</u>	<u>\$ 26,825,620</u>	<u>\$ 28,963,184</u>
Fleet Services			
Internal Charges	\$ 9,177,762	\$ 9,177,762	\$ 9,239,326
	<u>\$ 9,177,762</u>	<u>\$ 9,177,762</u>	<u>\$ 9,239,326</u>
Technology			
Internal Charges	\$ 7,219,923	\$ 7,219,923	\$ 8,752,070
	<u>\$ 7,219,923</u>	<u>\$ 7,219,923</u>	<u>\$ 8,752,070</u>
Technology Projects			
Internal Charges	1,427,225	1,427,225	\$ 477,869
	<u>\$ 1,427,225</u>	<u>\$ 1,427,225</u>	<u>\$ 477,869</u>
Total Internal Service Funds	<u>\$ 50,214,545</u>	<u>\$ 50,214,545</u>	<u>\$ 52,789,193</u>
TOTAL ALL FUNDS	<u>\$ 512,495,793</u>	<u>\$ 490,733,123</u>	<u>\$ 511,357,063</u>

*Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

City of Glendale
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2018

FUND	OTHER FINANCING 2018		INTERFUND TRANSFERS 2018	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
1000 - General	\$	\$	\$ 26,403,268	\$ 37,453,587
1120 - Vehicle Replacement			3,608,735	
Total General Fund	\$	\$	\$ 30,012,003	\$ 37,453,587
SPECIAL REVENUE FUNDS				
1340 - Highway User Revenue Fund	\$	\$		\$ 17,534,795
1660 - Transportation Sales Tax Fund				23,672,484
1700 - Police Special Revenue Fund				17,919,485
1720 - Fire Special Revenue Fund				8,483,783
1760 - Airport Special Revenue Fund			147,047	
1820 - CAP Grant			64,299	
2530 - Training Facility Revenue Fund			1,455,926	
Total Special Revenue Funds	\$	\$	\$ 1,667,272	\$ 67,610,547
DEBT SERVICE FUNDS				
1900 - G.O. Bonds Debt Service	\$	\$		\$
1940 - M.P.C. Debt Service			18,180,235	
1950 - Excise Tax Debt Service			8,040,521	
1970 - Transportation Debt Service			7,146,500	
Total Debt Service Funds	\$	\$	\$ 33,367,256	\$
CAPITAL PROJECTS FUNDS				
2000 - HURF Street Capital Projects	\$	\$	\$ 17,534,795	\$
2070 - General Government Capital Projects			3,097,148	
2210 - Transportation Capital Projects			16,231,020	
Total Capital Projects Funds	\$	\$	\$ 36,862,963	\$
PERMANENT FUNDS				
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
2360+ - Water/Sewer	\$	\$	\$ 23,060,046	\$ 23,820,047
2440 - Landfill			674,772	214,915
2480 - Solid Waste			128,528	
2500 - Public Housing			386,563	
Total Enterprise Funds	\$	\$	\$ 24,249,909	\$ 24,034,962
INTERNAL SERVICE FUNDS				
2593 - Citywide ERP Solution	\$	\$	\$ 2,939,693	\$
Total Internal Service Funds	\$	\$	\$ 2,939,693	\$
TOTAL ALL FUNDS	\$	\$	\$ 129,099,096	\$ 129,099,096

**City of Glendale
Expenditures/Expenses by Fund
Fiscal Year 2018**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
GENERAL FUND				
Budget and Finance	\$ 4,267,604	\$	\$ 4,267,604	\$ 4,859,390
City Attorney	3,263,392		3,263,392	3,392,597
City Auditor	375,679		375,679	386,430
City Clerk	841,880		841,880	730,752
City Court	4,446,913		4,446,913	4,712,532
City Manager	974,440		974,440	895,059
Community Services	6,066,010		6,060,249	5,564,336
Council Districts&Of	968,453		968,453	1,094,931
Development Services	4,985,651		4,981,651	5,388,471
Economic Development	999,682		999,682	1,125,563
Fire Services	42,560,721		41,531,890	43,413,023
HR & Risk Mgt	1,829,625		1,829,625	1,873,624
Mayor's Office	368,222		368,222	423,101
Non-Departmental	17,876,424	3,000,000	20,794,667	15,085,275
Police Services	84,738,048		84,738,048	88,114,762
Public Affairs	2,213,033		2,213,033	2,250,448
Public Facilities & Events	11,780,970		11,919,255	12,918,234
Public Works	12,829,452	758,454	12,929,985	12,023,767
Contingency	5,000,000	(3,758,454)		2,000,000
Total General Fund	\$ 206,386,199	\$	\$ 203,504,668	\$ 206,252,295
SPECIAL REVENUE FUNDS				
City Court	\$ 616,775	\$	\$ 569,286	\$ 608,814
Community Services	8,542,907	23,950	7,633,008	9,537,920
Fire Services	5,189,096		4,217,927	6,052,425
Misc. Grants	3,940,011	(32,043)	397,229	6,705,512
Non-Departmental	200,000		200,000	200,000
Police Services	8,679,670		6,515,075	8,513,058
Public Facilities & Events	237,895		87,895	258,877
Public Works	46,632,222	22,576	26,169,873	33,773,858
Contingency	2,820,000			2,820,000
Total Special Revenue Funds	\$ 76,858,576	\$ 14,483	\$ 45,790,293	\$ 68,470,464
DEBT SERVICE FUNDS				
General Obligation	\$ 21,311,988	\$	\$ 21,311,988	\$ 20,203,317
Excise Tax Bonds	6,925,521		6,925,521	8,040,521
Highway User (HURF)				
Municipal Property Corp	19,281,102		19,281,102	18,980,235
Transportation Obligation	7,149,000		7,149,000	7,151,500
Total Debt Service Funds	\$ 54,667,611	\$	\$ 54,667,611	\$ 54,375,573

**City of Glendale
Expenditures/Expenses by Fund
Fiscal Year 2018**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
CAPITAL PROJECTS FUNDS				
Community Services	\$ 638,614	\$	\$ 230,739	\$ 3,719,453
Economic Development	16,637,500		2,147	7,000,000
General Government	9,880,501		485,965	9,245,940
Police Services	2,351,250		1,148,565	2,351,250
Public Facilities & Events	1,535,460		1,088,646	1,947,169
Public Works	38,859,173	218,467	33,932,550	53,390,544
Contingency	6,707,092			7,415,974
Total Capital Projects Funds	\$ 76,609,590	\$ 218,467	\$ 36,888,612	\$ 85,070,330
PERMANENT FUNDS				
Contingency	\$ 5,709,583	\$	\$	\$ 5,735,583
Total Permanent Funds	\$ 5,709,583	\$	\$	\$ 5,735,583
ENTERPRISE FUNDS				
Development Services	\$ 170,642	\$	\$ 170,642	\$ 175,051
Budget and Finance	3,223,804		3,223,804	3,079,149
Community Services	16,047,175		16,047,175	15,905,641
Public Works	35,203,126		23,793,730	32,069,094
Water Services	140,396,061		83,883,761	105,513,979
Water Services Debt	20,150,983		20,150,983	22,660,233
Contingency	2,500,000			13,100,000
Total Enterprise Funds	\$ 217,691,791	\$	\$ 147,270,095	\$ 192,503,147
INTERNAL SERVICE FUNDS				
HR & Risk Mgt	\$ 31,982,104	\$	\$ 31,982,104	\$ 34,210,674
Innovation & Technology	12,530,935	(232,950)	12,297,985	11,280,387
Public Works	9,163,611		9,078,868	9,239,326
City Wide ERP Solution				2,862,221
Contingency	1,400,000			2,000,000
Total Internal Service Funds	\$ 55,076,650	\$ (232,950)	\$ 53,358,957	\$ 59,592,608
TOTAL ALL FUNDS	\$ 693,000,000	\$	\$ 541,480,236	\$ 672,000,000

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

City of Glendale
Expenditures/Expenses by Department
Fiscal Year 2018

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
City Attorney				
1000 - General	\$ 3,263,392	\$ -	\$ 3,263,392	\$ 3,392,597
City Attorney Total	\$ 3,263,392	\$ -	\$ 3,263,392	\$ 3,392,597
City Auditor				
1000 - General	\$ 375,679	\$ -	\$ 375,679	\$ 386,430
City Auditor Total	\$ 375,679	\$ -	\$ 375,679	\$ 386,430
City Clerk				
1000 - General	\$ 841,880	\$ -	\$ 841,880	\$ 730,752
City Clerk Total	\$ 841,880	\$ -	\$ 841,880	\$ 730,752
City Court				
1000 - General	\$ 4,446,913	\$ -	\$ 4,446,913	\$ 4,712,532
1240 - Court Security/Bonds	616,775	-	569,286	608,814
City Court Total	\$ 5,063,688	\$ -	\$ 5,016,199	\$ 5,321,346
City Manager				
1000 - General	\$ 974,440	\$ -	\$ 974,440	\$ 895,059
City Manager Total	\$ 974,440	\$ -	\$ 974,440	\$ 895,059
Community Services				
1000 - General	\$ 6,066,010	\$ -	\$ 6,060,249	\$ 5,564,336
1220 - Arts Commission Fund	919,248	-	235,399	1,131,760
1300 - Home Grant	1,674,704	-	1,674,704	1,678,454
1310 - Neighborhood Stabilization Pgm	229,443	-	229,443	227,368
1311 - Neighborhd Stabilization Pgm3	227,300	-	227,300	227,300
1320 - C.D.B.G.	3,683,422	-	3,683,422	4,215,127
1380 - DIF-Library Blds pre SB1525	-	-	-	1,755,029
1500 - DIF-Libraries pre SB1525	638,614	81,476	230,739	1,764,424
1820 - CAP Grant	1,324,798	-	1,324,798	1,323,919
1830 - Emergency Shelter Grants	208,992	-	208,992	208,992
1840 - Other Federal and State Grants	275,000	23,950	48,950	525,000
2500 - Pub Housing Budget Activities	16,047,175	-	16,047,175	15,905,641
Community Services Total	\$ 31,294,706	\$ 105,426	\$ 29,971,171	\$ 34,527,350
Contingency				
1000 - General	\$ 5,000,000	\$ (3,758,454)	\$ -	\$ 2,000,000
1340 - Highway User Gas Tax	720,000	-	-	720,000
1380 - DIF-Library Blds pre SB1525	1,773,714	-	-	30,814
1420 - DIF-Fire Protec Fac pre SB1525	224,935	-	-	1,782,298
1440 - DIF-Police Faciliti pre SB1525	90,107	-	-	756,291
1460 - DIF-Citywide Parks pre SB1525	107,739	-	-	106,951
1500 - DIF-Libraries pre SB1525	1,746,169	(81,476)	-	360,919
1520 - DIF-Citywide Open Spaces	189,964	-	-	193,462
1540 - DIF-Parks Dev Zone1 pre SB1525	329,686	-	-	64,183
1560 - DIF-Parks Dev Zone2 pre SB1525	167,329	-	-	293,497
1580 - DIF-Parks Dev Zone3 pre SB1525	44,644	-	-	429
1600 - DIF-Roadway Improve pre SB1525	1,117,325	(847,297)	-	2,844,825
1620 - DIF-General Government	163,234	-	-	164,188
1660 - Transportation Sales Tax	2,100,000	(218,467)	-	2,100,000
2040 - Public Safety Construction	357,506	-	-	357,506
2060 - Parks Construction	92,487	-	-	71,728
2070 - General Gov Capital Projects	-	-	-	150,000

City of Glendale
Expenditures/Expenses by Department
Fiscal Year 2018

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
2130 - Cultural Facility Bond Fund			-	62,088
2140 - Open Space/Trails Constr-99 Au	226,795		-	176,795
2180 - Flood Control Construction	75,458		-	-
2280 - Cemetery Perpetual Care	5,709,583		-	5,735,583
2360 - Water and Sewer	2,000,000	2,783,284	-	12,000,000
2440 - Landfill	500,000		-	700,000
2480 - Solid Waste	-		-	400,000
2540 - Risk Management Self Insurance	1,400,000		-	1,000,000
2560 - Workers Comp. Self Insurance			-	1,000,000
Contingency Total	\$ 24,136,675	\$ (2,122,410)	\$ -	\$ 33,071,557

* Grant Contingency Allocated to Department

Council Office

1000 - General	\$ 968,453	\$ -	\$ 968,453	\$ 1,094,931
Mayor and Council	\$ 968,453	\$ -	\$ 968,453	\$ 1,094,931

Development Services

1000 - General	\$ 4,985,651	\$ -	\$ 4,981,651	\$ 5,388,471
2400 - Water	\$ 170,642	\$ -	\$ 170,642	\$ 175,051
Development Services Total	\$ 5,156,293	\$ -	\$ 5,152,293	\$ 5,563,522

Economic Development

1000 - General	\$ 999,682	\$ -	\$ 999,682	\$ 1,125,563
1980 - Streets Constr. - 1999 Auth	6,092,500		2,666,475	-
2100 - Economic Dev. Constr-1999 Auth	10,545,000		8,808,266	7,000,000
2070 - General Gov Capital Projects			-	668,646
Economic Development Total	\$ 17,637,182	\$ -	\$ 12,474,423	\$ 8,794,209

Budget and Finance

1000 - General	\$ 4,267,604	\$ -	\$ 4,267,604	\$ 4,859,390
1900 - G.O. Bond Debt Service	20,318,988		20,318,988	20,203,317
1940 - M.P.C. Debt Service	20,630,852		20,630,852	18,980,235
2360 - Water and Sewer	3,223,804		3,223,804	3,079,149
1950 - Excise Tax Debt Service	5,575,771		5,575,771	8,040,521
				-
Budget and Finance Total	\$ 54,017,019	\$ -	\$ 54,017,019	\$ 55,162,612

Fire Services

1000 - General	\$ 42,560,721	\$ -	\$ 41,531,890	\$ 43,413,023
1840 - Other Federal and State Grants	4,302,221		3,331,052	5,105,753
2070 - General Gov Capital Projects	1,749,655		-	1,836,000
2530 - Training Facility Revenue Fund	886,875		886,875	946,672
Fire Services Total	\$ 49,499,472	\$ -	\$ 45,749,817	\$ 51,301,448

City of Glendale
Expenditures/Expenses by Department
Fiscal Year 2018

<u>DEPARTMENT/FUND</u>	<u>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017</u>	<u>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017</u>	<u>ACTUAL EXPENDITURES/ EXPENSES* 2017</u>	<u>BUDGETED EXPENDITURES/ EXPENSES 2018</u>
HR & Risk Mgt				
1000 - General	\$ 1,829,625	\$	\$ 1,829,625	\$ 1,873,624
2540 - Risk Management Self Insurance	2,951,560		2,951,560	2,967,948
2560 - Workers Comp. Self Insurance	2,204,924		2,204,924	2,279,542
2580 - Benefits Trust Fund	26,825,620		26,825,620	28,963,184
HR & Risk Mgt Total	\$ 33,811,729	\$ -	\$ 33,811,729	\$ 36,084,298
Innovation & Technology				
2591 - Technology	\$ 8,383,210	\$	\$ 8,383,210	\$ 8,752,070
2592 - Technology Projects	4,147,725	(232,950)	3,914,775	2,528,317
2593 - Citywide ERP Solution			-	2,862,221
Innovation & Technology Total	\$ 12,530,935	\$ (232,950)	\$ 12,297,985	\$ 14,142,608
Public Affairs				
1000 - General	\$ 2,213,033	\$	\$ 2,213,033	\$ 2,250,448
Public Affairs Total	\$ 2,213,033	\$ -	\$ 2,213,033	\$ 2,250,448
Mayor's Office				
1000 - General	\$ 368,222	\$	\$ 368,222	\$ 423,101
Mayor's Office Total	\$ 368,222	\$ -	\$ 368,222	\$ 423,101
Misc. Grants & Misc Capital Grants				
1840 - Other Federal and State Grants	\$ 4,933,011	\$ 209,000	\$ 397,229	\$ 6,705,512
Misc. Grants & Misc Capital Grants Total	\$ 4,933,011	\$ 209,000	\$ 397,229	\$ 6,705,512
Non-Departmental				
1000 - General	\$ 17,876,424	\$ 3,000,000	\$ 20,794,667	\$ 15,085,275
1200 - Utility Bill Donation	200,000		200,000	200,000
Non-Departmental Total	\$ 18,076,424	\$ 3,000,000	\$ 20,994,667	\$ 15,285,275
Police Services				
1000 - General	\$ 84,738,048	\$	\$ 84,738,048	\$ 88,114,762
1440 - DIF-Police Faciliti pre SB1525	1,148,565		1,148,565	-

City of Glendale
Expenditures/Expenses by Department
Fiscal Year 2018

DEPARTMENT/FUND	ADOPTED	EXPENDITURE/	ACTUAL	BUDGETED
	BUDGETED	EXPENSE	EXPENDITURES/	EXPENDITURES/
	EXPENDITURES/	ADJUSTMENTS	EXPENSES*	EXPENSES
	EXPENSES	APPROVED		
	2017	2017	2017	2018
1840 - Other Federal and State Grants	5,805,168		3,682,447	5,872,784
1860 - RICO Funds	2,501,744		2,501,744	2,258,922
2040 - Public Safety Construction	1,202,685		1,202,685	2,351,250
2070 - General Gov Capital Projects			-	1,183,422
2530 - Training Facility Revenue Fund	372,758		372,758	381,352
Police Services Total	\$ 95,768,968	\$ -	\$ 93,646,247	\$ 100,162,492

Public Facilities & Events

1000 - General	\$ 11,780,970	\$ -	\$ 11,919,255	\$ 12,918,234
1460 - DIF-Citywide Parks pre SB1525	-	-	-	226,536
1461 - DIF-Citywide Parks	-	-	-	105,917
1480 - DIF-Citywide RecFac pre SB1525	1,067,000	-	20,000	797,000
1520 - DIF-Citywide Open Spaces	318,460	-	-	318,100
1540 - DIF-Parks Dev Zone1 pre SB1525	-	-	-	124,085
1541 - DIF-Parks Dev Zone 1	-	-	-	52,303
1542 - DIF-Parks & Rec Zone 1 East	-	-	-	317,578
1543 - DIF-Parks & Rec Zone 2 West101	-	-	-	58,312
1560 - DIF-Parks Dev Zone2 pre SB1525	-	-	-	165,438
1840 - Other Federal and State Grants	175,000	-	25,000	190,000
1885 - Parks & Recreation Designated	62,895	-	62,895	68,877
2060 - Parks Construction	50,000	-	-	50,000
2070 - General Gov Capital Projects	400,000	-	-	104,565
2130 - Cultural Facility Bond Fund	100,000	-	-	200,000
2140 - Open Space/Trails Constr-99 Au	-	-	-	50,000
Public Facilities & Events Total	\$ 13,954,325	\$ -	\$ 12,027,150	\$ 15,746,945

Public Works

1000 - General	\$ 8,096,952	\$ 758,454	\$ 8,197,485	\$ 8,415,032
1120 - Vehicle Replacement	4,732,500	-	4,732,500	3,608,735
1340 - Highway User Gas Tax	10,302,762	-	10,199,473	10,597,408
1480 - DIF-Citywide RecFac pre SB1525	5,000	-	-	-
1600 - DIF-Roadway Improve pre SB1525	725,030	126,251	386,419	1,794,439
1601 - DIF-Roadway Improvements	-	721,046	-	600,000
1602 - DIF-Streets Zone 1 East	-	-	-	721,039
1650 - Transportation Grants	16,143,008	-	4,071,764	1,218,055
1660 - Transportation Sales Tax	13,247,233	-	13,008,848	13,922,695
1760 - Airport Special Revenue	680,884	-	680,884	692,826
1970 - Transportation Debt Service	7,149,000	-	7,149,000	7,151,500
1980 - Streets Constr. - 1999 Auth	1,120,440	-	-	12,472,714
2000 - Hurf Street Bonds	21,038,574	-	7,889,701	17,534,795
2070 - General Gov Capital Projects	7,730,846	-	5,176,865	7,042,788
2120 - Airport Capital Projects	5,755,161	-	681,420	6,821,236
2180 - Flood Control Construction	2,213,114	-	2,020,748	2,128,956

City of Glendale
Expenditures/Expenses by Department
Fiscal Year 2018

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
2210 - Transportation Capital Project	13,757,015	218,467	20,000	16,231,020
2440 - Landfill	18,085,234		11,938,800	17,241,282
2480 - Solid Waste	17,117,892		17,168,275	14,827,812
2530 - Training Facility Revenue Fund	503,174		503,174	521,638
2590 - Fleet Services	9,163,611		9,078,868	9,239,326
Public Works Total	\$ 157,567,430	\$ 1,824,218	\$ 102,904,224	\$ 152,783,296
 Water Services				
2360+ - Water and Sewer	160,547,044	(2,783,284)	104,014,984	\$ 128,174,212
Water Services Total	\$ 160,547,044	\$ (2,783,284)	\$ 104,014,984	\$ 128,174,212
 TOTAL ALL DEPARTMENTS	 \$ 693,000,000	 \$ -	 \$ 541,480,236	 \$ 672,000,000

**City of Glendale
Full-Time Employees and Personnel Compensation
Fiscal Year 2018**

FUND	Full-Time Equivalent (FTE) 2018	Employee Salaries and Hourly Costs 2018	Retirement Costs 2018	Healthcare Costs 2018	Other Benefit Costs 2018	Total Estimated Personnel Compensation 2018
GENERAL FUND						
1000 - General	1,199.00	\$ 99,129,923	\$ 28,907,397	\$ 13,694,166	\$ 8,678,613	\$ 150,410,099
Total General Fund	1,199	\$ 99,129,923	\$ 28,907,397	\$ 13,694,166	\$ 8,678,613	\$ 150,410,099
SPECIAL REVENUE FUNDS						
1220 - Arts Commission Fund	1.00	\$ 91,233	\$ 9,169	\$ 6,651	\$ 1,280	\$ 108,333
1240 - Court Security/Bonds	3.75	307,109	63,570	37,628	10,588	418,895
1300 - Home Grant		32,019				32,019
1310 - Neighborhd Stab. Pgm		25,000				25,000
1311 - Neighborhd Stab. Pgm3		25,000				25,000
1320 - C.D.B.G.	8.75	548,811	58,733	100,663	1,988	710,195
1340 - Highway User Gas Tax	46.00	3,033,534	322,745	506,895	27,127	3,890,301
1660 - Transportation Sales Tax	51.25	3,324,614	354,771	545,612	15,856	4,240,853
1760 - Airport Special Revenue	6.00	377,470	40,409	51,249	1,400	470,528
1820 - CAP Grant	5.50	369,688	39,751	72,719	5,676	487,834
1830 - Emergency Shelter Grants					17,183	17,183
1840 - Grants	19.00	6,368,458	608,571	219,106	137,301	7,333,436
1860 - RICO Funds	1.00	54,253	5,796	15,179		75,228
1885 - Parks & Rec Designated		5,583				5,583
2530 - Trng Fac Revenue Fund	9.00	661,270	184,312	93,974	15,816	955,372
Total Special Revenue Funds	151.25	\$ 15,224,042	\$ 1,687,827	\$ 1,649,676	\$ 234,215	\$ 18,795,760
DEBT SERVICE FUNDS						
Total Debt Service Funds		\$	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS						
Total Capital Projects Funds		\$	\$	\$	\$	\$
PERMANENT FUNDS						
Total Permanent Funds		\$	\$	\$	\$	\$
ENTERPRISE FUNDS						
2360+ - Water and Sewer	235.00	\$ 15,636,823	\$ 1,676,200	\$ 2,574,785	\$ 320,912	\$ 20,208,720
2440 - Landfill	43.00	2,811,619	290,144	443,143	15,838	3,560,744
2480 - Sanitation	70.00	3,881,148	396,978	757,793	10,920	5,046,839
2500 - Pub Housing	21.00	1,368,156	145,246	246,945	23,400	1,783,747
Total Enterprise Funds	369.00	\$ 23,697,746	\$ 2,508,568	\$ 4,022,666	\$ 371,070	\$ 30,600,050

**City of Glendale
Full-Time Employees and Personnel Compensation
Fiscal Year 2018**

FUND	Full-Time Equivalent (FTE) 2018	Employee Salaries and Hourly Costs 2018	Retirement Costs 2018	Healthcare Costs 2018	Other Benefit Costs 2018	Total Estimated Personnel Compensation 2018
INTERNAL SERVICE FUND						
2540 - Risk Management Self Ins.	2.00	\$ 184,755	\$ 19,737	\$ 26,585	\$ 900	\$ 231,977
2560 - Workers Comp. Self Ins.	2.00	137,742	14,820	19,905	1,468	173,935
2590 - Fleet Services	32.00	1,987,405	212,048	347,817	8,500	2,555,770
2591 - Technology	30.00	2,819,856	301,527	319,050		3,440,433
Total Internal Service Fund	66.00	\$ 5,129,758	\$ 548,132	\$ 713,357	\$ 10,868	\$ 6,402,115
 TOTAL ALL FUNDS	 1,785.25	 \$ 143,181,469	 \$ 33,651,924	 \$ 20,079,865	 \$ 9,294,766	 \$ 206,208,024

Section 4
FY 2018-2027
Capital Improvement
Plan

City of Glendale
Capital Improvement Plan (CIP)
FY 2018-2027



Tentative Budget Adoption
May 23, 2017

**City of Glendale
Capital Improvement Plan FY2018-2027**

Page

Capital Improvements Plan Preparation1

Summary by Funding Type10

Fund Summaries

Bond Construction Funds

Street/Parking

1980 – Street/Parking Bonds11

Open Space & Trails

2140 – Open Space/Trails Construction14

Parks

2060 – Parks Construction18

Library

2160 – Library Construction27

Public Safety

2040 – Public Safety Construction28

Cultural Facilities/Historical Preservation

2130 – Cultural Facility Construction32

Economic Development Construction

2100 – Economic Development Construction33

Flood Control

2180 – Flood Control Construction34

Development Impact Fee Funds

Roadway Improvements

1600+ – DIF – Roadway Improvements37

Open Space

1520 – DIF – Citywide Open Space40

Parks & Recreation

1460+ – DIF – Citywide Parks42

1480+ – DIF – Citywide Rec Facility43

Parks & Recreation

1540+ – DIF – Park Dev Zone 147

City of Glendale

Capital Improvement Plan FY2018-2027

1560+ – DIF – Park Dev Zone 2.....	50
1580+ – DIF – Park Dev Zone 3.....	51
Library	
1380 – DIF – Library Buildings.....	52
1500+ – DIF – Libraries.....	53
Public Safety	
1420+ – DIF-Fire Protection Facilities.....	55
Enterprise and other Funds	
Water & Sewer	
2360 – Water & Sewer.....	56
2400 – Water.....	60
2420 – Sewer.....	70
Transportation	
2210 – Transportation Construction.....	77
2000 – HURF/Street Bonds.....	87
1650 – Transportation Grants.....	90
Solid Waste	
2480 – Sanitation.....	91
Landfill	
2440 – Landfill.....	94
Airport Capital Grants	
2120 – Airport Capital Grants.....	102
Other Capital Project Funds	
1840 – Other Federal and State Grants.....	104
2070 – General Government.....	105
2593– City-Wide ERP Solution.....	115
1220 – Arts Commission.....	116

What are Capital Improvements?

The Capital Improvement Plan (CIP) is a ten-year roadmap for creating, maintaining and paying for Glendale's present and future infrastructure needs. The CIP outlines project costs, funding sources and estimated future operating costs associated with each capital improvement. The plan is designed to ensure that capital improvements will be made when and where they are needed, and that the city will have the funds to pay for and maintain them.

Capital improvement projects are non-routine capital expenditures that generally cost more than \$50,000 and result in the purchase of equipment, acquisition of land, design and construction of new assets, or the renovation, rehabilitation or expansion of existing capital assets. Capital projects usually have an expected useful life of at least five years.

Capital improvements make up the bricks and mortar, or infrastructure that all cities must have in place to provide essential and quality of life services to current and future residents, businesses and visitors. They also are designed to prevent the deterioration of the city's existing infrastructure, and respond to and anticipate the future growth of the city. A wide range of projects comprise capital improvements as illustrated by the examples below:

- fire and police stations;
- libraries, court facilities and office buildings;
- parks, trails, open space, pools, recreation centers and other related facilities;
- water and wastewater treatment plants, transmission pipes, storage facilities, odor control facilities and pump stations;
- roads, bridges, traffic signals and other traffic control devices including fiber optic infrastructure needed for the operation of intelligent transportation systems;
- landscape beautification projects;
- computer software and hardware systems other than personal computers and printers;
- flood control drainage channels, storm drains and retention basins;
- and major equipment purchases such as landfill compactors, street sweepers and sanitation trucks.

Glendale, like many cities in the Phoenix metropolitan area, faces a special set of complex problems because much of the city is built out except for scattered areas requiring infill development and the far western edge of the city, which is not built out. These cities need to build new roads, add public amenities such as parks and expand public safety services to accommodate new residential and non-residential development. They also must simultaneously maintain, replace, rehabilitate and/or upgrade existing capital assets such as roads, parks, buildings and underground pipes for the water and sewer system.

Paying for Capital Improvements

In many respects, the city planning process for selecting, scheduling and financing capital improvements parallels the way an individual might plan for buying a new house or car. This process entails an assessment of many valid competing needs, a determination of priorities, an evaluation of operating costs as well as financing options for the capital costs, and an establishment of realistic completion timeframes. The analysis process involves many familiar questions.

- Can I wait another year or two?
- Are there other alternatives such as remodeling, using public transit or carpooling?
- What other purchases will I need to forego?
- What can I afford and how can I pay for it?
- Do I need outside financing and what will it cost?
- Will there be additional monthly costs associated with the purchase?

If the purchase plan moves forward, a decision must be made about the down payment. A good planner might have started a replacement fund a few years ago in anticipation of the need. Other cash sources might include a savings account or a rainy day emergency fund. The city, just like most families, needs to find longer-term financing to cover certain costs for capital improvements. Repayment of the loan might require cutting other expenses like eating at restaurants or increasing income by taking a second part-time job. An unanticipated inheritance may speed up the timetable; a negative event, such as a flood or unanticipated medical expense, might delay the plan.

Similarly, most large capital improvements cannot be financed solely from a single year's revenue stream or by simply increasing income or decreasing expenses.

Guidelines and Policies Used in Developing the CIP

City Council's strategic goals and financial policies provide the broad parameters for development of the annual capital plan. For example, Council's financial policies on Capital Asset and Debt Management state that the 10-year capital plan will address capital needs in the following order:

- A. Improve existing assets
- B. Replace existing assets
- C. Construct new assets

These financial policies further state that projected life cycle costing will be evaluated for projects considered for funding in the near future. Life cycle costing is a method of calculating the total cost of a physical asset throughout its life. It is concerned with all costs of ownership

and takes into account the costs incurred by an asset from its acquisition to its disposal, including design, installation, operating and maintenance costs.

