

# AGENDA

# 4:30 P.M.

CITY OF SEDONA, CITY COUNCIL MEETING

TUESDAY, JUNE 27, 2017

## NOTES:

- Public Forum: Comments are generally limited to **3 minutes**.
- Consent Items: Items listed under Consent Items have been distributed to Council Members in advance for study and will be enacted by one motion. Any member of the Council, staff or the public may remove an item from the Consent Items for discussion. Items removed from the Consent Items may be acted upon before proceeding to the next agenda item.
- Meeting room is wheelchair accessible. American Disabilities Act (ADA) accommodations are available upon request. Please phone 928-282-3113 at least two (2) business days in advance.
- City Council Meeting Agenda Packets are available on the City's website at:

[www.SedonaAZ.gov](http://www.SedonaAZ.gov)

## GUIDELINES FOR PUBLIC COMMENT

### PURPOSE:

- To allow the public to provide input to the City Council on a particular subject scheduled on the agenda.
- This is not a question/answer session.

### PROCEDURES:








- Fill out a "Comment Card" and deliver it to the City Clerk.
- When recognized, use the podium/microphone.
- State your:
  1. Name and
  2. City of Residence
- Limit comments to **3 MINUTES**.
- Submit written comments to the City Clerk.

## 1. CALL TO ORDER/PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE/ROLL CALL

## 2. CITY'S VISION

## 3. CONSENT ITEMS - APPROVE

LINK TO DOCUMENT = 

- Minutes - June 13, 2017 City Council Special Meeting. 
- Minutes - June 13, 2017 City Council Regular Meeting. 
- Minutes - June 14, 2017 City Council Special Meeting. 
- AB 2239 Approval of FY18 service contracts with the Sedona Community Center, Sedona Recycles, and Verde Valley Caregivers. 
- AB 2242 Approval of a recommendation regarding a Liquor License Agent Change/Acquisition of Control application for the Series 9 Liquor Store Liquor License for Walgreens #4065 located at 1995 HWY 89A, Sedona, AZ (License #09130012). 
- AB 2249 Approval of a recommendation regarding a new Series 10S Beer and Wine Store Liquor License application with Sampling Privileges for Sedona Divine Olive Oils, LLC located at 270 N State Route 89A, Suite 5, Sedona, AZ (License #10033232). 
- AB 2251 Approval of purchase of a replacement 600 KW Caterpillar generator for the WWTP in the approximate amount of \$170,000 through the NJPA Cooperative Purchasing Contract. 

## 4. APPOINTMENTS - None




## 5. SUMMARY OF CURRENT EVENTS BY MAYOR/COUNCILORS/CITY MANAGER

## 6. PUBLIC FORUM

(This is the time for the public to comment on matters not listed on the agenda. The City Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism, or scheduling the matter for further consideration and decision at a later date.)

## 7. PROCLAMATIONS, RECOGNITIONS & AWARDS - None


## 8. REGULAR BUSINESS

- AB 2234 **Discussion/possible action** regarding a Development Agreement and Reciprocal Easement Agreement between the City of Sedona, the Sedona Chamber of Commerce and Tourism Bureau, and the Sedona Jazz Collective, LLC for the construction of pedestrian access improvements and an ADA walkway at the northwest corner of Forest Road and Hwy 89A in Uptown. 
- AB 2243 **Discussion/possible direction** regarding the City of Sedona's continued involvement in holiday decorating and events in the month of December. 
- AB 2248 **Discussion/possible action** regarding a resolution and ordinance amending the Sedona City Code, Chapter 10.20 (Parking) and repealing Chapter 10.30. 

CITY COUNCIL CHAMBERS  
102 ROADRUNNER DRIVE, SEDONA, AZ

The mission of the City of Sedona government is to provide exemplary municipal services that are consistent with our values, history, culture and unique beauty.

## Page 2, City Council Meeting Agenda Continued

- d. AB 2233 Discussion/possible action regarding a resolution adopting a demand-based rate structure for on-street paid parking on Main Street in Uptown. 
- e. Reports/discussion on Council assignments.
- f. Discussion/possible action on future meeting/agenda items.

### 9. EXECUTIVE SESSION

If an Executive Session is necessary, it will be held in the Vultee Conference Room at 106 Roadrunner Drive. Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

- a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).
- b. Return to open session. Discussion/possible action on executive session items.

### 10. ADJOURNMENT

Posted: \_\_\_\_\_

By: \_\_\_\_\_

Susan L. Irvine, CMC  
City Clerk

Note: Pursuant to A.R.S. § 38-431.02(B) notice is hereby given to the members of the City Council and to the general public that the Council will hold the above open meeting. Members of the City Council will attend either in person or by telephone, video, or internet communications. The Council may vote to go into executive session on any agenda item, pursuant to A.R.S. § 38-431.03(A)(3) and (4) for discussion and consultation for legal advice with the City Attorney. Because various other commissions, committees and/or boards may speak at Council meetings, notice is also given that four or more members of these other City commissions, boards, or committees may be in attendance.

A copy of the packet with material relating to the agenda items is typically available for review by the public in the Clerk's office after 1:00 p.m. the Thursday prior to the Council meeting and on the City's website at [www.SedonaAZ.gov](http://www.SedonaAZ.gov). The Council Chambers is accessible to people with disabilities, in compliance with the Federal 504 and ADA laws. Those with needs for special typeface print, may request these at the Clerk's Office. All requests should be made **forty-eight hours** prior to the meeting.

CITY COUNCIL CHAMBERS  
102 ROADRUNNER DRIVE, SEDONA, AZ

The mission of the City of Sedona government is to provide exemplary municipal services that are consistent with our values, history, culture and unique beauty.

**Action Minutes**  
**Special City Council Meeting**  
**City Council Chambers, Sedona City Hall,**  
**102 Roadrunner Drive, Sedona, Arizona**  
**Tuesday, June 13, 2017, 4:00 p.m.**

**1. Call to Order**

Mayor Moriarty called the meeting to order at 4:01 p.m.

**2. Roll Call**

**Roll Call:** Mayor Sandy Moriarty, Vice Mayor John Martinez, Councilor John Currivan, Councilor Scott Jablow, Councilor Tom Lamkin, Councilor Jon Thompson, Councilor Joe Vernier.

**Staff Present:** Assistant City Manager Karen Osburn, City Attorney Robert Pickels, Jr., Director of Finance Cherie Wright, Chief of Police David McGill, Police Administrative Assistant Sherri O'Connor, City Clerk Susan Irvine.

**3. Special Business**

**a. AB 2244 Public hearing/discussion/possible action regarding approval of a resolution adopting the City of Sedona's Budget for Fiscal Year 2017-2018.**

Presentation by Cherie Wright.

Questions and comments from Council.

Opened the public hearing at 4:26 p.m.

No comments were heard.

Closed the public hearing and brought back to Council at 4:26 p.m.

**Motion: Councilor Thompson moved approve Resolution No. 2017-12 adopting the Budget for Fiscal Year 2017-18 including the budget attachments. Seconded by Councilor Jablow.** Further discussion from Council. **Vote: Motion carried with five (5) in favor and two (2) opposed. Vice Mayor Martinez and Councilor Currivan opposed.**

**4. Executive Session**

**Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:**

- a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).**
- b. Return to open session. Discussion/possible action on executive session items.**

No Executive Session was held.

**10. Adjournment**

Mayor Moriarty adjourned the meeting at 4:30 p.m. without objection.

**I certify that the above are the true and correct actions of the Special City Council Meeting held on June 13, 2017.**

\_\_\_\_\_  
Susan L. Irvine, CMC, City Clerk

\_\_\_\_\_  
Date

**Action Minutes**  
**Regular City Council Meeting**  
**City Council Chambers, Sedona City Hall,**  
**102 Roadrunner Drive, Sedona, Arizona**  
**Tuesday, June 13, 2017, 4:30 p.m.**

**1. Call to Order/Pledge of Allegiance/Moment of Silence/Roll Call**

Mayor Moriarty called the meeting to order at 4:31 p.m.

**Roll Call:** Mayor Sandy Moriarty, Vice Mayor John Martinez, Councilor John Currivan, Councilor Scott Jablow, Councilor Tom Lamkin, Councilor Jon Thompson, Councilor Joe Vernier.

**Staff Present:** Assistant City Manager Karen Osburn, City Attorney Robert Pickels, Jr., Director of Finance Cherie Wright, Chief of Police David McGill, Director of Public Works/City Engineer Andy Dickey, Arts & Culture Coordinator Nancy Lattanzi, Parks & Recreation Manager Rachel Murdoch, City Clerk Susan Irvine.

**2. City's Vision/Moment of Art**

A video of the City's vision was played.

Nancy Lattanzi introduced Adalia Tara Middleton, a singer-songwriter, recording artist, instructor, and producer. She played guitar and performed "Maker of Your Move" from her recently released album entitled "Why Wait".

**3. Consent Items**

- a. **Minutes - May 16, 2017 City Council Special Meeting.**
- b. **Minutes - May 17, 2017 City Council Special Meeting.**
- c. **Minutes - May 23, 2017 City Council Regular Meeting.**
- d. **Minutes - May 24, 2017 City Council Special Meeting.**
- e. **AB 2240 Approval of a resolution authorizing an Intergovernmental Agreement for Technical Communications/Consulting Services between the Sedona Police Department and Sedona Fire District.**
- f. **AB 2241 Approval of a resolution to approve an Intergovernmental Agreement with Arizona Department of Public Safety/Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) State Gang Task Force and the Sedona Police Department (SPD). Included in the agreement is the DPS Memorandum of Understanding (MOU) Contract No. 2017-043, between the Arizona Department of Public Safety and the Sedona Police Department regarding Arizona GangNet.**
- g. **AB 2247 Approval for renewal of undercover license plates for existing undercover vehicles.**

Item 3e was pulled at the request of Councilor Jablow. Items 3f and 3g were pulled at the request of Vice Mayor Martinez.

**Motion:** Vice Mayor Martinez moved to approve consent items 3a, 3b, 3c, and 3d. **Seconded by Councilor Thompson. Vote:** Motion carried unanimously with seven (7) in favor and zero (0) opposed.

**Pulled Consent Items:**

**3e - AB 2240 Approval of a resolution authorizing an Intergovernmental Agreement for Technical Communications/Consulting Services between the Sedona Police Department and Sedona Fire District.**

Questions and comments from Council. Presentation by Chief McGill and Sedona Fire District Chief Kris Kazian.

**Motion: Councilor Jablow moved to approve pulled consent item 3e. Seconded by Councilor Thompson. Vote: Motion carried unanimously with seven (7) in favor and zero (0) opposed.**

**3f – AB 2241 Approval of a resolution to approve an Intergovernmental Agreement with Arizona Department of Public Safety/Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) State Gang Task Force and the Sedona Police Department (SPD). Included in the agreement is the DPS Memorandum of Understanding (MOU) Contract No. 2017-043, between the Arizona Department of Public Safety and the Sedona Police Department regarding Arizona GangNet.**

Questions and comments from Council. Presentation by Chief McGill.

**Motion: Vice Mayor Martinez moved to approve Resolution No. 2017-14, approving an Intergovernmental Agreement with Arizona Department of Public Safety/Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) State Gang Task Force and the Sedona Police Department. Included in the agreement is the DPS Memorandum of Understanding (MOU) Contract No. 2017-043, between the Arizona Department of Public Safety and the Sedona Police Department regarding Arizona GangNet. Seconded by Councilor Jablow. Vote: Motion carried unanimously with seven (7) in favor and zero (0) opposed.**

**3g - AB 2247 Approval for renewal of undercover license plates for existing undercover vehicles.**

Questions and comments from Council. Presentation by Chief McGill.

**Motion: Vice Mayor Martinez moved to approve the renewal of undercover license plates for existing undercover vehicles. Seconded by Councilor Thompson. Vote: Motion carried unanimously with seven (7) in favor and zero (0) opposed.**

**4. Appointments**

**a. AB 2245 Discussion/possible action regarding appointment of Michael Goimarac as Magistrate Judge and approval of a two-year contract.**

Questions from Council. Presentation by Karen Osburn.

**Motion: Councilor Jablow moved to approve the appointment of Michael Goimarac as Magistrate Judge for the City of Sedona and to approve the two-year employment contract. Seconded by Councilor Lamkin. Vote: Motion carried unanimously with seven (7) in favor and zero (0) opposed.**

**5. Summary of Current Events by Mayor/Councilors/City Manager**

Councilor Vernier stated that there will be a K-9 and Cocktails event on June 29<sup>th</sup> from 6:00 to 9:00 p.m. at Tlaquepaque to raise funds for a Sedona K-9 statue. Tickets are

\$50, and there will be a raffle and silent auction. Councilor Lamkin advised that The Hub is the happening place in Sedona and requested people visit [www.sedonahub.org](http://www.sedonahub.org) for details on upcoming events. Vice Mayor Martinez stated that the Posse Kids Camp is full for this year and encouraged people to consider it for next year. On June 1<sup>st</sup>, the adult summer softball league started. APS and the Parks & Recreation Department are hosting an MLB softball clinic which is free for first 50 adults who sign up. The British soccer camp and Lego engineering camp began yesterday, and the community pool is open and offering swimming lessons. He stated additional information on Parks & Recreation events and programs can be found on the City's website.

## **6. Public Forum**

Lonnie Lillie, Sedona, spoke about the Sedona Citizens Connect app which he recently used and expressed his amazement at the quick response from the City to the items he has reported.

Kimberly Lillyblad, Sedona, spoke in the opposition to a proposed wireless location on Newcastle Lane in a historic creekside area.

## **7. Proclamations, Recognitions, and Awards – None.**

## **8. Regular Business**

- a. AB 2236 Discussion/possible action regarding the Chamber of Commerce and Tourism Bureau's contract documents for Fiscal Year 2018 including the FY18 Marketing and Development Plan and Budget Document and a Memorandum of Understanding between the City of Sedona and the Chamber of Commerce and Tourism Bureau for the purchase of real property located at 401 Jordan Road.**

Introduction by Karen Osburn. Presentation by Sedona Chamber of Commerce and Tourism Bureau Representatives Jennifer Wesselhoff, President and CEO, and Michelle Conway, Director of Marketing.

Questions and comments from Council.

Further questions and comments from Council.

**Motion: Councilor Thompson moved to approve the Chamber of Commerce and Tourism Bureau Fiscal Year 2018 Marketing and Development Plan and Tourism Promotion Budget, and the Memorandum of Understanding (MOU) between the City of Sedona and the Sedona Chamber of Commerce and Tourism Bureau subject to legal review for the purchase of real property located at 401 Jordan Road. Seconded by Councilor Jablow. Vote: Motion carried unanimously with seven (7) in favor and zero (0) opposed.**

**Break at 6:56 p.m. Reconvened at 7:16 p.m.**

- b. AB 2238 Discussion/possible action regarding the donation of a bronze sculpture from Friends of Jack Jamesen Memorial Park, Jill Galea, Chairman, to be placed within Jack Jamesen Memorial Park.**

Presentation by Rachel Murdoch and Luke Sefton.

Questions and comments from Council.

**Motion: Councilor Lamkin moved to approve the acceptance of the donation of one sculpture to be located at Jack Jamesen Memorial Park. Seconded by Councilor Jablow. Vote: Motion carried unanimously with seven (7) in favor and zero (0) opposed.**

**c. Reports/discussion on Council assignments**

Councilor Jablow attended a Transportation Infrastructure Public Works Committee meeting a couple of months ago with Robert Pickels, and he will now serve on the committee and attend a meeting this week. Councilor Thompson attended a GAHRE committee meeting and they were looking into 3 policy issues for consideration at the League of Arizona Cities and Towns annual meeting: 1. related to liquor licenses to allow for approval to be delegated to a staff person who is typically the City Clerk which will be considered; 2. an issue regarding board structures for community facilities districts which is not being taken to the annual meeting for consideration; and 3. the dollar level threshold at which campaign finance committees must be formed and unforeseen consequences of changes in these thresholds which will be taken to the annual meeting for consideration.

**d. Discussion/possible action on future meeting/agenda items**

Mayor Moriarty stated that there was a need for a future agenda item to consider the Arizona League's proposed resolutions at the first meeting in August. Mayor Moriarty advised that there is a meeting tomorrow at 3:00 p.m.

**9. Executive Session**

**Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:**

- a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).**
- b. Return to open session. Discussion/possible action on executive session items.**

No Executive Session was held.

**10. Adjournment**

Mayor Moriarty adjourned the meeting at 7:34 p.m. without objection.

**I certify that the above are the true and correct actions of the Regular City Council Meeting held on June 13, 2017.**

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Susan L. Irvine, CMC, City Clerk

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Date



**Action Minutes  
Special City Council Meeting  
City Council Chambers, Sedona City Hall,  
102 Roadrunner Drive, Sedona, Arizona  
Wednesday, June 14, 2017, 3:00 p.m.**

**1. Call to Order/Pledge of Allegiance/Moment of Silence**

Mayor Moriarty called the meeting to order at 3:00 p.m.

**2. Roll Call**

**Roll Call:** Mayor Sandy Moriarty, Vice Mayor Martinez, Councilor John Currivan, Councilor Scott Jablow, Councilor Tom Lamkin, Councilor Jon Thompson, Councilor Joe Vernier.

**Staff Present:** Assistant City Manager Karen Osburn, City Attorney Robert Pickels Jr., Director of Community Development Audree Juhlin, Senior Planner Cari Meyer, Director of Public Works/Engineering Andy Dickey, Deputy City Clerk JoAnne Cook.

**3. Special Business**

**a. AB 2229 Discussion/possible direction regarding the Draft Revised Sign Code (DRSC), an update of Sedona Land Development Code Article 11, Sign Regulations.**

Introduction by Mayor Moriarty. Presentation by Cari Meyer and Audree Juhlin.

Questions and comments from Council.

Opened to the public at 4:46 p.m.