Additional considerations include the following:

- Does a project qualify as a capital project, i.e., cost more than \$50,000 and have an expected useful life of at least five years?
- Does a project satisfactorily address all federal, state and city legal and financial requirements?
- Does a project support the city's favorable investment ratings and financial integrity?
- Does a project support the city's goal of ensuring all geographic areas of the city have comparable quality in the types of services that are defined in the Public Facilities section of the General Plan?
- Does a project prevent the deterioration of the city's existing infrastructure?
- Does a project respond to and, if possible, anticipate future growth in the city?
- Does a project encourage and sustain quality economic development?
- Can a project be financed through growth in the tax base or development fees, when possible, if constructed in response to residential or commercial development?
- Is a project responsive to the needs of residents and businesses within the constraints of reasonable taxes and fees?
- Does a project leverage funds provided by other units of government (e.g., Maricopa County Flood Control District, Arizona Department of Transportation, etc.) where appropriate?

Master plans also help determine which projects should be included in the CIP and the timeframes in which the projects should be completed. For example, the Parks and Recreation Master Plan's guidelines for neighborhood parks include 3.3 acres of park land per 1,000 residents. When population growth causes an area to exceed this threshold, that neighborhood will rise on the capital plan's priority list for park development. The Water and Sewer Master Plan, Parks Master Plan, Storm Water Master Plan, GO Transportation Plan and five-year plans for landfill and solid waste collection services also provide valuable guidance in the preparation of the CIP.

Economic forecasts also are a critical source of information and guidance throughout the capital planning process. The forecasts assess external factors such as whether the local economy is growing or contracting, population growth, inflation for construction materials, the value of land, and other variables that may affect the city's ability to finance needed services and capital projects.

Glendale's Annual CIP Development Process

In conjunction with the annual budgeting process, the Finance and Technology Department manages the citywide process of revising and updating the city's capital plan. City staff members from all departments participate in an extensive review of projects in the existing

plan and the identification of new projects for inclusion in the CIP. The City Council's commitment to the needs and desires of Glendale's citizens is a critical factor considered during the capital planning process, as well as compliance with legal limits and financial resources.

Once projects are selected for inclusion in the capital plan, decisions must be made about which projects should be recommended for inclusion in the first five years of the plan. Determining how and when to schedule projects is a complicated process. It must take into account City Council's strategic goals as well as all of the variables that affect the city's ability to generate the funds to pay for these projects without jeopardizing its ability to provide routine, ongoing services and one-time or emergency services when needed.

The financial projections used to develop the CIP are based on staff's best prediction of future real estate values, construction costs, interest rates, and other relevant variables. These financial projections are jointly developed by the Finance and Technology Department and Public Works Department in conjunction with the Assistant City Manager. They are updated annually to reflect changes in the economic environment.

Although only the first year of the plan is appropriated, the first five years of the plan are financially balanced. This means the first five years of the plan

- Comply with the state's constitutional debt limits;
- Comply with the available voter authorization required for municipal bonds;
- Balance the use of incoming revenue streams with the use of fund balance, while maintaining a fund balance in compliance with bond covenants and policies regarding debt management and;
- Identify the source of revenue to finance various projects.

Financial and legal constraints make it impossible for the city to fund every project on its priority list. For example, it is not possible for the city to fund concurrently several large-scale projects that have significant operating budget impacts. Also, revenues used to pay the debt service are not limitless. Therefore, implementation timetables are established to stagger projects over time based on Council's strategic goals and the estimated financial resources expected for the future.

A critical element of financing capital projects is the ability to manage within available resources, including the overall debt incurred for past projects and any new debt for future projects. Limited staff resources to undertake new capital projects also must be considered. Capital projects often require significant time to manage effectively, and project managers in the departments typically manage several capital projects concurrently.

The city also must coordinate the timing of many of its capital projects with federal, state, county and municipal governments and outside entities. For example, street improvements are coordinated with utility companies, when possible, to minimize the amount of new street surface that must be cut to lay new or replacement utility and fiber optic lines. Also, flood

control capital improvements are coordinated with the Maricopa County Flood Control District to maximize matching funds that the district makes available for eligible projects.

The availability of unanticipated financing, such as federal or state transportation grants may cause the city to accelerate a particular project. In addition, a scheduled project may be delayed in order to take advantage of an unusual one-time opportunity such as the receipt of non-governmental grant monies.

Types of CIP Projects and Funding Sources

The ten-year CIP is developed with identified funding sources for each CIP project. For example, a street project might be funded through one or more of the following financing sources: Highway User Revenue Fund (HURF) bonds, general obligation (G.O.) bonds, federal or state grants, development impact fees (DIFs), Glendale's dedicated transportation sales tax or Glendale's general fund excise taxes. In many cases, a large or multi-year project will be financed using a mix of these funding sources.

General Obligation (G.O.) Bond Funded Projects

G.O. bonds are direct and general obligations of the city. Glendale uses G.O. bonds to fund most large-scale capital improvements except water, sewer, sanitation, landfill, many transportation-related projects and professional sports-related facilities such as the Gila River Arena, home of the National Hockey League's Arizona Coyotes, and Camelback Ranch, spring training home of the Chicago White Sox and the Los Angeles Dodgers. G.O. bonds are backed by "the full faith and credit" of the city.

Arizona State law mandates the separation of city property taxes into two components, the primary tax levy and the secondary tax levy. A municipality's secondary property tax revenue can be used only to pay the principal, interest and redemption charges on bonded indebtedness or other lawful long-term obligations that are issued or incurred for a specific capital purpose. In contrast, primary property tax revenue may be used for any lawful purpose.

There are two separate categories of G.O. bond funded projects. These categories correspond to the 6% and 20% Arizona State Constitutional limits for G.O. bonded indebtedness. Funds that have been established for the 6% category include the Economic Development, Cultural Facility, Government Facilities and Library Bond Funds. Active funds for the 20% category include the Flood Control, Open Space & Trails, Parks, Public Safety and Street/Parking Bond Funds. Water and sewer bonds are also included in the 20% category. Secondary property tax revenue can be used to pay water/sewer debt, but it is preferable for water/sewer capital debt service to be paid with water and sewer revenue.

Development Impact Fee Funded Projects

Impact fees are one-time charges to developers that are used to offset a city's capital costs resulting from new development. Developers pay Development Impact Fees (DIF) when they construct new residential and commercial developments. These fees are designed to cover a

city's increased costs for providing new or expanded infrastructure in the following categories: roadway improvements, parks, libraries, police, fire, and water/sewer.

Planning and zoning information, such as anticipated population growth and expected density of residential and commercial development, is the foundation for impact fee revenue estimates. Given this information, the city then estimates the amount of impact fee revenue available to pay for growth-related capital projects.

In a growing economic condition, a number of DIF funded projects would more likely be included in the capital plan to supplement the growth related portion of projects funded with other resources such as G.O. bonds. However with the decline in property values, and the imperativeness to pay existing G.O. debt service with secondary property tax revenue, most capital projects requiring a new issuance of G.O. bonds were deferred or moved to the last five years of the plan. DIF revenue alone rarely is sufficient to fund 100% of the cost of growth-related projects. Therefore, given these circumstances, the current capital plan reflects very little spending of impact fees.

Enterprise and Other Projects

Water and Sewer Revenue Funded Projects: Water/Sewer capital projects can be funded with a number of options including, G.O. bonds, revenue bonds, revenue obligations or cash financing. Bonds or obligations are typically used to fund larger water/sewer projects. The principal and interest for bonds and obligations will be paid from future water/sewer user fee revenue. Smaller water/sewer projects are typically cash financed. Three separate funds have been established for water/sewer projects: one fund is for water capital projects, another fund addresses sewer projects and a third fund covers capital projects that represent a mix of water and sewer projects (e.g., water reclamation projects).

Landfill Revenue Funded Projects: Landfill user fee revenues fund environmental improvements required by federal and state law as well as improvements related to constructing, extending, improving and repairing the Glendale Municipal Landfill. Materials Recovery Facility (MRF) projects and landfill equipment also are included in the landfill capital fund. Users of the Glendale Municipal Landfill include private haulers, other cities that are under contract with the city's landfill and the city's residential and commercial solid waste operations.

Solid Waste Revenue Funded Projects: Unlike Water/Sewer and Landfill, the capital plan for Sanitation is not usually funded with revenue bonds. Instead sanitation projects are funded with user revenues and cash balances. However, inter-funds loans and capital leases have been used as a funding option in the past.

Transportation Sales Tax Funded Projects: On November 6, 2001, Glendale held a special election where voters passed a new half-cent sales tax to fund the transportation plan. The transportation plan was created to improve service for all modes of transportation including public transit, motorized vehicle, bicycle, pedestrian and aviation. Of the 13,019 ballots cast for this proposition, 64% were in favor and 36% were in opposition. By their votes, Glendale

residents indicated that having transportation choices and being connected to regional activities and employment centers were important to maintaining Glendale's high quality of life.

Everyone who shops in Glendale pays the half-cent sales tax that became effective January 1, 2002. The revenues are dedicated to funding the implementation of the *Glendale Onboard! (GO Transportation Plan)*. The sales tax has no termination date. The transportation capital and operating budgets are balanced yearly. Transportation projects can either be funded with Transportation Revenue Obligations or cash financed. The principal and interest on revenue obligations will be covered with future transportation sales tax revenue.

Street (HURF) Revenue Funded Projects: The State of Arizona shares with cities a portion of the revenues it collects from highway user fees. This revenue is tracked in the Streets Fund (Fund 1340) and is known as HURF revenue. The Arizona State Constitution restricts the use of HURF revenue to street and highway purposes such as right-of-way acquisition, construction, reconstruction, maintenance, repair and the payment of the interest and principal on HURF bonds.

HURF often is called the gas tax even though there are several other transportation-related fees, including a portion of the vehicle license tax, that comprise this revenue source. Much of this revenue source is based on the volume of fuel sold rather than the price of fuel.

In the past, the Arizona Legislature has altered (1) the type and/or rate of taxes, fees and charges to be deposited into the Arizona Highway Revenue Fund and (2) the allocation of such monies among the Arizona Department of Transportation, Arizona cities and counties and other purposes. The Arizona Legislature reduced the amount of funds allocated to cities in FY 2009 through FY 2012. Future legislative alterations to HURF revenue sources and/or the HURF distribution formula may occur.

Municipal Property Corporation Bond Funded Projects: A city may form a Municipal Property Corporation (MPC) to finance a large capital project. An MPC is a non-profit organization over which the city exercises oversight authority, including the appointment of its governing board. This mechanism allows the city to finance a needed capital improvement and then purchase the improvement from the corporation over a period of years.

In order for the MPC to market the bonds, a city will typically pledge unrestricted excise taxes. Unrestricted excise taxes are generally all excise, transaction privilege, franchise and income taxes within the city's General Fund. This means MPC debt service is paid with General Fund operating dollars.

The city has formed and entered into agreements to sell MPC bonds to fund several construction projects, including the following:

- Glendale Municipal Office Complex (debt is retired),
- Gila River Arena,

- Glendale Media Center and Expo Hall, Convention Center and Parking Garage adjacent to the Westgate development in west Glendale,
- a portion of the Glendale Regional Public Safety Training Facility and infrastructure for the Zanjero development, and
- the Camelback Ranch development [as explained below].

Public Facilities Corporation Funded Bonds: Similar to an MPC, a public facilities corporation (PFC) is a non-profit organization that is formed under Arizona State law to secure funding for capital projects. A PFC is also governed by a Council appointed Board of Directors responsible for authorizing debt. The PFC's sole purpose is to finance and construct public facilities for the city. While the PFC is a legally separate entity from the city, the city is responsible for the debt associated with the PFC bonds. The special debt obligations are back by the city's unrestricted excise taxes.

Grant Funded Projects: The majority of Glendale's grants for capital projects come from the federal or state government. There are two major types of grants. Open, competitive grant programs usually offer a great deal of latitude in developing a proposal and grants are awarded through a competitive review process. The existing Arizona Heritage Fund grants for parks and historic preservation capital projects are an example of competitive grants.

Entitlement or categorical grants are allocated to qualified governmental entities based on a formula basis (e.g., by population, income levels, etc.). Entitlement funds must be used for a specific grantor-defined purpose. Community Development Block Grants are considered entitlement grants and typically must benefit low-moderate income residents.

Most federal and state grant programs, with the exception of some public housing programs, require the applicant to contribute to the cost of the project. The required contribution, referred to as local match, can vary from 5% to 75%. Federal Transportation Administration grants for public transit improvements and Federal Aviation Administration grants for airport projects are examples of capital improvement grants for which local matching requirements will come from the city's operating budget and/or the city's transportation sales tax.

Many federal and state grant programs specifically prohibit the applicant from using other government grants as match, and require that the match be cash rather than donated services. Therefore, matching funds usually come from General Fund department operating budgets, G.O. bonds or development impact fees.

There is always a possibility that some of the grant-funded projects will be delayed or not completed if government grants fail to materialize. CIP projects adversely affected by changes in the availability of grants may be postponed until the needed grant funds are acquired, the project is modified to reduce costs, or the project is funded using alternative means.

Operating Budget - Pay-As-You-Go (PAYGO) Projects: Some capital improvements are paid for on a cash basis in order to avoid the interest costs incurred with other financing mechanisms and are included in the operating budget on a pay-as-you-go basis. The city's operating budget

also provides for the maintenance of capital assets and expenses associated with the depreciation of city facilities and equipment.

Lease Financing Projects: Lease financing provides long-term financing for the purchase of equipment or other capital improvements and does not affect the city's G.O. bond capacity or require voter approval. In a lease transaction, the asset being financed can include new capital needs, assets under existing lease agreements or, in some cases, equipment purchased in the past for which the government or municipal unit would prefer to be reimbursed and paid over time. Title to the asset is transferred to the city at the end of the lease term.

Local Improvement District Bond Projects: Local improvement districts (LIDs) are legally designated geographic areas in which a majority of the affected property owners agree to pay for one or more capital improvements through a supplemental assessment. This financing approach ties the repayment of debt to those property owners who most directly benefit from the improvements financed.

Impact of the CIP on the Operating Budget

Glendale's operating budget is directly affected by the CIP. Almost every new capital improvement entails additional ongoing expenses for routine operation, repair and maintenance upon completion that must be incorporated into the operating budget. Many new capital facilities require the addition of new positions. Existing city facilities and equipment that were once considered state-of-the-art will require rehabilitation, renovation or upgrades to accommodate new uses and/or address safety and structural improvements. Older facilities usually involve higher maintenance and repair costs as well. PAYGO capital projects, grant-matching funds and lease/purchase capital expenses also come directly from the operating budget.

Operating costs are carefully considered in deciding which projects move forward in the CIP because it is not possible for the city to fund concurrently several large-scale projects that have significant operating budget impacts. Therefore, implementation timetables are established that stagger projects over time.

Many improvements make a positive contribution to the fiscal wellbeing of the city. Capital projects such as redevelopment of under-performing or under-used areas of the city, and the infrastructure expansion needed to support new development, promote the economic development and growth that can lead to the generation of additional operating revenues. These new revenue sources provide the funding needed to maintain, improve and expand the city's infrastructure.



FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Summary of All Capital Projects by Funding Type

Fund # - Name	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
BOND CONSTRUCTION FUNDS							
1980 - Street/Parking Bonds	847,264	11,625,450	5,275,450	5,275,450	5,275,450	5,275,450	8,811,900
2140 - Open Space/Trails	0	50,000	15,056	0	176,795	0	7,259,516
2060 - Parks	50,000	0	0	0	0	0	143,200,786
2160 - Library	0	0	0	0	0	0	11,590,260
2040 - Public Safety	0	2,351,250	2,351,250	0	0	0	134,411,111
2130 - Cultural Facility	100,000	100,000	84,550	0	0	0	0
2100 - Economic Development	7,000,000	0	0	0	0	0	0
2180 - Flood Control	1,028,476	1,100,480	324,230	324,230	324,230	0	20,324,701
Sub-Total	\$9,025,740	\$15,227,180	\$8,050,536	\$5,599,680	\$5,776,475	\$5,275,450	\$325,598,274
DIF FUNDS							
1601 - Roadway Improvements	668,212	2,447,266	684,553	791,650	1,500,000	0	34,553
1520 - Citywide Open Space	178,943	139,157	34,944	150,000	0	0	0
1461 - Citywide Parks	0	332,453	0	0	0	0	0
1481 - Citywide Rec Facility	797,000	0	126,983	0	0	0	3,469
1541 - Park Dev Zone 1	0	552,278	3,469	0	0	0	3,469
1561 - Park Dev Zone 2	0	165,438	3,469	0	0	0	3,469
1581 - Park Dev Zone 3	0	0	3,469	0	0	0	3,469
1380 - Library Buildings	0	1,755,029	0	0	0	0	0
1501 - Libraries	407,875	1,356,549	152,592	0	0	0	17,563
1441 - Police Dept Facilities	0	0	0	0	0	0	0
1421 - Fire Protection Facilities	0	0	15,654	0	0	0	15,654
Sub-Total	\$2,052,030	\$6,748,170	\$1,025,133	\$941,650	\$1,500,000	\$0	\$81,646
ENTERPRISE/OTHER FUNDS							
2360 - Water & Sewer	9,975,589	8,988,412	17,008,526	17,853,062	16,600,000	6,600,000	2,500,000
2400 - Water	5,883,985	23,801,426	38,054,458	59,308,145	29,127,840	5,550,000	68,223,225
2420 - Sewer	2,546,250	4,260,000	4,978,000	4,400,000	8,600,000	8,550,000	25,900,000
2210 - Transportation Construction	4,296,374	11,934,647	5,877,193	3,483,811	3,680,732	8,723,374	144,682,836
2000 - HURF/Street Bonds	9,694,206	7,840,589	3,490,373	3,495,373	3,126,523	3,126,523	16,285,640
1650 - Transportation Grants	68,055	150,000	0	0	0	0	0
2480 - Sanitation	0	589,581	3,231,928	2,641,597	2,161,910	2,752,283	14,244,061
2440 - Landfill	5,916,824	1,170,630	1,106,281	2,998,401	4,641,954	10,724,397	20,317,180
2120 - Airport Capital Grants	4,646,219	2,175,017	1,000,000	1,000,000	0	0	5,005,056
1840 - Other Federal & State Grants	0	15,000	0	0	0	0	0
1000 - General Fund	0	0	0	0	0	0	0
2070 - General Gov Cap	5,060,601	5,774,820	2,900,602	3,423,574	2,336,752	2,336,752	29,168,844
2593 - City-Wide ERP Solution	0	2,862,221	1,132,837	0	0	0	0
1220 - Arts Commission	683,849	200,000	200,000	142,943	0	0	0
Sub-Total	\$48,771,952	\$69,762,343	\$78,980,198	\$98,746,906	\$70,275,711	\$48,363,329	\$326,326,842
Grand Total	\$59,849,722	\$91,737,693	\$88,055,867	\$105,288,236	\$77,552,186	\$53,638,779	\$652,006,762
Total FY 2018 Funding		\$151,587,415					



FUND SUMMARY: 1980-Street/Parking Bonds **Category: 20%**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u> <u>New Funding</u>						
Existing Assets							
<i>Improvement of Existing Assets</i>							
68103 Street Scallop	344,431	0	0	0	0	0	967,700
<i>Replacement of Existing Assets</i>							
68122 Capital Bridge Repair Program	502,833	0	0	0	0	0	2,568,750
68127 Pedestrian Infra. Improvements	0	3,100,000	0	0	0	0	0
68128 95th Avenue Extension (1980)	0	2,900,000	0	0	0	0	0
Sub-Total - Existing Assets	847,264	6,000,000	0	0	0	0	3,536,450
New Assets							
<i>0</i>							
68125 *Street Reconstruction Program	0	5,275,450	5,275,450	5,275,450	5,275,450	5,275,450	5,275,450
68129 *Westgate Area Signage	0	350,000	0	0	0	0	0
Sub-Total - New Assets	0	5,625,450	5,275,450	5,275,450	5,275,450	5,275,450	5,275,450
Total Project Expenses:	\$847,264	\$11,625,450	\$5,275,450	\$5,275,450	\$5,275,450	\$5,275,450	\$8,811,900
Total FY 2018 Funding:	\$12,472,714						

PROJECT DETAIL: 1980-Street/Parking Bonds **Category: 20%**

Project: 68103 - Street Scallop (I) **Funding Source:** General Obligation Bonds

Project Description: The Scallop Street Program is used to complete street improvements to reduce traffic accidents, enhance traffic flow, provide safety to adjacent pedestrian traffic and to mitigate property flooding. Projects are selected based on need and available funding from a scallop street inventory maintained by the Engineering Department. Improvements may include pavement widening, curb and gutter, sidewalk, and ADA enhancements.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$32,431	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$900,000
Construction	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$13,500
Engineering Charges	\$9,000	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$43,200
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$9,000
Arts	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000
TOTAL	\$344,431	\$0	\$0	\$0	\$0	\$0	\$967,700

Operating Description: O and M costs are not expected for this project.



PROJECT DETAIL: 1980-Street/Parking Bonds

Category: 20%

Project: 68122 - Capital Bridge Repair Program (R) **Funding Source:** General Obligation Bonds

Project Description: This program is needed to maintain city bridges to meet Federal Highway Administration (FHWA) standards. There are 43 bridges that are inspected by Arizona Department of Transportation (ADOT) semi-annually. Under the National Bridge Inspection Program, administered by ADOT, the city is required to maintain its bridges to a satisfactory standard.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$34,000	\$0	\$0	\$0	\$0	\$0	\$0
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$150,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$2,250,000
Construction	\$450,000	\$0	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$36,000
Engineering Charges	\$14,333	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$110,250
Arts	\$4,500	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$22,500
TOTAL	\$502,833	\$0	\$0	\$0	\$0	\$0	\$2,568,750

Operating Description: No additional O and M is required.

Project: 68127 - Pedestrian Infra. Improvements (R) **Funding Source:** General Obligation Bonds

Project Description: Design and construction of a pedestrian underpass, pedestrian bridges over the SRP Canal and Outfall channel and needed ramp and sidewalks. This will allow pedestrian to travel efficiently and safety from the new PS parking lot south of Bethany Home Road to the existing Stadium site. The City's share of the cost and expense to construct and complete this project is \$3.1M.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$3,100,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$3,100,000	\$0	\$0	\$0	\$0	\$0

Operating Description:

Project: 68128 - 95th Avenue Extension (1980) (R) **Funding Source:** General Obligation Bonds

Project Description: Project will complete 95th Avenue between Camelback Road and Bethany Home Road. It will include, ROW acquisition, phase I environmental clearance, geotechnical investigation, utility coordination, survey and construction.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$900,000	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$2,000,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$2,900,000	\$0	\$0	\$0	\$0	\$0

Operating Description:



PROJECT DETAIL: 1980-Street/Parking Bonds **Category: 20%**

Project: 68125* - Street Reconstruction Program (N) **Funding Source:** General Obligation Bonds

Project Description: Project provides for reconstruction of arterial and collector streets as identified in the Pavement Management Plan.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Construction	\$0	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Finance Charges	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Engineering Charges	\$0	\$75,450	\$75,450	\$75,450	\$75,450	\$75,450	\$75,450
Arts	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Miscellaneous/Other	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
TOTAL	\$0	\$5,275,450	\$5,275,450	\$5,275,450	\$5,275,450	\$5,275,450	\$5,275,450

Operating Description:

Project: 68129* - Westgate Area Signage (N) **Funding Source:** General Obligation Bonds

Project Description: Install multiple signs located in Westgate area

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$350,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$350,000	\$0	\$0	\$0	\$0	\$0

Operating Description:

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



FUND SUMMARY: 2140-Open Space/Trails Construction **Category: 20%**

	<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>				
Existing Assets						
<i>Improvement of Existing Assets</i>						
70000 Thunderbird Paseo Park Develop	0	0	0	0	0	1,998,675
70006 *T-bird Park Master Plan 2140	0	0	15,056	0	0	0
70007 *Open Space/Trails Master Plan	0	50,000	0	0	0	0
70008 *Thunderbird Park Imprvmnt 2140	0	0	0	0	176,795	0
T1630 TCP Trail Improvements	0	0	0	0	0	2,639,898
Sub-Total - Existing Assets	0	50,000	15,056	0	176,795	4,638,573
New Assets						
0						
70003 City-Wide Trails System	0	0	0	0	0	1,020,000
70005 West Valley Multi-Modal Corrid	0	0	0	0	0	1,600,943
Sub-Total - New Assets	0	0	0	0	0	2,620,943
Total Project Expenses:	\$0	\$50,000	\$15,056	\$0	\$176,795	\$0
Total FY 2018 Funding:	\$50,000					

PROJECT DETAIL: 2140-Open Space/Trails Construction **Category: 20%**

Project: 70000 - Thunderbird Paseo Park Develop (I) **Funding Source:** General Obligation Bonds

Project Description: This project is for park improvements and renovations to maintain the 55 acre Thunderbird Paseo Linear Park. This includes tree replacement and additions, enhance landscaping with drought tolerant plant material; signage replacement; removal of asphalt surface; addition of concrete surface where asphalt existed; pedestrian/equestrian bridges; replacement of equipment located in the linear park; and address all mandated accessibility issues.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$423,475
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$1,209,928
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$39,973
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$44,919
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$12,099
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$90,217
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$178,064
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$1,998,675

Operating Description: O and M expenses would vary based upon the specific type of future landscape improvements that are implemented. Supplies and contracts calculated at \$601 per acre X 50 acres (estimate value) plus inflation. A landscape water rate is calculated at \$0.22 per sq ft for 435,600 sq ft. All calculations are for 31 months of operation. A supplemental budget request will be submitted once the project is near completion.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Supplies/Contr	\$0	\$0	\$0	\$0	\$0	\$96,174
Landscape	\$0	\$0	\$0	\$0	\$0	\$315,188



PROJECT DETAIL: 2140-Open Space/Trails Construction **Category: 20%**

Project: 70006* - T-bird Park Master Plan 2140 (I) **Funding Source:** General Obligation Bonds

Project Description: This project will update and revise the existing Thunderbird Conservation Park master plan. This is partial funding of this request, the balance is being requested in Fund 1520 DIF - Citywide Open Spaces in the amount of \$34,944.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$0	\$15,056	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$15,056	\$0	\$0	\$0	\$0

Operating Description:

Project: 70007* - Open Space/Trails Master Plan (I) **Funding Source:** General Obligation Bonds

Project Description: This project request is to revised and update the existing Open Space and Trails Master Plan completed in 2005. Since the approval of the current master plan, the development and use of trails and open space has increased and staff continue to receive requests for additional/expanded amenities.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0

Operating Description:

Project: 70008* - Thunderbird Park Imprvmnt 2140 (I) **Funding Source:** General Obligation Bonds

Project Description: This project will include construction/renovation of Thunderbird Conservation Park trails, restrooms, ramadas, shade structures and amenities as defined in the master plan update.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Construction	\$0	\$0	\$0	\$0	\$154,000	\$0	\$0
Engineering Charges	\$0	\$0	\$0	\$0	\$12,000	\$0	\$0
Arts	\$0	\$0	\$0	\$0	\$1,540	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$9,255	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$176,795	\$0	\$0

Operating Description:

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 2140-Open Space/Trails Construction **Category: 20%**

Project: T1630 - TCP Trail Improvements (I) **Funding Source:** General Obligation Bonds

Project Description: Based on the Thunderbird Conservation Park Master Plan recommendations, items to be addressed include ongoing repair and improvements of the 18 miles of natural surfaced trails. This would include ongoing replacement of trail signage and markers; enhance trail nodes and the trail heads along the trail system; removal of safety concerns and obstacles; rebuild trail washouts and mitigate washout areas; survey terrain for possible trail realignments; enhance scenic areas; removal of invasive plant species on the trails; widen trail system to accommodate multi-use designation; install trail interpretive signage; and re-vegetation of areas that have been impacted by rogue use. Project formally referred to as Thunderbird Park Improvements.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$196,086
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$1,960,869
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$58,204
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$55,000
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$19,609
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$56,000
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$294,130
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$2,639,898

Operating Description: Supplies are based on 33 acres of improvements x \$601. Improvements will require a Service Worker II at \$53,310 with benefits, a Park Ranger with benefits at \$51,087, contracted labor assistance at \$25,000 per year, building maintenance at \$1.62 X 3,000 sq ft = \$4,860 annually; insurance is for 2 new employees at \$828 per person.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Staffing	\$0	\$0	\$0	\$0	\$0	\$458,320
Supplies/Contr	\$0	\$0	\$0	\$0	\$0	\$70,248
Bldg. Maint.	\$0	\$0	\$0	\$0	\$0	\$17,214
Insurance	\$0	\$0	\$0	\$0	\$0	\$5,865
Landscape	\$0	\$0	\$0	\$0	\$0	\$11,097



PROJECT DETAIL: 2140-Open Space/Trails Construction **Category: 20%**

Project: 70003 - City-Wide Trails System (N) **Funding Source:** General Obligation Bonds

Project Description: This project will implement recommendations for open space acquisition, trailhead land purchases, construction of pedestrian, bicycle, and equestrian paths and trails, and connectivity between areas of interest citywide that accommodates future growth and user demands. This may include improvement or enhancements to trails along the Grand Canal Linear Park, Thunderbird Paseo, Skunk Creek Linear Park and the Bridle Path.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$20,000
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$1,020,000

Operating Description: Specific scope will determine the additional O and M costs which could include supplies and contracts for \$601 x 50 acres, Service Worker II w/ benefits, building maintenance is for additional lighting (260 poles X \$153 per pole), insurance is for a new staff member at \$828 a year, and landscape is based on 50 acres of newly developed trails at \$.22 per square foot. Other operating calculations have been based upon 50 acres. A supplemental budget request will be submitted once the project is near completion.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Staffing	\$0	\$0	\$0	\$0	\$0	\$141,909
Supplies/Contr	\$0	\$0	\$0	\$0	\$0	\$83,451
Bldg. Maint.	\$0	\$0	\$0	\$0	\$0	\$110,472
Insurance	\$0	\$0	\$0	\$0	\$0	\$2,299
PC/Vehicle Replacement	\$0	\$0	\$0	\$0	\$0	\$8,170
Landscape	\$0	\$0	\$0	\$0	\$0	\$206,038

Project: 70005 - West Valley Multi-Modal Corrid (N) **Funding Source:** General Obligation Bonds

Project Description: This is to construct a multimodal trail system along the Agua Fria River Corridor as per the Maricopa Association of Governments West Valley Rivers Trails Plan. The trail system will link with other trails in and around the City of Glendale connecting parks and other recreation facilities, and serve new and existing residents.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$270,277
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$1,110,057
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$43,000
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$11,101
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$166,508
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$1,600,943

Operating Description: Supplies and contracts include \$601x 10 acres. Building maintenance costs include 34 low-level security lights for rest nodes and trail at \$75 per light and \$13 per lamp for bulb replacement. Landscape includes maintenance of approximately 435,600 sq ft x \$.0927per sq ft, water at \$.22 per sq ft x 435,600 sq ft, and ramada cleaning/maintenance at \$4,000 per ramada x three ramadas.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Supplies/Contr	\$0	\$0	\$0	\$0	\$0	\$6,010
Bldg. Maint.	\$0	\$0	\$0	\$0	\$0	\$14,992
Landscape	\$0	\$0	\$0	\$0	\$0	\$95,832