The following spoke on this item: Joanne Kendrick, Village of Oak Creek, President Keep Sedona Beautiful, Kegan Moorcroft, Village of Oak Creek, Public Relations Manager for Sedona Chamber of Commerce & Tourism Bureau, Mike Upp, Cornville, Co-Chair Sedona Open Studios, Al Comello, Village of Oak Creek, Rick Rosentzweig, Sedona, Janeen Trevillyan, Sedona, Roy Juda, Sedona.

Brought back to Council at 5:05 p.m.

Questions and comments from Council.

**By majority consensus, Council directed staff to schedule another work session to continue this item, and to include the handout from Councilor Currivan to the record as an attachment to the minutes of this meeting.**

**b. Discussion/possible action on future meeting/agenda items- None.**

**4. Executive Session**

Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

**a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).**

**b. Return to open session. Discussion/possible action on executive session items.**

No Executive Session was held.

**5. Adjournment**

Mayor Moriarty adjourned the meeting at 5:24 p.m. without objection.

**I certify that the above are the true and correct actions of the Special City Council Meeting held on June 14, 2017.**

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JoAnne Cook, Deputy City Clerk

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Date

June 14, 2017

From: John Currivan  
To: City Council

Subj: Proposal to Allow Off-Premises Signs, Subject to Regulations

The purpose of this proposal is to avoid the “all or nothing” dilemma, while reducing the potential proliferation of signs.

Here are the key elements of my proposal:

- The prohibition of off-premises signs would be removed from the Land Development Code (LDC).<sup>1</sup>
- The current exception that allows certain off-premises lead-in signs (garage sales, open houses) would be unnecessary, and would be removed from the LDC.<sup>2</sup>
- Accepting payment for the placement of off-premises signs would be prohibited. This would include not only cash payment, but any other form of consideration (such as an agreement by two property owners that each would place a sign on the other’s property).
- Contact information would be required on all off-premises signs.
- No off-premises sign could be placed on private property without the prior written consent of the property owner. A permit system for signs on private property and/or city right-of-way could be included.
- The placement of a sign in the ADOT right-of-way without ADOT permission would be a violation of the LDC.

The ordinance enacting this proposal could contain a “sunset clause” that would allow a trial period of, say, six months or a year for Council to see how the new rules work. If the proposal results in an unacceptable level of sign proliferation, then Council could simply allow the new rules to lapse, except that the removal of the prohibition on off-premises signs would remain. In other words, the rules would automatically shift to a prohibition of all off-premises signs.

The rules would clarify who is responsible if an off-premises sign is placed in violation of the LDC. Presumably this would be the person who placed the sign, but responsibility could be extended to a property owner who knowingly allows illegal placement.

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<sup>1</sup> Current LDC § 1114(P); proposed LDC § 1115.01(Q).

<sup>2</sup> Current LDC § 1105(H). This provision does not appear in the proposed LDC.

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**CITY COUNCIL  
AGENDA BILL**

**AB 2239  
June 27, 2017  
Consent Items**

**Agenda Item:** 3d  
**Proposed Action & Subject:** Approval of FY18 service contracts with the Sedona Community Center, Sedona Recycles, and Verde Valley Caregivers.

<b>Department</b>	City Manager's Office
<b>Time to Present</b>	N/A
<b>Total Time for Item</b>	
<b>Other Council Meetings</b>	April 25, 2017 and April 27, 2017 Budget Work Session
<b>Exhibits</b>	A. Sedona Community Center Contract B. Sedona Recycles Contract C. Verde Valley Caregivers Contract

City Attorney Approval	Reviewed 6/20/17 RLP	<b>Expenditure Required</b>	
		\$ 286,997	
City Manager's Recommendation	Approve service contracts with the Sedona Community Center, Sedona Recycles, and Verde Valley Care Givers.	<b>Amount Budgeted</b>	
		\$ 286,997	
		Account No. 10-5245-93-6713	
		(Description) 10-5245-92-6719	
		10-5245-92-6723	
		Finance Approval <input checked="" type="checkbox"/>	

**SUMMARY STATEMENT**

**Background:** For more than twenty years, various community organizations have received funding from the City through service contracts. Some of these help fund services the City does not provide, but might otherwise provide in the absence of that community organization, and others are simply intended to provide additional public benefit.

In order to be considered for a service contract renewal for Fiscal Year 2018, organizations with existing contracts were required to submit a new funding request. The organizations were asked to provide information about their financial condition, program and service levels, performance data, and other justification for their request. Funding requests were due back to the City by March 27, 2017.

A Service Contract Review Committee made up of most of the same members of the City's Citizen Budget Work Group, including Vice Mayor John Martinez, and Citizen Volunteers Doris Granatowski, Lou Harper, Charlotte Hosseini, Holli Ploog, and Jessica Williamson, reviewed each application and held individual meetings with each of the service contract organizations. These one-on-one meetings provided an opportunity for Committee members

to ask questions and helped the Committee better understand the goals, challenges, and achievements of each organization, as well as their overall funding requests.

The Committee's recommendations were presented to City Council as part of the regular agenda on April 25, 2017. The requests and recommendations were discussed on the April 25<sup>th</sup> in anticipation of City Council Budget Work Sessions on April 26<sup>th</sup> and 27<sup>th</sup>. Final funding decisions were made by City Council on April 27, 2017 at the end of the budget work sessions and included in the tentative and final budget adoptions.

The following table includes the last two years funding amounts for each organization as well as the FY18 funding request and the FY18 funding levels recommended by the Committee and City Council.

<b>Organization</b>	<b>FY 2016 Funding</b>	<b>FY 2017 Funding</b>	<b>FY 2018 Requested Funding</b>	<b>FY 2018 Committee Recommend</b>	<b>FY 2018 Council Recommend</b>
<b>Sedona Community Center</b>	<b>\$162,080</b>	<b>\$164,997</b>	<b>\$165,000</b>	<b>\$165,000</b>	<b>\$169,122</b>
Sedona Humane Society	\$48,118	\$48,678	\$57,000	\$49,895	\$49,895
Sedona Public Library	\$386,966	\$393,932	\$656,160	\$493,932	\$403,780
<b>Sedona Recycles</b>	<b>\$53,183</b>	<b>\$72,000</b>	<b>\$82,875</b>	<b>\$82,875</b>	<b>\$82,875</b>
<b>Verde Valley Caregivers</b>	<b>\$25,000</b>	<b>\$25,450</b>	<b>\$35,000</b>	<b>\$35,000</b>	<b>\$35,000</b>
<i>Totals</i>	<i>\$675,347</i>	<i>\$705,057</i>	<i>\$996,035</i>	<i>\$826,702</i>	<i>\$740,672</i>

During the tentative budget adoption, the City Council expressed a desire to further deliberate over the Library's funding amount. That discussion will be agendized for a future City Council meeting. The Council is not being asked to act on the Library's service contract at this time.

Additionally, the Humane Society has requested several contract modifications that will also require changes to the City Code. The Humane Society contract and City Code updates will also be brought to Council at a later date. The Council is not being asked to act on the Humane Society's service contract at this time.

The purpose of this item is to approve the following service contracts:

Sedona Community Center – Exhibit A

3-year contract, other than new performance measure reporting requirements, no major changes from previous contract.

Sedona Recycles – Exhibit B

One-year contract, other than new performance measure reporting requirements, no major changes from previous contract. Will be revisited again in one year.

Verde Valley Caregivers – Exhibit C

3-year contract, other than new performance measure reporting requirements, no major changes from previous contract.

Contract Terms

As was done in FY15, the Committee is recommending a three-year contract term for all of the service contracts except for the two organizations that will receive a one-year contract and have their funding amount revisited again next year. Inflationary escalators will be added to the contract amount at the beginning of each fiscal year using the Bureau of Labor Statistics CPI-U for the West Region (for the previous 12-month period ending December of the prior year), capped at 5% annually to insulate the City from risk of inflation increasing significantly beyond our forecasted assumptions during that timeframe.

All contracts contain language that makes annual funding contingent on the availability of funds as provided in the City's annual budget, and the ultimate realization of budgeted revenues being received by the City. This gives the City the ability to modify annual funding amounts at any time should availability of City funds be an issue.

**Community Plan Compliant:**  Yes -  No -  Not Applicable

**Board/Commission Recommendation:**  Applicable -  Not Applicable

**Alternative(s):**

**MOTION**

**I move to:** approve the proposed service contracts with the Sedona Community Center, Sedona Recycles, and Verde Valley Caregivers and authorize the City Manager to sign said contracts.

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**SEDONA COMMUNITY CENTER AND CITY OF SEDONA  
AGREEMENT FOR CONTRACTED SERVICES**

This is an AGREEMENT entered into this 27<sup>th</sup> day of June, 2017 by and between the SEDONA COMMUNITY CENTER, a non-profit corporation, hereinafter referred to as "SCC" and the CITY OF SEDONA, a municipal corporation, hereinafter referred to as "City."

WHEREAS, the City is a municipal corporation organized under the laws of the State of Arizona and entitled to provide services and enter into contractual agreements for the purpose of obtaining services or benefits which it otherwise could provide; and

WHEREAS, SCC is a non-profit corporation that provides services and programs that benefit the residents who reside within the local community; and

WHEREAS, the City desires to contract for certain services for the benefit of the residents of the City, and SCC desires to provide the City certain services for the benefit of the residents of the City.

NOW, THEREFORE, in consideration of the mutual promises and covenants of the parties, and other good and valuable consideration, the parties agree as follows:

1. **Term:** The term of this Agreement is for three (3) years from July 1, 2017 to June 30, 2020.
2. **Payment:** SCC and the City acknowledge that SCC services to be provided to Sedona residents are a direct public benefit to the City. The services benefiting the City are set forth below. As consideration for that value, the City will remit to SCC the sum of One Hundred and Sixty Nine Thousand One Hundred and Twenty Two Dollars (\$169,122), subject to the availability of funds from the City, for the first year of the Agreement beginning July 1, 2017 and ending June 30, 2020.

The City agrees to base the funding for the subsequent two (2) years of the Agreement on the FY18 base amount with annual inflationary escalators.

The FY18-19 funding amount will be the One Hundred and Sixty Nine Thousand One Hundred and Twenty Two Dollars (\$169,122) base amount, plus the inflationary escalator in accordance with the Bureau of Labor Statistics CPI-U for the West Region for the previous 12 (12) month period ending December of the prior year. The inflationary escalator shall not exceed 5%.

The FY19-20 funding amount will be the FY18-19 base amount plus the inflationary escalator in accordance with the Bureau of Labor Statistics CPI-U for the West Region for the previous 12 (12) month period ending December of the prior year. The inflationary escalator shall not exceed 5%.

The City agrees to make payments to SCC in two (2) installments each year of the Agreement; by the 30<sup>th</sup> of the month in August and February.

3. **Funding Obligation:** The City's obligation to provide the funding herein stated is conditioned on the availability of funds as provided in the City's annual budget, The City warrants and represents it will not reduce SCC funding during any period because of private donations received by SCC.
4. **Services** to be provided by SCC are as follows:
  - a. **Meals on Wheels:** The City shall pay SCC to assist with the "Meals on Wheels" program, which offers Sedona residents hot meals five days per week delivered to the home of the recipient in cases where the individual is unable to provide for his or her basic nutritional needs.
  - b. **Congregate Meals:** The City shall pay SCC to assist in a Congregate Meal program that SCC provides, which offers older residents of the community hot, nutritious meals in a social atmosphere at the Sedona Community Center. Volunteers prepare, serve and clean up after the meal. SCC shall provide this service five days per week.
  - c. **Breakfast Club:** SCC shall provide homebound seniors with food on Friday's Meals on Wheels delivery to ensure seniors have access to food over the weekend.
5. **Marketing:** The SCC shall provide two (2) PowerPoint slides to be utilized on the City's public cable channel slideshow for the purpose of marketing.
  - a. The SCC agrees that all printed materials created and distributed by the SCC with funds from the City contain a statement recognizing and acknowledging that funding has been provided by the City for such documents.
6. **Financials:** The SCC shall use City funds only for SCC purposes and provide written accounting to the City describing the manner and use of City funds at the City's request. In addition, the SCC shall provide a copy of the IRS 990 and a copy of its audited annual financial statements. The City shall have the right to audit the books of the SCC at all reasonable times for the purpose of confirming the expenditures of City funds with reasonable notice to the SCC.
7. **Reporting:** The SCC will provide annual performance reports that will include statistics related to the services described in Section 4. Annual report will be due within 60 days of close of the reporting year (fiscal or calendar at the discretion of SCC). Upon the request of the City Council or City Manager SCC will provide an annual presentation to City Council on the activities and accomplishments of the agency and the service provision within the City of Sedona. The following metrics will be included as part of the SCC annual reporting to the City:
  - a. Meals on Wheels
    - i. Number of meals delivered

- ii. Number of persons served
    - iii. Cost per meal
    - iv. Cost per meal comparisons to 3 benchmark organizations (preferably northern Arizona comparisons)
  - b. Congregate Meals
    - i. Number of meals served
    - ii. Number of persons served
    - iii. Cost per meal
    - iv. Total value of donation revenue collected from participants
    - v. Cost per meal comparisons to 3 benchmark organizations (preferably northern Arizona comparisons)
  - c. Breakfast Club
    - i. Number of weekend packages delivered
    - ii. Number of persons served
    - iii. Cost per weekend package
  - d. Customer Satisfaction
    - i. Survey information (if available)
    - ii. Number of volunteer hours by program
  - e. Number and type of community groups that utilize the Sedona Community Center's facilities
  - f. Number and type of programs offered to the community free or with a fee (and provide fee schedule)
- 8. **City Liaison:** The City will appoint one (1) non-voting liaison to attend the SCC Board meetings to provide two-way communication between the City and the SCC.
- 9. **Termination:** Either party may terminate this Agreement, without penalty, upon 30 days written notice to the other. Upon such termination, the parties shall assess the services rendered to the date of termination and the City shall make any necessary payment or SCC shall make any necessary reimbursement as may be required so that payment for the services rendered to the date of termination shall have been paid by the City on a proportional basis over the term of the Agreement.
- 10. **ADA:** SCC must conform to the Americans with Disabilities Act of 1990, including changes made by the ADA Amendments Act of 2008 (P.L. 110-325) (ADA) and the Rehabilitation Act of 1973, as amended. This includes prohibiting discrimination against the handicapped in employment, programs, services and activities and making reasonable accommodations to allow their full and equal access to all such employment, programs, services, and activities. SCC shall also comply with all other federal, state and local regulations prohibiting unlawful discrimination in employment, programs, services, activities and contracting.
- 11. **Legal Compliance:** The SCC agrees to comply with all Federal, State, and City

laws or regulations applicable to the SCC's business or services or to the performance of these services.

12. **Written Changes:** This Agreement contains the entire Agreement of the parties with respect to the subject matters hereof and it may be amended or modified only by an instrument in writing signed by both parties.

- a. Written notices to City shall be sent to:

City Manager  
City of Sedona  
102 Roadrunner Drive  
Sedona, AZ 86336

- b. Notices to the SCC, shall be addressed to:

Executive Director  
Sedona Community Center  
2615 Melody Lane  
Sedona, AZ 86336

#### INDEPENDENT CONTRACTOR

1. The parties agree that SCC provides specialized services and that the SCC enters this Agreement with the City as an independent contractor. Nothing in this Agreement shall be construed to constitute the SCC, nor any of its personnel, volunteers, or directors, as agents, employees, or representatives of the City.
2. As an independent contractor, the SCC is solely responsible for all labor and expenses in connection with this Agreement and for any and all damages that may arise during the operation of this Agreement.
3. SCC shall carry general liability insurance of \$1 million per occurrence/\$2 million aggregate and shall indemnify and hold the City and its officials, employees and agents harmless from any and all claims, demands, actions and causes of action (including administration or alternative dispute resolution proceedings) penalties or costs (including attorneys' fees) or liability for damages for personal injury or property damage resulting from the acts or omissions of SCC's officers, directors, agents, employees, or volunteers, in connection with this Agreement or in any way arising from the activities or services of SCC as set forth in this Agreement. The SCC shall provide a copy of the insurance certificate, which lists the City of Sedona as an additional insured, to the City Manager's Office prior to the first installment release.
4. It is understood and agreed that SCC is free to contract with other parties or to otherwise provide additional services.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officials on the aforementioned date.

CITY OF SEDONA, ARIZONA

SEDONA COMMUNITY CENTER

By: \_\_\_\_\_  
Justin Clifton, City Manager

By: \_\_\_\_\_  
Board President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

ATTEST:

\_\_\_\_\_  
Susan L. Irvine, CMC, City Clerk

\_\_\_\_\_  
Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Robert L. Pickels, Jr., City Attorney

Date: \_\_\_\_\_

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**SEDONA RECYCLES AND CITY OF SEDONA  
LEASE AGREEMENT AND CONTRACT FOR SERVICES**

This AGREEMENT entered into this 27<sup>th</sup> day of July 2017, by and between SEDONA RECYCLES, INC., a non-profit corporation of Sedona, Yavapai County, Arizona, hereinafter referred to as "Sedona Recycles" and the CITY OF SEDONA, a municipal corporation, hereinafter referred to as "City".

WHEREAS, the City is a municipal corporation organized under the laws of the State of Arizona and entitled to provide services and enter into contractual agreements for the purpose of obtaining services or benefits which it otherwise could provide; and

WHEREAS, Sedona Recycles, is a non-profit corporation that provides services and programs that benefit the residents who reside within the local community. The services provided by Sedona Recycles constitute a major public service and benefit that enhances the quality of life in Sedona and elsewhere through protection of the environment, and preservation of natural resources by encouraging the recycling of reusable materials and providing a venue for citizens to drop off recyclable materials; and

WHEREAS, the City desires to contract for certain services for the benefit of the residents of the City and Sedona Recycles desires to provide to the City certain services for the benefit of the residents of the City; and

WHEREAS, Sedona Recycles provides public education and promotes community opportunities to reduce, reuse, and recycle.