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



FUND SUMMARY: 2060-Parks Construction **Category: 20%**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>					
Existing Assets							
<i>Improvement of Existing Assets</i>							
70510 Park Enhancements	0	0	0	0	0	0	10,921,641
70515 T-Bird Park Improvements	0	0	0	0	0	0	2,902,993
70540 Grounds & Facilities Imprvmnts	0	0	0	0	0	0	3,914,523
70546 *Sahuaro Ranch Park Master Plan	50,000	0	0	0	0	0	0
T1715 Play Structure Improvements	0	0	0	0	0	0	2,874,890
<i>Replacement of Existing Assets</i>							
70500 Parks Redevelopment	0	0	0	0	0	0	27,417,240
70512 Facilities Renovation	0	0	0	0	0	0	9,906,161
70526 Multiuse Sports Field Lighting	0	0	0	0	0	0	4,723,297
70535 Paseo Racquet Center Park	0	0	0	0	0	0	7,045,478
70541 Parks Capital Equipment	0	0	0	0	0	0	1,224,490
T1712 Aquatic Facility Renovation	0	0	0	0	0	0	7,232,945
T1713 Foothills Center Renovation	0	0	0	0	0	0	1,889,025
T1822 O'Neil Park Improvements	0	0	0	0	0	0	5,460,000
T1823 Heroes Park Buildout	0	0	0	0	0	0	57,663,103
T1824 Heroes Park Digital Sign	0	0	0	0	0	0	25,000
Sub-Total - Existing Assets	50,000	0	0	0	0	0	143,200,786
Total Project Expenses:	\$50,000	\$0	\$0	\$0	\$0	\$0	\$143,200,786
Total FY 2018 Funding:		\$50,000					

*=New Project, N=New Asset, R=Replacement of Existing Asset, I=Improvement of Existing Asset



PROJECT DETAIL: 2060-Parks Construction

Category: 20%

Project: 70510 - Park Enhancements (I)

Funding Source:

General Obligation Bonds

Project Description:

Ongoing park enhancements are vital in the city's effort to improve and enhance park functionality and appeal. Staff continually assesses park amenities and infrastructure, and strive to meet the demands park users place on park land and facilities. Park enhancements focus on a variety of elements and amenities within the existing park setting, and can be urgent in nature or planned. Typical park enhancements include new sport courts; additional low-level security lighting; picnic areas; picnic benches; Americans with Disabilities Act (ADA) issues; shade structures, landscape, and other amenities added to existing park sites. Ongoing enhancements typically address service gaps in the level of service requirements outlined in the Parks and Recreation Master Plan and federal, state, and local mandates.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$926,587
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$8,547,040
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$174,429
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$92,500
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$85,470
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$845,615
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$10,921,641

Operating Description:

In most cases, park enhancements will have little or no impact on the O and M. In fact, in many cases the enhancements allow for a more efficient operation of infrastructure and amenities. O and M will be impacted when additional amenities are introduced to the park, such as ramadas, additional low-level lighting, etc. Supplies/contracts include \$601 x 4 acre. Building Maintenance includes an average of 10 additional low level security lighting x \$150 for electricity, and \$21 per lamp for replacement. Landscape maintenance \$.22 x 43,560 sq ft. A supplemental will be submitted.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Supplies/Contr	\$0	\$0	\$0	\$0	\$0	\$147,960
Bldg. Maint.	\$0	\$0	\$0	\$0	\$0	\$105,250
Landscape	\$0	\$0	\$0	\$0	\$0	\$584,820

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 2060-Parks Construction

Category: 20%

Project: 70515 - T-Bird Park Improvements (I)

Funding Source:

General Obligation Bonds

Project Description:

This project will continue the implementation of the Thunderbird Conservation Park Master Plan recommendations and improvements including the removal of invasive plant species and re-vegetation, signage upgrades, repairs or replacements to existing ramadas, picnic tables, grills, restrooms and other infrastructure. It will also address the continuation of re-vegetation, as well as the installation of new park elements, such as ramadas and parking lot improvements.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$646,739
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$1,847,826
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$57,777
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$55,000
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$18,478
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$277,173
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$2,902,993

Operating Description:

Improvements have an O and M impact for two new 750 sq ft restrooms with associated utilities and supplies. Supplies are based on 33 acres of improvements x \$601. Improvements will require a Service Worker II at \$53,310 with benefits, a Park Ranger with benefits at \$51,087, contracted labor assistance at \$25,000 per year, utilities at \$2.70 per sq ft X 3,000 sq ft = \$8,100; building maintenance at \$1.62 X 3,000 sq ft = \$4,860 annually; equipment maintenance is for two added pole lights at \$358 annually; insurance is for two new employees at \$828 per person; ramada cleaning at \$3,000 each at five new ramadas, building water at \$0.195 sq ft or \$49 per month.

Operating Costs	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Staffing	\$0	\$0	\$0	\$0	\$0	\$485,932
Supplies/Contr	\$0	\$0	\$0	\$0	\$0	\$69,578
Utilities	\$0	\$0	\$0	\$0	\$0	\$28,250
Bldg. Maint.	\$0	\$0	\$0	\$0	\$0	\$29,912
Equip. Maint.	\$0	\$0	\$0	\$0	\$0	\$2,203
Insurance	\$0	\$0	\$0	\$0	\$0	\$28,259
Landscape	\$0	\$0	\$0	\$0	\$0	\$21,431
Water	\$0	\$0	\$0	\$0	\$0	\$1,930

Project: 70540 - Grounds & Facilities Imprvmnts (I)

Funding Source:

General Obligation Bonds

Project Description:

This project addresses renovations and golf course enhancements that may not otherwise be included or covered in the golf course management agreements. Issues to be addressed include golf course grounds and infrastructure at Glendale's Glen Lakes and Desert Mirage golf courses. Improvements will include modifying or enhancing greens, tees, fairways, cart paths, irrigation systems, lakes, driving ranges, parking lots, fence replacement, and pro-shops for both municipal golf courses.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$875,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$77,085
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$62,438
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$375,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$3,914,523

Operating Description:

No additional O and M is needed.



PROJECT DETAIL: 2060-Parks Construction

Category: 20%

Project: 70546* - Sahuaro Ranch Park Master Plan (I)

Funding Source:

General Obligation Bonds

Project Description:

This project will include developing a master plan for the 17 acre, historic area of Sahuaro Ranch Park which includes 13 original buildings, a rose garden, barnyard and historic orchards. The historic area has been a cultural asset that celebrates the city's historic beginnings. Listed on the National Registry of Historic Places and known as the "Showplace of the Valley," the Sahuaro Ranch Historic Area offers activities, exhibits and guided tours—keeping the history of early settlement in the Valley alive.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description:

Project: T1715 - Play Structure Improvements (I)

Funding Source:

General Obligation Bonds

Project Description:

This project involves replacing all playground components and playground surfacing in city parks to be more compliant with changes to the Americans with Disabilities Act (ADA), U.S. Consumer Product Safety Commission (CPSC), the American Society for Testing and Materials (ASTM), and play units and components that have been removed due to vandalism or ongoing wear and tear.

In 2011, all of these organizations made significant changes to the laws, guidelines, and standards as it relates to playground accessibility, use, and safety. Subsequent evaluations by staff who are certified as Playground Safety Inspectors (CPSI) resulted in a comprehensive annual audit of all playgrounds to identify all play structure, playground, and playground surface deficiencies. The annual audit identified multiple playgrounds requiring varying levels of update to meet the new ADA, CPSC, and/or the ASTM laws, guidelines, and/or regulations. External audits of the playgrounds confirmed CPSI findings

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$56,390
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$8,000
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$500
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$2,400,000
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$360,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$2,874,890

Operating Description:

No additional O and M is required. The new laws, guidelines, and standards would actually reduce O and M by reducing the staff time to conduct head and torso inspections, and tilling sand fall zones.



PROJECT DETAIL: 2060-Parks Construction

Category: 20%

Project: 70500 - Parks Redevelopment (R)

Funding Source:

General Obligation Bonds

Project Description:

This project is designed as a proactive focus for revitalizing parks currently in the city's inventory that have shown signs of deteriorating infrastructure, amenities, and/or landscape. The purpose of the redevelopment process is to heighten or restore the overall functionality of the park for the users, while at the same time enhancing the operating efficiency. As in the past, staff identify strategies that are designed to revive a park's existing strengths and develop new or enhanced functions of the park. Development strategies, service gaps, and needs are identified and addressed during the design and construction phase. Depending on the park category, location, size, and level of service, each requires a distinct level of funding to address an assortment of services or operational improvements.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$6,283,947
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$18,239,851
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$548,341
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$122,000
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$182,399
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$2,040,702
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$27,417,240

Operating Description:

Supplies and contracts are based on 10 acres x \$601 per acre. Building Maintenance includes an additional 30, low-level park lighting at \$171 per pole. These parks are currently maintained, so staff doesn't project additional landscape maintenance costs. Water would include the addition of 40 drinking fountains at \$88 each. A supplemental budget request will be submitted once the project is near completion.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Supplies/Contr	\$0	\$0	\$0	\$0	\$0	\$36,990
Bldg. Maint.	\$0	\$0	\$0	\$0	\$0	\$31,574
Water	\$0	\$0	\$0	\$0	\$0	\$17,600

Project: 70512 - Facilities Renovation (R)

Funding Source:

General Obligation Bonds

Project Description:

The proposed renovations address planned and/or unexpected restoration improvements and infrastructure replacement at existing park and recreation buildings, centers, ball field complex sites, group ramada pavilions, restrooms, and tennis and golf complexes. Funds are used citywide to provide ongoing renovation to existing facilities. The specific facilities that receive assistance from this project are targeted through an ongoing assessment and feedback from citizens and staff.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$8,093,137
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$198,123
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$120,000
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$80,931
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$1,213,970
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$9,906,161

Operating Description:

New O and M expenses are not usually encountered with restoration activities.



PROJECT DETAIL: 2060-Parks Construction

Category: 20%

Project: 70526 - Multiuse Sports Field Lighting (R)

Funding Source:

General Obligation Bonds

Project Description:

The Parks and Recreation has 25 lighted sports fields that are used for various youth and adult sports program and cultural events. Of the 25 lighted sports fields, 5 of the sports fields have athletic field lighting and lighting infrastructure that are over 15 years old. This project involves the renovation or replacement of existing sports lights that have illumination depreciation or no longer meet current illumination standards and those facilities where the lighting systems are currently depreciating and will require replacement.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$705,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$3,528,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$94,466
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$78,311
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$35,280
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$282,240
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$4,723,297

Operating Description:

This project will not require additional O and M. The bid specifications would be performance based and would require the contractor to perform bulb replacements. The newer lighting technology would operate more efficiently, thus reducing electrical consumption and O and M.

Project: 70535 - Paseo Racquet Center Park (R)

Funding Source:

General Obligation Bonds

Project Description:

The park project has two components: Paseo Sports Complex and Paseo Racquet Center, both of which are in this park. The Sports Complex work will include the replacement of the lighting system, outdoor sound system, all fencing, restroom and concessions building. At the Paseo Racquet Center, necessary repairs include court overlays, court resurfacing, lighting, fencing and building restoration and improvements.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$1,579,200
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$4,512,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$139,858
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$92,500
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$45,120
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$676,800
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$7,045,478

Operating Description:

These capital improvements are to existing facilities and will likely decrease O and M expenses.



PROJECT DETAIL: 2060-Parks Construction **Category: 20%**

Project: 70541 - Parks Capital Equipment (R) **Funding Source:** General Obligation Bonds

Project Description: The Parks Department has 10 pieces of equipment currently in the fleet that are 10 years or older, and 18 pieces of equipment that are 13 years or older. All are not included as part of the City's Vehicle Replacement Fund and have passed their average effective lifespan. Replacing old, outdated equipment such as mowers, sod cutters, aerators, paint machines, trailers, utility vehicles, specialized chain saws, park/facility maintenance equipment, ball field preparation machines and equipment are essential to the care and maintenance of facilities and parks. The equipment has outlasted its useful and effective lifespan.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$24,490
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$1,200,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$1,224,490

Operating Description: No additional O & M as the purchase of equipment would simply replace the existing.

Project: T1712 - Aquatic Facility Renovation (R) **Funding Source:** General Obligation Bonds

Project Description: This project includes the renovation and restoration of existing aquatic facilities (Foothills and Rose Lane) owned by the City and operated by the Parks and Recreation Division. The aquatic facilities require annual attention and frequent repairs to remain relevant and useful. Projects, such as, replastering of the water vessels; patching and repairs to the pool decking; replacement of shade canopies; pool pumps and other equipment are needed to ensure continued compliance with all federal, state and county health code requirements. Other items to be considered periodically include slide repair and/or replacement; repair or replacement of play structure components; electrical infrastructure; diving boards; and pool heaters

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$1,350,822
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$4,650,207
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$144,659
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$92,500
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$46,502
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$948,255
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$7,232,945

Operating Description: No additional O and M needed.



PROJECT DETAIL: 2060-Parks Construction

Category: 20%

Project: T1713 - Foothills Center Renovation (R)

Funding Source: General Obligation Bonds

Project Description:

This project involves the replacement of recreation center equipment that has an expected useful life span of 5-7 years and renovation of the facility. Replacement of fitness room equipment; existing audio/visual equipment; carpeting; room dividers; window blinds; chillers and boilers to the building; security systems; ongoing resurfacing of the multi-purpose area; enhance lighting in the exterior and interior; and parking lot resurfacing.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$189,625
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$758,500
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$37,040
IT/Phone/Security	\$0	\$0	\$0	\$0	\$0	\$0	\$80,500
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$40,769
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$7,585
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$634,500
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$140,506
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$1,889,025

Operating Description:

No additional O and M is needed for this project.

Project: T1822 - O'Neil Park Improvements (R)

Funding Source: General Obligation Bonds

Project Description:

This is a project request for improvements at O'Neil Park. The park was originally constructed in 1961 and these improvements would replace existing facilities, amenities and park infrastructure that have significantly aged, are past their recommended lifespan and need to be brought up to current federal, state, county and local guidelines/requirements as well as to address the demographics and demands of the surrounding community which have changed significantly.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$525,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500,000
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$875,000
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$35,000
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$350,000
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$175,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$5,460,000

Operating Description:



PROJECT DETAIL: 2060-Parks Construction **Category: 20%**

Project: T1823 - Heroes Park Buildout (R) **Funding Source:** General Obligation Bonds

Project Description: This project is a Council request for a capital project placeholder to complete the construction of Heroes Park. The cost estimates are based on the current approved master plan and would include: lighted four field softball/baseball complex, two lighted flat fields for soccer, lacrosse and flag football, control/restroom building, parking, a recreation center, and an aquatic center.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$7,276,101
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$27,985,005
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$11,459,860
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$363,805
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$4,197,751
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$6,380,581
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$57,663,103

Operating Description:

Project: T1824 - Heroes Park Digital Sign (R) **Funding Source:** General Obligation Bonds

Project Description: This is a Council request for a capital project placeholder to purchase a new digital sign for Heroes Park. The sign would include a double sided, full color LED display, mounted in a dual leg mount cabinet.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000

Operating Description:



FUND SUMMARY: 2160-Library Construction **Category: 6%**

	<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>				
Existing Assets						
<i>Improvement of Existing Assets</i>						
T2810 Library Renovation	0	0	0	0	0	11,590,260
<i>Sub-Total - Existing Assets</i>	0	0	0	0	0	11,590,260
Total Project Expenses:	\$0	\$0	\$0	\$0	\$0	\$11,590,260
Total FY 2018 Funding:	\$0					

PROJECT DETAIL: 2160-Library Construction **Category: 6%**

Project: T2810 - Library Renovation (I) **Funding Source:** General Obligation Bonds

Project Description: This is a request to modernize the three branch libraries to meet the expectations of the community. This project will include renovating and updating the interior spaces at the Velma Teague Branch Library (built in 1969), the Main Library (built in 1987), and Foothills Branch Library (built in 1999).

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$227,260
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$11,363,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$11,590,260

Operating Description:

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



FUND SUMMARY: 2040-Public Safety Construction **Category: 20%**

	<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>				
Existing Assets						
<i>Improvement of Existing Assets</i>						
75037 *Regional Wireless Cooperative	0	2,351,250	2,351,250	0	0	0
<i>Replacement of Existing Assets</i>						
75024 800MHz Comm Equip	0	0	0	0	0	1,408,819
75034 Engine & Ladder Replacement	0	0	0	0	0	3,920,612
T1820 Public Safety Bldgs. Renewal	0	0	0	0	0	73,193,750
Sub-Total - Existing Assets	0	2,351,250	2,351,250	0	0	78,523,181
New Assets						
0						
75020 City Court Building	0	0	0	0	0	43,075,302
T5536 Fire Station - Western Area	0	0	0	0	0	12,812,628
Sub-Total - New Assets	0	0	0	0	0	55,887,930
Total Project Expenses:	\$0	\$2,351,250	\$2,351,250	\$0	\$0	\$0 \$134,411,111
Total FY 2018 Funding:		\$2,351,250				

PROJECT DETAIL: 2040-Public Safety Construction **Category: 20%**

Project: 75037* - Regional Wireless Cooperative (I) **Funding Source:** General Obligation Bonds

Project Description: This project helps fund the city's share of membership in the Regional Wireless Cooperative (RWC) digital communications system (two way radio). Fees associated with this membership cover the operational and maintenance costs on a per radio basis as well as special assessment fees. Membership in the RWC provides enhances service, redundancy and increased coverage for all city departments. Most importantly, interoperability not only within city departments but also valley wide partners, is greatly increased. The city's "Gold Elite" consoles will require replacement upon the upgrade to IP-based radio communications as will portable and mobile radios used in the field which have reached their recommended end of life. In addition, this includes upgrades to our radio hardware due to known and anticipated upgrades and mandates which will make our current radio system obsolete.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
IT/Phone/Security	\$0	\$2,351,250	\$2,351,250	\$0	\$0	\$0	\$0
TOTAL	\$0	\$2,351,250	\$2,351,250	\$0	\$0	\$0	\$0

Operating Description:

*=New Project, N=New Asset, R=Replacement of Existing Asset, I=Improvement of Existing Asset



PROJECT DETAIL: 2040-Public Safety Construction **Category: 20%**

Project: 75024 - 800MHz Comm Equip (R) **Funding Source:** General Obligation Bonds

Project Description: Replacement and/or upgrade of existing radios for the Regional Wireless Cooperative to assure the department continues to meet Federal Communications Commission requirements for Public Safety radio transmissions as mandated and/or to replace radios that have met or exceeded their life expectancy and require technology upgrades. The life expectancy for radios is 8 to 10 years.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$28,176
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$1,380,643
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$1,408,819

Operating Description: O and M includes network fees annually at \$94.59 per month, per radio for 196 radios, as identified by the RWC for FY2018/2019. The department will submit a supplemental in the future for the additional O and M. Annual ongoing O and M before inflationary increases: \$222,476.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Supplies/Contr	\$0	\$0	\$0	\$0	\$0	\$224,476

Project: 75034 - Engine & Ladder Replacement (R) **Funding Source:** General Obligation Bonds

Project Description: To maximize the safe use of Emergency Code 3 Apparatus the Fire Department's replacement plan indicates that front line engines should be replaced at 7 years or 100,000 miles and be moved into a reserve status. Ladder trucks should be replaced after 15 years or 100,000 miles. The department will maintain a reserve fleet of one reserve truck for every two front line trucks. This CIP request is for a continuous plan for replacement of the department's Code 3 Apparatus in an effort to be compliant with the National Fire Protection Association Standards for emergency apparatus. Our fleet now averages 11 years old and 150,000 miles of service.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$78,412
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$3,842,200
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$3,920,612

Operating Description: No additional O and M is needed since this is the replacement of existing equipment.

Project: T1820 - Public Safety Bldgs. Renewal (R) **Funding Source:** General Obligation Bonds

Project Description: This project is to replace two fire stations(152 & 153), modernize two police stations, and renew three public safety buildings

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$6,968,750
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$65,500,000
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$725,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$73,193,750

Operating Description:

PROJECT DETAIL: 2040-Public Safety Construction **Category: 20%**

Project: 75020 - City Court Building (N) **Funding Source:** General Obligation Bonds

Project Description: Construction will resume on the city court building in the future years. As of the end of December 2009, the structure was built to ground level. When completed the building is expected to be approximately 90,000 net square feet and include 10 courtrooms. There is the possibility of additional costs due to the delay in construction.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$4,742,010
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$31,613,404
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$861,506
IT/Phone/Security	\$0	\$0	\$0	\$0	\$0	\$0	\$2,235,868
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$139,968
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$316,134
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$3,166,412
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$43,075,302

Operating Description: O and M would be needed starting in FY 2022 and includes a Building Maintenance Worker, two Custodians, a Day Porter and three Detention Officers. Other items include, utilities and electricity, security, building and elevator maintenance, parking lot sweeping and custodial supplies. There are \$213,800 in one-time expenses in FY 2021 including one-time purchases of vehicles and other essential supplies. The O and M related to opening the new facility does not include current grant-funded and one-time funded staff and operational costs. These costs total \$577,269. O and M costs for additional court positions will also be needed starting in the year the building is occupied. A supplemental budget request will be submitted once the project is near completion.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Staffing	\$0	\$0	\$0	\$0	\$0	\$1,453,002
Utilities	\$0	\$0	\$0	\$0	\$0	\$184,533
Bldg. Maint.	\$0	\$0	\$0	\$0	\$0	\$250,966
Equip. Maint.	\$0	\$0	\$0	\$0	\$0	\$47,056
Insurance	\$0	\$0	\$0	\$0	\$0	\$51,671
Electrical	\$0	\$0	\$0	\$0	\$0	\$1,107,210
PC/Vehicle Replacement	\$0	\$0	\$0	\$0	\$0	\$18,684
Landscape	\$0	\$0	\$0	\$0	\$0	\$27,426
Water	\$0	\$0	\$0	\$0	\$0	\$38,579
Refuse	\$0	\$0	\$0	\$0	\$0	\$22,492



PROJECT DETAIL: 2040-Public Safety Construction **Category: 20%**

Project: T5536 - Fire Station - Western Area (N) **Funding Source:** General Obligation Bonds

Project Description: Design and construction of a 15,000 sq ft, four bay fire station, with firefighter quarters for 18 personnel, furniture, fixtures, equipment, office space and storage. Equipment includes one engine. This facility will respond to the surrounding areas between Northern Avenue and Camelback Road and 83rd to 115th Avenues. This fire station would house a fire pumper 24/7 initially, with further expansion of ladders and medic units as growth demands.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$2,395,800
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$1,407,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$5,226,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$256,253
IT/Phone/Security	\$0	\$0	\$0	\$0	\$0	\$0	\$156,000
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$92,500
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$52,260
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$1,601,040
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$1,625,775
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$12,812,628

Operating Description: Additional O and M would be needed starting in March of 2021. Staffing includes the salary and benefits for 12 Firefighters, 3 Captains, 3 Engineers and .5 FTE Building Maintenance Worker. Also includes promotions, training, medic pay, station supplies, station and equipment maintenance, telephone charges, grounds maintenance, insurance and one-time cost in the amount of \$486,895 to recruit, test, hire and to send 18 firefighters to the training academy and six to medic school. Utilities, building maintenance, supplies and custodial services for 15,000 sq ft of space. PC replacement contributions for 3 computers and 1 color printer replacement = \$2,182. Landscaping estimated at \$0.22 per sq ft for 15,000 sq ft. Water estimated at \$0.195 per sq ft. Refuse estimated at \$342.26 x 12 months. A supplemental budget request will be submitted once the project is near completion.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Staffing	\$0	\$0	\$0	\$0	\$0	\$3,844,622
Supplies/Contr	\$0	\$0	\$0	\$0	\$0	\$703,502
Utilities	\$0	\$0	\$0	\$0	\$0	\$146,398
Bldg. Maint.	\$0	\$0	\$0	\$0	\$0	\$434,875
Equip. Maint.	\$0	\$0	\$0	\$0	\$0	\$57,327
Insurance	\$0	\$0	\$0	\$0	\$0	\$36,165
Electrical	\$0	\$0	\$0	\$0	\$0	\$72,695
PC/Vehicle Replacement	\$0	\$0	\$0	\$0	\$0	\$62,820
Landscape	\$0	\$0	\$0	\$0	\$0	\$9,501
Water	\$0	\$0	\$0	\$0	\$0	\$8,421
Refuse	\$0	\$0	\$0	\$0	\$0	\$11,824



FUND SUMMARY: 2130-Cultural Facility Construction **Category: 6%**

	<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>				
Existing Assets						
<i>Improvement of Existing Assets</i>						
84309 *Sahuaro Ranch Park Improvments	100,000	100,000	84,550	0	0	0
<i>Sub-Total - Existing Assets</i>	<i>100,000</i>	<i>100,000</i>	<i>84,550</i>	<i>0</i>	<i>0</i>	<i>0</i>
Total Project Expenses:	\$100,000	\$100,000	\$84,550	\$0	\$0	\$0
Total FY 2018 Funding:	\$200,000					

PROJECT DETAIL: 2130-Cultural Facility Construction **Category: 6%**

Project: 84309* - Sahuaro Ranch Park Improvments (I) **Funding Source:** General Obligation Bonds

Project Description: This project will include the renovation and stabilization of the historic area of Sahuaro Ranch Park over a three year period. The historic area includes 13 original buildings, a rose garden, barnyard and historic orchards and has been a cultural asset that celebrates the city's historic beginnings. Listed on the National Register of Historical Places and known as the "Showplace of the Valley," the Sahuaro Ranch Historic Area offers activities, exhibits and guided tours—keeping the history of early settlement in the Valley alive.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$0	\$87,165	\$75,000	\$0	\$0	\$0	\$0
Construction	\$87,165	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$5,753	\$4,950	\$0	\$0	\$0	\$0
Engineering Charges	\$5,753	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$872	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$872	\$750	\$0	\$0	\$0	\$0
Contingency	\$0	\$6,210	\$3,850	\$0	\$0	\$0	\$0
Contingency	\$6,210	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$100,000	\$100,000	\$84,550	\$0	\$0	\$0	\$0

Operating Description:



FUND SUMMARY: 2100-Economic Development Constructi **Category: 6%**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>					
New Assets							
0							
84408 *Parking Lot P2-BHR and 95th	7,000,000	0	0	0	0	0	0
Sub-Total - New Assets	7,000,000	0	0	0	0	0	0
Total Project Expenses:	\$7,000,000	\$0	\$0	\$0	\$0	\$0	\$0
Total FY 2018 Funding:		\$7,000,000					

PROJECT DETAIL: 2100-Economic Development Construc **Category: 6%**

Project: 84408* - Parking Lot P2-BHR and 95th (N) **Funding Source:** General Obligation Bonds

Project Description: Design and construction for a surface parking lot located south of Bethany Home Road between 91st and 95th avenues.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$27,853	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$6,621,647	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$80,500	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$70,000	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$7,000,000	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description: Electricity for 400 lights, pavement maintenance and striping every 5 years, and landscaping and Irrigation.

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



FUND SUMMARY: 2180-Flood Control Construction **Category: 20%**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u> <u>New Funding</u>						
Existing Assets							
<i>Improvement of Existing Assets</i>							
79004 Local Drainage Problems	1,028,476	1,100,480	324,230	324,230	324,230	0	322,230
Sub-Total - Existing Assets	1,028,476	1,100,480	324,230	324,230	324,230	0	322,230
New Assets							
0							
79013 Bethany Home SD, 79th-67th	0	0	0	0	0	0	6,306,500
79014 59th Ave & Thunderbird Rd SD	0	0	0	0	0	0	1,993,011
T2910 Bethany Home SD, 67th-58th	0	0	0	0	0	0	5,450,900
T7901 83rd Ave BethanyHm to Camelbac	0	0	0	0	0	0	3,125,030
T7902 Camelback Rd. 51st to 58th	0	0	0	0	0	0	3,127,030
Sub-Total - New Assets	0	0	0	0	0	0	20,002,471
Total Project Expenses:	\$1,028,476	\$1,100,480	\$324,230	\$324,230	\$324,230	\$0	\$20,324,701
Total FY 2018 Funding:	\$2,128,956						

PROJECT DETAIL: 2180-Flood Control Construction **Category: 20%**

Project: 79004 - Local Drainage Problems (I) **Funding Source:** General Obligation Bonds

Project Description: Construct localized storm drain improvements to mitigate drainage and/or flooding problems. This is an ongoing program that typically addresses drainage problems in older neighborhoods, residential areas and extends existing storm drain systems.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0
Construction	\$1,012,676	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$1,000,000	\$300,000	\$300,000	\$300,000	\$0	\$300,000
Finance Charges	\$0	\$15,480	\$4,530	\$4,530	\$4,530	\$0	\$4,530
Engineering Charges	\$0	\$43,000	\$14,700	\$14,700	\$14,700	\$0	\$14,700
Arts	\$15,800	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$10,000	\$3,000	\$3,000	\$3,000	\$0	\$3,000
Contingency	\$0	\$2,000	\$2,000	\$2,000	\$2,000	\$0	\$0
TOTAL	\$1,028,476	\$1,100,480	\$324,230	\$324,230	\$324,230	\$0	\$322,230

Operating Description: Storm drain pipe requires little or no maintenance and in most cases will reduce existing maintenance because storm water does not pond in the street or other public facility.



PROJECT DETAIL: 2180-Flood Control Construction **Category: 20%**

Project: 79013 - Bethany Home SD, 79th-67th (N) **Funding Source:** General Obligation Bonds

Project Description: Construct storm drain pipe, inlets and other appurtenances in Bethany Home Road from 79th Avenue to 67th Avenue. Construction costs are to be shared with Maricopa County Flood Control District (50%). Total estimated project cost is \$10.3M. The funds in this account only reflect the City's portion. The project will include storm drain pipe, catch basins, and appurtenances.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$600,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$5,400,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$60,000
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$92,500
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$54,000
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$6,306,500

Operating Description: Storm drain pipe requires little or no maintenance and in most cases will reduce existing maintenance because storm water does not pond in the street or other public facility.

Project: 79014 - 59th Ave & Thunderbird Rd SD (N) **Funding Source:** General Obligation Bonds

Project Description: Project will construct a storm drain in 59th Avenue between the Thunderbird Road intersection and the Arizona Canal Drainage Channel.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$24,000
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$58,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$1,700,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$29,666
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$48,345
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$17,000
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$116,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$1,993,011

Operating Description: No additional O and M is required for this project.