NOW, THEREFORE, in consideration of the mutual promises and covenants of the parties, and to the good and valuable considerations, the parties agree as follows:

1. **Term:** The term of this Agreement is for one (1) year from July 1, 2017 to June 30, 2018.
2. **Payment:** Sedona Recycles and the City acknowledge that Sedona Recycles services to be provided to Sedona residents are a direct public benefit to the City. The services benefiting the City are set forth below. As consideration for that value, the City will remit to Sedona Recycles the sum of Eighty Two Thousand Eight Hundred Seventy Five Dollars (\$82,875), subject to the availability of funds from the City.

The City agrees to make payments to Sedona Recycles in two (2) installments each year of the Agreement; by the 30<sup>th</sup> of the month in August and February.

3. **Funding Obligation:** The City's obligation to provide the funding herein stated is conditioned on the availability of funds as provided in the City's annual budget. The City warrants and represents it will not reduce Sedona Recycles funding because of private donations or other revenue received by Sedona Recycles.

4. **Services:** Sedona Recycles will provide voluntary drop-off recycling facilities at a location within the City for the purpose of collecting, separating, and processing various recyclable materials, including aluminum cans, steel cans, glass bottles and containers, cardboard, paper, block styrofoam, household batteries, and plastics, and shall be responsible to pay the cost for operating said facilities. Sedona Recycles will also provide recycling materials pick up services for the City Hall Complex, 102 Roadrunner Drive, as well as community outreach and education regarding the fundamentals of recycling.
5. **Recycling Drop-off Site(s):** After obtaining permission from City staff, Sedona Recycles may utilize off-site City property to serve as a community recycling drop off-sites. Sedona Recycles will determine and prescribe a pickup schedule based on usage and bins will be serviced as often as is necessary. Sedona Recycles is responsible for clean-up of all materials left at each site, recyclable or otherwise. (The site is designated as the area where recycling bins provided by Sedona Recycles reside and the immediate area surrounding bins.) City staff must approve any signage for the drop-off site and no off-site drop-off signage will be permitted. Sedona Recycles will provide liability insurance for each location in the amount of \$1,000,000. The City is not liable for any damage to person or property that occurs at the site and the City acknowledges that Sedona Recycles shall not be liable for any damage to pavement or driving surfaces resulting from its trucks servicing the bins.
6. **Leased Property:** In lieu of rent payments for the City owned property located at 2280 Shelby Drive (0.45 acres), Yavapai County, State of Arizona, Sedona Recycles agrees to operate and manage the property in conformity with the terms of this Agreement. Lessee acknowledges that Lessor has wastewater facilities located such that it will be necessary for Lessor to have vehicular access to maintain or repair said facilities, and further Lessee agrees to not place materials or facilities over manholes and to arrange materials so that lessee has vehicular access to manholes from the Shelby Drive frontage.
7. **ADEQ Requirements:** Inasmuch as the City of Sedona submitted to the State of Arizona Department of Environmental Quality on November 3, 2003, a Notice of Intent to be permitted under the terms of Arizona Pollutant Discharge Elimination System General Permit for Discharge AZG-2002-002, which prohibits non-stormwater discharges to storm drainage systems, except certain specified non-significant contributors, and further that Sedona City Code Section 9-2-2 (B) identifies littered exterior areas in or upon public places as a nuisance, Sedona Recycles shall inspect the drainage ways adjacent to and on the leased property for debris, trash and other material that may have come from its operations and remove and properly dispose of such material. The City requests that Sedona Recycles inspects the area at least once a week.
8. **Marketing:** The Sedona Recycles shall provide two (2) PowerPoint slides to be utilized on the City's public cable channel slideshow for the purpose of marketing.
  - a. Sedona Recycles agrees that all printed materials created and distributed by Sedona Recycles with funds from the City contain a statement



recognizing and acknowledging that funding has been provided by the City for such documents.

9. **Financials:** Sedona Recycles shall use City funds only for Sedona Recycles purposes and provide written accounting to the City describing the manner and use of City funds at the City's request. In addition, Sedona Recycles shall provide a copy of the IRS 990 form and a copy of its audited annual financial statements. The City shall have the right to audit the books of Sedona Recycles at all reasonable times for the purpose of confirming the expenditures of City funds with reasonable notice to Sedona Recycles.
  
10. **Reporting:** Sedona Recycles will provide annual performance reports that will include statistics related to the services described in Section 4. Annual report will be due within 60 days of close of the reporting year (fiscal or calendar at the discretion of Sedona Recycles). Upon the request of the City Council or City Manager Sedona Recycles will provide an annual presentation to City Council on the activities and accomplishments of the agency and the service provision within the City of Sedona. The following metrics will be included as part of Sedona Recycles reporting to the City:
  - a. Estimated percentage of Residents vs. Non-Residents Served
  - b. Estimated Number of individual City of Sedona Residents Served
  - c. Geographic area served (specific boundaries)
  - d. Total number of collections sites within Sedona City limits.
  - e. Item and tonnage of materials recycled from each collection site within Sedona City limits.
  - f. Item and tonnage of materials recycled in total from outside Sedona City limits.
  - g. Percentage of collected materials recycled or reused.
  - h. Revenue amounts by recycling source (such as glass, aluminum, etc.).
  - i. Number of hours of community outreach and education provided.
  - j. Customer satisfaction survey information (if available).
  - k. Materials recycled cost per ton
    1. By category
  
11. **Termination:** Either party may terminate this Agreement, without penalty, upon 30 days written notice to the other. Upon such termination, the parties shall assess the services rendered to the date of termination and the City shall make any necessary payment or Sedona Recycles shall make any necessary reimbursement as may be required so that payment for the services rendered to the date of termination shall have been paid by the City on a proportional basis over the term of the Agreement.
  
12. **ADA:** Sedona Recycles must conform to the Americans with Disabilities Act of 1990, including changes made by the ADA Amendments Act of 2008 (P.L. 110-325) (ADA) and the Rehabilitation Act of 1973, as amended. This includes prohibiting discrimination against the handicapped in employment, programs, services and activities and making reasonable accommodations to allow their full and equal access to all such employment, programs, services, and activities. Sedona Recycles shall also comply with all other federal, state and local regulations

prohibiting unlawful discrimination in employment, programs, services, activities and contracting.

13. **Legal Compliance:** The Sedona Recycles agrees to comply with all Federal, State, and City laws or regulations applicable to the Sedona Recycles' business or services or to the performance of these services.
14. **Written Changes:** This Agreement contains the entire Agreement of the parties with respect to the subject matters hereof and it may be amended or modified only by an instrument in writing signed by both parties.
  - a. Written notices to City shall be sent to:  
City Manager  
City of Sedona  
102 Roadrunner Drive  
Sedona, AZ 86336
  - b. Notices to the Sedona Recycles, shall be addressed to:  
Executive Director  
Sedona Recycles, Inc.  
2280 Shelby Drive  
Sedona, AZ 86336

#### **INDEPENDENT CONTRACTOR**

1. The parties agree that Sedona Recycles provides specialized services and enters this Agreement with the City of Sedona as an independent contractor. Nothing in this Agreement shall be construed to constitute Sedona recycles, nor any of its personnel, volunteers, or directors, as agents, employees, or representative of the City.
2. As an independent contractor, Sedona Recycles is solely responsible for all labor and expenses in connection with this Agreement and for any and all damages that may arise during the operation of this Agreement.
3. Sedona Recycles shall carry general liability insurance of \$1 million per occurrence/\$2 million aggregate and shall indemnify and hold the City and its officials, employees, and agents harmless from any and all claims, demands actions, and causes of action (including administration or alternative dispute resolution proceedings) penalties or costs (including attorney's fees) or liability for damages for personal injury or property damage resulting from the acts of omissions of Sedona Recycles' officers, directors, agents, employees, or volunteers, in connection with the Agreement or in any way arising from the activities or services of Sedona Recycles as set forth in this Agreement. Sedona Recycles shall provide a copy of the insurance certificate, which lists the City of Sedona as an additional insured, to the City Manager's Office prior to the first installment release.

4. It is understood and agreed that Sedona Recycles is free to contract with other parties or to otherwise provide additional services.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officials on the aforementioned date

THE CITY OF SEDONA, ARIZONA

SEDONA RECYCLES, INC.

By: \_\_\_\_\_  
Justin Clifton, City Manager

By: \_\_\_\_\_  
Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

ATTEST:

By: \_\_\_\_\_  
Susan L. Irvine, CMC, City Clerk

By: \_\_\_\_\_  
Treasurer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Robert L. Pickels, Jr., City Attorney

Date: \_\_\_\_\_

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**VERDE VALLEY CAREGIVERS COALITION AND CITY OF SEDONA  
AGREEMENT FOR CONTRACTED SERVICES**

This is an AGREEMENT entered into this 27th day of June, 2017 by and between the VERDE VALLEY CAREGIVERS COALITION, a non-profit corporation, hereinafter referred to as "VVCC" and the CITY OF SEDONA, a municipal corporation, hereinafter referred to as "City."

WHEREAS, the City is a municipal corporation organized under the laws of the State of Arizona and entitled to provide services and enter into contractual agreements for the purpose of obtaining services or benefits which it otherwise could provide; and

WHEREAS, VVCC is a non-profit corporation that provides special needs transportation services and programs that benefit the residents who reside within the local community; and

WHEREAS, the City desires to contract for demand response special needs transportation for the benefit of the residents of the City, in order to support adults in need of assistance in maintaining their independence and quality of life at home; and VVCC desires to provide transportation services for the benefit of the residents of the City.

NOW, THEREFORE, in consideration of the mutual promises and covenants of the parties, and other good and valuable consideration, the parties agree as follows:

1. **Payment:** The VVCC and the City acknowledge that the services and programs to be provided to Sedona residents are a direct public benefit to the City. The services benefiting the City are set forth in section 4 below. As consideration for that value, the City agrees to pay to the VVCC the sum of Thirty Five Thousand Dollars (\$35,000), subject to the availability of funds from the City, for the first year of the Agreement beginning July 1, 2017 – June 30, 2018.

The City agrees to base the funding for the subsequent two (2) years of the Agreement on the FY18 base amount with annual inflationary escalators.

The FY18-19 funding amount will be Thirty Five Thousand Dollars (\$35,000) base amount plus the inflationary escalator in accordance with the Bureau of Labor Statistics CPI-U for the West Region for the previous 12 month period ending December of the prior year. The inflationary escalator shall not exceed 5%.

The FY19-20 funding amount will be the FY18-19 base amount plus the inflationary escalator in accordance with the Bureau of Labor Statistics CPI-U for the West Region for the previous 12 month period ending December of the prior year. The inflationary escalator shall not exceed 5%.

The City agrees to make payments to the VVCC in two (2) installments each year of the Agreement; by the 30<sup>th</sup> of the month in August and February.

2. **Funding Obligation:** The City's obligation to provide the funding herein stated is conditioned on the availability of funds as provided in the City's annual budget, and the ultimate realization of budgeted revenues being received by the City. The City's fiscal year ends on June 30<sup>th</sup> of each year. Otherwise the City warrants and represents it will not reduce VVCC funding during any period on account of private donations received by the VVCC.

3. **Term:** The term of this Agreement shall be three years from July 1, 2017 to June 30, 2020.

4. **Services** to be provided by VVCC are as follows:

**Demand-Response Special Needs Transportation:** The City shall support VVCC's operations to provide door-to-door Demand-Response Special Needs Transportation to eligible Sedona residents to destinations within Sedona, throughout the Verde Valley, and to Flagstaff, Prescott and the Phoenix region for health care appointments. VVCC will provide transportation for eligible Sedona residents to destinations throughout the Verde Valley for grocery shopping and other errands. VVCC will complete an eligibility screening for each resident requesting transportation services. VVCC will provide transportation in wheelchair accessible vehicles for eligible residents requiring the use of a wheelchair.

5. **Marketing:** The VVCC shall provide two (2) PowerPoint slides to be utilized on the City's public cable channel slideshow for the purpose of marketing.

a. The VVCC agrees that all printed materials created and distributed by the VVCC with funds from the City contain a statement recognizing and acknowledging that funding has been provided by the City for such documents.

6. **Financials:** The VVCC shall use City funds only for VVCC purposes and provide written accounting to the City describing the manner and use of City funds at the City's request. In addition, the VVCC shall provide a copy of the IRS 990 and a copy of its audited annual financial statements. The City shall have the right to audit the books of the VVCC at all reasonable times for the purpose of confirming the expenditures of City funds with reasonable notice to the VVCC.

7. **Reporting:** VVCC will provide annual performance reports that will include statistics related to Demand-Response Special Needs Transportation. Annual report will be due within 60 days of close of the reporting year (fiscal or calendar at the discretion of VVCC). Upon the request of the City Council or City Manager VVCC will provide an annual presentation to City Council on the activities and

accomplishments of the agency and the service provision within the City of Sedona.

The following metrics will be included as part of the VVCC reporting to the City:

- Total number of unduplicated clients receiving VVCC transportation vs.
- Total Trips Provided
- Total Trips provided by CAT for wheelchair bound clients
- Total Trips provided to destinations outside Sedona and the Verde Valley (Flagstaff, Prescott, Phoenix metro area)
- Percent primary trip purpose for health care appointments and pharmacy
- Percent primary trip purpose for grocery shopping with secondary destinations (bank, Post Office, etc.)
- Annual expenditures by major category
- Annual revenues by source
- VVCC Cost per trip
- VVCC Cost per trip compared to three other like organizations
- Customer satisfaction ratings (via surveys or other)

Client demographics:

Living alone
Unable to drive and spouse or partner unable to drive
Clients using wheelchairs
Clients using walkers or other assistive devices
Average age

8. **City Liaison:** The City will appoint one (1) non-voting liaison to attend the VVCC Board meetings to provide two-way communication between the City and the VVCC.
9. **Termination:** Either party may terminate this Agreement, without penalty, upon 30 days written notice to the other. Upon such termination, the parties shall assess the services rendered to the date of termination and the City shall make any necessary payment or VVCC shall make any necessary reimbursement as may be required so that payment for the services rendered to the date of termination shall have been paid by the City on a proportional basis over the term of the Agreement.
10. **ADA:** VVCC must conform to the Americans with Disabilities Act of 1990, including changes made by the ADA Amendments Act of 2008 (P.L. 110-325) (ADA) and the Rehabilitation Act of 1973, as amended. This includes prohibiting discrimination against the handicapped in employment, programs, services and activities and making reasonable accommodations to allow their full and equal

access to all such employment, programs, services, and activities. VVCC shall also comply with all other federal, state and local regulations prohibiting unlawful discrimination in employment, programs, services, activities and contracting.

11. **Legal Compliance:** The VVCC agrees to comply with all Federal, State, and City laws or regulations applicable to the VVCC's business or services or to the performance of these services.
12. **Written Changes:** This Agreement contains the entire Agreement of the parties with respect to the subject matters hereof and it may be amended or modified only by an instrument in writing signed by both parties.

a. Written notices to City shall be sent to:

City Manager  
City of Sedona  
102 Roadrunner Drive  
Sedona, AZ 86336

b. Notices to the VVCC, shall be addressed to:

Executive Director  
Verde Valley Caregivers Coalition  
299 Van Deren Rd., Ste. 2  
Sedona, AZ 86336

### INDEPENDENT CONTRACTOR

1. The parties agree that VVCC provides specialized services and that the VVCC enters this Agreement with the City as an independent contractor. Nothing in this Agreement shall be construed to constitute the VVCC, nor any of its personnel, volunteers, or directors, as agents, employees, or representatives of the City.
2. As an independent contractor, the VVCC is solely responsible for all labor and expenses in connection with this Agreement and for any and all damages that may arise during the operation of this Agreement.
3. VVCC shall carry general liability insurance of \$1 million per occurrence/\$2 million aggregate and shall indemnify and hold the City and its officials, employees and agents harmless from any and all claims, demands, actions and causes of action (including administration or alternative dispute resolution proceedings) penalties or costs (including attorneys' fees) or liability for damages for personal injury or property damage resulting from the acts or omissions of VVCC's officers, directors, agents, employees, or volunteers, in connection with this Agreement or in any way arising from the activities or services of VVCC as set forth in this Agreement. The VVCC shall provide a copy of the insurance certificate, which lists the City of Sedona as an additional insured, to the City Manager's Office prior to the first installment release.



4. It is understood and agreed that VVCC is free to contract with other parties or to otherwise provide additional services.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officials on the aforementioned date.

CITY OF SEDONA, ARIZONA

Verde Valley Caregivers Coalition

By: \_\_\_\_\_  
Justin Clifton, City Manager

By: \_\_\_\_\_  
Board President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

ATTEST:

\_\_\_\_\_  
Susan L. Irvine, CMC, City Clerk

\_\_\_\_\_  
Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Robert L. Pickels, Jr., City Attorney

Date: \_\_\_\_\_

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**CITY COUNCIL  
AGENDA BILL**

**AB 2242  
June 27, 2017  
Consent Items**

**Agenda Item: 3e**  
**Proposed Action & Subject:** Approval of a recommendation regarding a Liquor License Agent Change/Acquisition of Control application for the Series 9 Liquor Store Liquor License for Walgreens #4065 located at 1995 HWY 89A, Sedona, AZ (License #09130012).

<b>Department</b>	City Clerk
<b>Time to Present</b>	N/A
<b>Total Time for Item</b>	
<b>Other Council Meetings</b>	N/A
<b>Exhibits</b>	Liquor License Application is available for review in the City Clerk's office.

City Attorney Approval	Reviewed 6/20/17 RLP	<b>Expenditure Required</b>	
			\$ 0
City Manager's Recommendation	Approve a Liquor License Agent Change/Acquisition of Control for the Series 9 Liquor Store License for Walgreens.	<b>Amount Budgeted</b>	
			\$ 0
		Account No. (Description)	N/A
		Finance Approval	<input checked="" type="checkbox"/>

**SUMMARY STATEMENT**

**Background:** State liquor laws require Sedona's City Council to forward a recommendation for approval or denial of applications for liquor licenses.

Andrea Lewkowitz and Walgreen Arizona Drug Co. have submitted a Liquor License application for an acquisition of control for Walgreens #4065 located at 1995 HWY 89A, Sedona, AZ (License #09130012). This is required by Arizona Department of Liquor Licenses and Control if a person other than those persons originally licensed acquires control over a license or licensee. The responsible person is required to file this notice within thirty business days after the acquisition of control and include a list of officers, directors, or other controlling persons. Walgreen Arizona Drug Co. had a change in members, and as a result, the structure is different than it was in the existing liquor license. There are no changes to Walgreens #4065, with the exception of the change in the responsible persons for the liquor license.

On receipt of notice of an acquisition of control, the State forwards the notice to the local governing body. The local governing body may protest the acquisition of control within sixty days based on the capability, reliability, and qualification of the person(s) acquiring control.

If the Director of the Arizona Department of Liquor Licenses and Control does not receive any protests, the Director may protest the acquisition of control or approve the acquisition of control based on the capability, reliability, and qualification of the person(s) acquiring control. Any protest shall be set for a hearing before the State hearing board. Any transfer shall be approved or disapproved within one hundred five days of the filing of the notice of acquisition of control. The person(s) who has acquired control of a license or licensee has the burden of an original application at the hearing, and the board shall make its determination pursuant to Section 4 202 and this section with respect to capability, reliability, and qualification.

Community Development, Finance, the Sedona Police Department (SPD), and Sedona Fire District (SFD) have conducted a review of the application and did not note any objections regarding its approval.

**Community Plan Consistent:** Yes - No - Not Applicable

**Board/Commission Recommendation:** Applicable - Not Applicable

**Alternative(s):** Do not recommend approval of the Liquor License Acquisition of Control application for the Series 9 Liquor Store Liquor License for Walgreens #4065 located at 1995 HWY 89A, Sedona, AZ (License #09130012).

## **MOTION**

**I move to:** recommend approval of the Liquor License Acquisition of Control application for the Series 9 Liquor Store Liquor License for Walgreens #4065 located at 1995 HWY 89A, Sedona, AZ (License #09130012).



**CITY COUNCIL  
AGENDA BILL**

**AB 2249  
June 27, 2017  
Consent Items**

**Agenda Item:** 3f  
**Proposed Action & Subject:** Approval of a recommendation regarding a new Series 10S Beer and Wine Store Liquor License application with Sampling Privileges for Sedona Divine Olive Oils, LLC located at 270 N State Route 89A, Suite 5, Sedona, AZ (License #10033232).

<b>Department</b>	City Clerk
<b>Time to Present</b>	N/A
<b>Total Time for Item</b>	
<b>Other Council Meetings</b>	N/A
<b>Exhibits</b>	Liquor License Application is available for review in the City Clerk's office.

City Attorney Approval	Reviewed 6/20/17 RLP	<b>Expenditure Required</b>	\$ 0
City Manager's Recommendation	Approve a new Series 10S Beer and Wine Store Liquor License for Divine Olive Oils.	<b>Amount Budgeted</b>	\$ 0
		Account No. (Description)	N/A
		Finance Approval	<input checked="" type="checkbox"/>

**SUMMARY STATEMENT**

**Background:** State liquor laws require Sedona's City Council to forward a recommendation for approval or denial of applications for liquor licenses.

The City has received an application for a new Series 10S Beer and Wine Store Liquor License with Sampling Privileges for Sedona Divine Olive Oils, LLC located at 270 N State Route 89A, Suite 5, Sedona, AZ (License #10033232). The liquor license application is available for review and inspection in the City Clerk's office or by email.

Sedona Divine Olive Oils, LLC has submitted an application for a Series 10S Liquor License application with Sampling Privileges. A Series 10 Liquor License (Beer and Wine) is a non-transferable, off-sale retail privileges liquor license which allows a retail store to sell beer and wine (no other spirituous liquors), only in the original unbroken package, to be taken away from the premises of the retailer and consumed off the premises. A retailer with off-sale privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. Payment must be made no later than the time of delivery. The Sampling Privileges

allow for samples limited to three ounces of beer or cooler-type products, one and one-half ounces of wine, and one ounce of distilled spirits per person, per brand, per day. The sampling shall be conducted only on the licensed premises under the supervision of an employee of a sponsoring distiller, vintner, brewer, wholesaler, or retail licensee. (A.R.S. § 4-206.01)

Community Development, Finance, the Sedona Police Department (SPD), and Sedona Fire District (SFD) have conducted a review of the application. No objections regarding its approval were noted.

**Community Plan Consistent:**  Yes -  No -  Not Applicable

**Board/Commission Recommendation:**  Applicable -  Not Applicable

**Alternative(s):** Recommend denial of a new Series 10S Beer and Wine Store Liquor License with Sampling Privileges for Sedona Divine Olive Oils, LLC located at 270 N State Route 89A, Suite 5, Sedona, AZ (License #10033232). Reasons for this recommendation would need to be identified and stated.

## **MOTION**

**I move to:** recommend approval of a new Series 10S Beer and Wine Store Liquor License with Sampling Privileges for Sedona Divine Olive Oils, LLC located at 270 N State Route 89A, Suite 5, Sedona, AZ (License #10033232).



**CITY COUNCIL  
AGENDA BILL**

**AB 2251  
June 27, 2017  
Consent Items**

**Agenda Item: 3g**

**Proposed Action & Subject:** Approval of purchase of a replacement 600 KW Caterpillar generator for the WWTP in the approximate amount of \$170,000 through the NJPA Cooperative Purchasing Contract.

<b>Department</b>	Wastewater
<b>Time to Present</b>	N/A
<b>Total Time for Item</b>	N/A
<b>Other Council Meetings</b>	N/A
<b>Exhibits</b>	A. Generator Replacement NJPA Contract

City Attorney Approval	Reviewed 6/20/17 RLP	<b>Expenditure Required</b>
		\$ 169,243.63
		<b>Amount Budgeted</b>
		\$ 0
City Manager's Recommendation	Approve the purchase of a new generator for the wastewater plant.	Account No. Transfer from: (Description) Legal Services 59-5230-01-6420 (\$100,000 available) Contingency 59-5246-01-6761 (\$100,000 available)
		Finance Approval <input checked="" type="checkbox"/>

**SUMMARY STATEMENT**

**Background:** The Wastewater Department is requesting approval to purchase a new 600 KW Caterpillar generator to replace the existing 25 year old Detroit generator. The cost to purchase, install, and add plugs for the portable generator is approximately \$170,000. This would be purchased through the NJPA Cooperative Purchasing Contract.

On April 4, 2017, the Wastewater Plant experienced an extended power outage from APS. Our standby generator provided the plant power for approximately 20 hours while APS worked to resolve the power outage. During the time the generator was running, an injector nozzle broke, which resulted in a malfunctioning piston and broken exhaust valve. When this happened, the generator lost a quarter of its engine power and was burning diesel fuel and oil. This caused catastrophic damage to the engine. The cost to repair the one cylinder and

valve is approximately \$25,000, but, if any other damage was caused to any other cylinders or other parts of the engine from the injector, additional repairs would be needed.

Typically, a diesel generator has a 20-30 year lifespan. Due to the high cost of replacing the generator and the fact that, in the past, this generator has always been a reliable back-up power source for the plant, the department was hoping to get 30 years out of it.

The current generator is a 25-year old, 2-stroke Detroit Diesel Engine that has been out of production for 20 years. It is difficult to obtain obsolete parts to repair it, and, due to the catastrophic nature of the malfunction, even if repaired, it cannot be guaranteed that the generator will ever fully function as well as it had in the past.

Due to the critical operation of the plant, the department proposes to replace the generator rather than repair it. The cost to replace the generator is approximately \$157,000. This contract also includes an option to add a new manual transfer switch and plugs for a portable generator to plug into for an additional \$13,000 for a total of approximately \$170,000.

**Community Plan Consistent:** Yes - No - Not Applicable

Preserve and protect the natural environment.

**Board/Commission Recommendation:** Applicable - Not Applicable

**Alternative(s):** If the generator is repaired instead of replaced, there is a much higher probability that it could result in failure again. Complete loss of power at the plant would result in wastewater spills at the plant site within just a few hours. This would be a violation of the plants ADEQ APP Permit and could likely result in fines from the Arizona Department of Environmental Quality.

## **MOTION**

**I move to:** approve the purchase of a replacement 600 KW Caterpillar generator for the WWTP in the approximate amount of \$170,000 through the NJPA Cooperative Purchasing Contract.





Empire Power Systems

840 N 43rd Ave  
Phoenix, AZ 85009

**Current Date:** 06/5/2017  
**Quotation Number:** 30274075  
**Quotation Expires:** 7/4/2017

Attn. Kelly Hanzel 928.203.5029

**City of Sedona WWTP  
600KW replacement Project  
NJPA pricing, Member# 38523**

In accordance with your request, we are pleased to submit the following proposal for the abovementioned project. Empire Power Systems proposes to furnish this equipment at the attached quoted price.

Empire Power Systems is taking **exception** to any specification for this proposal due to the fact that a written specification was not available at bid time for this project.

We will arrange for initial start-up services at no additional charge. These services include an onsite installation and operational **inspection** of the equipment supplied by Empire Power Systems. A summary of our basic start up scope of work is included in the attached quote document.

The initial diesel fuel required for startup services and testing is **not** included in this proposal.

Thank you for the opportunity to provide the attached quote. Empire Power Systems remains at your disposal for any additional information or assistance that you may require.

Sincerely yours,

Greg Ames  
Account Manager  
Empire Power Systems  
Office 928.714.2825  
Mobile 928.606.1815  
[greg.ames@empire-cat.com](mailto:greg.ames@empire-cat.com)



Empire Power Systems

840 N 43rd Ave

Phoenix, AZ 85009

**Caterpillar Generator**

**NJPA Contract #080613-CAT**

New C-18 600KW Generator Set	List price	\$165,025.00	NJPA price	<b>\$110,567.00 each</b>
New ASCO 1000A ATS	List price	\$8112.00	NJPA price	<b>\$7706.00 each</b>
Commissioning	List price	\$3000.00	NJPA price	<b>\$2850.00</b>
Installation	List price	\$20,993.00	NJPA price	<b>\$19,887.00</b>
Freight	List price	\$5800.00	NJPA price	<b>\$5510.00</b>
			Estimated tax	<b><u>\$9964.00</u></b>
			<b>Sub Total</b>	<b>\$156,484.00</b>

**Optional:**

**Manual 800A transfer switch addition & plugs for portable service at MCC-1 Building**

	List price	\$12,430.60	NJPA price	<b>\$11,809.00</b>
			Estimated tax	<b><u>\$950.63</u></b>
			<b>Sub Total</b>	<b>\$12,759.63</b>
			<b>TOTAL</b>	<b>\$169,243.63</b>

**Bill of Materials Caterpillar Generator Set (Per Each).**

**Freight is included FOB truck job site, Sedona, AZ**

Description
STANDBY POWER
EPA STATIONARY EMERGENCY
UL 2200 LISTED PACKAGE GEN SET
60HZ 480 VOLT (WYE)
C18 60HZ PKG 600 CERTESE
LC7024J AREP CIP ALT 65
EMCP4.2 CONTROL PANEL
ENGLISH INSTRUCTION LANGUAGE
4 yr. NJPA EXTENDED SERVICE COVERAGE
GENERAL EPG
PUBLIC OR CIVIL SERVICES

840 N 43<sup>rd</sup> Ave Phoenix, AZ 85009  
**A Division of Empire Southwest LLC**

PO Box 2985 Phoenix, AZ 85062-2985  
 www.empire-cat.com

Phone 602.333.5600 Fax 602.333.5618  
 AZ Contractors License ROC267407



Empire Power Systems

840 N 43rd Ave  
Phoenix, AZ 85009

STANDBY POWER  
GEN RUNNING & FAULT RELAY  
AUD&VIS FUEL ALARM (90% LEVEL)  
CONTRO PANEL MOUNTING LEFT  
LOCAL ANNUN NFPA99-110/CSA282  
QTY REMOTE ANNUNC (ANNR010\_S)  
ANNUNCIATOR BOX  
1000:5 CT RATIO  
SINGLE CIRCUIT BREAKER  
1200A SINGLE MANUAL CB LS/I  
POWER CENTER - RH MOUNTED  
NEUTRAL BAR NTS1200  
CB CABLE GP ABB/T7-1200  
NEUTRAL CABLE GP 1200A  
WIDE BASE W/EXTENSION 07  
SUB TANK BASE (1000 GAL.)  
FUEL TANK FILL PIPE & LOCK CAP  
GEN MOUNTING DUCT PLATE  
SOUND ATTEN ENC - WHITE 33  
STANDARD RADIATOR  
CANOPIED SILENCER  
STD AIR CLEANER - LIGHT DUTY  
PERMANENT MAGNET EXCITATION 04  
INTEGRATED VOLTAGE REGULATOR  
STANDARD WET BATTERY  
BATTERY CHARGER 10 AMP DUAL  
JACKET WATER HEATER 240 VAC  
HEATER CONTROL GROUP  
STD TEST - PKG GEN SET 0.8 PF

### **Bill of Materials ASCO Automatic Transfer Switch**

<b>Description</b>	
CONTACTOR, Open transition	
NO ENCLOSURE	
1000 AMPS	
3 POLES	
277/480V, 3 PHASE, 4 WIRE, 60H	
300 series control, group 3	
Engine exerciser/event Log	



Empire Power Systems

840 N 43rd Ave

Phoenix, AZ 85009

**Option-1, 4-Year Caterpillar Platinum Plus Extended Service Coverage. \$ NJPA included**

- We are pleased to offer an Extended Service Coverage (ESC) plan which offers coverage of your new Caterpillar product beyond the Standard Warranty period. ESC offers protection against unexpected repair bills and a hedge against rising parts and labor costs by providing parts and labor reimbursement for covered components for 5-years or 2500 hours of operation.

**Option-2, 1-Year Customer Support Agreement. \$ 1200.00**

- We are pleased to offer a Customer Support Agreement (CSA) plan which provides for routine maintenance of your new Caterpillar power product for the first year. On a semi-annual basis Empire will complete a comprehensive system inspection of your power system equipment. Also included is the first year oil and filter replacement service inclusive of engine oil and coolant samples submitted for laboratory analysis. You will be provided with complete documentation of all results and services performed.

**Basic Packaged Generator Set Start up includes:**

All work to be performed during regular business hours, 7:00 a.m. to 4:00 p.m. Monday – Friday.

- Hook up batteries
- Visually inspect unit for damage or missing parts
- Check Fluid levels
- Adjust isolators
- Hook up auto start wires to Generator
- Verify Battery Charger is working
- Verify Block Heater is working
- Prime fuel system
- Hook up to Control Panel verify settings are at factory default settings
- Copy Configuration of panel and give to sales department.
- Service meter extend days out.
- Startup unit verify operation at no-load
- Verify correct voltage and hertz
- Check Safeties
- Verify all gauges are reading correctly
- Connect and disconnect pure resistive load bank with one 75 foot run.
- Load bank for 2 hour
- Perform Startup Inspection Form and give paper work to the sales department



**Empire Power Systems**

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Phoenix, AZ 85009

**Automatic Transfer Switch Start up includes:**

All work to be performed during regular business hours, 7:00 a.m. to 4:00 p.m. Monday – Friday.

- Visually inspect switch for damage or loose items
- Covers are installed and secured
- Manually transfer switch with no voltage
- Verify limit switches are working
- Verify all electrical connections are secure
- Power up switch
- Check voltages on normal and emergency circuit
- Calibrate voltage sensing
- Check phase rotation
- Record settings and timers
- Make sure generator is in auto and breaker closed
- Perform a power outage test on the transfer switch
- Time each phase of the switch functions and record
- Verify the times are the same as the settings

**Submittals and Drawings:**

- Standard Submittal package includes: 2 paper copies and 1 electronic copy on CD

**This Quote Specifically Excludes:**

- Diesel Fuel
- Permits
- Concrete work



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840 N 43rd Ave  
Phoenix, AZ 85009

Subject to the attached terms and conditions  
This quote automatically expires: 7/4/2017

**Customer Delay:**

To the extent that the construction schedule is significantly delayed by customer for any reason, Empire reserves the right to remedy. This remedy could be in various forms, including invoice and payment prior to shipment, progress payments, and/or the accrual of interest charges on undelivered and unpaid goods. Additionally, Empire will also pass along costs of storage and other fees that may result due to the delay.

**The undersigned acknowledge that the preceding proposal has been read in its entirety, is understood and is hereby accepted:**

Empire Power Systems  
Greg Ames

**Date:** June 5, 2017

**Company:**

**Printed Name:**

**Signature:**

**Date:**

**Purchase Order No:**



**Empire Power Systems**

840 N 43rd Ave  
Phoenix, AZ 85009

## TERMS & CONDITIONS

**A)** Customer is responsible for any and all installation of the equipment supplied by **Empire Power Systems**, unless otherwise specified in writing. All equipment needed to perform any loading or unloading of the equipment supplied by **Empire Power Systems** is the responsibility of the buyer.

**B)** **Empire Power Systems** limits the scope of supply for this quotation to the equipment and services listed in our bill of material. Unless specifically listed in our bill of material, equipment not indicated is assumed to be supplied by others. We have detailed the equipment proposed in the bill of material. Please check it to be certain that it meets your requirements.

**C)** **Empire Power Systems** reserves the right to correct any errors or omissions. Standard warranty of the manufacturer applies. Copies are available upon request.

**D)** Contracts which include penalty or liquidated damage clauses, waivers of subrogation, or naming a third party additionally insured are not acceptable or binding on **Empire Power Systems**, unless accepted and confirmed in writing by an officer of **Empire Power Systems** at its Phoenix division office.

**E)** Unless agreed to in writing, **Empire Power Systems** will not accept purchase orders which:

- Require Empire Power Systems to pay any and all legal expenses for the purchaser in the event of a dispute
- Require that Empire Power Systems be responsible for design work and/or guarantee that a performance standard for a system be met
- Require completion and acceptance of the project by the owner before payment

**F)** There will be a **25%** of order cancellation fee for any orders cancelled, once placed and accepted by **Empire Power Systems**.