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 2180-Flood Control Construction **Category: 20%**

Project: T2910 - Bethany Home SD, 67th-58th (N) **Funding Source:** General Obligation Bonds

Project Description: Construct a storm drain in Bethany Home Road from 67th to 58th Avenues. Construction costs are to be shared with Maricopa County Flood Control District (50%). Total estimated project cost is \$8.9M. The funds in this account only reflect the City's portion (60%). The project will include storm drain pipe, catch basins, and appurtenances.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$480,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$4,680,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$51,600
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$92,500
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$46,800
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$5,450,900

Operating Description: Storm drain pipe requires little or no maintenance and in most cases will reduce existing maintenance because storm water does not pond in the street or other public facility.

Project: T7901 - 83rd Ave BethanyHm to Camelbac (N) **Funding Source:** General Obligation Bonds

Project Description: Installation of storm drain in 83rd from Bethany Home Rd. to Camelback Rd. as identified in the Stormwater Management Plan

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$45,030
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$55,000
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$3,125,030

Operating Description:

Project: T7902 - Camelback Rd. 51st to 58th (N) **Funding Source:** General Obligation Bonds

Project Description: Installation of storm drain Camelback Rd. from 51st to 58th Ave. Identified in the Stormwater Management Plan

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$45,030
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$55,000
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$3,127,030

Operating Description:



FUND SUMMARY: 1600-DIF-Roadway Improvements **Category: DIF**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	Carrover	New Funding					
Existing Assets							
<i>Improvement of Existing Assets</i>							
67814 59th & Olive Ave (1600)	205,900	0	0	0	0	0	0
67820 *59th & Olive Ave (1601)	0	1,486,915	0	0	0	0	0
67880 *59th & Olive Ave (1602)	360,688	360,351	0	0	0	0	0
<i>Replacement of Existing Assets</i>							
67802 Dev. Agree. - Arterials	65,110	0	0	0	0	0	0
67809 DIF Update	0	0	34,553	0	0	0	34,553
67821 95th Avenue Extension (1601)	0	600,000	0	0	0	0	0
67930 Bethany Hm 83rd -91st (1603)	0	0	650,000	791,650	1,500,000	0	0
Sub-Total - Existing Assets	631,698	2,447,266	684,553	791,650	1,500,000	0	34,553
New Assets							
0							
67803 Dev. Agree. - Signals	36,514	0	0	0	0	0	0
Sub-Total - New Assets	36,514	0	0	0	0	0	0
Total Project Expenses:	\$668,212	\$2,447,266	\$684,553	\$791,650	\$1,500,000	\$0	\$34,553
Total FY 2018 Funding:	\$3,115,478						

PROJECT DETAIL: 1600-DIF-Roadway Improvements **Category: DIF**

Project: 67814 - 59th & Olive Ave (1600) (I) **Funding Source:** Development Impact Fees

Project Description: This project includes constructing improvements at the 59th and Olive avenues intersection. Improvements at the intersection include installation of turn lanes and bus bays.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$205,900	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$205,900	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description: This project is to add capacity to the existing intersection. No additional O and M is anticipated based on current information.

Project: 67820* - 59th & Olive Ave (1601) (I) **Funding Source:** Development Impact Fees

Project Description: This project includes constructing improvements at the 59th and Olive avenues intersection. Intersection include installation of turn lanes and bus bays.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$0	\$1,440,640	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$39,600	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$6,675	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$1,486,915	\$0	\$0	\$0	\$0	\$0

Operating Description: This project is to add capacity to the existing intersection. No additional O and M is anticipated based on current information.



PROJECT DETAIL: 1600-DIF-Roadway Improvements **Category: DIF**

Project: 67880* - 59th & Olive Ave (1602) (I) **Funding Source:** Development Impact Fees

Project Description: This project includes relocation of utilities, purchase right-of-way and construct improvements at the 59th and Olive avenues intersection. Improvements at the intersection include installation of turn lanes and bus bays.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Land	\$125,030	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$360,351	\$0	\$0	\$0	\$0	\$0
Construction	\$126,251	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$109,407	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$360,688	\$360,351	\$0	\$0	\$0	\$0	\$0

Operating Description: This project is to add capacity to the existing intersection. No additional O and M is anticipated based on current information.

Project: 67809 - DIF Update (R) **Funding Source:** Development Impact Fees

Project Description: Development impact fee studies are required to be updated a minimum of every five years. The new fees are expected to take effect July 1, 2014. DIF legislation allows for fees collected to fund the DIF studies and updates. This is the roadway improvements

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$0	\$34,553	\$0	\$0	\$0	\$34,553
TOTAL	\$0	\$0	\$34,553	\$0	\$0	\$0	\$34,553

Operating Description:

Project: 67821 - 95th Avenue Extension (1601) (R) **Funding Source:** Development Impact Fees

Project Description: Project will complete 95th Avenue between Camelback Road and Bethany Home Road. It will include, ROW acquisition, phase I environmental clearance, geotechnical investigation, utility coordination, survey and construction.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Land	\$0	\$500,000	\$0	\$0	\$0	\$0	\$0
Design	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$600,000	\$0	\$0	\$0	\$0	\$0

Operating Description:

Project: 67930 - Bethany Hm 83rd -91st (1603) (R) **Funding Source:** Development Impact Fees

Project Description: ROW Acquisition, design and construction of Bethany Home North of Center Line. (Stone Haven development agreement).

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Land	\$0	\$0	\$650,000	\$641,650	\$0	\$0	\$0
Design	\$0	\$0	\$0	\$150,000	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$1,500,000	\$0	\$0
TOTAL	\$0	\$0	\$650,000	\$791,650	\$1,500,000	\$0	\$0

Operating Description:



PROJECT DETAIL: 1600-DIF-Roadway Improvements **Category: DIF**

Project: 67803 - Dev. Agree. - Signals (N) **Funding Source:** Development Impact Fees

Project Description: Fees charged to developers are used to improve intersections that have experienced increased vehicular traffic generated by new development. This project provides for the installation or upgrades of traffic signals and Intelligent Transportation Systems equipment at various locations throughout the city.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$36,514	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$36,514	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description: O and M costs are for the electricity and maintenance of new traffic signal installations. A supplemental budget request will be made as new equipment is added to the system.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Utilities	\$121,550	\$125,190	\$128,950	\$132,820	\$0	\$726,310
Equip. Maint.	\$60,780	\$62,600	\$64,480	\$66,410	\$0	\$363,160



FUND SUMMARY: 1520-DIF-Citywide Open Space **Category: DIF**

	<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>				
Existing Assets						
<i>Improvement of Existing Assets</i>						
70453 Discovery Park	178,943	0	0	0	0	0
70454 Pasadena Park	0	139,157	0	0	0	0
70455 *Thunderbird Park Imprvmts 1520	0	0	0	150,000	0	0
70456 *T-Bird Park Mstr Plan 1520	0	0	34,944	0	0	0
Sub-Total - Existing Assets	178,943	139,157	34,944	150,000	0	0
Total Project Expenses:	\$178,943	\$139,157	\$34,944	\$150,000	\$0	\$0
Total FY 2018 Funding:		\$318,100				

PROJECT DETAIL: 1520-DIF-Citywide Open Space **Category: DIF**

Project: 70453 - Discovery Park (I) **Funding Source:** Development Impact Fees

Project Description: This project will create new amenities and infrastructure related to Discovery Park. Likely improvements include additional trails in the park and trail connections to the adjacent neighborhoods. Other improvements may include picnic ramadas, shaded rest areas, drinking fountains, enhanced open play areas, playground or exercise equipment, and other trail amenities and site improvements that address growth within the city.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$12,000	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$1,500	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$15,443	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$178,943	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description: No additional O and M is needed at this time.

Project: 70454 - Pasadena Park (I) **Funding Source:** Development Impact Fees

Project Description: This project will create new amenities and infrastructure related to Pasadena Park. The project is proposed to include a multi-use loop path connection to adjacent sidewalks in the park and to make connections to the adjacent neighborhoods, as well as site improvements that address growth within this area of the city.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$0	\$139,157	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$139,157	\$0	\$0	\$0	\$0	\$0

Operating Description: No additional O and M is needed at this time.



PROJECT DETAIL: 1520-DIF-Citywide Open Space **Category: DIF**

Project: 70455* - Thunderbird Park Imprvmts 1520 (I) **Funding Source:** Development Impact Fees

Project Description: Thunderbird Conservation Park continues to be one of the more popular facilities within the City of Glendale park system. With over 1,100 acres of undisturbed desert habitat, the ongoing maintenance of the existing eight main trails and the development of additional trails to meet the increasing demand is critical to maintaining the natural desert habitat.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$0	\$0	\$0	\$121,700	\$0	\$0	\$0
Engineering Charges	\$0	\$0	\$0	\$12,000	\$0	\$0	\$0
Arts	\$0	\$0	\$0	\$1,217	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$15,083	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$150,000	\$0	\$0	\$0

Operating Description:

Project: 70456* - T-Bird Park Mstr Plan 1520 (I) **Funding Source:** Development Impact Fees

Project Description: This project will update and revise the existing Thunderbird Conservation Park master plan. This is partial funding of this project, the balance is being requested in Fund 2140 Open Space and Trails in the amount of \$15,056.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$0	\$34,944	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$34,944	\$0	\$0	\$0	\$0

Operating Description:

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



FUND SUMMARY: 1460-DIF-Citywide Parks **Category: DIF**

	<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>				
Existing Assets						
<i>Improvement of Existing Assets</i>						
72505 * Oranewood Vista 1460	0	226,536	0	0	0	0
73475 Citywide Park Improv (1461)	0	105,917	0	0	0	0
<i>Sub-Total - Existing Assets</i>	<i>0</i>	<i>332,453</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Total Project Expenses:	\$0	\$332,453	\$0	\$0	\$0	\$0
Total FY 2018 Funding:		\$332,453				

PROJECT DETAIL: 1460-DIF-Citywide Parks **Category: DIF**

Project: 72505* - Oranewood Vista 1460 (I) **Funding Source:** Development Impact Fees

Project Description: The project would include the construction of additional basketball courts at Heroes Regional Park, Rose Lane and O'Neil community parks to accommodate increased use and population growth. Additionally, we need to add to existing play structures to accommodate the age category 6 months to two years. Current playground events are designed for children ages 2 - 5 and 5 - 12. Recent ASTM and CPSC standards have indicated a need to provide play events for the younger age group. This project meets the 2011 Parks and Recreation Master Plan's primary action plan goals of "Develop and improve shade structures and amenities in parks" and "Revitalize conditions of neighborhood parks".

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$0	\$210,536	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$13,895	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$2,105	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$226,536	\$0	\$0	\$0	\$0	\$0

Operating Description:

Project: 73475 - Citywide Park Improv (1461) (I) **Funding Source:** Development Impact Fees

Project Description: The project would include the construction of additional basketball courts at Heroes Regional Park, Rose Lane and O'Neil community parks to accommodate increased use and population growth. Additionally, we need to add to existing play structures to accommodate the age category 6 months to two years. Current playground events are designed for children ages 2 - 5 and 5 - 12. Recent ASTM and CPSC standards have indicated a need to provide play events for the younger age group. This project meets the 2011 Parks and Recreation Master Plan's primary action plan goals of "Develop and improve shade structures and amenities in parks" and "Revitalize conditions of neighborhood parks".

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Equipment	\$0	\$105,917	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$105,917	\$0	\$0	\$0	\$0	\$0

Operating Description:



FUND SUMMARY: 1480-DIF-Citywide Rec Facility **Category: DIF**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u> <u>New Funding</u>						
Existing Assets							
<i>Improvement of Existing Assets</i>							
72806 *Grand Canal Linear Prk Staging	23,150	0	0	0	0	0	0
72807 *Heroes Regional Park Study	30,000	0	0	0	0	0	0
72808 *Thunderbird Park Imprvmt 1480	0	0	123,514	0	0	0	0
72810 *Parks Master Plan Update	10,000	0	0	0	0	0	0
72811 *FRAC Enhancements	30,000	0	0	0	0	0	0
72812 *Heroes Regional Park	564,012	0	0	0	0	0	0
72813 *Southern Park Maintenance Area	139,838	0	0	0	0	0	0
<i>Replacement of Existing Assets</i>							
72801 DIF Update	0	0	3,469	0	0	0	3,469
Sub-Total - Existing Assets	797,000	0	126,983	0	0	0	3,469
Total Project Expenses:	\$797,000	\$0	\$126,983	\$0	\$0	\$0	\$3,469
Total FY 2018 Funding:	\$797,000						

PROJECT DETAIL: 1480-DIF-Citywide Rec Facility **Category: DIF**

Project: 72806* - Grand Canal Linear Prk Staging (I) **Funding Source:** Development Impact Fees

Project Description: This project request is for the expansion of the Grand Canal Linear Park Equestrian Staging Facility located south of Bethany Home Road on 79th Avenue to accommodate additional demand for equestrian parking, trail use, and larger horse trailers. The recent completion of an additional segment of the New River trail and future plans to develop the segment of the Grand Canal will complete the connection of the two trails. This project complies with the 2011 Parks and Recreation Master Plan primary action plan recommended major areas of focus according to the priorities and interests of the community to "Improve existing and develop new trails, greenways and complete the Trails Master Plan".

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$8,000	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$150	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$23,150	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description:



PROJECT DETAIL: 1480-DIF-Citywide Rec Facility

Category: DIF

Project: 72807* - Heroes Regional Park Study (I)

Funding Source:

Development Impact Fees

Project Description:

The build-out of the remaining portions of the park are currently planned to be construction of an urban lake system, a softball/baseball field complex, soccer fields, open green space, additional walking and riding paths, a recreation and aquatics center, and a western area branch library which were postponed until financial capacity to construct is identified. Staff has continued to plan and/or obtain funding to further phase-in the various planned elements of the park, as appropriate. This project will update the existing master plan with more current and viable data as well as input from the public and key external and internal stakeholders. Staff received direction from the City Council to move forward with this project at the 1/5/16 Workshop session. This project complies with the 2011 Parks and Recreation Master Plan primary action plan recommended major areas of focus according to the priorities and interests of the community to "Complete the Western Area Regional Park".

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description:

Project: 72808* - Thunderbird Park Imprvmt 1480 (I)

Funding Source:

Development Impact Fees

Project Description:

This project will provide funding for the development, construction and installation of park amenities and improvements. These amenities/improvements are in response to the growth in park visitors and users. This project complies with the City Council 2011 approved Parks and Recreation Master Plan secondary action plan recommended major areas of focus according to the priorities and interests of the community to "Enhance and improve Thunderbird Conservation Park".

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$0	\$0	\$110,410	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$0	\$12,000	\$0	\$0	\$0	\$0
Arts	\$0	\$0	\$1,104	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$123,514	\$0	\$0	\$0	\$0

Operating Description:

Project: 72810* - Parks Master Plan Update (I)

Funding Source:

Development Impact Fees

Project Description:

With it's inception in July 2014, the Community Services Department became a very diverse department that provide programs and services as well as operates and manages facilities throughout the city. The various work groups that make up the department have or have had previously approved master and strategic plans to help guide their operations, facility management/maintenance and program/service delivery. This project will incorporate existing division or work group master /strategic plans to help create a new department wide plan that will provide recommendations and outcomes based on the new department organizational and financial and structure.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description:



PROJECT DETAIL: 1480-DIF-Citywide Rec Facility

Category: DIF

Project: 72811* - FRAC Enhancements (I)

Funding Source:

Development Impact Fees

Project Description:

This project will include several facility improvements at the Foothills Recreation and Aquatics Center to address increased programming volume and demand in center use including additional security cameras, the addition of full size lockers to the active area, the installation of a multi-purpose floor in the Coyote Room and the modification of the existing gym floor to accommodate programming expansion.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description:

Project: 72812* - Heroes Regional Park (I)

Funding Source:

Development Impact Fees

Project Description:

This project request is for the completion of the half street improvements along the east side of 83rd Avenue at Heroes Regional Park. When the existing phases of the park were completed, the additional half street improvements for the east side of 83rd Avenue north of Bethany Home Road were part of the additional project items that were not completed due to budget and financing issues. Staff received direction from the City Council to move forward with this project at the 1/5/16 Workshop session. This project complies with the 2011 Parks and Recreation Master Plan primary action plan recommended major areas of focus according to the priorities and interests of the community to "Complete the Western Area Regional Park".

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$487,000	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$32,142	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$4,870	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$564,012	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description:

Project: 72813* - Southern Park Maintenance Area (I)

Funding Source:

Development Impact Fees

Project Description:

Construct a materials/equipment maintenance area at Heroes Regional Park. Staff received direction from the City Council to move forward with this project at the 1/5/16 Workshop session. This area will provide storage for regular park maintenance materials and equipment. Locating the maintenance area in Heroes Park will help parks maintenance staff decrease the amount of travel time from the Operations Center to the western and southern area park facilities. This project can be expanded to complete the full future planned maintenance facility for Heroes Regional Park.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$126,572	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$12,000	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$1,266	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$139,838	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description:



PROJECT DETAIL: 1480-DIF-Citywide Rec Facility **Category: DIF**

Project: 72801 - DIF Update (R) **Funding Source:** Development Impact Fees

Project Description: Development impact fee studies are required to be updated a minimum of every five years. The new fees are expected to take effect July 1, 2014. DIF legislation allows for fees collected to fund the DIF studies and updates. This is the citywide recreation

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$0	\$3,469	\$0	\$0	\$0	\$3,469
TOTAL	\$0	\$0	\$3,469	\$0	\$0	\$0	\$3,469

Operating Description:



FUND SUMMARY: 1540-DIF-Park Dev Zone 1 **Category: DIF**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u> <u>New Funding</u>						
Existing Assets							
<i>Improvement of Existing Assets</i>							
73105 Oranewood Vista 1540	0	124,085	0	0	0	0	0
73525 *Picnic Ramada Expansion 1541	0	52,303	0	0	0	0	0
73575 *Picnic Ramada Expansion 1542	0	177,578	0	0	0	0	0
73576 Bike Park Foothills Park 1542	0	140,000	0	0	0	0	0
73625 *New River Trail Zn 2 W 1543	0	58,312	0	0	0	0	0
<i>Replacement of Existing Assets</i>							
73102 DIF Update	0	0	3,469	0	0	0	3,469
Sub-Total - Existing Assets	0	552,278	3,469	0	0	0	3,469
Total Project Expenses:	\$0	\$552,278	\$3,469	\$0	\$0	\$0	\$3,469
Total FY 2018 Funding:		\$552,278					

PROJECT DETAIL: 1540-DIF-Park Dev Zone 1 **Category: DIF**

Project: 73105 - Oranewood Vista 1540 (I) **Funding Source:** Development Impact Fees

Project Description: This phase will involve developing a two-acre portion of the remaining undeveloped 10-acre joint-use neighborhood park. The improvements will include a concrete pathway, ramada, and landscape. The school and the joint-use park were constructed to address the growth in the area and the increasing student enrollment in the neighboring schools in the Glendale Elementary School District. The service area for this joint-use park is without a neighborhood ramada and concrete walkways. The ramada, concrete pathway, and surrounding ground stabilization are the highest priorities. This project has additional funding in fund 1460 in the amount of \$225,987.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$5,500	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$106,520	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$11,000	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$1,065	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$124,085	\$0	\$0	\$0	\$0	\$0

Operating Description: No additional O and M is needed for this project. Ramada cleaning would simply be incorporated into the park maintenance routine.

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 1540-DIF-Park Dev Zone 1

Category: DIF

Project: 73525* - Picnic Ramada Expansion 1541 (I)

Funding Source:

Development Impact Fees

Project Description:

The Parks, Recreation and Neighborhood Division's picnic ramadas can be used for both drop-in use as well as rentals. Ramada rentals generate approximately \$140,000 each year and staff have identified several parks that do not currently have picnic ramadas and other parks that are experiencing additional demand for ramada rentals. Parks such as Chapparal, Hillcrest, Oasis and Utopia are just a few parks in this development zone that have a high demand for ramada use.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Construction	\$0	\$40,000	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$8,000	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$400	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$3,903	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$52,303	\$0	\$0	\$0	\$0	\$0

Operating Description:

Project: 73575* - Picnic Ramada Expansion 1542 (I)

Funding Source:

Development Impact Fees

Project Description:

The Parks, Recreation and Neighborhood Division's picnic ramadas can be used for both drop-in use as well as rentals. Ramada rentals generate approximately \$140,000 each year and staff have identified several parks that do not currently have picnic ramadas and other parks that are experiencing additional demand for ramada rentals. Parks such as Heritage, Lions, Dos Lagos, Mondo, Sunset do not have ramadas, but have increased activity and demand to warrant the addition.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Construction	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$12,000	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$1,500	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$14,078	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$177,578	\$0	\$0	\$0	\$0	\$0

Operating Description:

Project: 73576 - Bike Park Foothills Park 1542 (I)

Funding Source:

Development Impact Fees

Project Description:

This is a new project request for a bike park at Foothills Park. The new project request is to construct a bike park adjacent to the existing Sk8 Court at Foothills Park. The existing Sk8 court was designed and built as a skate only facility and the Recreation staff and Park Rangers regularly encounter bikes in the skate court. This request will meet a growing need for a bike facility in this area of the city, keep the existing skate only park safer and reduce additional damage that bikes cause in the skate only facility.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Construction	\$0	\$140,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$140,000	\$0	\$0	\$0	\$0	\$0

Operating Description:



PROJECT DETAIL: 1540-DIF-Park Dev Zone 1 **Category: DIF**

Project: 73625* - New River Trail Zn 2 W 1543 (I) **Funding Source:** Development Impact Fees

Project Description: The New River Trail system is an important link to a region-wide multi-use trail system that meanders throughout Glendale and Maricopa County. During the past several years of budget and funding reductions, the Parks, Recreation and Neighborhood Services staff have leveraged limited funding with other internal (City of Glendale Transportation Department) and external partners (Maricopa County Flood Control District) to continue the development and enhancement of alternate transportation options for Glendale residents. These options are part of a larger regional network of multi-modal trails which connect to other communities and recreational amenities.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Construction	\$0	\$45,000	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$8,000	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$450	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$4,862	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$58,312	\$0	\$0	\$0	\$0	\$0

Operating Description: No new additional O & M will be required

Project: 73102 - DIF Update (R) **Funding Source:** Development Impact Fees

Project Description: Development impact fee studies are required to be updated a minimum of every five years. The new fees are expected to take effect July 1, 2014. DIF legislation allows for fees collected to fund the DIF studies and updates. This is the neighborhood parks zone 1 portion of the DIF study and updates.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$0	\$3,469	\$0	\$0	\$0	\$3,469
TOTAL	\$0	\$0	\$3,469	\$0	\$0	\$0	\$3,469

Operating Description:



FUND SUMMARY: 1560-DIF-Park Dev Zone 2 **Category: DIF**

	<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	Carrvoer	New Funding				
Existing Assets						
<i>Improvement of Existing Assets</i>						
73404 Paseo Linear Park Additions	0	165,438	0	0	0	0
<i>Replacement of Existing Assets</i>						
73403 DIF Update	0	0	3,469	0	0	3,469
Sub-Total - Existing Assets	0	165,438	3,469	0	0	3,469
Total Project Expenses:	\$0	\$165,438	\$3,469	\$0	\$0	\$3,469
Total FY 2018 Funding:	\$165,438					

PROJECT DETAIL: 1560-DIF-Park Dev Zone 2 **Category: DIF**

Project: 73404 - Paseo Linear Park Additions (I) **Funding Source:** Development Impact Fees

Project Description: Additional amenities consist of accommodating community growth by expanding the multi-use path, adding pathway pullout nodes to relieve congestion and add additional active recreation play elements.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$0	\$137,000	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$12,000	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$1,370	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$15,068	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$165,438	\$0	\$0	\$0	\$0	\$0

Operating Description: No additional O and M is needed for these projects.

Project: 73403 - DIF Update (R) **Funding Source:** Development Impact Fees

Project Description: Development impact fee studies are required to be updated a minimum of every five years. The new fees are expected to take effect July 1, 2014. DIF legislation allows for fees collected to fund the DIF studies and updates. This is the neighborhood parks zone 2 portion of the DIF study and updates.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$0	\$3,469	\$0	\$0	\$0	\$3,469
TOTAL	\$0	\$0	\$3,469	\$0	\$0	\$0	\$3,469

Operating Description:



FUND SUMMARY: 1580-DIF-Park Dev Zone 3 **Category: DIF**

	<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>				
New Assets						
0						
73702 DIF Update	0	0	3,469	0	0	3,469
<i>Sub-Total - New Assets</i>	0	0	3,469	0	0	3,469
Total Project Expenses:	\$0	\$0	\$3,469	\$0	\$0	\$3,469
Total FY 2018 Funding:	\$0					

PROJECT DETAIL: 1580-DIF-Park Dev Zone 3 **Category: DIF**

Project: 73702 - DIF Update (N) **Funding Source:** Development Impact Fees

Project Description: Development impact fee studies are required to be updated a minimum of every five years. The new fees are expected to take effect July 1, 2014. DIF legislation allows for fees collected to fund the DIF studies and updates. This is the neighborhood parks zone 3 portion of the DIF study and updates.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$0	\$3,469	\$0	\$0	\$0	\$3,469
TOTAL	\$0	\$0	\$3,469	\$0	\$0	\$0	\$3,469

Operating Description:



FUND SUMMARY: 1380-DIF-Library Buildings **Category: DIF**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>					
New Assets							
0							
74252 *Western Area Library 1380	0	1,755,029	0	0	0	0	0
Sub-Total - New Assets	0	1,755,029	0	0	0	0	0
Total Project Expenses:	\$0	\$1,755,029	\$0	\$0	\$0	\$0	\$0
Total FY 2018 Funding:		\$1,755,029					

PROJECT DETAIL: 1380-DIF-Library Buildings **Category: DIF**

Project: 74252* - Western Area Library 1380 (N) **Funding Source:** Development Impact Fees

Project Description: In October 2014 and after review by the Library Advisory Board and staff, Council provided direction to develop conceptual designs for the possible location of a Western Area Branch Library at either Heroes Regional Park or on the third/fourth floors of the Glendale Media Center. Regardless of its location, the facility would be 7500- 8000 square feet in size and would result in library services provided to this geographic area of Glendale. Should the Council provide direction to move forward with this project, this is a specific "placeholder" request that would provide funding for full design and construction beginning in FY 16-17 and carry into FY 17-18. This project is also funded in fund 1500 in the amount of \$1,370,549.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$0	\$1,380,000	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$49,680	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$13,800	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$311,549	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$1,755,029	\$0	\$0	\$0	\$0	\$0

Operating Description: O&M is included in project Western Area Library 1500.



FUND SUMMARY: 1500-DIF-Libraries **Category: DIF**

	<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>				
Existing Assets						
<i>Replacement of Existing Assets</i>						
74752 DIF Update	0	0	17,563	0	0	17,563
Sub-Total - Existing Assets	0	0	17,563	0	0	17,563
New Assets						
0						
74751 Library Books - Pop. Growth	79,261	310,000	135,029	0	0	0
74755 *Western Area Library 1500	328,614	1,046,549	0	0	0	0
Sub-Total - New Assets	407,875	1,356,549	135,029	0	0	0
Total Project Expenses:	\$407,875	\$1,356,549	\$152,592	\$0	\$0	\$17,563
Total FY 2018 Funding:	\$1,764,424					

PROJECT DETAIL: 1500-DIF-Libraries **Category: DIF**

Project: 74752 - DIF Update (R) **Funding Source:** Development Impact Fees

Project Description: Development impact fee studies are required to be updated a minimum of every five years. The new fees are expected to take effect July 1, 2014. DIF legislation allows for fees collected to fund the DIF studies and updates. This is the library portion of the DIF updates.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$0	\$17,563	\$0	\$0	\$0	\$17,563
TOTAL	\$0	\$0	\$17,563	\$0	\$0	\$0	\$17,563

Operating Description:

Project: 74751 - Library Books - Pop. Growth (N) **Funding Source:** Development Impact Fees

Project Description: This project requests the use of collected DIF to continue the phased-in approach of increasing the number of library material at the three Glendale libraries using remaining DIF balance previously collected during the high-growth phase of Glendale.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$79,261	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$0	\$310,000	\$135,029	\$0	\$0	\$0	\$0
TOTAL	\$79,261	\$310,000	\$135,029	\$0	\$0	\$0	\$0

Operating Description: No additional O and M is needed for this project.



PROJECT DETAIL: 1500-DIF-Libraries

Category: DIF

Project: 74755* - Western Area Library 1500 (N)

Funding Source: Development Impact Fees

Project Description:

In October 2014 and after review by the Library Advisory Board and staff, Council provided direction to develop conceptual designs for the possible location of a Western Area Branch Library at either Heroes Regional Park or on the third/fourth floors of the Glendale Media Center. Regardless of its location, the facility would be 7500- 8000 square feet in size and would result in library services provided to this geographic area of Glendale. Should the Council provide direction to move forward with this project, this is a specific "placeholder" request that would provide funding for full design and construction beginning in FY 16-17 and carry into FY 17-18. This project is also funded in fund 1380 in the amount of \$1,755,029.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$318,263	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$1,003,861	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$10,351	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$32,649	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$10,039	\$0	\$0	\$0	\$0	\$0
TOTAL	\$328,614	\$1,046,549	\$0	\$0	\$0	\$0	\$0

Operating Description:

It is estimated O&M for this project is \$600,000 which includes 8.5 FTE's for a 40 hour per week operation. The ongoing O&M impact will be recalculated as a part of the final analysis of this potential project.