**G)** **Empire Power Systems'** standard and extended terms and conditions are included in the quotation and hereby become part of this quotation. These same terms need to be noted on any purchase order received by **Empire Power Systems** in order to process your order.

**H)** **Empire Power Systems** will not be responsible for any labor or material charges by others associated with the start-up and installation of this equipment unless previously agreed upon, in writing by **Empire Power Systems**.

**I)** **Empire Power Systems** is a supplier of materials and related services and not a contractor. Retention is not acceptable.

**J)** Credit is subject to **Empire Power Systems**, approval at its sole discretion. This quote in no way constitutes approval of credit.



**Empire Power Systems**

840 N 43rd Ave  
Phoenix, AZ 85009

**K) Empire Southwest LLC** has entered a like-kind exchange (LKE) program. If the equipment described herein qualifies and is purchased, notice is hereby given that **Empire Southwest LLC** will assign its rights under the sales contract to **Empire Exchange LLC** including, if applicable, the right to purchase any trade-in property. If this contract is assigned to **Empire Exchange LLC** sales proceeds must be remitted according to the invoice rendered.

**L)** Sales payments are due Net 10; all others Net 30. Unless otherwise agreed in writing by a corporate officer of Empire Southwest, LLC (“Empire”), the purchase of goods (including, but not limited to, new and used equipment, attachments, parts and technology) or services from Empire will be governed solely by Empire’s Terms and Conditions of Sales and Service (the “Terms”), which are available at [www.empire-cat.com/termsandconditions](http://www.empire-cat.com/termsandconditions) or such other successor website at which Empire posts its Terms from time to time. A hard copy of the Terms is available upon written request to [terms.conditions@empire-cat.com](mailto:terms.conditions@empire-cat.com). Empire’s Terms are hereby incorporated by reference into this document and all other documents related to your purchase of goods or services from Empire. By purchasing goods or services from Empire, you agree to be bound by Empire’s Terms.

**Terms and conditions of this quotation govern over any conflict between this document and customer’s purchase order or other document.**





**CITY COUNCIL  
AGENDA BILL**

**AB 2234  
June 27, 2017  
Regular Business**

**Agenda Item: 8a**  
**Proposed Action & Subject:** Discussion/possible action regarding a Development Agreement and Reciprocal Easement Agreement between the City of Sedona, the Sedona Chamber of Commerce and Tourism Bureau and the Sedona Jazz Collective, LLC for the construction of pedestrian access improvements and an ADA walkway at the northwest corner of Forest Road and Hwy 89A in Uptown.

<b>Department</b>	City Manager's Office
<b>Time to Present</b>	15 minutes
<b>Total Time for Item</b>	30 minutes
<b>Other Council Meetings</b>	None
<b>Exhibits</b>	<ul style="list-style-type: none"> <li>A. Proposal letter from Sedona Jazz Collective, LLC</li> <li>B. Vicinity Map</li> <li>C. Rendering of Project Improvements</li> <li>D. Preliminary ADA Ramp Specs</li> <li>E. Cost Estimates for ADA Walkway</li> <li>F. Cost Estimates for Other Forest Road Plaza Improvements</li> <li>G. Development Agreement</li> <li>H. Reciprocal Easement Agreement</li> </ul>

City Attorney Approval	Reviewed 6/20/17 RLP	<b>Expenditure Required</b>
		\$ 50,000
City Manager's Recommendation	Approve agreements between the City, Chamber, and Sedona Jazz Collective for the construction of pedestrian access improvements.	<b>Amount Budgeted</b>
		\$ 100,000
		Account No. CIP – (Description) Transportation study implementation 22-5320-89-6816
		Finance <input checked="" type="checkbox"/> Approval

**SUMMARY STATEMENT**

Staff is requesting the City contribute \$50,000 from the current FY17 Capital Improvement Program (CIP) towards a pedestrian access/ADA access enhancement project that will be completed by private sector developer, Sedona Jazz Collective, LLC. City CIP Project Number 22-5320-89-6816 was budgeted at \$100,000 to be spent in FY17 on small discretionary projects that may come from early recommendations in the development of the Transportation Master Plan. Staff believes this project fits that criterion. None of these funds

have been expended to date. The \$50,000 City contribution and the roles and responsibilities for the execution of the project will be memorialized through a Development Agreement and Reciprocal Easement Agreement, to be approved by the City Council.

**Background:**

The Sedona Community Plan discusses the goal to create a more walkable and bikeable community with less dependence on cars. In the Walking and Biking section of the Community Plan (page 65), key issues identified include:

- Safety concerns of pedestrians and bicyclists
- Lack of alternative routes for bicyclists and pedestrians other than the highways
- Lack of sidewalks and shoulders on many residential streets
- Lack of public spaces within commercial areas that encourage pedestrian use

The Community Plan also defines walkability as “a measure of walking conditions, based on whether walking is safe, practical, comfortable, interesting, and convenient.”

The Sedona Jazz Collective, LLC, will be constructing a new pedestrian oriented public gathering space adjacent to the Forest Road Plaza within the Uptown commercial area. The space will include a decorative paver walkway, observation viewing area, benches and umbrellas, bike parking, public art, and interpretive displays. The Sedona Jazz Collective, LLC, hopes to connect that public gathering space and the Forest Road Plaza itself to the Sedona Chamber of Commerce and Tourism Bureau (SCC&TB) Visitor Center and ultimately the rest of the Main Street retail district, encouraging walkability and reducing the need to drive from place to place. A proposal letter from Sedona Jazz Collective, LLC is attached as Exhibit A. A vicinity map and project rendering are included as Exhibits B & C.

The portion of the project the City is being asked to contribute to will create a new pedestrian walkway and ADA access improvements through the City right-of-way that will tie into the public gathering space, the Forest Road Plaza, the Hyatt Shops, the Visitor Center, and the rest of Main Street. The project will also create a much needed ADA connection in that area (Exhibits D & E) and a public access easement through the ADA pathways that will traverse the Sedona Jazz Collective’s and the SCC&TB’s private property.

The Sedona Jazz Collective, LLC is already constructing the public gathering space and other improvements on their property at Forest Road Plaza and desires to achieve the additional connectivity envisioned through the broader project. Having the Sedona Jazz Collective, LLC also design, manage, and execute the pedestrian walkways/ADA connection portion of the project allows the work to be expedited, reduces the amount of public disruption, allows the work to occur as one coordinated effort rather than separate projects, and achieves cost efficiencies by working with a single contractor. If the City had to project-manage the portion occurring within the City right-of-way, given current project workload, it would likely not occur in the immediate future.

The total estimated project costs\*, and the costs for each segment are as follows:

Project Component	Cost
City of Sedona – Construction of ramp at the City’s Right of Way	\$58,440
Jazz Collective – Construction of ramp segment from the City Right of Way to the Forest Road Plaza Walkway (on Sycamore Group property)	\$25,199
Chamber of Commerce – Construction of patio extension and connection to new ADA walkway	\$23,246
Design, permits and landscaping	\$25,000
Total New ADA ramp from corner of 89A and Forest Road to Chamber Visitor Center and Forest Road Plaza	\$131,885

Proposed City contribution	\$50,000
Chamber of Commerce contribution	\$30,000
Sedona Jazz Collective, LLC contribution	\$49,385
City waiver of permit fees	\$2,500
Total Project Cost	\$131,885

\*Additional cost detail is provided in Exhibit F.

Sedona Jazz Collective, LLC has expressed a willingness to design the project in its entirety, secure a contractor, and complete the work in the City right-of-way, as well as on the Chamber of Commerce and Tourism Bureau property, and of course on their own property. The public gathering space is currently being constructed at an additional investment of \$114,329 by the Sedona Jazz Collective, LLC. Cost details on those improvements are provided in Exhibit F.

If the City contribution of \$50,000 is approved, the Sedona Jazz Collective, LLC will still be required to work with City staff to obtain Right of Way Permits for the work and go through a normal plan review/design review and permitting processes. Should cost overruns occur, covering those will be the responsibility of the Sedona Jazz Collective, LLC.

The project is anticipated to take three to five months to complete.

These terms, and other specifications for the work to be done and the responsibilities of both parties, have been captured in the attached Exhibit G, Development Agreement for Cost Sharing.

In order to open the walkway to the public, the Sedona Jazz Collective, LLC, the SCC&TB, and the City must also enter into a Reciprocal Easement Agreement (REA), as the public walkway will traverse all three properties. The REA is attached as Exhibit H.

These agreements are in draft form and are subject to final approval by the City Attorney including addition of any missing legal descriptions.

**Community Plan Consistent:** Yes - No - Not Applicable

The Sedona Community Plan discusses the goal to create a more walkable and bikeable community with less dependence on cars. Key issues from the Walking and Biking Section of the Plan (Page 65) are referenced in the above narrative. This section of the Plan also cites the 2007 pedestrian improvements in Uptown and the 2013 concept plan to consider additional pedestrian improvements in Uptown.

The circulation policies outlined in the Walking and Biking Section (Page 66) include:

*2. Create a network of pedestrian and bicycle improvements and connections linking neighborhoods, activity centers, and popular destinations, and promote walkable, bike-able connections to transit stops.*

*4. Help alleviate traffic congestion in Uptown by transforming Uptown into a “park once” district through improved wayfinding and parking availability.*

**Board/Commission Recommendation:** Applicable - Not Applicable

**Alternative(s):** City of Sedona could pursue its improvements separately from the developer.

**MOTION**

**I move to:** approve the Development Agreement between the City of Sedona, the Sedona Chamber of Commerce and Tourism Bureau, and the Sedona Jazz Collective, LLC, for cost sharing right-of-way improvements for the construction of pedestrian access improvements and an ADA walkway at the northwest corner of Forest Road and Hwy 89A in Uptown, for the amount of \$50,000, subject to approval of the final Agreement by the City Attorney.

**I move to:** approve the Reciprocal Easement Agreement between the City of Sedona, the Sedona Chamber of Commerce and Tourism Bureau, and the Sedona Jazz Collective, LLC, subject to approval of the final Agreement by the City Attorney.

## Sedona Jazz Collective

361 Forest Road  
Sedona, AZ 86336  
[sedonajazzcollective@gmail.com](mailto:sedonajazzcollective@gmail.com)

April 25, 2017

Karen Daines Osburn  
Assistant City Manager  
City of Sedona  
Sedona City Hall  
102 Roadrunner Drive  
Sedona, AZ 86336

Re: Proposed Public/Private Partnership

Dear Karen Daines Osburn,

Our property located at 361 Forest Road "Forest Plaza" is strategically positioned between the Sedona Chamber of Commerce Visitors Center (Chamber) and the Shops at Hyatt Pinon Point Shopping Center. The site was originally developed in 1976 as a commercial bank building. When we acquired the property in March of 2014, the 7498 square foot building was 97% vacant and had been allowed to go "dark" since a former real estate sales office vacated the space in 2008. The building was neglected, had much deferred maintenance and was, in our opinion, under utilized by prior ownership.

Our vision for the property was to convert the single tenant office building into a multi-tenant commercial building, which we now have substantially accomplished with the addition of Chipotle Mexican Grill, Manzanita Market and the Hyatt Visitor Center. The vision includes converting the former bank drive-thru into a pedestrian friendly environment, taking full advantage of the panoramic views and extending the Main Street store front rhythm and pedestrian experience from Forest Avenue to this site. We envision expanding the Main Street pedestrian travel from Forest Avenue, past the Chamber property and to our site and to the Hyatt Pinon Point Center and beyond. Our property's former drive-thru/fire lane will include a decorative paver walkway, observation viewing area, seating benches and umbrellas, bike parking, public art, interpretive displays about the geology and rock formations, new landscaping/hardscaping, all in a dynamic pedestrian-orientated environment and community gathering place which is envisioned to encourage social interaction. This concept is intended and specifically designed to affordably expand **non-vehicular ADA compliant travel** and facilitate pedestrian access from the Main Street corridor onto the Chamber

property, our site and to the Shops at Hyatt Pinon Point and beyond. Thereby creating an alternative pedestrian route to Tlaquepaque Shops.

We have observed that the existing stairways that access the Shops at Hyatt Pinon Point from the 89A corridor have historically been greatly under utilized by pedestrians and is not handicapped accessible whereas our newly proposed ADA route of pedestrian travel would be much more easily traversed and a more interesting gateway. This expansion of the Main Street pedestrian traffic flow past the Chamber to and through our property at 361 Forest Road and to the Shops at Hyatt Pinon Point Center and beyond will result in a significant increase in the number of persons visiting those sites affected by this newly proposed gateway/pedestrian walkway and result in a substantial increased tax revenue and sales tax.

We are requesting that the City of Sedona join with us and the Chamber Of Commerce, to form a Private/Public Partnership and assist us by approving and helping to fund the development of a Handicapped Accessible Walkway from the corner of Forest Road via the City Right Of Way and thru the Chamber's property to and thru our property and beyond. This ADA walkway will allow us and our Partners, The City of Sedona and the Chamber of Commerce, to realize our joint vision of creating a pleasant pedestrian environment by enhancing the Main Street store front rhythm and pedestrian experience, while helping to alleviate some of the vehicular traffic congestion. We strongly believe that 361 Forest Road can extend Main Street's walkability and establish a new community gathering place that will benefit all of Uptown Sedona.

Respectfully,

Sedona Jazz Collective, LLC

by:

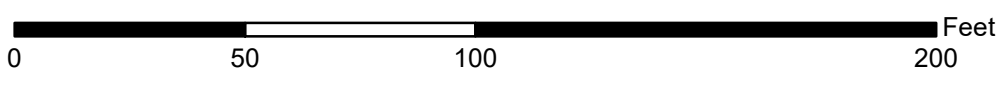


Joel W. Bowers, Manager



Neill M. Wise, Manager

# Forest Plaza Rampway Location Map



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DAN SURBER



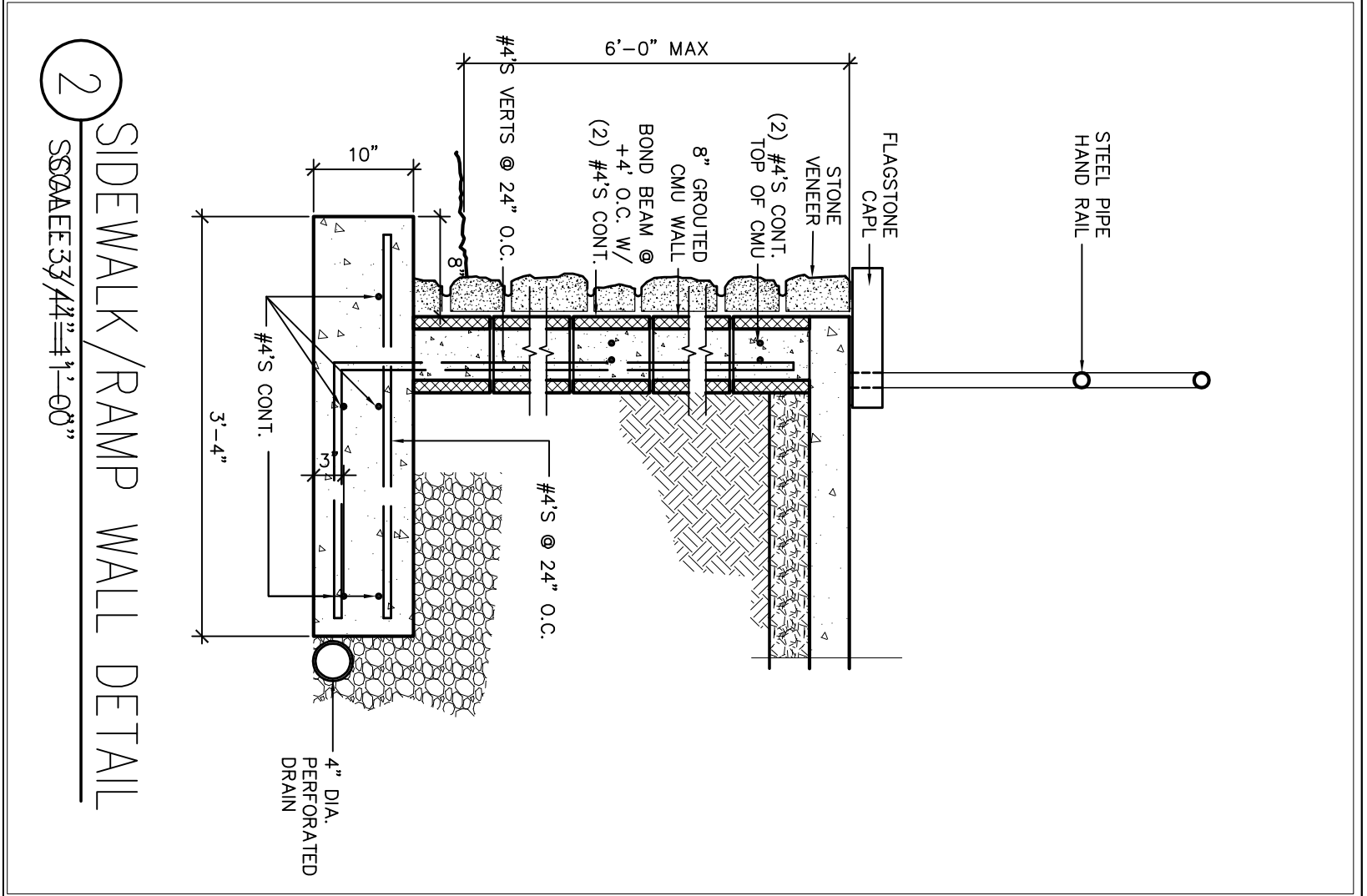
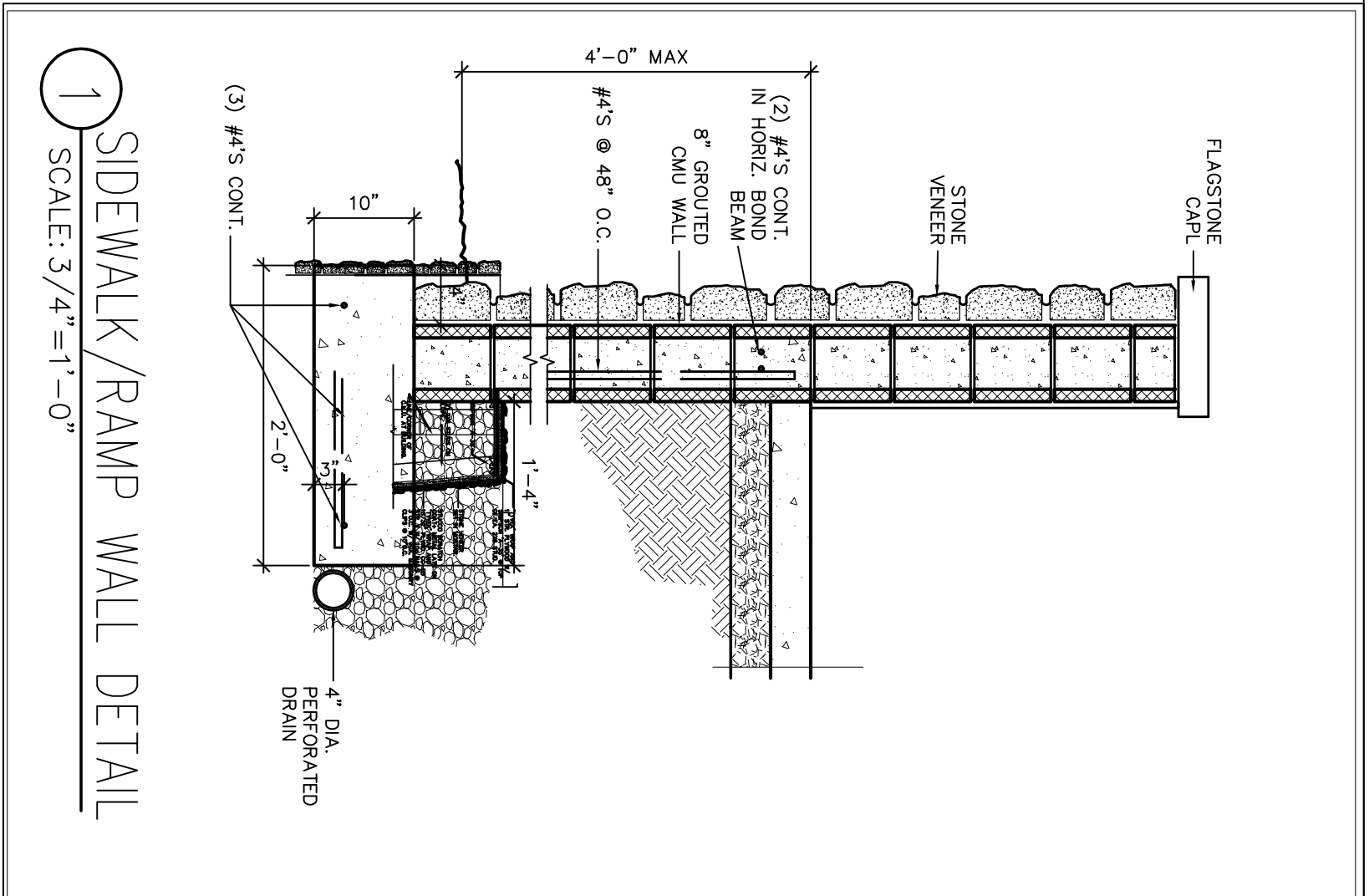
DAN SURBER



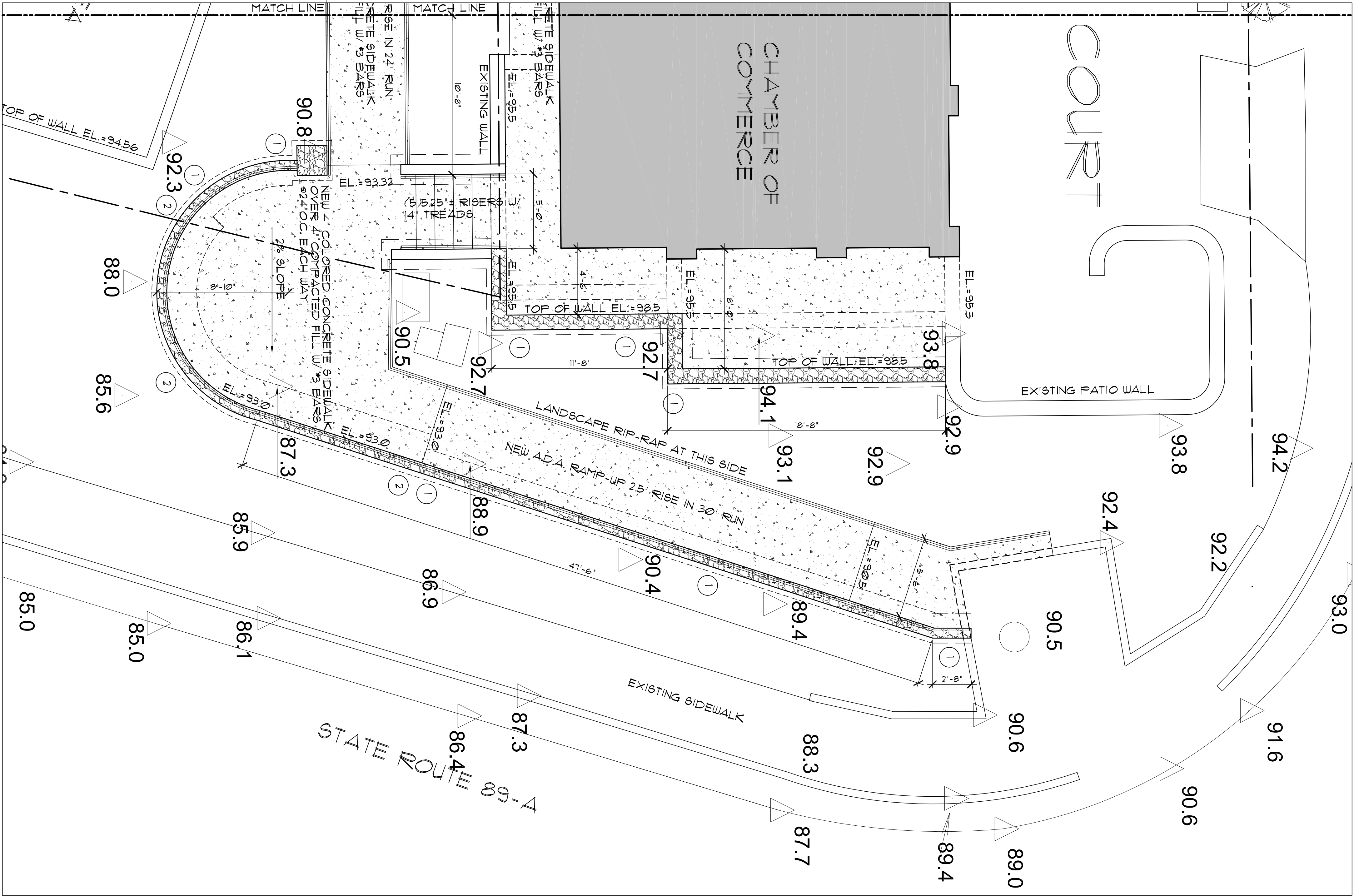
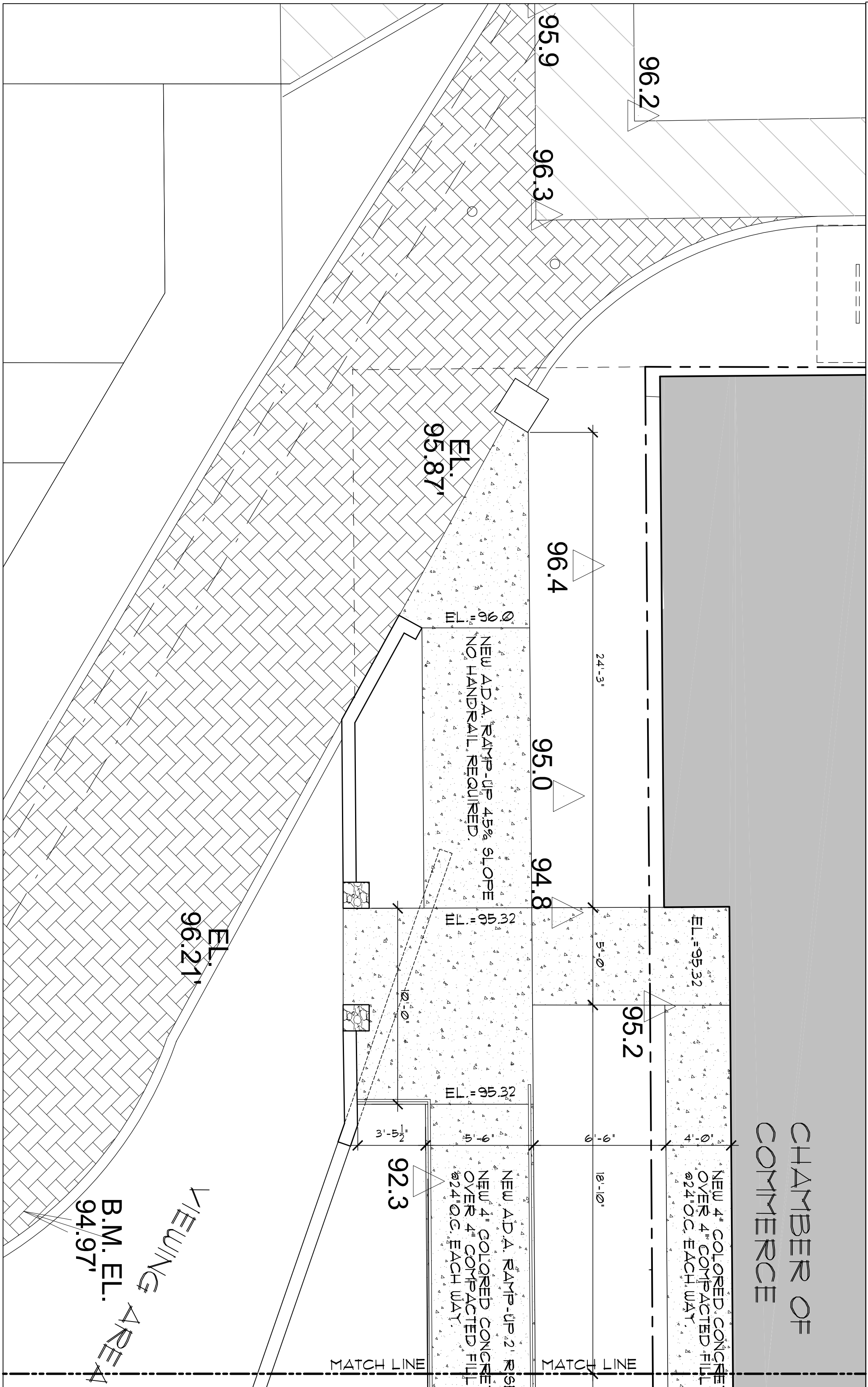
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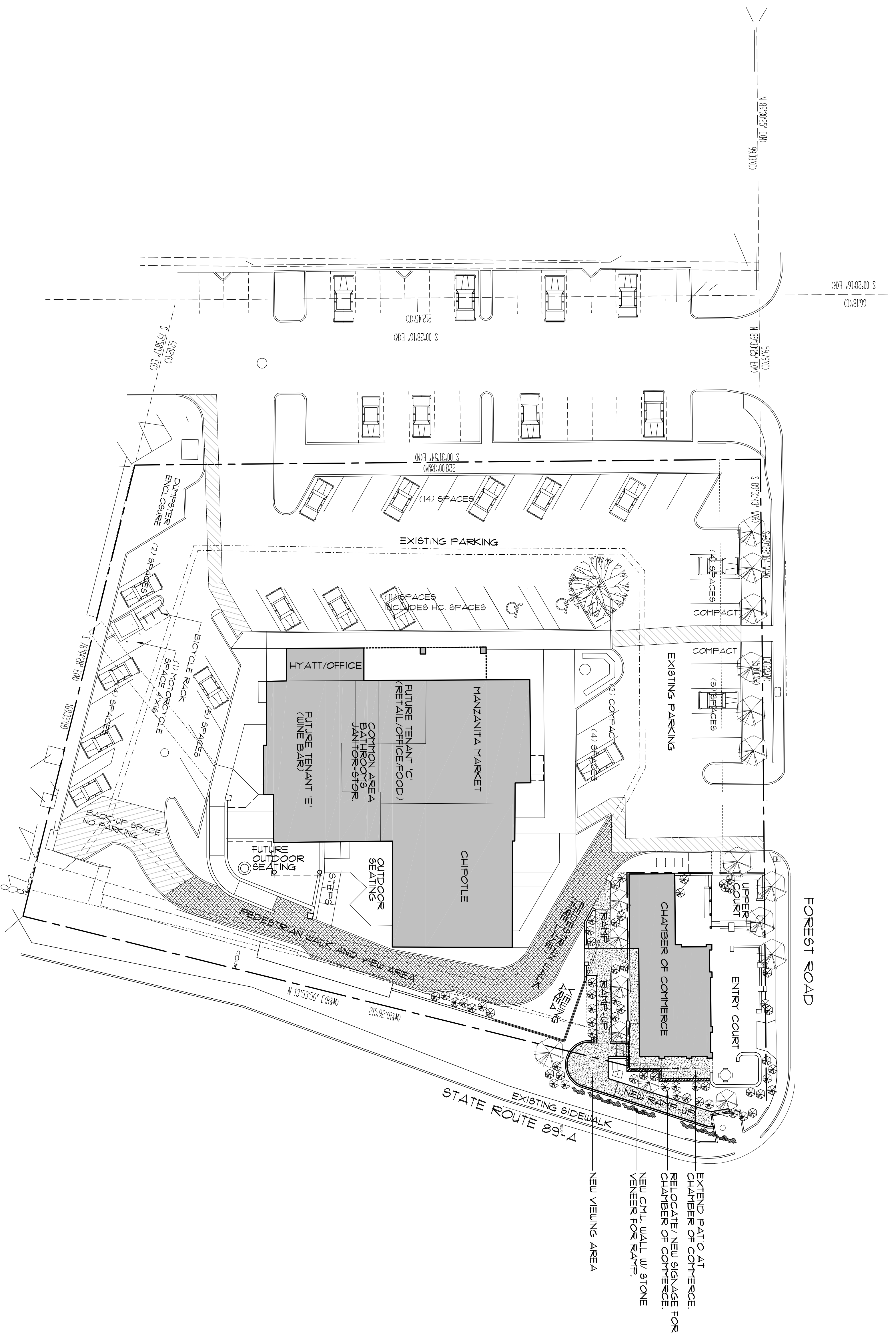
- FOUNDATION SCHEDULE**
- ① 8" STEEL WALL W/ #4 BARS VERTICAL AT 48" O.C. AND #4 BARS HORIZONTAL AT TOP AND 48" O.C. AND 3 GAUGE DIAPHRAGM WALL AT 6" O.C. GROUT SOLID CONCRETE FOOTING @ DEEP X 24" WIDE W/ (3) #4 BARS CONTINUOUS.
  - ② 8" STEEL WALL W/ #4 BARS VERTICAL AT 24" O.C. AND #4 BARS HORIZONTAL AT TOP AND 30" O.C. AND 3 GAUGE DIAPHRAGM WALL AT 6" O.C. GROUT SOLID CONCRETE FOOTING @ DEEP X 48" WIDE W/ (4) #4 BARS CONTINUOUS.



NEW ADA SIDEWALK/RAMP (FOREST PLAZA)  
SCALE: 1/4" = 1'-0"

NEW ADA SIDEWALK/RAMP (CHAMBER OF COMMERCE/R.O.W.)  
SCALE: 1/4" = 1'-0"

SHEET 2 OF 2 A2	SCALE: SHOWN DATE: 04/18/17	<b>DRAWING TITLE:</b> ADA SIDEWALK/RAMP PLAN FOUNDATION/WALL DETAILS	<b>PROJECT INFORMATION:</b> FOREST PLAZA SITE IMPROVEMENTS NEW ADA RAMP AND SIDEWALK PROJECT 361 FOREST ROAD SEDONA, AZ. APN. 401-17-019 K	<b>DAN SURBER ARCHITECT</b> P.O. BOX 3764 SEDONA, ARIZONA 928-204-2814 86340
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SITE PLAN  
SCALE: 1" = 20'-0"  
NORTH

# NEW ADA RAMP AND WALKWAY

## FROM CORNER OF S.R.89-A AND FOREST ROAD TO CONNECT TO FOREST PLAZA PEDESTRIAN WALK

SCALE: 1" = 20'-0" DATE: 04/18/17 SHEET 2 OF 2	DRAWING TITLE: ADA SIDEWALK/RAMP PLAN	PROJECT INFORMATION: FOREST PLAZA SITE IMPROVEMENTS NEW ADA RAMP AND SIDEWALK PROJECT 361 FOREST ROAD SEDONA, AZ. APN. 401-17-019 K	DAN SURBER ARCHITECT P.O. BOX 3764 SEDONA, ARIZONA 928-204-2814 86340	
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**PROJECT INFORMATION**

NEW ADA ACCESSIBLE RAMP FROM STREET INTERSECTION AT STATE ROUTE 89-A AND FOREST ROAD.

RAMP BEGINS AT CORNER OF STATE ROUTE 89-A AND FOREST ROAD RUNS PARALLEL TO 89-A AND THEN TURNS WEST AND CONTINUES UP TO FOREST PLAZA PROJECT AND ALSO CONNECTS AND PROVIDES ACCESS TO THE EXISTING CHAMBER OF COMMERCE BUILDING.