FUND SUMMARY: 1420-DIF-Fire Protection Facilities **Category: DIF**

	<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>				
Existing Assets						
<i>Replacement of Existing Assets</i>						
77001 DIF Update	0	0	15,654	0	0	15,654
<i>Sub-Total - Existing Assets</i>	<i>0</i>	<i>0</i>	<i>15,654</i>	<i>0</i>	<i>0</i>	<i>15,654</i>
Total Project Expenses:	\$0	\$0	\$15,654	\$0	\$0	\$15,654
Total FY 2018 Funding:	\$0					

PROJECT DETAIL: 1420-DIF-Fire Protection Facilities **Category: DIF**

Project: 77001 - DIF Update (R) **Funding Source:** Development Impact Fees

Project Description: Development impact fee studies are required to be updated a minimum of every five years. The new fees are expected to take effect July 1, 2014. DIF legislation allows for fees collected to fund the DIF studies and updates. This is the fire facilities portion of the DIF study and updates.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$0	\$15,654	\$0	\$0	\$0	\$15,654
TOTAL	\$0	\$0	\$15,654	\$0	\$0	\$0	\$15,654

Operating Description:

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



FUND SUMMARY: 2360-Water & Sewer **Category: Revenue**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	Carrvoer	New Funding					
Existing Assets							
<i>Improvement of Existing Assets</i>							
60007 Arrwhd Wtr Reclam Fac Imps	7,000,000	3,308,412	7,038,526	8,853,062	9,300,000	0	0
60008 WAWRF Phase IV	2,500,000	600,000	500,000	500,000	500,000	0	0
60016 West Area WRF Improvements	0	3,500,000	4,800,000	6,300,000	6,000,000	6,100,000	0
<i>Replacement of Existing Assets</i>							
60010 Lab Data Management System	187,429	0	0	0	0	0	0
60014 SCADA Study & Replacement	8,160	450,000	300,000	0	0	0	0
60019 Vehicle Replacement	0	750,000	750,000	500,000	500,000	500,000	2,500,000
Sub-Total - Existing Assets	9,695,589	8,608,412	13,388,526	16,153,062	16,300,000	6,600,000	2,500,000
New Assets							
0							
60015 Asset Mangement Program	200,000	300,000	1,500,000	1,200,000	300,000	0	0
60017 Integrated Water Master Plan	0	0	2,000,000	500,000	0	0	0
60018 *Laboratory Equipment	80,000	80,000	120,000	0	0	0	0
Sub-Total - New Assets	280,000	380,000	3,620,000	1,700,000	300,000	0	0
Total Project Expenses:	\$9,975,589	\$8,988,412	\$17,008,526	\$17,853,062	\$16,600,000	\$6,600,000	\$2,500,000
Total FY 2018 Funding:	\$18,964,001						

PROJECT DETAIL: 2360-Water & Sewer **Category: Revenue**

Project: 60007 - Arrwhd Wtr Reclam Fac Imps (I) **Funding Source:** Water & Sewer Revenues

Project Description: Replace and improve headworks, sand filters, odor control, fiber optics, clarifiers, civil, mechanical and electrical components at the Arrowhead Ranch Water Reclamation Facility. The construction and cash flow period to continue over the next three years

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$230,000	\$383,500	\$484,250	\$507,000	\$0	\$0
Construction	\$0	\$2,700,000	\$5,900,000	\$7,400,000	\$7,800,000	\$0	\$0
Engineering Charges	\$0	\$81,412	\$106,026	\$154,812	\$135,000	\$0	\$0
Arts	\$0	\$27,000	\$59,000	\$74,000	\$78,000	\$0	\$0
Contingency	\$0	\$270,000	\$590,000	\$740,000	\$780,000	\$0	\$0
TOTAL	\$0	\$3,308,412	\$7,038,526	\$8,853,062	\$9,300,000	\$0	\$0

Operating Description:



PROJECT DETAIL: 2360-Water & Sewer **Category: Revenue**

Project: 60008 - WAWRF Phase IV (I) **Funding Source:** Water & Sewer Revenues

Project Description: Design and construct improvements and rehabilitation to the odor control and disinfection system as identified in the West Area Water Reclamation Facility Phase IV Master Plan.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$254,185	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$510,000	\$420,000	\$420,000	\$420,000	\$0	\$0
Construction	\$1,773,442	\$0	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$33,300	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$99,344	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$33,900	\$33,800	\$33,800	\$33,800	\$0	\$0
Arts	\$26,946	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$5,100	\$4,200	\$4,200	\$4,200	\$0	\$0
Contingency	\$0	\$51,000	\$42,000	\$42,000	\$42,000	\$0	\$0
Contingency	\$123,500	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$189,283	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$2,500,000	\$600,000	\$500,000	\$500,000	\$500,000	\$0	\$0

Operating Description:

Project: 60016 - West Area WRF Improvements (I) **Funding Source:** Water & Sewer Revenues

Project Description: Evaluate, design and construct improvements to all process areas at the West Area WRF and raw sewage pump station (RSPS). To include improvements to civil, mechanical, plumbing, and electrical systems to continue to produce A+ effluent for reuse and recharge storage.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$315,000	\$382,750	\$480,000	\$470,375	\$570,375	\$0
Construction	\$0	\$2,800,000	\$3,900,000	\$5,100,000	\$4,900,000	\$4,900,000	\$0
Engineering Charges	\$0	\$77,000	\$88,250	\$159,000	\$90,625	\$90,625	\$0
Arts	\$0	\$28,000	\$39,000	\$51,000	\$49,000	\$49,000	\$0
Contingency	\$0	\$280,000	\$390,000	\$510,000	\$490,000	\$490,000	\$0
TOTAL	\$0	\$3,500,000	\$4,800,000	\$6,300,000	\$6,000,000	\$6,100,000	\$0

Operating Description:

Project: 60010 - Lab Data Management System (R) **Funding Source:** Water & Sewer Revenues

Project Description: Purchase of a new information management system to replace the outdated data system. The new information system will interface directly with laboratory instrumentation, integrate quality control processes, eliminate duplicate and manual data entry, and automate regulatory reporting.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$187,429	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$187,429	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description: Additional O and M expenses are related to software license renewals/updates and system configuration hardware requirements. The additional O and M will be absorbed by the department.

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 2360-Water & Sewer **Category: Revenue**

Project: 60014 - SCADA Study & Replacement (R) **Funding Source:** Water & Sewer Revenues

Project Description: Study alternative information and communication systems to develop a plan for improvements and upgrade to new technologies to increase functionality of the Supervisory Control and Data Acquisition (SCADA) system. The system gathers process data for monitoring and controlling the treatment processes.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
	\$400	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$450,000	\$300,000	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$7,760	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$8,160	\$450,000	\$300,000	\$0	\$0	\$0	\$0

Operating Description:

Project: 60019 - Vehicle Replacement (R) **Funding Source:** Water & Sewer Revenues

Project Description: Replacement of vehicles, trucks, and excavation equipment.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Equipment	\$0	\$750,000	\$750,000	\$500,000	\$500,000	\$500,000	\$2,500,000
TOTAL	\$0	\$750,000	\$750,000	\$500,000	\$500,000	\$500,000	\$2,500,000

Operating Description:

Project: 60015 - Asset Mangement Program (N) **Funding Source:** Water & Sewer Revenues

Project Description: Study the current asset management information system functions and operational needs. Procure new management system and implement.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$300,000	\$1,500,000	\$1,200,000	\$300,000	\$0	\$0
Miscellaneous/Other	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$200,000	\$300,000	\$1,500,000	\$1,200,000	\$300,000	\$0	\$0

Operating Description:

Project: 60017 - Integrated Water Master Plan (N) **Funding Source:** Water & Sewer Revenues

Project Description: Conduct a comprehensive study to update the 2003 Water plan as amended in 2008 by the Groundwater plan; 2008 Wastewater plan; and the 2011 Stormwater Management plan and review the reclaimed water resources and use, facilities capacity, and infrastructure needs to serve the City of Glendale now and in the future. Then integrate into a Water Master Plan.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$0	\$2,000,000	\$500,000	\$0	\$0	\$0
TOTAL	\$0	\$0	\$2,000,000	\$500,000	\$0	\$0	\$0

Operating Description: No additional O and M is needed at this time.



PROJECT DETAIL: 2360-Water & Sewer **Category: Revenue**

Project: 60018* - Laboratory Equipment (N) **Funding Source:** Water & Sewer Revenues

Project Description: Replace aging ion chromatograph and deionized water system.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Equipment	\$0	\$80,000	\$120,000	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$80,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$80,000	\$80,000	\$120,000	\$0	\$0	\$0	\$0

Operating Description:

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



FUND SUMMARY: 2400-Water **Category: Revenue**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>	
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>						
Existing Assets								
<i>Improvement of Existing Assets</i>								
61023	Water System Security	20,900	150,000	150,000	150,000	150,000	500,000	
61024	Cholla Water Plant Process Imp	1,000,000	3,550,000	7,602,099	15,200,000	3,000,000	6,100,000	
61043	Pyramid Peak WTP Process Imp.	913,280	3,087,139	4,775,302	6,164,517	7,700,000	6,100,000	
61045	Thunderbird Reservoir Misc. Im	371,672	600,000	500,000	1,250,000	0	0	
61047	Citywide Meter Vault Imp	35,430	1,150,000	850,000	600,000	400,000	0	
61049	Zone 3 Water Supply Imp.	623,250	1,000,000	250,000	0	600,000	0	
61054	Distrib Sys Imprv - Citywide	583,385	500,000	500,000	500,000	500,000	0	
61055	Oasis WTP Improvements	0	1,000,000	1,500,000	500,000	0	7,000,000	
61062	*67th Ave Water line improv	0	0	600,000	1,000,000	500,000	0	
<i>Replacement of Existing Assets</i>								
61001	Fire Hydrant Replacement	29,142	1,350,000	850,000	0	0	0	
61013	Water Line Replacement	1,000,000	3,000,000	2,000,000	1,500,000	0	0	
61048	City Wide Well Rehab	517,363	1,000,000	1,350,000	1,000,000	950,000	0	
61060	Water Supply Redundancy	0	0	500,000	0	0	0	
61061	Water Capital Equipment	0	1,000,000	2,000,000	1,000,000	0	0	
Sub-Total - Existing Assets		5,094,422	17,387,139	23,427,401	28,864,517	13,800,000	2,150,000	19,700,000
New Assets								
0								
61019	Storage and Recovery Well	0	0	0	700,000	700,000	2,900,000	3,000,000
61027	Water Line Extension	0	0	300,000	650,000	500,000	0	0
61038	Loop 101 Water Treatment Plant	0	0	0	0	0	0	43,023,225
61051	Accural of Long-term Water Sto	0	600,000	600,000	700,000	700,000	500,000	2,500,000
61052	Recharge Storage Assessment	321,260	400,000	0	600,000	800,000	0	0
61056	White Mtn Apache Water Rights	0	3,500,000	3,500,000	0	0	0	0
61058	*Pyramid Peak WTP 15MGD Exp.	468,303	1,914,287	10,227,057	27,793,628	12,627,840	0	0
Sub-Total - New Assets		789,563	6,414,287	14,627,057	30,443,628	15,327,840	3,400,000	48,523,225
Total Project Expenses:		\$5,883,985	\$23,801,426	\$38,054,458	\$59,308,145	\$29,127,840	\$5,550,000	\$68,223,225
Total FY 2018 Funding:		\$29,685,411						

PROJECT DETAIL: 2400-Water **Category: Revenue**

*=New Project, N=New Asset, R=Replacement of Existing Asset, I=Improvement of Existing Asset



PROJECT DETAIL: 2400-Water **Category: Revenue**

Project: 61023 - Water System Security (I) **Funding Source:** Water & Sewer Revenues

Project Description: Installation of equipment citywide to further enhance security of the city's water supply, treatment plants, and distribution system.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$125,000	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$125,000	\$125,000	\$125,000	\$125,000	\$500,000
Engineering Charges	\$0	\$25,000	\$11,250	\$11,250	\$11,250	\$11,250	\$0
Arts	\$0	\$0	\$1,250	\$1,250	\$1,250	\$1,250	\$0
Contingency	\$0	\$0	\$12,500	\$12,500	\$12,500	\$12,500	\$0
Miscellaneous/Other	\$20,900	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$20,900	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$500,000

Operating Description: No additional O and M is needed for this project.

Project: 61024 - Cholla Water Plant Process Imp (I) **Funding Source:** Water & Sewer Revenues

Project Description: Improve and rehabilitate all process areas and key component systems throughout the treatment plant, administration building, reservoir, and at the booster station.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$269,704	\$0	\$0	\$0	\$0	\$0	\$0
Design	\$0	\$310,000	\$447,000	\$1,258,000	\$325,000	\$0	\$1,000,000
Construction	\$299,750	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$2,800,000	\$6,400,000	\$12,200,000	\$2,500,000	\$0	\$5,000,000
Finance Charges	\$49,500	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$132,000	\$108,699	\$150,000	\$150,000	\$0	\$38,333
Engineering Charges	\$146,151	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$52,647	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$28,000	\$6,400	\$122,000	\$25,000	\$0	\$50,000
Contingency	\$0	\$280,000	\$640,000	\$1,470,000	\$0	\$0	\$0
Miscellaneous/Other	\$182,248	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$11,667
TOTAL	\$1,000,000	\$3,550,000	\$7,602,099	\$15,200,000	\$3,000,000	\$0	\$6,100,000

Operating Description:

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 2400-Water **Category: Revenue**

Project: 61043 - Pyramid Peak WTP Process Imp. (I) **Funding Source:** Water & Sewer Revenues

Project Description: Improve and rehabilitate all process areas and key component systems throughout the treatment plant. Construct chlorine gas generation facility in last five years to replace use of 1-ton containers. City of Peoria shares in the capital and operating costs of the plant. They will fund 23% of the total costs.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$189,000	\$724,052	\$267,159	\$686,000	\$226,250	\$950,000
Design	\$513,280	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$2,580,000	\$3,500,000	\$5,250,000	\$6,200,000	\$1,500,000	\$5,000,000
Construction	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$10,111	\$0	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$33,889
Engineering Charges	\$0	\$34,339	\$166,250	\$69,858	\$132,000	\$108,750	\$52,838
Engineering Charges	\$62,162	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$25,800	\$35,000	\$52,500	\$62,000	\$15,000	\$50,000
Arts	\$58,000	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$258,000	\$350,000	\$525,000	\$620,000	\$150,000	\$0
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$13,273
Miscellaneous/Other	\$69,727	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$913,280	\$3,087,139	\$4,775,302	\$6,164,517	\$7,700,000	\$2,000,000	\$6,100,000

Operating Description: No additional O and M is required for this project.

Project: 61045 - Thunderbird Reservoir Misc. Im (I) **Funding Source:** Water & Sewer Revenues

Project Description: The project includes a study to evaluate alternatives for enhancing water quality and the feasibility of adding 3-phase power at the Thunderbird Reservoir. Once the study is completed, design and construction of the recommended improvements are projected to proceed.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$47,500	\$45,000	\$77,000	\$0	\$0	\$0
Construction	\$0	\$475,000	\$385,000	\$1,025,000	\$0	\$0	\$0
Construction	\$351,672	\$0	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$10,222	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$25,500	\$27,650	\$44,475	\$0	\$0	\$0
Arts	\$2,300	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$4,500	\$3,850	\$1,025	\$0	\$0	\$0
Contingency	\$4,978	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$47,500	\$38,500	\$102,500	\$0	\$0	\$0
TOTAL	\$371,672	\$600,000	\$500,000	\$1,250,000	\$0	\$0	\$0

Operating Description:



PROJECT DETAIL: 2400-Water **Category: Revenue**

Project: 61047 - Citywide Meter Vault Imp (I) **Funding Source:** Water & Sewer Revenues

Project Description: Improve meter vault access per the city's design standards and rehabilitate, as needed, vault structure to meet safety requirements. Improve 124 vaults in four phases over multiple years.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$200,000	\$0	\$0	\$0	\$0
Design	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$1,000,000	\$522,000	\$547,200	\$348,950	\$0	\$0
Engineering Charges	\$4,000	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$40,000	\$23,000	\$23,000	\$23,000	\$0	\$0
Arts	\$0	\$10,000	\$5,000	\$5,500	\$3,750	\$0	\$0
Arts	\$11,430	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$100,000	\$100,000	\$24,300	\$24,300	\$0	\$0
Miscellaneous/Other	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$35,430	\$1,150,000	\$850,000	\$600,000	\$400,000	\$0	\$0

Operating Description: No additional O and M is needed for this project.

Project: 61049 - Zone 3 Water Supply Imp. (I) **Funding Source:** Water & Sewer Revenues

Project Description: Rehabilitate specific portions of large water transmission main and related valves at 67th Avenue and Deer Valley Road and make improvements at the Hillcrest booster station to add reliability and redundancy within pressure Zone 2 and Zone 3 of the distribution system.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$80,000	\$226,500	\$0	\$0	\$0	\$0
Construction	\$573,250	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$800,000	\$0	\$0	\$525,000	\$0	\$0
Engineering Charges	\$29,700	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$32,000	\$23,500	\$0	\$17,250	\$0	\$0
Arts	\$4,500	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$8,000	\$0	\$0	\$5,250	\$0	\$0
Contingency	\$0	\$80,000	\$0	\$0	\$52,500	\$0	\$0
Miscellaneous/Other	\$15,800	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$623,250	\$1,000,000	\$250,000	\$0	\$600,000	\$0	\$0

Operating Description: No additional O and M is needed at this time.

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 2400-Water **Category: Revenue**

Project: 61054 - Distrib Sys Imprv - Citywide (I) **Funding Source:** Water & Sewer Revenues

Project Description: Replace and rehabilitate pressure reduction valves, water instrumentation, flow meters, and transmission mains connections. Develop a citywide water modeling plan for the water distribution system.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0
Design	\$0	\$475,000	\$0	\$0	\$0	\$0	\$0
Construction	\$295,635	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$425,000	\$425,000	\$425,000	\$0	\$0
Engineering Charges	\$48,450	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$25,000	\$28,250	\$28,250	\$28,250	\$0	\$0
Arts	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$0	\$4,250	\$4,250	\$4,250	\$0	\$0
Contingency	\$0	\$0	\$42,500	\$42,500	\$42,500	\$0	\$0
Miscellaneous/Other	\$29,300	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$583,385	\$500,000	\$500,000	\$500,000	\$500,000	\$0	\$0

Operating Description:

Project: 61055 - Oasis WTP Improvements (I) **Funding Source:** Water & Sewer Revenues

Project Description: Study both the surface and groundwater treatment plants' condition. Design and construct efficiency and operation upgrades. Replace filter underdrain infrastructure and make improvements to booster pump station. Replace brine ponds in FY2022-23.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$72,000	\$87,500	\$0	\$0	\$0	\$1,200,000
Construction	\$0	\$800,000	\$1,250,000	\$0	\$0	\$0	\$5,500,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$32,881
Engineering Charges	\$0	\$40,000	\$25,000	\$0	\$0	\$0	\$68,861
Arts	\$0	\$8,000	\$12,500	\$0	\$0	\$0	\$55,000
Contingency	\$0	\$80,000	\$125,000	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$0	\$0	\$0	\$500,000	\$0	\$0	\$143,258
TOTAL	\$0	\$1,000,000	\$1,500,000	\$500,000	\$0	\$0	\$7,000,000

Operating Description:



PROJECT DETAIL: 2400-Water **Category: Revenue**

Project: 61062* - 67th Ave Water line improv (I) **Funding Source:** Water & Sewer Revenues

Project Description: Assess and rehabilitate water lines and connections south of Jomax along 67th Avenue.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$150,000	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$875,000	\$424,001	\$0	\$0
Engineering Charges	\$0	\$0	\$45,000	\$28,750	\$28,250	\$0	\$0
Arts	\$0	\$0	\$15,000	\$8,750	\$5,249	\$0	\$0
Contingency	\$0	\$0	\$0	\$87,500	\$42,500	\$0	\$0
Miscellaneous/Other	\$0	\$0	\$390,000	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$600,000	\$1,000,000	\$500,000	\$0	\$0

Operating Description:

Project: 61001 - Fire Hydrant Replacement (R) **Funding Source:** Water & Sewer Revenues

Project Description: Program to replace or rehabilitate approximately 290 fire hydrant and 260 water valves annually. Within the distribution system, there are over 8,400 fire hydrants and 24,000 water valves. Priority is determined by age and loss of function.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$29,142	\$0	\$0	\$0	\$0	\$0	\$0
Design	\$0	\$216,000	\$85,000	\$0	\$0	\$0	\$0
Construction	\$0	\$1,000,000	\$660,000	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$33,000	\$32,400	\$0	\$0	\$0	\$0
Arts	\$0	\$1,000	\$6,600	\$0	\$0	\$0	\$0
Contingency	\$0	\$100,000	\$66,000	\$0	\$0	\$0	\$0
TOTAL	\$29,142	\$1,350,000	\$850,000	\$0	\$0	\$0	\$0

Operating Description: No additional O and M is needed for this project.

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 2400-Water **Category: Revenue**

Project: 61013 - Water Line Replacement (R) **Funding Source:** Water & Sewer Revenues

Project Description: Program to rehabilitate large diameter water lines as identified in the Water Distribution System Evaluation Study conducted by CH2M-Hill. There are four locations citywide that will be rehabilitated over the next four years. New study will evaluate next rehabilitation locations for future years.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$480,663	\$0	\$0	\$0	\$0	\$0	\$0
Design	\$0	\$0	\$130,650	\$90,000	\$0	\$0	\$0
Construction	\$326,363	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$2,700,000	\$1,650,000	\$1,237,500	\$0	\$0	\$0
Finance Charges	\$44,954	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$27,000	\$37,850	\$36,625	\$0	\$0	\$0
Engineering Charges	\$54,538	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$3,000	\$16,500	\$12,375	\$0	\$0	\$0
Contingency	\$0	\$270,000	\$165,000	\$123,500	\$0	\$0	\$0
Miscellaneous/Other	\$53,482	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$1,000,000	\$3,000,000	\$2,000,000	\$1,500,000	\$0	\$0	\$0

Operating Description: No additional O and M is needed for this project.

Project: 61048 - City Wide Well Rehab (R) **Funding Source:** Water & Sewer Revenues

Project Description: Evaluate existing groundwater wells and rehabilitate and improve the equipment to maintain high water quality and delivery service to meet the demand within the water distribution system.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$79,500	\$88,800	\$62,000	\$0	\$0
Design	\$205,162	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$865,000	\$1,100,000	\$785,000	\$800,000	\$0	\$0
Construction	\$200,897	\$0	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$4,500	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$39,850	\$49,500	\$39,850	\$0	\$0	\$0
Engineering Charges	\$17,504	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$14,000	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$8,650	\$11,000	\$7,850	\$8,000	\$0	\$0
Contingency	\$0	\$86,500	\$110,000	\$78,500	\$80,000	\$0	\$0
Contingency	\$75,300	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$517,363	\$1,000,000	\$1,350,000	\$1,000,000	\$950,000	\$0	\$0

Operating Description: No additional O and M is needed for this project.



PROJECT DETAIL: 2400-Water **Category: Revenue**

Project: 61060 - Water Supply Redundancy (R) **Funding Source:** Water & Sewer Revenues

Project Description: Water Supply Redundancy

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$38,500	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$385,000	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$0	\$34,150	\$0	\$0	\$0	\$0
Arts	\$0	\$0	\$3,850	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$38,500	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$500,000	\$0	\$0	\$0	\$0

Operating Description:

Project: 61061 - Water Capital Equipment (R) **Funding Source:** Water & Sewer Revenues

Project Description: Replacement of capital equipment at water facilities. Includes PLC and VFD.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$80,000	\$180,000	\$80,000	\$0	\$0	\$0
Construction	\$0	\$880,000	\$1,760,000	\$880,000	\$0	\$0	\$0
Engineering Charges	\$0	\$32,000	\$44,000	\$32,000	\$0	\$0	\$0
Arts	\$0	\$8,000	\$16,000	\$8,000	\$0	\$0	\$0
TOTAL	\$0	\$1,000,000	\$2,000,000	\$1,000,000	\$0	\$0	\$0

Operating Description:

Project: 61019 - Storage and Recovery Well (N) **Funding Source:** Water & Sewer Revenues

Project Description: Install groundwater recharge and recovery wells for the purpose of recharging effluent from the Arrowhead Water Reclamation Facility for "recovering" recharge water credits.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$360,000	\$132,400	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$200,000	\$2,610,000	\$2,800,000
Engineering Charges	\$0	\$0	\$0	\$66,000	\$66,600	\$29,000	\$49,601
Arts	\$0	\$0	\$0	\$0	\$20,000	\$0	\$28,000
Contingency	\$0	\$0	\$0	\$0	\$281,000	\$0	\$0
Miscellaneous/Other	\$0	\$0	\$0	\$274,000	\$0	\$261,000	\$122,399
TOTAL	\$0	\$0	\$0	\$700,000	\$700,000	\$2,900,000	\$3,000,000

Operating Description:

Operating Costs	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Supplies/Contr	\$0	\$0	\$0	\$0	\$0	\$338,310
Utilities	\$0	\$0	\$0	\$0	\$0	\$241,650
Equip. Maint.	\$0	\$0	\$0	\$0	\$0	\$108,740

PROJECT DETAIL: 2400-Water **Category: Revenue**

Project: 61027 - Water Line Extension (N) **Funding Source:** Water & Sewer Revenues

Project Description: Water line extensions are installed where needed to extend the city's water transmission and distribution systems to meet projected demand from future development. Projects funded from this account typically involve city participation in pipeline over sizing and other distribution piping extensions as needed to accommodate projected growth.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$260,000	\$63,000	\$48,000	\$0	\$0
Construction	\$0	\$0	\$0	\$500,000	\$390,000	\$0	\$0
Engineering Charges	\$0	\$0	\$14,700	\$32,000	\$18,000	\$0	\$0
Arts	\$0	\$0	\$2,300	\$5,000	\$4,000	\$0	\$0
Contingency	\$0	\$0	\$23,000	\$50,000	\$40,000	\$0	\$0
TOTAL	\$0	\$0	\$300,000	\$650,000	\$500,000	\$0	\$0

Operating Description: No additional O and M is needed for this project.

Project: 61038 - Loop 101 Water Treatment Plant (N) **Funding Source:** Water & Sewer Revenues

Project Description: Land for the Loop 101 water treatment plant was purchased in FY 2009 with payments from FY 2009 through FY 2013. The design and construction of the new plant has been deferred beyond FY 2022 due to reduced growth estimates.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$35,000,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$525,000
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$148,225
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$350,000
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$43,023,225

Operating Description: A supplemental will be submitted once the project is completed.

Project: 61051 - Accrual of Long-term Water Sto (N) **Funding Source:** Water & Sewer Revenues

Project Description: Utilize Groundwater Saving Facility and Central Arizona Project agreements to accrue long-term water storage credits. Purchase of recharge water for accrual of long-term water storage credits. The goal is to accrue 25,000 acre feet by 2025.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$600,000	\$600,000	\$700,000	\$700,000	\$500,000	\$2,500,000
TOTAL	\$0	\$600,000	\$600,000	\$700,000	\$700,000	\$500,000	\$2,500,000

Operating Description: No additional O and M is needed at this time.



PROJECT DETAIL: 2400-Water **Category: Revenue**

Project: 61052 - Recharge Storage Assessment (N) **Funding Source:** Water & Sewer Revenues

Project Description: Assessment of additional aquifer recharge capacity options and related hydrologic analyses required for obtaining required regulatory approvals and permits. Construct recharge infrastructure.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$370,000	\$0	\$0	\$0	\$0	\$0
Design	\$321,260	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$525,000	\$700,000	\$0	\$0
Engineering Charges	\$0	\$30,000	\$0	\$17,250	\$23,000	\$0	\$0
Arts	\$0	\$0	\$0	\$5,250	\$7,000	\$0	\$0
Contingency	\$0	\$0	\$0	\$52,500	\$70,000	\$0	\$0
TOTAL	\$321,260	\$400,000	\$0	\$600,000	\$800,000	\$0	\$0

Operating Description: No additional O and M is needed at this time.

Project: 61056 - White Mtn Apache Water Rights (N) **Funding Source:** Water & Sewer Revenues

Project Description: Acquire and develop renewable water supplies to increase the city's designation of assured water supply. Council approved on February 24, 2009, the White Mountain Apache Tribe (WMAT) Water Rights Settlement Agreement. On February 12, 2013, Council approved the Amended and Restated WMAT Water Quantification Agreement. These actions will result in settlement costs to receive up to 2,363 acre-feet of Central Arizona Project (CAP) water per year through a 100-year lease with WMAT and the U.S. Bureau of Reclamation.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$3,500,000	\$3,500,000	\$0	\$0	\$0	\$0
TOTAL	\$0	\$3,500,000	\$3,500,000	\$0	\$0	\$0	\$0

Operating Description:

Project: 61058* - Pyramid Peak WTP 15MGD Exp. (N) **Funding Source:** Water & Sewer Revenues

Project Description: Expand plant treatment capacity to 15 Million Gallons per Day to meet city of Peoria future demand. City of Peoria will fund 100% of all design, construction, and administration costs. Expansion to coincide with other plant improvements. The construction and cash flow period to continue over the next three years..

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$439,428	\$0	\$0	\$0	\$0	\$0	\$0
Design	\$0	\$1,850,000	\$425,000	\$1,100,000	\$781,420	\$0	\$0
Construction	\$0	\$0	\$8,755,573	\$23,795,000	\$10,500,000	\$0	\$0
Engineering Charges	\$28,875	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$64,287	\$83,372	\$281,178	\$191,420	\$0	\$0
Arts	\$0	\$0	\$87,555	\$237,950	\$105,000	\$0	\$0
Contingency	\$0	\$0	\$875,557	\$2,379,500	\$1,050,000	\$0	\$0
TOTAL	\$468,303	\$1,914,287	\$10,227,057	\$27,793,628	\$12,627,840	\$0	\$0

Operating Description:

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



FUND SUMMARY: 2420-Sewer **Category: Revenue**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>					
Existing Assets							
<i>Improvement of Existing Assets</i>							
63006 Arrowhead Sewer Lines	192,286	500,000	250,000	500,000	2,000,000	2,450,000	0
63010 91st Ave. Construction	223,000	710,000	528,000	500,000	500,000	500,000	2,500,000
63030 Lift Station Recond. Program	500,000	0	500,000	500,000	500,000	0	2,000,000
<i>Replacement of Existing Assets</i>							
63003 99th Ave Interceptor Line	500,000	500,000	100,000	0	0	0	0
63016 Sewer Line Replacement	900,000	500,000	1,100,000	1,000,000	3,000,000	2,100,000	7,000,000
63024 Citywide Manhole Rehab	230,964	1,000,000	500,000	500,000	500,000	500,000	3,250,000
63026 Arrowhead Sewer Lines-phase 2	0	0	0	0	1,100,000	2,550,000	2,000,000
63027 Arrowhead Sewer Lines-phase 3	0	0	0	0	0	0	5,650,000
63031 Wastewater Capital Equipment	0	500,000	500,000	500,000	0	0	0
63032 Wastewater Collect-Imprv	0	500,000	500,000	500,000	0	0	0
Sub-Total - Existing Assets	2,546,250	4,210,000	3,978,000	4,000,000	7,600,000	8,100,000	22,400,000
New Assets							
0							
63008 Sewers for Areas on Septic Sys	0	50,000	0	0	0	0	0
63017 Sewer Line Extension	0	0	600,000	400,000	1,000,000	0	0
63029 *Sewer vactor truck	0	0	400,000	0	0	450,000	0
T3611 Glendale Ave 93rd-99th Ave	0	0	0	0	0	0	3,500,000
Sub-Total - New Assets	0	50,000	1,000,000	400,000	1,000,000	450,000	3,500,000
Total Project Expenses:	\$2,546,250	\$4,260,000	\$4,978,000	\$4,400,000	\$8,600,000	\$8,550,000	\$25,900,000
Total FY 2018 Funding:		\$6,806,250					

PROJECT DETAIL: 2420-Sewer **Category: Revenue**



PROJECT DETAIL: 2420-Sewer **Category: Revenue**

Project: 63006 - Arrowhead Sewer Lines (I) **Funding Source:** Water & Sewer Revenues

Project Description: To rehabilitate various wastewater collection lines in the Arrowhead Ranch area to improve sewer flow conditions and reduce sewer odors as identified in a report completed by Damon Williams and Associates. Phase 1 - from 79th Ave under loop 101 to ARWRF. The project is in three phases. This is phase 1.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$115,500	\$0	\$277,418	\$0	\$0
Design	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$420,000	\$115,500	\$420,000	\$1,295,000	\$2,250,000	\$0
Construction	\$92,042	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$24,020	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$33,800	\$19,000	\$33,800	\$65,082	\$124,750	\$0
Arts	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$4,200	\$0	\$4,200	\$10,000	\$5,250	\$0
Contingency	\$23,224	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$42,000	\$0	\$42,000	\$352,500	\$20,000	\$0
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$50,000	\$0
TOTAL	\$192,286	\$500,000	\$250,000	\$500,000	\$2,000,000	\$2,450,000	\$0

Operating Description: No additional O and M is needed for this project.