CONSTRUCTION OF THIS PROJECT WILL INVOLVE TWO PARCELS: AND ALSO REQUIRE CITY OF SEDONA RIGHT OF WAY.

CHAMBER OF COMMERCE - APN #401-17-015  
 FOREST PLAZA PROJECT - APN # 401-17-019K

**PROJECT CONSTRUCTION COST ESTIMATION:**

LOCATION	DESCRIPTION	TOTAL
<b>RAMP AT RIGHT-OF-WAY</b>	FOOTING AT RAMP, INCLUDES TYPICAL EQUIPMENT GRADING AND DEMOLITION.	\$11,640.00
	8" WIDE CMU WALL W/ REINFORCING OF #4 BARS VERTICAL AS SHOWN AND GROUTED SOLID	\$4,800.00
	STONE VENEER 89-A SIDE W/ TIES AND GROUT.	\$14,000.00
	4" DEEP X 5'-6" WIDE COLORED CONCRETE RAMP, WALKWAY AND LANDINGS.	\$2,600.00
	1.5" DIAMETER PIPE STEEL HANDRAIL AT INTERIOR AND FULL GAURDRAIL AT 89-A EXTERIOR SIDE.	\$25,400.00
	<b>\$58,440.00</b>	
<b>RAMP FROM R.O.W TO FOREST PLAZA PEDESTRIAN WALKWAY.</b>	FOOTING AT RAMP, INCLUDES TYPICAL EQUIPMENT GRADING AND DEMOLITION.	\$6,139.00
	8" WIDE CMU WALL W/ REINFORCING OF #4 BARS VERTICAL AS SHOWN AND GROUTED SOLID	\$4,200.00
	STONE VENEER 89-A SIDE W/ TIES AND GROUT.	\$6,900.00
	4" DEEP X 5'-6" WIDE COLORED CONCRETE RAMP, WALKWAY AND LANDINGS.	\$2,900.00
	COLORED CONCRETE STAIRS ON GRADE. (5)5.75"RISERS W/ 15" TREADS	\$1,300.00
	1.5" DIAMETER PIPE STEEL HANDRAIL AT EACH SIDE OF RAMP AND AT STAIRS.	\$3,760.00
	<b>\$25,199.00</b>	
<b>CHAMBER OF COMMERCE EXTEND PATIO AND CONNECT TO WALKWAY.</b>	FOOTING AT NEW PATIO WALLS INCLUDES TYPICAL EQUIPMENT GRADING AND DEMOLITION.	\$9,146.00
	8" WIDE CMU WALL W/ REINFORCING OF #4 BARS VERTICAL @48"O.C. GROUTED SOLID	\$3,000.00
	STONE VENEER 89-A SIDE W/ TIES AND GROUT.	\$8,900.00
	4" DEEP X 154SQ.FT. COLORED CONCRETE LANDING AND WALKWAY.	\$2,200.00
	<b>\$23,246.00</b>	
<b>MISCALLANEOUS</b>	ALLOWANCE FOR NEW TRANSPLANT AND NEW LANDSCAPE	<b>\$14,500.00</b>
<b>TOTAL COST FOR CONSTRUCTION OF NEW ADA RAMP AND WALKWAY.....</b>		<b>\$121,385.00</b>
<b>DESIGN, CONSTRUCTION DOCUMENTS AND PERMITS</b>	PRELIMINARY DESIGN AND CONSTRUCTION DOCUMENTS	\$6,500.00
	SITE SURVEY - CONTOURS	\$1,500.00
	CITY OF SEDONA PERMIT FEES	\$2,500.00
	<b>\$10,500.00</b>	

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**PROJECT CONSTRUCTION COST ESTIMATION FOR CURRENT/FUTURE WORK AT FOREST PLAZA**

LOCATION	DESCRIPTION	TOTAL
<b>NEW ADA ACCESS W/ PAVERS AT NORTH SIDE OF FOREST PLAZA TO FOREST ROAD.</b>	DEMOLITION OF EXISTING ASPHALT DRIVEWAY, RE-GRADE AND LEVEL	
	NEW BELGARD CAMBRIDGE PAVERS OVER 4" OF 'ABC' FILL AND LEVELED W/ 3/4" CONCRETE SAND.	
	NEW LANDSCAPE AT PEDESTRIAN PATH AND PLANTERS.	
		<b>\$11,581.61</b>
<b>ADA RAMP AND ACCESSIBLE WALKWAY AT SOUTH SIDE OF FOREST PLAZA</b>	FOOTING AT RAMP, INCLUDES TYPICAL EQUIPMENT GRADING AND DEMOLITION.	\$750.00
	8" WIDE CMU WALL W/ REINFORCING OF #4 BARS VERTICAL AS SHOWN AND GROUTED SOLID	\$400.00
	STONE VENEER 89-A SIDE W/ TIES AND GROUT.	\$9,700.00
	4" DEEP X 5'-6" WIDE COLORED CONCRETE RAMP, WALKWAY AND LANDINGS.	\$3,700.00
	1.5" DIAMETER PIPE STEEL HANDRAIL AT INTERIOR AND FULL GAURDRAIL AT 89-A EXTERIOR SIDE.	\$15,760.00
	ELECTRICAL POWER AND CONDUIT FOR LIGHTING AT RAMP AND WALKWAYS.	\$2,434.36
		<b>\$32,744.36</b>
<b>NEW PAVERS AT EXISTING DRIVEWAY AND VIEWING AREA FOR ADA ACCESSIBILITY.</b>	DEMOLITION OF EXISTING ASPHALT DRIVEWAY, RE-GRADE AND LEVEL	\$5,800.00
	NEW BELGARD CAMBRIDGE PAVERS OVER 4" OF 'ABC' FILL AND LEVELED W/ 3/4" CONCRETE SAND.	\$34,756.00
	NEW LANDSCAPE AT PEDESTRIAN PATH AND VIEWING AREA.	\$2,800.00
		<b>\$43,456.00</b>
<b>NEW COVERED PATIO W/ CONCRETE SLAB AND WALL W/ STONE VENEER.</b>	FOOTING AT NEW PATIO WALLS INCLUDES TYPICAL EQUIPMENT GRADING AND DEMOLITION.	\$3,800.00
	8" WIDE CMU WALL W/ REINFORCING OF #4 BARS VERTICAL @48"O.C. W/ CONCRETE CAP AND GROUTED SOLID	\$8,750.00
	STONE VENEER 89-A SIDE W/ TIES AND GROUT.	\$6,800.00
	4" DEEP X 454SQ.FT. COLORED CONCRETE AT COVERED PATIO.	\$6,500.00
	1.5" DIAMETER PIPE STEEL HANDRAIL AT TOP OF PATIO WALL.	\$ 760.00
		<b>\$26,610.00</b>
<b>TOTAL COST FOR FOREST PLAZA IMPROVEMENTS.....</b>		<b>\$114,328.97</b>

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When recorded mail to:

City Clerk  
City of Sedona  
102 Roadrunner Drive  
Sedona, AZ 86336

**DEVELOPMENT AGREEMENT FOR RIGHT-OF-WAY  
IMPROVEMENTS COST-SHARING AT FOREST PLAZA**

THIS DEVELOPMENT AGREEMENT (“Agreement”) for right-of-way construction cost-sharing at Forest Road and 89A, and at Forest Road Plaza (“Agreement”) is entered into and effective this 27<sup>h</sup> day of June, 2017, by and between the CITY OF SEDONA, an Arizona municipal corporation (“City”), Sedona Jazz Collective L.L.C. (“Developer”), and Sedona Chamber of Commerce, Inc. (“Chamber”)

**RECITALS**

A. Developer is the manager of the real property commonly known as Forest Plaza, legally described on Exhibit “A” (the “Developer Property”).

B. Chamber is the owner of real property commonly known as 331 Forest Plaza Road, Sedona, AZ, legally described on Exhibit “B” (the “Chamber Property”). The Developer Property and the Chamber Property are adjacent to one another.

C. The City owns, among other property, certain property located in close proximity to both the Developer Property and the Chamber Property, more specifically certain pedestrian access on State Route 89-A (the “City Property”). The Developer Property, Chamber Property and City Property are more clearly delineated on the site plan attached hereto as Exhibit “C”.

D. Developer, on behalf of ownership, is contemplating various building improvements to the Developer Property. These contemplated improvements include, among other things, construction of an outdoor public gathering place. In order to provide pedestrian access compliant with the Americans with Disabilities Act (“ADA”), an ADA compliant ramp/walkway (the “Ramp/Walkway”) is being proposed from the corner of 89A and Forest Road to the Chamber Property and Developer Property. A significant portion of the Ramp/Walkway will be on the City Property.

E. Developer, Chamber and the City wish to enter into this Agreement to provide for the construction by Developer of certain public infrastructure improvements associated with construction of the Ramp/Walkway. Specifically, as part of the proposed construction, Developer proposes to improve the existing pedestrian sidewalk in order to make it compliant with the Americans with Disabilities Act. Because these sidewalk improvements are to the benefit of the general public, the City is willing to contribute towards the cost of

these improvements as a cost-sharing arrangement through this Agreement. Because these sidewalk improvements are to the benefit of the Chamber Property, the Chamber is willing to contribute towards the cost of these improvements as a cost sharing arrangement through this Agreement.

F. Pursuant to A.R.S. §34-201 (D), and (G), the proposed construction related to sidewalk improvements per this development agreement are exempt from public bidding requirements.

G. Arizona Revised Statutes §9-500.05 authorizes the City to enter into a development agreement with a landowner or any other person having an interest in real property to facilitate development of the real property by providing for, among other things, the conditions, terms, restrictions and requirements for public infrastructure and the financing of public infrastructure.

NOW THEREFORE, in consideration of the promises and premises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

#### **AGREEMENT**

1. Accuracy of the Recitals. Each of the parties, to the extent such knowledge is within their respective control, hereby acknowledges, to the best of their knowledge, the accuracy of the Recitals, which are incorporated herein by this reference.
2. Term. Once executed by the parties, the term of this Agreement shall be deemed to commence as of the Effective Date and shall continue for nine (9) months, or until completion of the proposed right-of-way improvements, whichever occurs first.
3. Public Infrastructure To Be Built In Conjunction With The Proposed Development.

3.1 Developer shall construct (or cause to be constructed) certain public infrastructure improvements which will serve the City and the General Public (the "Public Infrastructure Improvements"). The Public Infrastructure Improvements, and scope of work related thereto, are as defined in Exhibit D. The City will contribute Fifty Thousand and No/100 Dollars (\$50,000) (the "City Contribution") towards the cost of the Public Infrastructure Improvements. The Chamber will contribute Thirty Thousand and No/100 Dollars (\$30,000.00) (the "Chamber Contribution") towards the cost of the Public Infrastructure Improvements. The Public Infrastructure Improvements are related to proper pedestrian access that is built in accordance with the requirements of the ADA and is in addition to the improvements made to the remainder of the Developer Property.

3.2 Except for the City Contribution and the Chamber Contribution, Developer shall pay all the Public Infrastructure Improvements costs, which include the costs associated with the design, engineering, acquisition, construction and installation of the Public Infrastructure Improvements.

3.3 Developer shall commence construction within thirty (30) days of the issuance of City construction permits and shall continue work until the scope of work is complete.

3.4 The City, in consideration of Developer's construction of the Public Infrastructure Improvements, shall pay the City Contribution to the Developer within thirty (30) days of the execution of this Agreement. The Chamber, in consideration of Developer's construction of the Public Infrastructure Improvements, shall pay the Chamber Contribution to Developer within thirty (30) days of the execution of this Agreement. The City Contribution and the Chamber Contribution will not be further adjusted based on actual costs of the Public Infrastructure Improvements.

4. Approvals. The Developer shall obtain all necessary approvals, permits, consents and authorizations from the City prior to constructing the Public Infrastructure Improvements.
5. Access Easement. Simultaneously with the execution of this Agreement, the owner of the Developer Property, the Chamber and the City shall execute the Reciprocal Easement Agreement ("REA") attached hereto as Exhibit "E", which REA shall be promptly recorded.
6. Reimbursement. Subject to Force Majeure (as hereinafter defined), and delays caused by the City or the Chamber, should the Developer fail to timely complete the Public Infrastructure Improvements pursuant to this Agreement, Developer shall reimburse the City in full for the City Contribution, and the Chamber in full for the Chamber Contribution, each within thirty (30) days of the expiration of this Agreement.
7. City Representations and Warranties.

7.1 The City represents, warrants and covenants to Developer that all the City's representations, findings, warranties, and covenants set forth in this Agreement are true in all material respects as of the date of this Agreement.

7.2 That the City is a duly organized, validly existing municipal corporation in the State of Arizona. The transactions contemplated by this Agreement, the execution of this Agreement and the City's performance hereunder have been duly authorized by all requisite action of the City and no other approval or consent is required for this Agreement to be binding upon the City. The individuals executing this Agreement have all necessary authority to enter into this Agreement and to bind the City. The execution of this Agreement and the consummation of the transactions contemplated hereby will not result in any violation of, or default under, any term or provision of any applicable Agreement, instrument, law, rule, regulation or official policy to which the City is a party or by which

the City is bound.

7.3 That before entering into this Agreement, the City determined, pursuant to A.R.S. § 9-500.05, that the City has the authority to enter into this Development Agreement for infrastructure not associated with the Developer Property.

8. Developer and Chamber Representations and Warranties.

8.1 Developer represents warrants and covenants to the City that each of their respective representations, warranties and covenants set forth in this Agreement are true in all material respects as of the date of this Agreement.

8.2 That Developer is a duly organized, validly existing Arizona limited liability company, licensed to do business in the State of Arizona. Developer is not a construction company or a licensed contractor. The transactions contemplated by this Agreement, the execution of this Agreement and Developer's performance hereunder have been duly authorized by all requisite action of Developer and no other approval or consent is required for this Agreement to be binding upon Developer. The individuals executing this Agreement have all necessary authority to enter into this Agreement and to bind Developer. The execution of this Agreement and the consummation of the transactions contemplated hereby will not, to the best of Developer's knowledge, result in any violation of, or default under, any term or provision of any applicable Agreement, instrument, law, rule, regulation or official policy to which Developer is a party or by which Developer is bound.

8.3 That Chamber is a duly organized, validly existing Arizona corporation, licensed to do business in the State of Arizona. The transactions contemplated by this Agreement, the execution of this Agreement and the Chamber's performance hereunder have been duly authorized by all requisite action of the Chamber and no other approval or consent is required for this Agreement to be binding upon the Chamber. The individuals executing this Agreement have all necessary authority to enter into this Agreement and to bind the Chamber. The execution of this Agreement and the consummation of the transactions contemplated hereby will not, to the best of the Chamber's knowledge, result in any violation of, or default under, any term or provision of any applicable Agreement, instrument, law, rule, regulation or official policy to which the Chamber is a party or by which the Chamber is bound.

9. Appointment of Representatives. To further the commitment of the parties to cooperate in the implementation of this Agreement, the City and Developer each shall designate and appoint a representative to act as a liaison between the City and its various departments and Developer. The initial representative for the City (the "City Representative") shall be its Public Works Director, Andy Dickey, the initial representatives for Developer shall be either Joel Bowers or N. Mike Wise (the "Developer Representatives"), and the initial representative for the Chamber shall be Jennifer Wesselhoff, President and CEO (the "Chamber Representative"). The representatives shall, after reasonable notice, be available at all reasonable times to discuss and review the performance of the parties' respective obligations under this Agreement.

10. Indemnification.

10.1 During the term of this Agreement, Developer agrees to indemnify and hold

harmless the City and the Chamber, their elected officials, appointees, employees, affiliates, agents, assigns and successors from any liability for claims, suits, losses, damages to persons or property, including investigation and expert witness and reasonable attorney's fees, arising as a result of Developer's breach of this Agreement or for any injury or death resulting from Developer's negligence in relation to the construction of the Public Infrastructure Improvements.

10.2 During the term of this Agreement, City agrees to indemnify and hold harmless the Developer and the Chamber, their officers, employees, affiliates, agents, assigns and successors from any liability for claims, suits, losses, damages to persons or property, including investigation and expert witness and attorney's fees, arising as a result of City's negligence or breach of this Agreement. The Parties agree that neither will be liable to the other for consequential damages.

10.3 During the term of this Agreement, Chamber agrees to indemnify and hold harmless the Developer and the City, their elected officials, appointees, officers, employees, affiliates, agents, assigns and successors from any liability for claims, suits, losses, damages to persons or property, including investigation and expert witness and attorney's fees, arising as a result of City's negligence or breach of this Agreement. The Parties agree that neither will be liable to the other for consequential damages.

11. No Third Party Beneficiaries. There are no third party beneficiaries to this Agreement and no person or entity not a Party or a successor-in-interest to a Party to this Agreement will have any right or cause of action under this Agreement.

12. Conflict of Interest. This Agreement is subject to cancellation pursuant to the provisions of A.R.S. §38-511.

13. Attorney's Fees. If it becomes necessary for a Party of this Agreement to bring an action at law or other proceedings to enforce any of the terms or provisions of this Agreement, the successful Party in the action or proceeding is entitled to an award of its reasonable attorney's fees with the amount to be determined in accordance with A.R.S. §12-341.01.

14. Amendments. No amendment is authorized under this Agreement except by written document executed by the City, Developer and Chamber.

15. Assignment. This Agreement may be assigned, with the express written consent of the non-assigning Parties. Consent shall not be unreasonably withheld.

16. Runs with the Land. The Parties understand that obligations under this Agreement run with the land and will attach and apply to all successors in interest and assigns to the real

property and this Agreement until all obligations are fulfilled.

17. Limitation of Liability.

17.1 No member, official or employee of the City shall be personally liable to Developer or Chamber or any successor in interest to such party for any amount which may become due to Developer or the Chamber from the City or any obligation under the terms of this Agreement.

17.2 No member, manager, agent or employee of Developer shall be personally liable to the City or Chamber, or any successor in interest to such party for any amount which may become due to the City or Chamber from Developer or any obligation under the terms of this Agreement.