Project: 63010 - 91st Ave. Construction (I) **Funding Source:** Water & Sewer Revenues

Project Description: Improvements to the regional 91st Ave Wastewater Treatment Plant (WWTP) of which Glendale is part owner as a member of the Sub-Regional Operating Group (SROG). SROG consists of Glendale, Mesa, Phoenix, Tempe and Scottsdale.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$710,000	\$528,000	\$500,000	\$500,000	\$500,000	\$2,500,000
Miscellaneous/Other	\$223,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$223,000	\$710,000	\$528,000	\$500,000	\$500,000	\$500,000	\$2,500,000

Operating Description: No additional O and M is needed for this project.



PROJECT DETAIL: 2420-Sewer **Category: Revenue**

Project: 63030 - Lift Station Recond. Program (I) **Funding Source:** Water & Sewer Revenues

Project Description: Evaluate condition, design, and construct improvements to lift stations and related force mains. These facilities operate in a harsh environment, resulting in the need to create a program that will periodically rehabilitate and improve operations.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0
Design	\$0	\$0	\$41,500	\$41,500	\$41,500	\$0	\$400,000
Construction	\$0	\$0	\$400,000	\$400,000	\$400,000	\$0	\$1,300,000
Engineering Charges	\$0	\$0	\$14,500	\$14,500	\$14,500	\$0	\$32,241
Engineering Charges	\$7,586	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$0	\$4,000	\$4,000	\$4,000	\$0	\$13,000
Contingency	\$0	\$0	\$40,000	\$40,000	\$40,000	\$0	\$0
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$254,759
Miscellaneous/Other	\$92,414	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$500,000	\$0	\$500,000	\$500,000	\$500,000	\$0	\$2,000,000

Operating Description: No additional O and M is needed at this time.

Project: 63003 - 99th Ave Interceptor Line (R) **Funding Source:** Water & Sewer Revenues

Project Description: Rehabilitate portions of the interceptor and related manholes as determined by the Sewer Condition Assessment Study conducted by Project Engineering Consultants. The 99th Avenue interceptor line is the final collector to deliver influent to the 91st Avenue Wastewater Treatment Plant. Glendale owns 70% equity in the line. Additionally, sampling station GL02 will be rehabilitated.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$49,700	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$390,000	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$17,400	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$3,900	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$39,000	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$0	\$0	\$100,000	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$500,000	\$500,000	\$100,000	\$0	\$0	\$0	\$0

Operating Description: No additional O and M is needed.



PROJECT DETAIL: 2420-Sewer **Category: Revenue**

Project: 63016 - Sewer Line Replacement (R) **Funding Source:** Water & Sewer Revenues

Project Description: Program to replace and rehabilitate sanitary sewer lines ranging in size from 8" to 27" and manholes as identified by the Sewer Evaluation Study prepared by HDR and Camp, Dresser and McKee (CDM) Engineers. Project will be completed in annual phases with priority to critical areas first.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$475,000	\$0	\$80,000	\$192,500	\$170,000	\$1,100,000
Design	\$480,000	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$950,000	\$800,000	\$2,500,000	\$1,700,000	\$5,700,000
Construction	\$173,039	\$0	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$53,352	\$0	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$29,000
Engineering Charges	\$77,334	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$25,000	\$45,500	\$32,000	\$32,500	\$26,500	\$39,714
Arts	\$0	\$0	\$9,500	\$8,000	\$25,000	\$18,500	\$47,000
Arts	\$61,800	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$95,000	\$80,000	\$250,000	\$185,000	\$0
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$84,286
Miscellaneous/Other	\$54,475	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$900,000	\$500,000	\$1,100,000	\$1,000,000	\$3,000,000	\$2,100,000	\$7,000,000

Operating Description: No additional O and M is needed for this project.

Project: 63024 - Citywide Manhole Rehab (R) **Funding Source:** Water & Sewer Revenues

Project Description: Program to rehabilitate existing sewer manholes located throughout the city based on the Sewer Master Plan in annual phases.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0
Design	\$0	\$0	\$41,500	\$41,500	\$41,500	\$41,500	\$375,000
Construction	\$62,866	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$875,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,500,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$39,100
Engineering Charges	\$0	\$28,750	\$14,500	\$14,500	\$14,500	\$14,500	\$46,250
Arts	\$0	\$8,750	\$4,000	\$4,000	\$4,000	\$4,000	\$25,000
Arts	\$18,098	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$87,500	\$40,000	\$40,000	\$40,000	\$40,000	\$0
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$264,650
TOTAL	\$230,964	\$1,000,000	\$500,000	\$500,000	\$500,000	\$500,000	\$3,250,000

Operating Description: No additional O and M is needed for this project.



PROJECT DETAIL: 2420-Sewer **Category: Revenue**

Project: 63026 - Arrowhead Sewer Lines-phase 2 (R) **Funding Source:** Water & Sewer Revenues

Project Description: Replace or rehabilitate various sewer collection lines in the Arrowhead Ranch area to improve sewer flow conditions and reduce sewer odors as identified in a report by Damon Williams and Associates. Phase 2 - in Union Hills road from 67th Avenue to 79th Avenue.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$0	\$276,640	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$500,000	\$2,400,000	\$2,000,000
Engineering Charges	\$0	\$0	\$0	\$0	\$28,360	\$76,000	\$0
Arts	\$0	\$0	\$0	\$0	\$5,000	\$24,000	\$0
Contingency	\$0	\$0	\$0	\$0	\$290,000	\$0	\$0
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$50,000	\$0
TOTAL	\$0	\$0	\$0	\$0	\$1,100,000	\$2,550,000	\$2,000,000

Operating Description:

Project: 63027 - Arrowhead Sewer Lines-phase 3 (R) **Funding Source:** Water & Sewer Revenues

Project Description: Replace or rehabilitate various sewer collection lines in the Arrowhead Ranch area to improve sewer flow conditions and reduce sewer odors as identified in a report by Damon Williams and Associates. Phase 3 - in 67th Avenue from Union Hills to Utopia.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$27,000
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$83,000
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$40,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$5,650,000

Operating Description:

Project: 63031 - Wastewater Capital Equipment (R) **Funding Source:** Water & Sewer Revenues

Project Description: Replacement of capital equipment at wastewater facilities. Includes PLC and VFD.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Equipment	\$0	\$500,000	\$500,000	\$500,000	\$0	\$0	\$0
TOTAL	\$0	\$500,000	\$500,000	\$500,000	\$0	\$0	\$0

Operating Description:



PROJECT DETAIL: 2420-Sewer **Category: Revenue**

Project: 63032 - Wastewater Collect-Imprv (R) **Funding Source:** Water & Sewer Revenues

Project Description: Study, design and construct improvements to wastewater collection system. Includes air relief valves, odor control, and force mains.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$190,000	\$0	\$190,000	\$0	\$0	\$0
Construction	\$0	\$200,000	\$475,000	\$200,000	\$0	\$0	\$0
Engineering Charges	\$0	\$40,500	\$20,500	\$40,500	\$0	\$0	\$0
Arts	\$0	\$2,000	\$4,500	\$2,000	\$0	\$0	\$0
Contingency	\$0	\$67,500	\$0	\$67,500	\$0	\$0	\$0
TOTAL	\$0	\$500,000	\$500,000	\$500,000	\$0	\$0	\$0

Operating Description:

Project: 63008 - Sewers for Areas on Septic Sys (N) **Funding Source:** Water & Sewer Revenues

Project Description: This project installs sewers in the areas currently on septic systems. This is residential customer driven in which a residential group (subdivision, neighborhood, street, etc.) must request that their area be connected to the city sewer system.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0

Operating Description: No additional O and M is needed for this project.

Project: 63017 - Sewer Line Extension (N) **Funding Source:** Water & Sewer Revenues

Project Description: Extend the sewer line from 95th Avenue to the west. Includes oversizing the sewer line and lift station.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$138,000	\$0	\$82,500	\$0	\$0
Construction	\$0	\$0	\$400,000	\$350,000	\$800,000	\$0	\$0
Engineering Charges	\$0	\$0	\$18,000	\$11,500	\$29,500	\$0	\$0
Arts	\$0	\$0	\$4,000	\$3,500	\$8,000	\$0	\$0
Contingency	\$0	\$0	\$40,000	\$35,000	\$80,000	\$0	\$0
TOTAL	\$0	\$0	\$600,000	\$400,000	\$1,000,000	\$0	\$0

Operating Description: No additional O and M is needed for this project.



PROJECT DETAIL: 2420-Sewer **Category: Revenue**

Project: 63029* - Sewer vactor truck (N) **Funding Source:** Water & Sewer Revenues

Project Description: Purchase sewer line cleaner (vactor) truck. Department operates with three such trucks. The oldest entered service in 2005 and has been reconditioned once. This is funding to replace the first one. The other two are scheduled in future years.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Equipment	\$0	\$0	\$400,000	\$0	\$0	\$450,000	\$0
TOTAL	\$0	\$0	\$400,000	\$0	\$0	\$450,000	\$0

Operating Description:

Project: T3611 - Glendale Ave 93rd-99th Ave (N) **Funding Source:** Water & Sewer Revenues

Project Description: Design and construct a parallel relief sewer line on Glendale Avenue from 93rd to 99th Avenue as growth occurs in the area.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$600,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$2,400,000
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$55,500
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$24,000
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$420,500
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500,000

Operating Description: No additional O and M is needed for this project.



FUND SUMMARY: 2210-Transportation Construction **Category: Transportation**

	<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>	
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>					
Existing Assets							
<i>Improvement of Existing Assets</i>							
65005 ITS Upgrades	436,814	0	528,318	0	0	0	
65006 Bus Pullouts	0	0	327,175	335,223	343,369	1,880,024	
65016 Northern Parkway	644,476	666,247	666,247	666,247	666,247	5,557,465	
65022 Transp. Prog. Engr. Consultant	0	261,350	270,687	276,642	281,116	1,540,969	
65023 *59th Avenue Improvements	0	0	0	0	0	22,289,979	
65042 *51st Ave & Bell Rd	0	0	0	0	0	1,440,153	
65069 Glendale Transportation Plan	337,966	0	0	0	0	890,936	
65078 Airport Matching Funds	163,240	88,142	100,000	50,000	0	160,000	
65088 Downtown Alley Improvements	23,479	0	0	0	0	0	
65089 Pavement Management	224,803	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000	
<i>Replacement of Existing Assets</i>							
65004 Buses/Vans	0	0	0	0	0	650,365	
65014 Transit Support Capital	0	72,600	9,900	0	9,900	121,325	
65083 Speed Cushions	154,888	140,000	0	0	0	0	
65102 Arterial Roadway Improvements	0	6,188,150	0	0	0	0	
T1803 91st Avenue Improv. Turn Lane	0	0	0	0	0	827,620	
Sub-Total - Existing Assets	1,985,666	9,416,489	3,902,327	3,328,112	3,290,732	45,358,836	
New Assets							
0							
65017 Light Rail Design/Construction	0	0	0	0	390,000	99,324,000	
65062 Glendale Sports Facilities Sgn	183,379	0	0	0	0	0	
65063 New River - Multi-use Pathway	723,834	0	0	0	0	0	
65091 Airport RPZ Acquisition	0	1,850,000	1,850,000	0	0	0	
65097 New River North Shareduse Path	0	247,431	0	0	0	0	
65098 Widen 55th Ave for bike lanes	286,089	0	0	0	0	0	
65099 Neighborhood Pathways Connect	0	234,456	0	0	0	0	
65100 *Transit Study - Light Rail	1,000,000	0	0	0	0	0	
65101 *Sidewalk and Curb Improvements	117,406	186,271	124,866	155,699	0	0	
Sub-Total - New Assets	2,310,708	2,518,158	1,974,866	155,699	390,000	99,324,000	
Total Project Expenses:	\$4,296,374	\$11,934,647	\$5,877,193	\$3,483,811	\$3,680,732	\$8,723,374	\$144,682,836
Total FY 2018 Funding:	\$16,231,021						

PROJECT DETAIL: 2210-Transportation Construction **Category: Transportation**



PROJECT DETAIL: 2210-Transportation Construction **Category: Transportation**

Project: 65005 - ITS Upgrades (I) **Funding Source:** Half Cent Sales Tax

Project Description: These funds provide local match for three approved federally funded Intelligent Transportation Systems (ITS) projects. Overall, a smart traffic signal system will be implemented that includes communications infrastructure, traffic cameras, message signs, and networking equipment to make the traffic signal system more responsive.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$295,695	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$528,318	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$141,119	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$436,814	\$0	\$528,318	\$0	\$0	\$0	\$0

Operating Description: O and M costs associated with electricity for new signal heads, cameras and communication equipment as well as maintenance of fiber optic connections. O and M for this project will be identified once federal funds have been secured and the scope of the project is available.

Project: 65006 - Bus Pullouts (I) **Funding Source:** Half Cent Sales Tax

Project Description: Bus pullouts to relieve congestion, improve air quality, and provide traffic and pedestrian safety. Bus pullouts will be constructed at major intersections where there are new bus routes and extensions of existing bus routes.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$49,076	\$50,283	\$51,505	\$52,742	\$282,004
Construction	\$0	\$0	\$278,099	\$284,940	\$291,864	\$298,869	\$1,598,020
TOTAL	\$0	\$0	\$327,175	\$335,223	\$343,369	\$351,611	\$1,880,024

Operating Description: No additional O and M is needed.

Project: 65016 - Northern Parkway (I) **Funding Source:** Half Cent Sales Tax

Project Description: Northern Parkway is envisioned to be a 12.5-mile partial access controlled roadway between Sarival and Grand Avenues. The current funded phase of the project is between Sarival and 91st Avenues and is targeted for completion in FY 2026. This \$320 million project generally includes construction of four through lanes as well as grade separations on the western portion of the project and intersection improvements on the eastern portion. Costs for the project are shared between the region at 70% (\$237 million) and local agencies at 30%. Local partners include Maricopa County, Peoria, and El Mirage. Per intergovernmental agreement, Glendale's portion of local funding is \$37.9 million. To date Glendale has expended approximately \$31.8 million towards this project. Remaining funds will cover design and construction match as well as right-of-way acquisition opportunities during the private development process for adjacent parcels.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$666,247	\$666,247	\$666,247	\$666,247	\$0	\$5,557,465
Miscellaneous/Other	\$644,476	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$644,476	\$666,247	\$666,247	\$666,247	\$666,247	\$0	\$5,557,465

Operating Description: O and M costs are for landscape, water, electrical and other maintenance based on current design. Supplemental budget requests will be made when each project phase is close to completion.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Utilities	\$0	\$0	\$0	\$0	\$0	\$0
Landscape	\$0	\$0	\$0	\$0	\$0	\$0



PROJECT DETAIL: 2210-Transportation Construction Category: Transportation

Project: 65022 - Transp. Prog. Engr. Consultant (I) **Funding Source:** Half Cent Sales Tax

Project Description: Professional engineering for preparation of design concepts and administration of right-of-way purchase for roadway, bicycle, pedestrian and transit projects. Providing professional engineering recommendations on capital projects and operations and maintenance of completed projects.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$0	\$0	\$287,863	\$1,540,969
Miscellaneous/Other	\$0	\$261,350	\$270,687	\$276,642	\$281,116	\$0	\$0
TOTAL	\$0	\$261,350	\$270,687	\$276,642	\$281,116	\$287,863	\$1,540,969

Operating Description: No additional O and M is needed.

Project: 65023* - 59th Avenue Improvements (I) **Funding Source:** Half Cent Sales Tax

Project Description: Eight segments from Glendale Avenue to Loop 101 along 59th Avenue to improve traffic conditions. Improvements include elimination of lanes drops, addition of turn lanes, selected widening, installation of medians, landscaping, and addition of bus bays.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$3,641,210
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$18,648,769
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$22,289,979

Operating Description: O & M impact will be identified during the design phase of the project in FY 2025 CIP. Supplemental budget requests, if any, will be made during the FY 2027 budget process.

Project: 65042* - 51st Ave & Bell Rd (I) **Funding Source:** Half Cent Sales Tax

Project Description: Intersection improvements including landscaping and a eastbound right turn lane on Bell Road.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$1,100,000
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$43,000
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$11,000
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$36,153
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$1,440,153

Operating Description: Minimal amount of O & M impact is anticipated due to this project. O & M cost estimates developed during the design of the project will be used to identify supplemental budget needs.

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 2210-Transportation Construction **Category: Transportation**

Project: 65069 - Glendale Transportation Plan (I) **Funding Source:** Half Cent Sales Tax

Project Description: This project will update the 2009 City of Glendale Transportation Plan. This Plan will include elements that address roadways, transit, bicycle, pedestrian, Transportation System Management, and include public involvement.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
	\$337,966	\$0	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$13,364
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$877,572
TOTAL	\$337,966	\$0	\$0	\$0	\$0	\$0	\$890,936

Operating Description: This Plan update does not require O and M funding.

Project: 65078 - Airport Matching Funds (I) **Funding Source:** Half Cent Sales Tax

Project Description: This project provides matching funds for Glendale Airport projects as identified in the Airport Capital Improvement Program. Funding covers local match for all airport capital costs. Refer to the Airport Capital Fund 2120 for detailed information related to the airport projects.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$13,221	\$40,000	\$25,000	\$0	\$0	\$24,000
Design	\$7,239	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$74,921	\$60,000	\$25,000	\$0	\$0	\$136,000
Construction	\$153,732	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$2,269	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$163,240	\$88,142	\$100,000	\$50,000	\$0	\$0	\$160,000

Operating Description: This project provides local match funds for airport capital projects. Refer to the Airport Capital Fund 2120 projects for O and M impact.

Project: 65088 - Downtown Alley Improvements (I) **Funding Source:** Half Cent Sales Tax

Project Description: Design and construct transformation of existing service alley into a safe environment for pedestrian circulation and limited vehicular traffic. This area has been evaluated and determined that there is a need to address pavement, drainage conditions and alley improvements.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Construction	\$23,479	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$23,479	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description: O and M includes \$2,438 for the maintenance of 10 pedestrian lights, \$1,200 for water, \$300 for landscape maintenance by an outside company, \$2,200 for contracting maintenance and \$300 for electricity. A supplemental budget request will be submitted once the project is near completion.

Operating Costs	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Supplies/Contr	\$26,520	\$27,320	\$28,140	\$28,980	\$0	\$158,470
Utilities	\$3,180	\$3,280	\$3,380	\$3,480	\$0	\$19,030
Equip. Maint.	\$25,860	\$26,640	\$27,440	\$28,260	\$0	\$154,540
Water	\$12,730	\$13,510	\$13,920	\$0	\$0	\$76,120



PROJECT DETAIL: 2210-Transportation Construction Category: Transportation

Project: 65089 - Pavement Management (I) **Funding Source:** Half Cent Sales Tax

Project Description: Project provides for street pavement maintenance. Specific activities included in this project are: surface preparation, repairs and treatments, milling and asphalt overlays as needed.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$0	\$1,912,046	\$1,912,046	\$1,912,046	\$1,912,046	\$1,912,046	\$9,560,230
Construction	\$154,057	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$17,208	\$17,208	\$17,208	\$17,208	\$17,208	\$86,042
Arts	\$0	\$19,120	\$19,120	\$19,120	\$19,120	\$19,120	\$95,602
Arts	\$19,120	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$51,626	\$51,626	\$51,626	\$51,626	\$51,626	\$258,126
Contingency	\$51,626	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$224,803	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$10,000,000

Operating Description: No additional O and M is needed for this project.

Project: 65004 - Buses/Vans (R) **Funding Source:** Half Cent Sales Tax

Project Description: This project replaces buses and vans for local circulators and Dial-a-Ride service. The buses are replaced every four years or when mileage exceeds recommended limits. The funding identified is to match federal funds secured for replacement buses and vans.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$650,365
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$650,365

Operating Description:

Project: 65014 - Transit Support Capital (R) **Funding Source:** Half Cent Sales Tax

Project Description: To continue delivery of transit services, the replacement of capital items are needed, including computer equipment, support vehicles and radio systems.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Equipment	\$0	\$72,600	\$9,900	\$0	\$0	\$9,900	\$121,325
TOTAL	\$0	\$72,600	\$9,900	\$0	\$0	\$9,900	\$121,325

Operating Description: No additional O and M is required for this project. This is a replacement project and is not anticipated to generate new O and M costs.

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 2210-Transportation Construction **Category: Transportation**

Project: 65083 - Speed Cushions (R) **Funding Source:** Half Cent Sales Tax

Project Description: This project will remove and replace existing modified speed humps with speed cushions and add mitigation devices where warranted. Replacing modified speed humps and constructing new mitigation devices will help address the current backlog of neighborhoods qualifying for traffic mitigation.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$140,000	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$154,888	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$154,888	\$140,000	\$0	\$0	\$0	\$0	\$0

Operating Description: No additional O and M is needed.

Project: 65102 - Arterial Roadway Improvements (R) **Funding Source:** Half Cent Sales Tax

Project Description: Design fees, ROW acquisition and construction costs for various arterial streets within the City of Glendale.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Land	\$0	\$1,700,000	\$0	\$0	\$0	\$0	\$0
Design	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$4,000,000	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$0	\$112,650	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$92,500	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$73,000	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$6,188,150	\$0	\$0	\$0	\$0	\$0

Operating Description:

Project: T1803 - 91st Avenue Improv. Turn Lane (R) **Funding Source:** Half Cent Sales Tax

Project Description: Project will construct a right turn lane into a Parking Lot at 91st Ave. and Maryland Ave.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$750,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$12,870
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$32,250
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$7,500
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$827,620

Operating Description:



PROJECT DETAIL: 2210-Transportation Construction Category: Transportation

Project: 65017 - Light Rail Design/Construction (N) **Funding Source:** Half Cent Sales Tax

Project Description: Project development, design, right-of-way acquisition, utility relocation, construction, and acquisition of light rail vehicles for a light rail facility to be located on an alignment to be determined. Federal and regional funds will fund 71% of the project. Current cost estimates are based on regional plans prepared by Valley Metro.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$390,000	\$6,074,000	\$99,324,000
TOTAL	\$0	\$0	\$0	\$0	\$390,000	\$6,074,000	\$99,324,000

Operating Description: A supplemental budget request will be submitted once the project is near completion in FY 2026.

Project: 65062 - Glendale Sports Facilities Sgn (N) **Funding Source:** Half Cent Sales Tax

Project Description: This provides local funds for design and construction of one potential federally funded and one locally funded Intelligent Transportation Systems projects. These projects includes design, purchase and installation of Dynamic Message Signs on arterial streets and lane control signs around the Glendale Sports Facilities in addition to the communications connections of the signs to the central traffic control system. Once these projects are complete, the message boards will be used for traffic information dissemination as well as parking management.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Equipment	\$183,379	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$183,379	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description: O and M for this project is for electrical costs of the message signs. Annual equipment maintenance costs throughout the 10-year expected life of the equipment with an additional \$5,000 per year after five years. A supplemental budget request will be made when project is close to completion.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Supplies/Contr	\$11,940	\$12,300	\$12,670	\$13,050	\$0	\$71,360
Utilities	\$11,940	\$12,300	\$12,670	\$13,050	\$0	\$71,360
Equip. Maint.	\$53,040	\$54,630	\$56,270	\$57,960	\$0	\$316,950

Project: 65063 - New River - Multi-use Pathway (N) **Funding Source:** Half Cent Sales Tax

Project Description: This project is to construct a multiuse path from the Bethany Home Road alignment to Northern Avenue. The project will provide a safe and convenient off-street facility for bicyclists and pedestrians that is part of the regional West Valley Rivers Multimodal Corridor Master Plan. This project has \$2,946,039 in federal funds towards construction costs.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$723,834	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$723,834	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description: O and M associated with 8 foot wide landscaped area along a 12,200 foot long multiuse pathway. A supplemental budget request will be made when the project is close to completion.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Utilities	\$100,530	\$103,540	\$106,650	\$109,850	\$0	\$600,700
Landscape	\$120,630	\$124,250	\$127,980	\$131,820	\$0	\$720,840

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 2210-Transportation Construction Category: Transportation

Project: 65091 - Airport RPZ Acquisition (N) **Funding Source:** Half Cent Sales Tax

Project Description: Acquire land north of Runway 19 and provide perimeter fencing around new Airport property. ADOT will fund a portion of this land acquisition.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Land	\$0	\$1,850,000	\$1,850,000	\$0	\$0	\$0	\$0
TOTAL	\$0	\$1,850,000	\$1,850,000	\$0	\$0	\$0	\$0

Operating Description: No additional O and M is anticipated due to this project.

Project: 65097 - New River North Shareduse Path (N) **Funding Source:** Half Cent Sales Tax

Project Description: This project is to design and provide local match funds towards construction of a federally funded shared use pathway. This project is for a bicycle and pedestrian friendly pathway along the east bank of New River from Hillcrest Boulevard to approximately 1/4-mile north. Federal Congestion Mitigation and Air Quality (CMAQ) funding in the amount of \$330,850 has been secured towards construction of this project.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$247,431	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$247,431	\$0	\$0	\$0	\$0	\$0

Operating Description: O and M associated with 20,000 sq ft of landscape identified currently, which could change depending on design options.

Operating Costs	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Utilities	\$0	\$20,000	\$20,600	\$21,220	\$0	\$116,030
Landscape	\$0	\$24,000	\$24,720	\$25,460	\$0	\$139,230

Project: 65098 - Widen 55th Ave for bike lanes (N) **Funding Source:** Half Cent Sales Tax

Project Description: This project is to design and provide local match funds towards construction of a federally funded widening of 55th Avenue to accommodate curb, gutter, sidewalk and bike lanes. This project is to widen 55th Avenue on the west side south of Cactus Road for about 622 ft. Federal Congestion Mitigation and Air Quality (CMAQ) funding in the amount of \$159,266 has been secured towards construction of this project.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Land	\$104,837	\$0	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$3,710	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$157,542	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$286,089	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description: There is no additional O and M anticipated due to this project.



PROJECT DETAIL: 2210-Transportation Construction **Category: Transportation**

Project: 65099 - Neighborhood Pathways Connect (N) **Funding Source:** Half Cent Sales Tax

Project Description: This pathway project provides for design and local match towards construction of connections from Thunderbird Paseo pathway and Skunk Creek pathway to neighborhoods. The project is to provide connections from the Thunderbird Paseo Pathway to neighborhoods at Sweetwater Avenue, Hearn Road, and 71st Avenue. In addition, this project also provides connection from Skunk Creek pathway to the neighborhood at 64th Drive. Federal Congestion Mitigation and Air Quality (CMAQ) funding in the amount of \$107,832 has been secured towards construction of this project.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$234,456	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$234,456	\$0	\$0	\$0	\$0	\$0

Operating Description: O and M associated with approximately 1,000 sq ft of additional landscape maintenance and irrigation.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Utilities	\$0	\$1,000	\$1,030	\$1,060	\$0	\$5,800
Landscape	\$0	\$1,200	\$1,240	\$1,270	\$0	\$6,960

Project: 65100* - Transit Study - Light Rail (N) **Funding Source:** Half Cent Sales Tax

Project Description: This is a light rail or other high capacity transit feasibility study. The study will look into the potential and identify alternatives on providing a high capacity transit connection between Downtown Glendale and the Loop 101 area of west Glendale. The connection would be between potential light rail in Downtown and high activity centers in west Glendale.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description: This is a study project, which will not create O & M costs.



PROJECT DETAIL: 2210-Transportation Construction **Category: Transportation**

Project: 65101* - Sidewalk and Curb Improvements (N) **Funding Source:** Half Cent Sales Tax

Project Description: Installation of new sidewalk and ADA ramps along the north side of Camelback Road to fill in pedestrian facility gaps between 79th Avenue and 83rd Avenue. Installation of new sidewalk and ADA ramps along the north side of Paradise Lane to fill in pedestrian facility gaps between 55th Avenue and 59th Avenue. Installation of curb, gutter, and sidewalks, along east and west side of 67th Avenue between Glendale and Orangewood avenues. Installation of curb, gutter, and sidewalks, along north and south side of Orangewood Avenue between 67th and Grand avenues.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Land	\$0	\$0	\$6,000	\$0	\$0	\$0	\$0
Design	\$0	\$100,000	\$52,000	\$0	\$0	\$0	\$0
Design	\$80,506	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$42,844	\$30,990	\$147,025	\$0	\$0	\$0
Engineering Charges	\$4,900	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$6,999	\$4,066	\$7,204	\$0	\$0	\$0
Arts	\$0	\$428	\$310	\$1,470	\$0	\$0	\$0
Equipment	\$0	\$6,000	\$1,500	\$0	\$0	\$0	\$0
Equipment	\$2,000	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$0	\$30,000	\$30,000	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$117,406	\$186,271	\$124,866	\$155,699	\$0	\$0	\$0

Operating Description: Installation of missing curb, gutter, and sidewalk along existing roadways.



FUND SUMMARY: 2000-HURF/Street Bonds **Category: HURF**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u> <u>New Funding</u>						
Existing Assets							
<i>Improvement of Existing Assets</i>							
68917	Pavement Management-HURF	9,263,000	1,590,650	3,310,373	3,315,373	2,946,523	16,285,640
<i>Replacement of Existing Assets</i>							
68921	Citywide Concrete/Asphalt Imp.	193,782	0	0	0	0	0
68922	Rusted Street Pole Replacement	0	180,000	180,000	180,000	180,000	0
Sub-Total - Existing Assets		9,456,782	1,770,650	3,490,373	3,495,373	3,126,523	16,285,640
New Assets							
<i>0</i>							
68918	Infill Lighting Program	237,424	0	0	0	0	0
68919	*Street Lighting LED Conversion	0	5,740,150	0	0	0	0
68923	*Emergency Vehicle Preemption	0	329,789	0	0	0	0
Sub-Total - New Assets		237,424	6,069,939	0	0	0	0
Total Project Expenses:		\$9,694,206	\$7,840,589	\$3,490,373	\$3,495,373	\$3,126,523	\$16,285,640
Total FY 2018 Funding:		\$17,534,795					

PROJECT DETAIL: 2000-HURF/Street Bonds **Category: HURF**

Project: 68917 - Pavement Management-HURF (I) **Funding Source:** HURF Bonds

Project Description: Project provides for street pavement maintenance and reconstruction work as identified in the Annual Pavement Management Program. The annual program is funded by Highway User Revenue Fund (HURF) bonds through this project #2000-68917, and by Transportation Half Cent Sales Tax through project #2210-65089. Street maintenance and rehabilitation is necessary to maximize the life of the city's residential, collector, and arterial street network. Streets are selected and scheduled annually within the available funding. Specific activities included in this project are: surface preparation, repairs and treatments, and milling and asphalt overlays a needed throughout the city.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$40,000	\$40,000	\$40,000	\$40,000	\$0
Construction	\$9,127,627	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$1,590,650	\$3,150,000	\$3,150,000	\$2,800,000	\$2,800,000	\$15,498,775
Finance Charges	\$57,500	\$0	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$0	\$0	\$57,500	\$57,500	\$42,150	\$42,150	\$287,500
Engineering Charges	\$4,373	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$0	\$26,373	\$26,373	\$26,373	\$26,373	\$131,865
Arts	\$0	\$0	\$31,500	\$31,500	\$28,000	\$28,000	\$342,500
Arts	\$68,500	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$0	\$0	\$5,000	\$10,000	\$10,000	\$10,000	\$25,000
TOTAL	\$9,263,000	\$1,590,650	\$3,310,373	\$3,315,373	\$2,946,523	\$2,946,523	\$16,285,640

Operating Description: No additional O and M is needed at this time.



PROJECT DETAIL: 2000-HURF/Street Bonds

Category: HURF

Project: 68922 - Rusted Street Pole Replacement (R) **Funding Source: HURF Bonds**

Project Description: The purpose of this project is to remove and replace existing streetlight poles that have been identified for replacement in the Rusted Pole Inspection Program due to excessive rust as the base of the streetlight pole.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000	\$0
TOTAL	\$0	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000	\$0

Operating Description:

Project: 68918 - Infill Lighting Program (N) **Funding Source: HURF Bonds**

Project Description: This project installs additional street lighting in areas determined to be inadequate due to a spacing of 350 feet or greater. Infill street lighting requests are initiated by residents or staff and requires approval of affected residents.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Construction	\$224,552	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$10,572	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$2,300	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$237,424	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description: O and M identified provides for up to 22 requested street light installations per year. Expenses cover electricity and maintenance for a light at \$125 per year, including monitoring.

Project: 68919* - Street Lighting LED Conversion (N) **Funding Source: HURF Bonds**

Project Description: LED (Light Emitting Diode) streetlights are more energy efficient than the city's current HPS (High Pressure Sodium) lights and are shown to have a longer service life. There are 19,000 streetlights that require replacement. The benefit of replacing street lights with LED technology include the reduction of electricity and maintenance costs, projected to be approximately \$550,000 annually.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Construction	\$0	\$5,500,000	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$0	\$82,650	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$92,500	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$55,000	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$5,740,150	\$0	\$0	\$0	\$0	\$0

Operating Description:



PROJECT DETAIL: 2000-HURF/Street Bonds **Category: HURF**

Project: 68923* - Emergency Vehicle Preemption (N) **Funding Source:** HURF Bonds

Project Description: *Previous Project # 70809* The fifty-eight (58) high-priority Emergency Vehicle Preemption (EVP) installation intersections (located citywide). Forty-eight (48) will be located at arterial to arterial intersections, five (5) will be located at fire station access signals, and five (5) will be located along high priority corridors.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$0	\$311,416	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$15,259	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$3,114	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$329,789	\$0	\$0	\$0	\$0	\$0

Operating Description: Estimate confirmation lights will need bulb replaced once a year. (58 locations X 4 bulbs X \$5). Estimate 5% of EVP equipment will need to be replaced in first 5 years and then 10% after that. Estimate after 5 years, trouble calls will be 3 visits to each location annually with 75% being after hours. (3 X 58 locations X 2 hr callout X \$30 X 75%).



FUND SUMMARY: 1650-Transportation Grants **Category: Other**

	<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>				
New Assets						
0						
67505 CIP Transport. Grant Reserve	0	150,000	0	0	0	0
67556 FTA AZ 90-X124	68,055	0	0	0	0	0
<i>Sub-Total - New Assets</i>	<i>68,055</i>	<i>150,000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Total Project Expenses:	\$68,055	\$150,000	\$0	\$0	\$0	\$0
Total FY 2018 Funding:		\$218,055				

PROJECT DETAIL: 1650-Transportation Grants **Category: Other**

Project: 67505 - CIP Transport. Grant Reserve (N) **Funding Source:** Grants

Project Description: This represents reserve appropriation for unanticipated transportation related grant opportunities that may arise during the fiscal year.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Contingency	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0

Operating Description: No additional O and M is needed.

Project: 67556 - FTA AZ 90-X124 (N) **Funding Source:** Grants

Project Description: Federal Transit Administration (FTA) grant funding for acquisition of replacement transit buses. Savings generated after the acquisition of buses will be applied towards the north Glendale (to be located in the general vicinity of Loop 101/Union Hills Dr) park-and-ride project.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
	\$68,055	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$68,055	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description: No additional O & M funds needed. The project replaces existing buses that are being maintained.



FUND SUMMARY: 2480-Sanitation

Category: Other

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u> <u>New Funding</u>						
Existing Assets							
<i>Replacement of Existing Assets</i>							
78001 Rolloff Trucks-Commercial	0	0	234,605	0	0	252,644	550,941
78002 Frontload Trucks-Commercial	0	306,911	629,167	322,448	330,509	338,771	2,199,383
78003 Sideload Trucks-Residential	0	282,670	1,158,946	1,187,920	1,217,618	1,248,058	5,902,359
78004 Loose Trash Equip.-Residential	0	0	635,566	651,454	385,408	684,435	3,383,509
78005 Repl Pickup Trucks-Solid Waste	0	0	25,375	25,375	25,375	25,375	76,125
78008 Street Sweeper Replacement	0	0	245,269	251,400	0	0	1,116,744
Sub-Total - Existing Assets	0	589,581	2,928,928	2,438,597	1,958,910	2,549,283	13,229,061
New Assets							
0							
78006 *Solid Waste Office Space Study	0	0	203,000	203,000	203,000	203,000	1,015,000
78007 *Solid Waste Information System	0	0	100,000	0	0	0	0
Sub-Total - New Assets	0	0	303,000	203,000	203,000	203,000	1,015,000
Total Project Expenses:	\$0	\$589,581	\$3,231,928	\$2,641,597	\$2,161,910	\$2,752,283	\$14,244,061
Total FY 2018 Funding:		\$589,581					

PROJECT DETAIL: 2480-Sanitation

Category: Other

Project: 78001 - Rolloff Trucks-Commercial (R) **Funding Source:** Sanitation Revenues

Project Description: Sanitation currently has three roll-off trucks in its equipment fleet for its commercial roll-off service. Three roll-off trucks will require replacement over the next ten years as their individual life is nine years. Sanitation vehicles are not included in the vehicle replacement fund. Instead the vehicles are purchased with cash or financed at the time of acquisition.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$3,467	\$0	\$0	\$3,734	\$8,142
Equipment	\$0	\$0	\$231,138	\$0	\$0	\$248,910	\$542,799
TOTAL	\$0	\$0	\$234,605	\$0	\$0	\$252,644	\$550,941

Operating Description: No additional O and M is needed since this is the replacement of existing equipment.

Project: 78002 - Frontload Trucks-Commercial (R) **Funding Source:** Sanitation Revenues

Project Description: Sanitation currently has 8 frontload trucks and a container delivery truck in its equipment fleet for its Commercial frontload service. At the current replacement schedule of six years for newly purchased equipment, 10 frontload trucks and the container truck will require replacement over the next ten years. Sanitation vehicles are not included in the vehicle replacement fund. Instead the vehicles are purchased with cash or financed at the time of acquisition.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$9,298	\$4,765	\$4,884	\$5,006	\$32,503
Equipment	\$0	\$306,911	\$619,869	\$317,683	\$325,625	\$333,765	\$2,166,880
TOTAL	\$0	\$306,911	\$629,167	\$322,448	\$330,509	\$338,771	\$2,199,383

Operating Description: No additional O and M is needed since this is the replacement of existing equipment.

PROJECT DETAIL: 2480-Sanitation

Category: Other

Project: 78003 - Sideload Trucks-Residential (R)

Funding Source:

Sanitation Revenues

Project Description:

Sanitation currently has 26 side load trucks in its equipment fleet for its residential Solid Waste and recycling collection routes. A total of 37 side load trucks will be purchased over the next ten years as each truck has a six year replacement schedule. Sanitation vehicles are not included in the vehicle replacement fund. Instead the vehicles are purchased with cash or financed at the time of acquisition.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$17,127	\$17,555	\$17,994	\$18,444	\$79,247
Equipment	\$0	\$282,670	\$1,141,819	\$1,170,365	\$1,199,624	\$1,229,614	\$5,823,112
TOTAL	\$0	\$282,670	\$1,158,946	\$1,187,920	\$1,217,618	\$1,248,058	\$5,902,359

Operating Description:

No additional O and M is needed since this is the replacement of existing equipment.

Project: 78004 - Loose Trash Equip.-Residential (R)

Funding Source:

Sanitation Revenues

Project Description:

Sanitation currently has 12 rearload trucks and 6 tractors in its equipment fleet for its loose trash collection routes. At the current replacement schedule of eight years for newly purchased equipment, 15 rearload trucks and 8 tractors will require replacement over the next ten years. The number of trucks to be replaced each year are the following: one truck and one tractor in FY2017; two trucks and one tractor in FY2018; two trucks in FY2019; one truck and a one tractor in FY2020; one truck and one tractor FY2021; and a total of eight trucks and four tractors during the second five years (FY2022-2026). Sanitation vehicles are not included in the vehicle replacement fund, rather the vehicles are purchased with cash or financed at the time of acquisition.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$9,393	\$9,627	\$5,696	\$10,115	\$50,003
Equipment	\$0	\$0	\$626,173	\$641,827	\$379,712	\$674,320	\$3,333,506
TOTAL	\$0	\$0	\$635,566	\$651,454	\$385,408	\$684,435	\$3,383,509

Operating Description:

No additional O and M is needed since this is the replacement of existing equipment.

Project: 78005 - Repl Pickup Trucks-Solid Waste (R)

Funding Source:

Sanitation Revenues

Project Description:

Sanitation currently has six pickup trucks and two mechanic service trucks in its equipment fleet, which will require replacement over the next ten years. FY2018 - replace two pickup trucks at a cost of \$34,363 and one mechanic truck at a cost \$ 62,000. Sanitation vehicles are not included in the vehicle replacement fund. Instead the vehicles are purchased with cash or financed at the time of acquisition.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$375	\$375	\$375	\$375	\$1,125
Equipment	\$0	\$0	\$25,000	\$25,000	\$25,000	\$25,000	\$75,000
TOTAL	\$0	\$0	\$25,375	\$25,375	\$25,375	\$25,375	\$76,125

Operating Description:

No additional O and M is needed since this is the replacement of existing equipment.



PROJECT DETAIL: 2480-Sanitation **Category: Other**

Project: 78008 - Street Sweeper Replacement (R) **Funding Source:** Sanitation Revenues

Project Description: Replace street sweeper trucks assigned to Solid Waste

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$3,625	\$3,715	\$0	\$0	\$16,152
Equipment	\$0	\$0	\$241,644	\$247,685	\$0	\$0	\$1,100,592
TOTAL	\$0	\$0	\$245,269	\$251,400	\$0	\$0	\$1,116,744

Operating Description:

Project: 78006* - Solid Waste Office Space Study (N) **Funding Source:** Sanitation Revenues

Project Description: This project is for a new sanitation administration building. Staff are currently located in a trailer on the grounds of the field operations complex. The trailer was installed 13 years ago as a temporary solution.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$0	\$0	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Finance Charges	\$0	\$0	\$3,000	\$3,000	\$3,000	\$3,000	\$15,000
TOTAL	\$0	\$0	\$203,000	\$203,000	\$203,000	\$203,000	\$1,015,000

Operating Description: New furniture and office technology.

Project: 78007* - Solid Waste Information System (N) **Funding Source:** Sanitation Revenues

Project Description: This project is Solid Waste Information System (SWIS), either as an in-house City hosted or "Software as a Service" (SaaS) vendor hosted solution. It will be a comprehensive, integrated, enterprise-level Solution for solid waste operations which includes; system software, in-vehicle mobile devices, configuration/implementation/conversion services, and product training/support. It is believed that a new system Solution will bring more operational efficiencies, reduce costs and potentially increase revenues.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$0	\$100,000	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$100,000	\$0	\$0	\$0	\$0

Operating Description:

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



FUND SUMMARY: 2440-Landfill **Category: Other**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>					
Existing Assets							
<i>Improvement of Existing Assets</i>							
78523	Scalehouse & Road Relocation	294,537	0	0	0	0	0
78526	LF Gas System Modifications	0	300,000	0	375,000	0	0
78527	MRF Process Line Improvements	1,219,257	0	0	0	0	0
78528	Northern Ave LF Improvements	247,725	0	0	0	235,000	0
<i>Replacement of Existing Assets</i>							
78506	Landfill Repl Pickup Trucks	0	62,400	75,000	0	0	274,723
78509	MRF Forklifts	0	0	0	0	43,399	99,743
78511	Landfill Compactor Replacement	0	100,000	0	500,000	1,310,242	2,091,750
78512	Fuel Tanker Replacement	0	0	0	0	0	244,017
78514	Sanitation Inspection Trucks	25,334	0	0	44,995	30,416	138,440
78520	Landfill Bulldozer Replacement	0	0	0	0	1,306,147	1,800,489
78521	MRF Loader Replacement	0	0	0	0	474,962	577,865
78522	LF Water Pull Tractor Replace	0	0	0	741,031	0	315,931
78524	Landfill Motor Grader Replace	0	0	0	0	0	807,350
78525	Landfill Scraper Equipment	0	0	0	837,375	0	1,926,449
78530	Manlift MRF	0	26,390	26,390	0	637,103	0
78531	Light Duty Vehicle Replacement	0	56,840	0	0	0	0
T1808	Auxilliary Equipment	0	0	54,891	0	29,685	64,215
Sub-Total - Existing Assets		1,786,853	545,630	156,281	2,498,401	4,066,954	8,340,972
New Assets							
0							
78503	Landfill Closure (South)	483,422	0	325,000	125,000	350,000	750,000
78505	LF Phase Construction (North)	3,210,924	500,000	500,000	250,000	100,000	7,546,235
78507	Landfill Soil Excavation	0	125,000	125,000	125,000	125,000	3,679,973
78529	*New Bulldozer Purchase	435,625	0	0	0	0	0
Sub-Total - New Assets		4,129,971	625,000	950,000	500,000	575,000	11,976,208
Total Project Expenses:		\$5,916,824	\$1,170,630	\$1,106,281	\$2,998,401	\$4,641,954	\$10,724,397
Total FY 2018 Funding:		\$7,087,454					

PROJECT DETAIL: 2440-Landfill **Category: Other**



PROJECT DETAIL: 2440-Landfill

Category: Other

Project: 78523 - Scalehouse & Road Relocation (I)

Funding Source:

Landfill Revenues

Project Description:

This project provides funding in FY 2016 for Phase 2 of the project and includes the relocation of the equipment maintenance area as well as the fueling station. Construction of Phase 1 of the project, which included relocation of the scalehouse and administrative office trailer as well as realignment of the entrance road will have occurred by the end of FY 2015 at a project cost of \$3,906,631. Completion of both phases of this project is necessary to relocate the scale house and other landfill facilities outside of an area in which waste will be placed and prior to closing the south area of the landfill. According to the landfills waste capacity calculations, it will take approximately one year to fill the permitted air space in which the facilities are located currently. It will be necessary to relocate all existing structures occupying this space by 2016 based on our anticipated waste acceptance rate.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$294,537	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$294,537	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description:

No additional O and M is required for this project.

Project: 78526 - LF Gas System Modifications (I)

Funding Source:

Landfill Revenues

Project Description:

The City is required by federal and state environmental regulations to install and maintain an active gas collection system within the landfill. Project provides for improvements to the existing gas collection system including retrofits, extensions, additions, and modifications to the vertical and horizontal extraction wells and lateral collection pipes. Because the gas wells and collection pipes presently are located above-ground level within the active landfill area, it is necessary to complete the gas well modifications and improvements ahead of filling the landfill sections with additional waste. Project includes burying of the above-ground lateral collection pipes to allow for simpler waste filling operations. Project scope also includes expansion of the horizontal and/or vertical gas collection wells in the final filling area (i.e. scale area). Project is required to maintain sequencing plan developed for waste filling in the landfill through the end of FY2017.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$300,000	\$0	\$375,000	\$0	\$0	\$0
TOTAL	\$0	\$300,000	\$0	\$375,000	\$0	\$0	\$0

Operating Description:

No additional O and M is needed at this time.

Project: 78527 - MRF Process Line Improvements (I)

Funding Source:

Landfill Revenues

Project Description:

The Materials Recovery Facility first opened its doors in July of 2000. Since then the MRF has processed over 350,000 tons of recyclable material and recouped over \$29,750,000 dollars in revenue. The facility has many moving components and those components have worn over the years. The system is now in need of major renovations and upgrades in order to meet current industry standards with regards to the technology found in today's recycling processing facilities. The projects to be completed in fiscal years 2016 and 2017 will allow the MRF to install state of the art technology to help capture more recyclables and decrease labor hours in some areas of the facility thus increasing city revenue.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$19,305	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$1,199,952	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$1,219,257	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description:

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 2440-Landfill

Category: Other

Project: 78528 - Northern Ave LF Improvements (I) **Funding Source:** Landfill Revenues

Project Description: This project provides funding for a block wall that will extend to the west along the landfill property at approximately 115th Ave and Northern. It will also allow for the relocation of approximately twenty existing cacti that are to be removed due to the Northern Avenue Parkway construction project. There are currently forty cacti along the right of way that was recently sold to the Maricopa County Department of Transportation (MCDOT). Twenty of the cacti will be donated to the Northern Avenue Parkway Project and will be relocated within Glendale in conjunction with the project and the remaining twenty will be relocated within the Landfill property at Glendale's expense.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$0	\$235,000	\$0	\$0
Construction	\$167,493	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$12,012	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$1,820	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$41,400	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$247,725	\$0	\$0	\$0	\$235,000	\$0	\$0

Operating Description:

Project: 78506 - Landfill Repl Pickup Trucks (R) **Funding Source:** Landfill Revenues

Project Description: Landfill currently has six pickup trucks in its equipment fleet that will require replacement over the next ten years. Pickup trucks are used by the landfill inspector, mechanic, crew leader, supervisor, and field employees. This project includes the replacement of four trucks reaching the end of their service life during FY 2019 and 2020. Trucks purchased in 2015 will be replaced in 2025. Landfill vehicles and equipment are not included in the Vehicle Replacement Fund. Instead the vehicles are purchased with cash or financed at the time of purchase.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Equipment	\$0	\$62,400	\$75,000	\$0	\$0	\$0	\$274,723
TOTAL	\$0	\$62,400	\$75,000	\$0	\$0	\$0	\$274,723

Operating Description: No additional O and M is needed since new equipment will replace existing equipment that is expected to reach the end of

Project: 78509 - MRF Forklifts (R) **Funding Source:** Landfill Revenues

Project Description: The Materials Recovery Facility (MRF) currently has a total of four forklifts in its fleet used for a variety of heavy lifting purposes including loading, unloading, and transporting recyclable bales. The MRF forklifts have an estimated service life of approximately five years, although replacement schedules may be adjusted depending on hours of use and equipment condition. This project includes the replacement of two forklifts that are expected to reach the end of their serviceable lives in FY17 and FY18 as well as replacement of two forklifts that will be due for replacement in FY 2021. At this current replacement schedule, two of the four forklifts also will require replacement during the second five years (FY 2022-2026). MRF vehicles and equipment are not included in the Vehicle Replacement Fund. Instead the equipment is purchased with cash or financed at the time of acquisition.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Finance Charges	\$0	\$0	\$0	\$0	\$641	\$1,334	\$1,474
Equipment	\$0	\$0	\$0	\$0	\$42,758	\$88,938	\$98,269
TOTAL	\$0	\$0	\$0	\$0	\$43,399	\$90,272	\$99,743

Operating Description: No additional O and M is needed since new equipment will replace existing equipment that is expected to reach the end of



PROJECT DETAIL: 2440-Landfill

Category: Other

Project: 78511 - Landfill Compactor Replacement (R)

Funding Source:

Landfill Revenues

Project Description:

This project provides for the rebuild and or replacement of the landfill compactors, one 836H and one 836K, at the end of their serviceable life or on an appropriate schedule based on current usage hours and equipment condition. The compactors are now being equipped with GPS systems, which will increase landfill compaction and decrease the use of soil for covering waste. The compactors are essential pieces of equipment used on a daily basis for proper placement and compaction of solid waste within the landfill. Landfill vehicles and equipment are not included in the Vehicle Replacement Fund; instead the equipment is purchased with cash or financed at time of acquisition.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Equipment	\$0	\$100,000	\$0	\$500,000	\$1,310,242	\$0	\$2,091,750
TOTAL	\$0	\$100,000	\$0	\$500,000	\$1,310,242	\$0	\$2,091,750

Operating Description:

No additional O and M is needed since new equipment will replace existing equipment this is expected to reach the end of its serviceable life.

Project: 78512 - Fuel Tanker Replacement (R)

Funding Source:

Landfill Revenues

Project Description:

Replacement of the fuel tanker, which was purchased in 2008, and is expected to reach the end of its serviceable life in FY 2018. The fuel tanker truck transports diesel fuel from the onsite storage tank to the landfill heavy equipment located on the active waste disposal area. It is an essential piece of support equipment at the landfill for maximizing operational efficiencies and minimizing equipment downtime. Landfill equipment is not included in the Vehicle Replacement Fund. Instead the equipment is purchased with cash or financed at the time of acquisition.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$3,606
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$240,411
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$244,017

Operating Description:

No additional O and M is needed since new equipment will replace existing equipment that is expected to reach the end of its serviceable life.

Project: 78514 - Sanitation Inspection Trucks (R)

Funding Source:

Landfill Revenues

Project Description:

This project includes the purchase of seven replacement pickups over a 10-year period. Service life is projected to be approximately seven years and each truck will be replaced based on year of purchase, mileage and condition of the vehicle. Sanitation Inspectors utilize their assigned vehicles daily to educate residents on proper procedures for services and enforce regulations related to refuse collection, recycling collection and bulk trash services. The Sanitation Inspection vehicles are not included in the Vehicle Replacement Fund. Instead the equipment is purchased with cash or financed at the time of acquisition.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
	\$25,334	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$44,995	\$30,416	\$0	\$138,440
TOTAL	\$25,334	\$0	\$0	\$44,995	\$30,416	\$0	\$138,440

Operating Description:

No additional O and M is needed for this project.

PROJECT DETAIL: 2440-Landfill

Category: Other

Project: 78520 - Landfill Bulldozer Replacement (R) **Funding Source:** Landfill Revenues

Project Description: Project provides for the rebuild and/or replacement of the landfill bulldozers at the end of their serviceable life or on an appropriate schedule based on current usage hours and equipment condition. A certified powertrain rebuild and undercarriage track replacement was performed on the D8 in FY16. The D9 will undergo a similar repair in FY17. During these rebuilds the landfill will be adding GPS systems to reduce soil usage, improve road building capabilities and waste compaction. This project also includes funds for replacement of the Model D8 bulldozer in FY 2021 and the Model D9 bulldozer in FY 2022. Bulldozers are used at the landfill primarily to push garbage into position for the compactors. Landfill vehicles and equipment are not included in the Vehicle Replacement Fund, Instead the equipment is purchased with cash or financed at the time of acquisition.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$0	\$0	\$19,303	\$20,075	\$234,846
Equipment	\$0	\$0	\$0	\$0	\$1,286,844	\$1,338,318	\$1,565,643
TOTAL	\$0	\$0	\$0	\$0	\$1,306,147	\$1,358,393	\$1,800,489

Operating Description: No additional O and M is needed since new equipment will replace existing equipment that is expected to reach the end of

Project: 78521 - MRF Loader Replacement (R) **Funding Source:** Landfill Revenues

Project Description: This project is for the replacement of a loader used to move recyclables from the Materials Recovery Facility (MRF) tipping floor to the processing line. A CAT950K loader was purchased in FY16 and will require a replacement and/or rebuild in approximately 10 years. MRF vehicles and equipment are not included in the Vehicle Replacement Fund; instead the equipment is purchased with cash or financed at the time of acquisition.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$0	\$0	\$7,019	\$0	\$8,540
Equipment	\$0	\$0	\$0	\$0	\$467,943	\$0	\$569,325
TOTAL	\$0	\$0	\$0	\$0	\$474,962	\$0	\$577,865

Operating Description: No additional O and M is needed since new equipment will replace existing equipment that is expected to reach the end of

Project: 78522 - LF Water Pull Tractor Replace (R) **Funding Source:** Landfill Revenues

Project Description: Replacement of the water pull truck, which was purchased in 2012 and is expected to reach the end of its serviceable life in FY 2020. The water pull truck is a critical piece of support equipment for reducing dust and maintaining compliance with the existing air quality permit. Landfill vehicles and equipment are not included in the Vehicle Replacement Fund. Instead the equipment is purchased with cash or financed at the time of acquisition. \$150K in FY17 Power train Rebuild for the 730 Caterpillar Water Pull.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$0	\$10,951	\$0	\$0	\$41,208
Equipment	\$0	\$0	\$0	\$730,080	\$0	\$0	\$274,723
TOTAL	\$0	\$0	\$0	\$741,031	\$0	\$0	\$315,931

Operating Description: No additional O and M is needed since new equipment will replace aging existing equipment.



PROJECT DETAIL: 2440-Landfill

Category: Other

Project: 78524 - Landfill Motor Grader Replace (R) **Funding Source:** Landfill Revenues

Project Description: The project includes the replacement of the motor grader that is expected to reach the end of its serviceable life in FY 2024. The motor grader is an essential piece of support equipment used to establish and maintain the temporary roads on the active portion of the landfill. Landfill vehicles and equipment are not included in the Vehicle Replacement Fund. Instead the equipment is purchased with cash or financed at the time of acquisition.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$6,159
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$410,571
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$390,620
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$807,350

Operating Description: No additional O and M is needed since new equipment will replace existing equipment that is expected to reach the end of its serviceable life.

Project: 78525 - Landfill Scraper Equipment (R) **Funding Source:** Landfill Revenues

Project Description: The scraper is an essential piece of support equipment that excavates, transports, and stockpiles soil used for covering waste disposed at the landfill. This project provides for either a certified rebuild or a new replacement of the scraper, which is anticipated to occur in FY 2018 based on hours of use and equipment condition. Landfill vehicles and equipment are not included in the Vehicle Replacement Fund. Instead the equipment is purchased with cash or financed at the time of acquisition.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$0	\$12,375	\$0	\$0	\$28,470
Equipment	\$0	\$0	\$0	\$825,000	\$0	\$0	\$1,897,979
TOTAL	\$0	\$0	\$0	\$837,375	\$0	\$0	\$1,926,449

Operating Description: No additional O and M is needed since new equipment will replace existing equipment that is expected to reach the end of its serviceable life.

Project: 78530 - Manlift MRF (R) **Funding Source:** Landfill Revenues

Project Description: Replace Manlift assigned to MRF

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$390	\$390	\$0	\$9,415	\$0	\$0
Equipment	\$0	\$26,000	\$26,000	\$0	\$627,688	\$0	\$0
TOTAL	\$0	\$26,390	\$26,390	\$0	\$637,103	\$0	\$0

Operating Description:

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 2440-Landfill

Category: Other

Project: 78531 - Light Duty Vehicle Replacement (R) **Funding Source:** Landfill Revenues

Project Description: Replace light duty vehicles assigned to Landfill and MRF

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$840	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$56,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$56,840	\$0	\$0	\$0	\$0	\$0

Operating Description:

Project: T1808 - Auxilliary Equipment (R) **Funding Source:** Landfill Revenues

Project Description: Replace auxilliary equipment assigned to the Landfill and MRF, which may include skid steers, kubotas, lube trailer, etc.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$811	\$0	\$439	\$0	\$949
Equipment	\$0	\$0	\$54,080	\$0	\$29,246	\$0	\$63,266
TOTAL	\$0	\$0	\$54,891	\$0	\$29,685	\$0	\$64,215

Operating Description:

Project: 78503 - Landfill Closure (South) (N) **Funding Source:** Landfill Revenues

Project Description: Project provides for closure of the south area of the landfill after the permitted air space is completely filled with waste. A landfill reaching its permitted capacity is required by federal and state law to be closed with a final cover system, which includes a vegetative layer, a compacted soil layer, additional gas system wells, erosion control, and storm water control measures. Related projects are 78505 and 78507.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$325,000	\$125,000	\$350,000	\$500,000	\$750,000
Design	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$376,320	\$0	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$10,859	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$7,216	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$3,763	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$75,264	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$483,422	\$0	\$325,000	\$125,000	\$350,000	\$500,000	\$750,000

Operating Description: Funds provided in supplies/contracts are annual costs for post-closure (\$220,554) at the landfill. Post-closure costs include monitoring, maintenance, and repair of the following items: landfill gas control system, groundwater monitoring system, storm water monitoring, final cover/vegetative cover inspection, landfill settlement monitoring, access roads, drainage control system, site security inspection, and administrative reporting. Annual post-closure maintenance, monitoring, and repair activities will begin once closure of the south area is completed.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Supplies/Contr	\$2,205,540	\$2,205,540	\$2,205,540	\$2,205,540	\$0	\$11,027,700



PROJECT DETAIL: 2440-Landfill

Category: Other

Project: 78505 - LF Phase Construction (North) (N)

Funding Source:

Landfill Revenues

Project Description:

This project is required for the development of the northern portion of the landfill and includes phased installation of a liner, a gas collection system and a leachate collection system. Funds identified as "carryover" (\$102,780) and in FY 2016 (\$4,614,000) will pay for construction of North Phase 1a, which is anticipated to begin accepting waste in 2017. Funds identified in FY 2017 (\$102,780) will be used for engineering design of North Phase 1b. Funds identified in FY 2018 (\$4,361,873) will pay for construction of North Phase 1b, which is anticipated to begin accepting waste in 2018.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$500,000	\$500,000	\$250,000	\$100,000	\$250,000	\$7,546,235
Construction	\$3,208,144	\$0	\$0	\$0	\$0	\$0	\$0
Finance Charges	\$1,542	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$1,238	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$3,210,924	\$500,000	\$500,000	\$250,000	\$100,000	\$250,000	\$7,546,235

Operating Description:

No additional O and M is needed for this project.

Project: 78507 - Landfill Soil Excavation (N)

Funding Source:

Landfill Revenues

Project Description:

This project provides for excavation of Phase 1 in the north expansion area to prepare for future landfill cell development. It includes excavation of approximately one-third of the north expansion area, access road improvements in areas located between the north area, the Materials Recovery Facility (MRF), the new administration and maintenance area, as well as utility relocations. Excavated soil will be stockpiled in various storage locations on the landfill property. Excavation of the remaining two-thirds will occur as part of future landfill phase construction.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$0	\$125,000	\$125,000	\$125,000	\$125,000	\$8,525,732	\$3,679,973
TOTAL	\$0	\$125,000	\$125,000	\$125,000	\$125,000	\$8,525,732	\$3,679,973

Operating Description:

No additional O and M is needed at this time.

Project: 78529* - New Bulldozer Purchase (N)

Funding Source:

Landfill Revenues

Project Description:

Purchase of a new D-6 Caterpillar (CAT) Bulldozer which has proven to be a more cost effective unit to perform erosion control and soil utilization at the city Landfill and Materials Recovery Facility (MRF). This unit is a lighter, more agile unit than the existing bulldozers (Caterpillar D-8 & D-9) which in turn will reduce maintenance and fuel costs, while increasing efficiency.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$6,375	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$4,250	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$425,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$435,625	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description:

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



FUND SUMMARY: 2120-Airport Capital Grants **Category: Other**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	Carrvoer	New Funding					
Existing Assets							
<i>Improvement of Existing Assets</i>							
T1472 Airport EA for Channelization	0	0	0	0	0	0	286,590
<i>Replacement of Existing Assets</i>							
79521 Rehabilitate Apron	96,219	0	0	0	0	0	0
79524 North Apron R&R	4,500,000	1,525,662	1,000,000	1,000,000	0	0	0
79526 South Apron R&R	0	0	0	0	0	0	4,718,466
79527 *AWOS Weather Reporting Equip.	0	315,000	0	0	0	0	0
79532 FAR Part 150 Update	0	334,355	0	0	0	0	0
Sub-Total - Existing Assets	4,596,219	2,175,017	1,000,000	1,000,000	0	0	5,005,056
New Assets							
0							
79519 Airport-Capacity Study	50,000	0	0	0	0	0	0
Sub-Total - New Assets	50,000	0	0	0	0	0	0
Total Project Expenses:	\$4,646,219	\$2,175,017	\$1,000,000	\$1,000,000	\$0	\$0	\$5,005,056
Total FY 2018 Funding:	\$6,821,236						

PROJECT DETAIL: 2120-Airport Capital Grants **Category: Other**

Project: T1472 - Airport EA for Channelization (I) **Funding Source:** Grants/City Match

Project Description: Conduct an Environmental Assessment for channelization of the New River to protect the runway safety area from erosion. Channelization includes the physical change to the inner bank boundary of the River. The project is to be funded with \$286,590 FAA (91.06%) and ADOT (4.47%) funds in FY 2021.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$286,590
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$286,590

Operating Description: No additional O and M is required for this project.

Project: 79524 - North Apron R&R (R) **Funding Source:** Grants/City Match

Project Description: The north apron project includes reconstruction (59,200 square yards) in FY 2017 and rehabilitation (54,000 square yards) in FY 2018. The portion of the north apron that is beyond rehabilitation is to be reconstructed in FY 2017. The rehabilitation project in FY 2018 would preserve and extend the life of the rest of north apron.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$225,000	\$150,000	\$150,000	\$0	\$0	\$0
Construction	\$0	\$1,300,662	\$850,000	\$850,000	\$0	\$0	\$0
Miscellaneous/Other	\$4,500,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$4,500,000	\$1,525,662	\$1,000,000	\$1,000,000	\$0	\$0	\$0

Operating Description: This project rebuilds and rehabilitates existing pavement on the north apron.



PROJECT DETAIL: 2120-Airport Capital Grants **Category: Other**

Project: 79526 - South Apron R&R (R) **Funding Source:** Grants/City Match

Project Description: The south apron project includes reconstruction (38,000 square yards) in FY 2019 and rehabilitation (93,000 square yards) in FY 2020. The portion of the south apron that is beyond rehabilitation is to be reconstructed in FY 2019. The rehabilitation project in FY 2020 would preserve and extend the life of the rest of north apron.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$707,770
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$4,010,696
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$4,718,466

Operating Description: This project rebuilds and rehabilitates existing pavement on the south apron.

Project: 79527* - AWOS Weather Reporting Equip. (R) **Funding Source:** Grants/City Match

Project Description: Procure and install a replacement of Automated Weather Observation System (AWOS) equipment. Additional wind indicator and a new wind sock are a part of this project.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Construction	\$0	\$315,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$315,000	\$0	\$0	\$0	\$0	\$0

Operating Description: This project replaces existinng AWOS equipment.

Project: 79532 - FAR Part 150 Update (R) **Funding Source:** Grants/City Match

Project Description: Produce updated Noise Exposure Maps and Land Use Plan last updated in 1993. An update of the Part 150 Study is required every 20 years. Noise Exposure Maps and Land Use Planning elements help coordinate development near the Airport. This will be funded 91.06% by the FAA and 4.47% by ADOT.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$334,355	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$334,355	\$0	\$0	\$0	\$0	\$0

Operating Description: No O and M is needed for this study project.

Project: 79519 - Airport-Capacity Study (N) **Funding Source:** Grants/City Match

Project Description: The capacity study is a joint study between the City of Glendale and John F. Long to determine if there is a need for a second runway.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description: No additional O and M is needed for this project.



FUND SUMMARY: 1840-Other Federal and State Grants **Category: Other**

	<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>				
Existing Assets						
<i>Replacement of Existing Assets</i>						
80031 Saguaro Ranch Park Improvement	0	15,000	0	0	0	0
<i>Sub-Total - Existing Assets</i>	<i>0</i>	<i>15,000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Total Project Expenses:	\$0	\$15,000	\$0	\$0	\$0	\$0
Total FY 2018 Funding:	\$15,000					

PROJECT DETAIL: 1840-Other Federal and State Grants **Category: Other**

Project: 80031 - Saguaro Ranch Park Improvement (R) **Funding Source:** Grants

Project Description:

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0

Operating Description:



FUND SUMMARY: 2070-General Gov Capital Proje **Category: Other**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>					
Existing Assets							
<i>Improvement of Existing Assets</i>							
70800 Building Maint. Reserve	2,703,307	750,000	750,000	1,000,000	1,000,000	1,000,000	2,500,000
70801 Camelback Ranch Maint. Reserve	752,729	836,752	836,752	836,752	836,752	836,752	4,183,760
70802 Barrel District Imp	15,000	0	0	0	0	0	0
70803 Capital Repair-Arena	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000
70804 *Tennis Courts at Paseo Park	89,565	0	0	0	0	0	0
70810 *TDMA Upgrade for RWC	0	1,183,422	0	0	0	0	0
84551 Civic Center Renovation	0	0	0	0	0	0	4,123,974
F0003 *Electrical Repairs/Replacement	0	0	0	0	0	0	1,500,000
F0004 *Exterior Repairs/Replacements	0	0	0	0	0	0	500,000
F0005 *City Hall - HVAC System	0	0	0	0	0	0	3,452,250
T1160 City Hall Parking Garage	0	0	0	0	0	0	1,675,193
<i>Replacement of Existing Assets</i>							
70805 Heart Monitors	1,000,000	0	0	0	0	0	0
70806 Replacement of Airpaks	0	836,000	813,850	0	0	0	0
70811 CBR Scoreboard	0	1,000,000	0	0	0	0	0
77503 *Exterior Closure (Roofing)	0	0	0	0	0	0	2,500,000
81067 Civic Ctr. Maintenance	0	0	0	0	0	0	175,000
F0001 *HVAC Repair/Replacements	0	0	0	0	0	0	2,500,000
F0002 *Interior Repairs/Replacements	0	0	0	0	0	0	1,500,000
T4620 Resurface Library Parking Lots	0	0	0	0	0	0	250,000
T4730 Fuel Sites Equipment Upgrade	0	0	0	0	0	0	582,474
T5320 EOC Equipment Replacement	0	0	0	0	0	0	610,122
T5380 Replace HazMat Vehicle	0	0	0	0	0	0	616,071
Sub-Total - Existing Assets	5,060,601	5,106,174	2,900,602	2,336,752	2,336,752	2,336,752	29,168,844
New Assets							
0							
70808 *CBR Land IGA	0	668,646	0	1,086,822	0	0	0
Sub-Total - New Assets	0	668,646	0	1,086,822	0	0	0
Total Project Expenses:	\$5,060,601	\$5,774,820	\$2,900,602	\$3,423,574	\$2,336,752	\$2,336,752	\$29,168,844
Total FY 2018 Funding:	\$10,835,421						

PROJECT DETAIL: 2070-General Gov Capital Proje **Category: Other**

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 2070-General Gov Capital Proje **Category: Other**

Project: 70800 - Building Maint. Reserve (I) **Funding Source:** Other

Project Description: This project is intended to support carryover of the building maintenance reserve for emergency and unplanned repairs and replacement of building components for various city facilities

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
	\$1,760	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$749,655	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$756,454	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$1,195,438	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$0	\$750,000	\$750,000	\$1,000,000	\$1,000,000	\$1,000,000	\$2,500,000
TOTAL	\$2,703,307	\$750,000	\$750,000	\$1,000,000	\$1,000,000	\$1,000,000	\$2,500,000

Operating Description:

Project: 70801 - Camelback Ranch Maint. Reserve (I) **Funding Source:** Other

Project Description: Camelback Ranch Maint. Reserve

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
	\$40,577	\$0	\$0	\$0	\$0	\$0	\$0
Design	\$176,832	\$0	\$0	\$0	\$0	\$0	\$0
Design	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Construction	\$0	\$525,000	\$525,000	\$525,000	\$525,000	\$525,000	\$2,625,000
Construction	\$198,879	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Charges	\$0	\$9,250	\$9,250	\$9,250	\$9,250	\$9,250	\$46,250
Engineering Charges	\$18,500	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$10,500	\$0	\$0	\$0	\$0	\$0	\$0
Arts	\$0	\$5,250	\$5,250	\$5,250	\$5,250	\$5,250	\$26,250
Miscellaneous/Other	\$0	\$197,252	\$197,252	\$197,252	\$197,252	\$197,252	\$986,260
Miscellaneous/Other	\$307,441	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$752,729	\$836,752	\$836,752	\$836,752	\$836,752	\$836,752	\$4,183,760

Operating Description:

Project: 70802 - Barrel District Imp (I) **Funding Source:** Other

Project Description: Extend concrete pathway adjacent to fruit packing structure at Sahuaro Ranch Park

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description:



PROJECT DETAIL: 2070-General Gov Capital Proje **Category: Other**

Project: 70803 - Capital Repair-Arena (I) **Funding Source:** Other

Project Description: City's contractual obligation to annually fund the capital repair at the arena per the July 8, 2013 agreement.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000
Miscellaneous/Other	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000

Operating Description:

Project: 70804* - Tennis Courts at Paseo Park (I) **Funding Source:** Other

Project Description: Tennis court resurfacing at Paseo Park

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$89,565	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$89,565	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description:

Project: 70810* - TDMA Upgrade for RWC (I) **Funding Source:** Other

Project Description: This project is a multi-year funded project for the TDMA upgrade of the Regional Wireless Cooperative (RWC) communications system. The TDMA technology will allow the RWC to almost double its capacity without the addition of more frequencies. Frequencies are limited in quantity and difficult to obtain. As the valley increases its hosting of major events, the radio system will be taxed. The TDMA technology will ease this burden. While not yet Federally mandated, TDMA is an inevitable technology upgrade. The scope of work includes 100% of the TDMA costs to the city. Departments using the RWC include Police, Fire, Field Ops, and Water Services.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
IT/Phone/Security	\$0	\$1,183,422	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$1,183,422	\$0	\$0	\$0	\$0	\$0

Operating Description:

FY 2018-2027 CAPITAL IMPROVEMENT PLAN
Fund Summary and Project Detail



PROJECT DETAIL: 2070-General Gov Capital Proje **Category: Other**

Project: 84551 - Civic Center Renovation (I) **Funding Source:** Other

Project Description: This enhancement would create another signature feature at the Glendale Civic Center. The east courtyard would be converted into more meeting room space with sky lighting. This project also involves renovating and developing the grass (open space), south of the Civic Center into functional use space that can be booked for private events.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$756,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$2,633,126
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$50,850
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$62,699
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$26,331
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$130,000
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$394,968
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$70,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$4,123,974

Operating Description:

Operating Costs	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Staffing	\$0	\$0	\$0	\$0	\$0	\$5,312,960
Supplies/Contr	\$0	\$0	\$0	\$0	\$0	\$337,190
Utilities	\$0	\$0	\$0	\$0	\$0	\$700,000
Bldg. Maint.	\$0	\$0	\$0	\$0	\$0	\$499,550
Equip. Maint.	\$0	\$0	\$0	\$0	\$0	\$99,910
Insurance	\$0	\$0	\$0	\$0	\$0	\$60,690
Electrical	\$0	\$0	\$0	\$0	\$0	\$89,920
Water	\$0	\$0	\$0	\$0	\$0	\$35,720

Project: F0003* - Electrical Repairs/Replacement (I) **Funding Source:** Other

Project Description: This project provides for funding in support of an annual program for the replacement and upgrade of lighting and electrical systems, which are required to restore lighting in city parks and upgrade lighting in city buildings. These upgrades are expected to reduce the consumption of electricity usage citywide and restore safety and security for citizens utilizing city parks and facilities. In FY 2022, these projects include lighting replacement at Bonsall North, Rose Lane and Sahuaro Ranch Parks. The ongoing costs from FY 2023 to FY 2026 include funding for the annual program as well as previously deferred projects to upgrade park lighting systems.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500,000

Operating Description:

*=New Project, N=New Asset, R=Replacement of Existing Asset, I=Improvement of Existing Asset



PROJECT DETAIL: 2070-General Gov Capital Proj **Category: Other**

Project: F0004* - Exterior Repairs/Replacements (I) **Funding Source:** Other

Project Description: This project provides funding in support of an annual program for all exterior repairs and replacements such as painting, sealing, siding replacements, carpentry repairs, window and door replacements, ADA compliance, and plumbing repairs. Exterior repairs to city buildings are estimated to cost \$100,000 annually and are needed to preserve, protect and extend the useful life of the infrastructure. In FY 2022, project funding includes the replacement of siding and sealing/painting at Sahuaro Ranch Park and the airport terminal. Keeping the exterior surface coated in paint products protects the underlying building materials.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000

Operating Description:

Project: F0005* - City Hall - HVAC System (I) **Funding Source:** Other

Project Description: Project provides for replacements and upgrades to the existing heating, ventilating and air conditioning (HVAC) system at Glendale city hall. Three floors of city hall (basement, sub-basement, and aspects of the first floor) were upgraded in previous fiscal years; whereas the remaining floors were deferred to upcoming years in the capital plan. Because the overall HVAC system has reached the end of its serviceable life, this project includes funding for the remaining floors (second, third, fourth and council chambers). Upgrades will include replacement of air handling units on each floor, enhancements to the control units in each suite, ductwork, piping, and associated electrical work. The HVAC system upgrades will improve indoor air quality and provide a new HVAC system life capacity of an additional 20+ years for the entire building.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$1,050,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$56,250
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$48,000
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$10,500
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$2,100,000
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$187,500
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$3,452,250

Operating Description:

PROJECT DETAIL: 2070-General Gov Capital Proj **Category: Other**

Project: T1160 - City Hall Parking Garage (I) **Funding Source:** Other

Project Description: As part of the emergency garage repair in FY 2009, the structural engineer provided additional maintenance recommendations for the remainder of the city hall garage related to replacement or repair of synthetic cushions. Over the past 25 years, the natural expansion and contraction of the structure's elements have pushed out of place many of the synthetic cushions on which the 366 concrete beams are seated. This has caused the concrete to wear against bare concrete causing deterioration. Also, there are four locations that have significant deterioration that will require extra maintenance and repair before the deterioration becomes more costly.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$150,000
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$1,300,000
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$33,504
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$43,000
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$13,000
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$135,689
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$1,675,193

Operating Description: No additional O and M is needed for this project.

Project: 70805 - Heart Monitors (R) **Funding Source:** Other

Project Description: Purchase of 36 cardiac monitors. Currently, the department's heart monitors are adequate to provide service; however by FY 2019 they will be 14 to 15 years old and are expected to reach the end of their useful life. Heart monitors are considered a capital expenditure due to the type of equipment requiring to be updated all at the same time which cannot be phased in when replaced. Personnel must all be able to train and work on the same type, make and model of equipment. The department will continue to seek alternative funding mechanisms such as grants as they become available. Heart monitors are currently on a maintenance contract which will cover the cost to repair or replace a malfunctioned monitor through FY2013.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Equipment	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0

Operating Description: O and M for the heart monitors would be needed starting in FY 2020. O and M will include two batteries a year per unit at (\$225 per battery x 60) and a 3% inflation has been added per year. A supplemental budget request will be submitted for once the project is near completion. O & M is currently budgeted in medical supplies.



PROJECT DETAIL: 2070-General Gov Capital Proj **Category: Other**

Project: 70806 - Replacement of Airpacks (R) **Funding Source: Other**

Project Description: Replacement of self-contained breathing apparatus (SCBAs) or air packs. The current supply is in compliance with National Fire Protection Association Standards through FY 2017. In FY 2017, 150 air packs will be outdated and in need of replacement. The useful life span of SCBAs is 7-10 years. Upgrades were completed in 2013 for all air packs. As components of the air packs fail, the department will repair or replace them using the department operating budget. Air packs are considered a capital expenditure due to the type of equipment requiring to be updated all at the same time; which cannot be phased in when replaced. Personnel must all be able to train and work on the same type, make and model of equipment. The department will continue to seek alternative funding mechanisms such as grants as they become available.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Equipment	\$0	\$836,000	\$813,850	\$0	\$0	\$0	\$0
TOTAL	\$0	\$836,000	\$813,850	\$0	\$0	\$0	\$0

Operating Description: O and M includes maintenance and repair at \$70,000 annually and an additional \$36,000 (once every 5 years) for 2 hydro tests on 300 bottles at \$60.00 per bottle that is performed every 5 years. The current SCBA budget is \$17,291 and does not cover the O and M identified; an additional \$350,000 is necessary. The \$70,000 for annual maintenance and repair will be needed the year after purchase. A supplemental budget request will be submitted once the project is near

Project: 70811 - CBR Scoreboard (R) **Funding Source: Other**

Project Description: Purchase of scoreboard for Camelback Ranch

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Equipment	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$0

Operating Description:

Project: 77503* - Exterior Closure (Roofing) (R) **Funding Source: Other**

Project Description: This project provides funding in support of an annual roof repair and replacement program. Ongoing roofing repairs and replacements are required to improve the condition of City facilities and extend the useful life of the infrastructure. Citywide condition assessments will be conducted annually to evaluate roof conditions. In FY 20122, repairs or replacements to roofs at the Main Library, airport terminal, and Sahuaro Ranch Park buildings will be completed.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500,000

Operating Description:

*=New Project, N=New Asset, R=Replacement of Existing Asset, I=Improvement of Existing Asset



PROJECT DETAIL: 2070-General Gov Capital Proje **Category: Other**

Project: 81067 - Civic Ctr. Maintenance (R) **Funding Source:** Other

Project Description: The Civic Center's maintenance reserve annual allocation has been moved to operations as ongoing repair and maintenance of facility. The reserve will ensure that the Civic Center remains a competitive and high quality event venue and it is essential to the continued success of the facility.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$175,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$175,000

Operating Description: No additional O and M is needed.

Project: F0001* - HVAC Repair/Replacements (R) **Funding Source:** Other

Project Description: This project provides funding in support of an annual repair and replacement program for existing heating, ventilating and air conditioning (HVAC) systems at various city buildings, which have reached the end of their service life. The replacements and upgrades identified in the annual HVAC Repair/Replacement Program are estimated to cost \$500,000 annually. These HVAC system upgrades will improve air quality and renew life cycles of the replaced units. Projects in FY 2022 include the airport terminal, community center north, and equipment management.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500,000

Operating Description:

Project: F0002* - Interior Repairs/Replacements (R) **Funding Source:** Other

Project Description: This project provides funding in support of an annual program for interior building repairs and replacements such as flooring, ceiling tiles, carpeting, painting, wall coverings, ADA compliance, plumbing, fire protection upgrades and carpentry. Interior repair to city buildings are estimated to cost \$300,000 annually and are needed to preserve, protect and extend the useful life of infrastructure.

Capital Costs	Carryover	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FYs 23-27
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500,000

Operating Description:



PROJECT DETAIL: 2070-General Gov Capital Proj **Category: Other**

Project: T4620 - Resurface Library Parking Lots (R) **Funding Source:** Other

Project Description: This is a request to fund the repaving and sealing of the 26-year old asphalt parking lot at the Main Library and slurry seal the 14-year old parking lot at the Foothills Branch Library. The Main Library's parking lot has deteriorated to the point that a 1 1/2" fabric overlay is needed. The estimated cost to repair this is \$97,283. A heavy grade slurry seal is recommended for the Foothills Branch Library in order to preserve the life span of the asphalt, which, with proper maintenance, should reach 20-30 years. The estimated cost for this is \$33,188.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000

Operating Description: O and M is required for asphalt maintenance starting in 2021. The industry standard for asphalt maintenance is to seal every 2-3 years from the completion date. This type of maintenance includes crack sealing and restriping of parking lots. A supplemental budget request will be submitted once the project is near completion. Adjusted for the future, the annual O and M would be \$30,479 for both lots (approximately \$15,240 for each lot/year).

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Bldg. Maint.	\$0	\$0	\$0	\$0	\$0	\$609,580

Project: T4730 - Fuel Sites Equipment Upgrade (R) **Funding Source:** Other

Project Description: This project reflects the replacement of all City of Glendale fuel dispensing equipment that will reach its maximum useful life over the next ten years. The project includes installation of new fuel dispensing pumps, monitoring and tank leak detection systems and replacement of the fuel tracking system at The Field Operations Center, Fire Station 153 and Fire Station 155. Completion of this project will ensure reporting accuracy, equipment stability and integrity, and improved customer service.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Design	\$0	\$0	\$0	\$0	\$0	\$0	\$5,357
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$518,397
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$2,872
Engineering Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$25,664
Arts	\$0	\$0	\$0	\$0	\$0	\$0	\$5,184
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$582,474

Operating Description: The software is a one-time purchase and the yearly license agreement will be paid through the departments existing budget.. No annual maintenance is required, if repairs are required vendors will be paid through existing operational budgets. Contributions to the Technology Replacement Fund are being made for the hardware currently being used and no additional hardware would be needed at this time.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Supplies/Contr	\$0	\$0	\$0	\$0	\$0	\$10,000



PROJECT DETAIL: 2070-General Gov Capital Proje **Category: Other**

Project: T5320 - EOC Equipment Replacement (R) **Funding Source:** Other

Project Description: This project funds the replacement of the information technology based equipment in the City's Emergency Operations Center (EOC), and places the EOC equipment in the city's technology replacement fund (TRF) to ensure software and hardware updates occur in conjunction with normal city rollouts. The EOC was built in 2006 and EOC equipment was not funded for the TRF due to the annual cost. Equipment updates were to be funded through the capital improvement process as equipment reached the end of its service life. Not being part of the TRF, results in lack of timely equipment replacement and unfunded requirements each time there is a software update, modifications to hardware are required, or there are equipment failures. The frequency of these unfunded requirements continues to rise as the equipment ages. EOC equipment will be two and a half times past its typical service life in the year 2020.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$14,881
IT/Phone/Security	\$0	\$0	\$0	\$0	\$0	\$0	\$595,241
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$610,122

Operating Description: This project will replace existing equipment and systems at the EOC. This equipment will be placed in the technology replacement fund at a cost of \$152,530 annually, or \$610,122 over the four year replacement cycle. Approximately 1/4 of the equipment will be replaced each year. The equipment includes the audiovisual, software, hardware, and communications equipment used in the EOC to support emergency and special event operations.

<u>Operating Costs</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
PC/Vehicle Replacement	\$0	\$0	\$0	\$0	\$0	\$8,177,030

Project: T5380 - Replace HazMat Vehicle (R) **Funding Source:** Other

Project Description: Replacement of a HazMat vehicle for the hazardous materials team. The current truck will have served its useful life of 10 years by FY 2019. This vehicle is supported by Fleet Management staff and anticipated mileage is 10,000 miles per year.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$12,321
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$603,750
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$616,071

Operating Description: No additional O and M is needed since the Hazmat truck will be replacing the current vehicle, which will not be used as a reserve vehicle.

Project: 70808* - CBR Land IGA (N) **Funding Source:** Other

Project Description: This is an intergovernmental agreement with the City of Phoenix for repayment of land at Camelback Ranch Facility. The agree states the City will pay the following amounts: FY 17 and 18 \$668,646 - FY 20 \$1,086,822

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Land	\$0	\$668,646	\$0	\$1,086,822	\$0	\$0	\$0
TOTAL	\$0	\$668,646	\$0	\$1,086,822	\$0	\$0	\$0

Operating Description:



FUND SUMMARY: 2593 - City-Wide ERP Solution **Category: Other**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u> <u>New Funding</u>						
New Assets							
0							
72000 City-Wide ERP Solution	0	2,862,221	1,132,837	0	0	0	0
Sub-Total - New Assets	0	2,862,221	1,132,837	0	0	0	0
Total Project Expenses:	\$0	\$2,862,221	\$1,132,837	\$0	\$0	\$0	\$0
Total FY 2018 Funding:		\$2,862,221					

PROJECT DETAIL: 2593 - City-Wide ERP Solution **Category: Other**

Project: 72000 - City-Wide ERP Solution (N) **Funding Source:** General Fund

Project Description: Replacement of the City's ERP system including modules for financials, procurement, budget, and HR. This a multi-year phased project. The current Peoplesoft system will be reaching it's end of life and vendor support within the next two years. This system will replace all PS applications.

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Miscellaneous/Other	\$0	\$2,862,221	\$1,132,837	\$0	\$0	\$0	\$0
TOTAL	\$0	\$2,862,221	\$1,132,837	\$0	\$0	\$0	\$0

Operating Description:



FUND SUMMARY: 1220-Arts Commission **Category: Other**

		<u>FY 2018:</u>	<u>FY 2019:</u>	<u>FY 2020:</u>	<u>FY 2021:</u>	<u>FY 2022:</u>	<u>FYs 23-27:</u>
Capital Project Expenses	<u>Carrvoer</u>	<u>New Funding</u>					
New Assets							
0							
84650 Municipal Arts Program	683,849	200,000	200,000	142,943	0	0	0
Sub-Total - New Assets	683,849	200,000	200,000	142,943	0	0	0
Total Project Expenses:	\$683,849	\$200,000	\$200,000	\$142,943	\$0	\$0	\$0
Total FY 2018 Funding:	\$883,849						

PROJECT DETAIL: 1220-Arts Commission **Category: Other**

Project: 84650 - Municipal Arts Program (N) **Funding Source:** Capital Plan

Project Description: City Council Ordinance No. 1226 created a Municipal Art Fund which provides for the purchase of works of art for public places. This consists of commissioned, non-commissioned and the performing arts, all reviewed and recommended by the Glendale Arts Commission (via the Annual Arts Plan).

<u>Capital Costs</u>	<u>Carryover</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FYs 23-27</u>
Contingency	\$285,049	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$398,800	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous/Other	\$0	\$200,000	\$200,000	\$142,943	\$0	\$0	\$0
TOTAL	\$683,849	\$200,000	\$200,000	\$142,943	\$0	\$0	\$0

Operating Description: Total O&M for maintaining the city art inventory is \$173,162.



Legislation Description

File #: 17-218, Version: 1

TEMPORARY BUSINESS COUNCIL COMMITTEE ASSIGNMENTS

Staff Contact: Brent Stoddard, Director, Public Affairs

Purpose and Recommended Action

This is a request for Council to discuss and appoint three Councilmembers to serve on the temporary Business Council Committee, pursuant to the City Council Guidelines.

Background

Section 9 of the City Council Guidelines specifies that three Councilmembers shall serve on a temporary Council committee.

Adopted City Council Guidelines, Section 9, pertains to the appointment of membership to committees and reads as follows:

9. COUNCIL COMMITTEES

At the first Workshop in June of each year, the Council will appoint membership to standing Council committees for the following fiscal year. The Mayor will ask the Councilmembers to indicate which committee they wish to serve on.

Each committee will be comprised of three members. The members of each committee will select their own chairperson at the first committee meeting. Councilmembers may not serve as Chairperson of more than one committee at a time unless the number of committees is greater than the number of Councilmembers. In that case, the limit is two chairmanships.

The council may form a temporary (one-year) council committee and allow a defined number of members of the public to serve on the committee. The three members of the committee will select a chair from amongst the councilmembers serving on the committee. The committee will sunset one-year after the date of the first meeting. Any sunset extensions must be approved by the city council.

Effective August 13, 2013, a two-year consecutive term limit with appointment annually for membership of councilmembers on Council subcommittees begins.

If new Councilmembers are seated prior to the annual selection of committee membership, the new Councilmembers will fill vacant committee positions for the remainder of the one-year term.

If any Councilmember wishes to add, delete or adjust any committee, the process indicated in City

Council Guidelines, Section 2, "Placing Items of Special Interest on Workshop Agenda" is followed.

Analysis

The Council has authorized and formed the temporary (one-year) Council Committee on business focused on making it easier for people to open, operate, and grow their businesses in Glendale.

The committee was formed for the exclusive purpose of reviewing pertinent city codes and processes relating to regulatory code, licensing, planning, and development functions. The committee will make policy recommendations to the City Council regarding improvements the city could make to create an environment that makes it easier for businesses to get started and grow in our community.

The three Councilmembers who are selected will serve for the length of the one year term of the Committee.

Previous Related Council Action

On May 23, 2017, the Council amended the City Council Guidelines to officially formed a temporary Council Committee.

On May 23, 2017, the Council amended the City Council Guidelines to allow for the formation of a temporary Council Committee that appointed members of the public could serve on.

On June 7, 2016, Councilmembers Malnar, Councilmember Aldama and Councilmember Tolmachoff were re-appointed to their seats on the GSC.

On November 10, 2015, Councilmember Malnar was sworn in as the councilmember for the Saguaro district and assumed former Councilmember Sherwood's seat on the GSC.

On November 10, 2015, Councilmember Malnar was sworn in as the councilmember for the Saguaro district and assumed former Councilmember Sherwood's seat on the GSC.

At the June 2, 2015 Council Workshop, Council determined that Councilmembers Aldama and Tolmachoff would be appointed to join Councilmember Sherwood on the GSC.

On June 3, 2014, Councilmember Martinez resigned his seat on the GSC and Council met in Executive Session to consider his replacement on the committee. Councilmember Sherwood was selected to fill the vacated seat.

On September 10, 2013, Council amended, by Resolution 4722, the City Council Guidelines. The amended sections included: Placing Items of Special Interest on a Workshop Agenda (section 2), Selection and Responsibilities of the Vice Mayor (section 8), and Council Committees (section 9).

At the February 5, 2013 Council Workshop, Council determined that Councilmembers Chavira and Hugh would be appointed to join Councilmember Martinez on the GSC.

File #: 17-218, Version: 1

At the May 26, 2009 Council meeting, Council adopted, through Resolution 4269, the City Council Guidelines.