17.3 No stockholder, member, manager, agent or employee of the Chamber shall be personally liable to the City or Developer, or any successor in interest to such party for any amount which may become due to the City or Developer from the Chamber or any obligation under the terms of this Agreement.

18. Further Assurances. The parties agree to take such actions, including the execution and delivery of such mutually acceptable documents, instruments, petitions and certifications as may be required to carry out the terms, provisions and intent of this Agreement.

19. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

20. Severability. If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof; in any circumstance, is held invalid, this Agreement shall be construed as if such invalid part were never included herein and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

21. Disclaimer. Nothing contained in this Agreement nor any act of the City, Developer or Chamber shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City, Developer or Chamber.

22. City Development Fees. The City agrees to waive all development fees otherwise imposed by the City for development of the Public Infrastructure Improvements. As used herein, "development fees" means all building permit fees, mechanical fees, electrical fees, HVAC fees, sanitary sewer tap-on fees, water tap-on fees, and other customary fees imposed by the City pursuant to ordinance generally applicable to new development in the City.

23. Force Majeure. The time for performance of any obligation or the satisfaction of any contingency under this Agreement shall be extended for the period during which a party is prevented from performing by the action or inaction of the other party, acts of God, government, or other force or event beyond the reasonable control of such party.



24. Right to Terminate. Notwithstanding anything to the contrary contained herein, in the event that the final estimated cost of the Public Infrastructure Improvements increases by ten percent (10%) or more over the initial estimated cost set forth in Exhibit D hereof, Developer shall have the right, but not the obligation, to terminate this Agreement by notice to the other Parties. In the event that Developer shall elect to so terminate this Agreement, and if, at such time either or both of the City Contribution and Chamber Contribution have been paid to Developer, Developer shall reimburse the City in full for the City Contribution, and the Chamber in full for the Chamber Contribution, each within thirty (30) days of such termination.

This Agreement is effective as of the date of the last authorized signature affixed below.

[Signature page follow.]

Attest:

City of Sedona

\_\_\_\_\_  
City Clerk

By \_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

STATE OF ARIZONA        )  
  ) ss.  
COUNTY OF YAVAPAI    )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2017, before me, the undersigned officer, personally appeared Sandra J. Moriarty, who acknowledged herself to be the City Mayor of the CITY OF SEDONA, an Arizona municipal corporation whom I know personally, and she, in such capacity, being authorized so to do, executed the foregoing instrument for the purposes therein contained on behalf of that entity.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

NOTARY SEAL:

\_\_\_\_\_  
Notary Public

**END OF PAGE**



\_\_\_\_\_  
Jennifer Wesselhoff, President/CEO

STATE OF ARIZONA                    )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2017, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity as Jennifer Wesselhoff, President/CEO., and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

NOTARY SEAL:

\_\_\_\_\_  
Notary Public

***END OF PAGE***

## **LIST OF EXHIBITS**

- Exhibit A - Legal Description of Developer Property
- Exhibit B - Legal Description of Chamber Property
- Exhibit C - Site Plan of Public Infrastructure Improvements
- Exhibit D - Cost estimates and Scope of Work for Public Infrastructure Improvements
- Exhibit E - REA

## Exhibit A Sedona Jazz Collective parcel legal description

### PARCEL NO. 1:

A parcel of land located in the Northeast quarter of the Northeast quarter of the Southeast quarter of Section 7, Township 17 North, Range 6 East of the Gila and Salt River Base and Meridian, Coconino County, Arizona, more particularly described as follows:

**BEGINNING** at the East quarter corner of said Section 7;

**THENCE** South 89° 31' 44" West, a distance of 445.03 feet along the East-West mid-section line of Section 7 to a point which lies 198.74 feet from the Northwest corner of the Northeast quarter of the Northeast quarter of the Southeast quarter of Section 7;

**THENCE** South 00° 28' 16" East, a distance of 66.00 feet;

**THENCE** North 89° 31' 44" East, a distance of 60.00 feet along a line parallel with and 66.00 feet South of the East-West mid-section line of Section 7 to the **TRUE POINT OF BEGINNING**;

**THENCE** South 00° 28' 16" East, a distance of 228.00 feet;

**THENCE** South 76° 06' 04" East, a distance of 169.15 feet to a point on the Northwestern right-of-way line of Highway 89A, as described in Docket 319, Page 547, records of Coconino County, Arizona;

**THENCE** North 13° 53' 56" East, a distance of 215.92 feet along said right-of-way line to a point of curvature;

**THENCE** a distance of 11.17 feet along the arc of a tangent curve concave Southeasterly through a central angle of 00° 16' 57", having a radius of 2266.00 feet along said right-of-way line;

**THENCE** South 89° 31' 44" West, a distance of 70.24 feet;

**THENCE** North 00° 28' 16" West, a distance of 50.00 feet;

**THENCE** South 89° 31' 44" West, a distance of 150.00 feet along a line parallel with and 66.00 feet South of the East-West mid-section line of Section 7 to the **TRUE POINT OF BEGINNING**.

**Exhibit B**

**LEGAL DESCRIPTION Chamber of Commerce and Tourism Bureau Parcel**

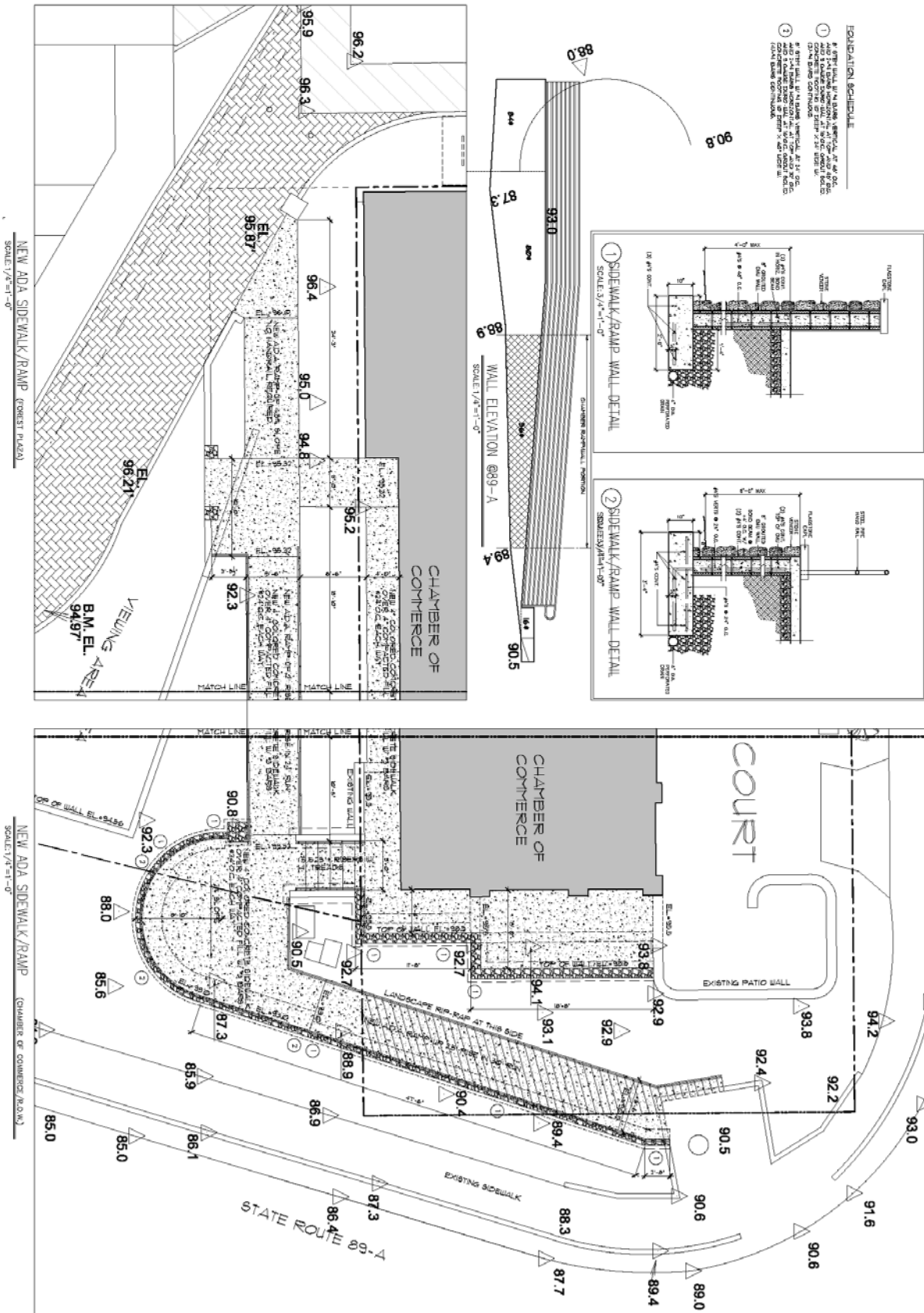
A PARCEL OF LAND, AS RECORDED IN DOCUMENT #3774354 ON JANUARY 10, 2017, OF OFFICIAL RECORDS WITH COCONINO COUNTY RECORDERS OFFICE, ARIZONA.

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 7, TOWNSHIP 17 NORTH, RANGE 6 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, COCONINO COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE EAST QUARTER CORNER OF SAID SECTION 7;  
THENCE SOUTH 89 DEG. 31' 44" WEST, A DISTANCE OF 235 FEET;  
THENCE SOUTH 00 DEG. 28' 16" EAST A DISTANCE OF 66 FEET TO THE TRUE POINT OF BEGINNING,  
THENCE SOUTH 00 DEG. 28' 16" EAST A DISTANCE OF 50 FEET;  
THENCE NORTH 89 DEG. 31' 44" EAST A DISTANCE OF 90 FEET;  
THENCE NORTH 00 DEG. 28' 16" WEST A DISTANCE OF 50 FEET;  
THENCE SOUTH 89 DEG. 31' 44" WEST A DISTANCE OF 90 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT ANY PORTION LYING WITHIN THE LINES OF HIGHWAY 89A

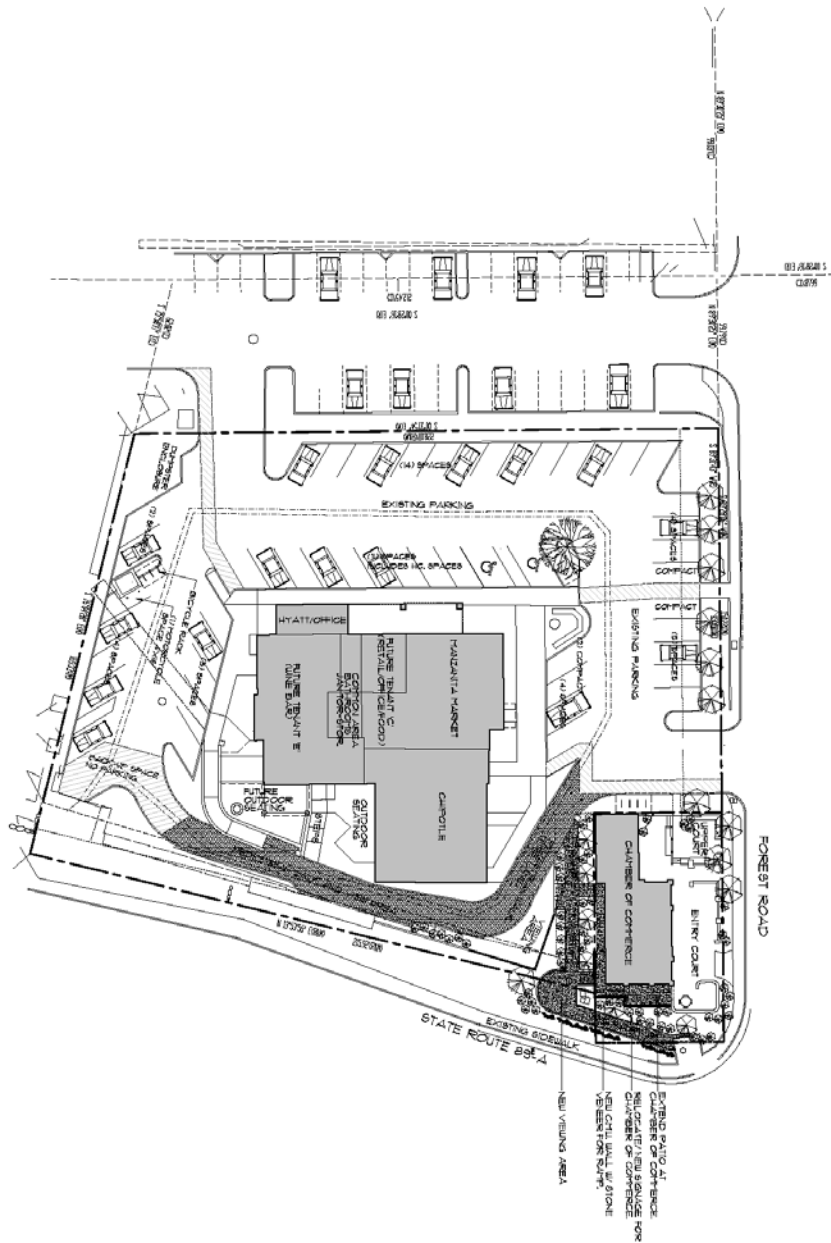
Exhibit C



<p>SHEET 2 OF 3 <b>A2</b></p>	<p><b>DRAWING TITLE:</b> ADA SIDEWALK/RAMP PLAN FOUNDATION/WALL DETAILS</p>	<p><b>PROJECT INFORMATION:</b> FOREST PLAZA SITE IMPROVEMENTS NEW ADA RAMP AND SIDEWALK PROJECT 361 FOREST ROAD SEDONA, AZ APR. 10-17-09 K</p>	<p><b>DAN SURBER ARCHITECT</b> P.O. BOX 3164 SEDONA, ARIZONA 928-204-2814 86340</p>	
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**NEW ADA RAMP AND WALKWAY  
FROM CORNER OF S.R.89-A AND FOREST ROAD TO  
CONNECT TO FOREST PLAZA PEDESTRIAN WALK**



SITE PLAN  
SCALE: 1" = 30'-0"  
NORTH

SCALE: 1" = 30'-0" DATE: 04/01/11 A1 SHEET 2 OF 2	DRAWING TITLE: ADA SIDEWALK/RAMP PLAN	PROJECT INFORMATION: FOREST PLAZA SITE IMPROVEMENTS NEW ADA RAMP AND SIDEWALK PROJECT 361 FOREST ROAD SEDONA, AZ. APN. 401-11-019 K	DAN SURBER ARCHITECT P.O. BOX 3764 SEDONA, ARIZONA 928-204-2814 86340	
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**Exhibit D**

## RECIPROCAL EASEMENT AGREEMENT

**THIS RECIPROCAL EASEMENT AGREEMENT (“REA”)** is made and entered into as of the 13<sup>th</sup> day of June, 2017, by and among THE CITY OF SEDON ARIZONA, an Arizona municipal corporation (the **“City”**), SEDONA JAZZ COLLECTIVE, LLC, an Arizona limited liability company (**“SJC”**), and SEDONA CHAMBER OF COMMERCE, INC., an Arizona corporation (the **“Chamber”**).

### WITNESSETH:

**WHEREAS**, the City is the owner of a certain tract of land (the **“City Tract”**) which is legally described in Exhibit “A”, attached hereto and made part hereof; and

**WHEREAS**, SJC is the owner of a certain tract of land (the **“SJC Tract”**) which is legally described in Exhibit “B”, attached hereto and made part hereof; and

**WHEREAS**, the Chamber is the owner of a certain tract of land (the **“Chamber Tract”**) which is legally described in Exhibit “C”, attached hereto and made part hereof; and

**WHEREAS**, the City Tract, the SJC Tract, and the Chamber Tract (individually, a **“tract”** or **“Tract”** and collectively, the **“Tracts”**) are contiguous and adjacent as shown on the Site Plan attached hereto as Exhibit “D” (the **“Site Plan”**), and made part hereof; and

**WHEREAS**, the signatories hereto (individually a **“Party”** and collectively, the **“Parties”**) have entered into that certain Development Agreement for Right-of-Way Improvements Cost-Sharing (the **“Development Agreement”**) of even date herewith; and

**WHEREAS**, pursuant to the Development Agreement the parties will cause certain improvements (the **“Improvements”**) to be made for the benefit of the Tracts and in order to effectuate the common and independent use and operation thereof, they desire to grant to each other certain reciprocal easements in, to, over and across their respective Tracts and set forth other rights and obligations as stated herein; and

**WHEREAS**, portions of the Improvements will fall within the boundaries of the each Tract; and

**WHEREAS**, that portion of the improvements to be located on the City Tract (the **“City Easement Area”**) is legally described on Exhibit “E”, attached hereto and made part hereof, and indicated on the Site Plan; and

**WHEREAS**, that portion of the improvements to be located on the SJC Tract (the **“SJC Easement Area”**) is legally described on Exhibit “F”, attached hereto and made part hereof, and indicated on the Site Plan; and

**WHEREAS**, that portion of the improvements to be located on the Chamber Tract (the **“Chamber Easement Area”**) is legally described on Exhibit “G”, attached hereto and made part hereof, and indicated on the Site Plan. The City Easement Area, SJC Easement Area and Chamber Easement Area are hereinafter collectively referred to as the **“Easement Area.”**

**NOW, THEREFORE**, in consideration of the premises, the covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in furtherance of the Parties’ understanding, it is agreed as follows:

1. **Pedestrian Access.**

A. During the term of this REA, each Party hereby grants and conveys to each other Party for its use and for the use of all customers, vendors, suppliers, visitors, and invitees of the foregoing (**“Permittees”**), in common with others entitled to use the same, a non-exclusive easement for the passage of pedestrians over and across those portions of the Easement Area located on their respective Tracts, as the same may from time to time be constructed and maintained for such use. A Party may, after not less than ten (10) days prior notice to the other Parties, temporarily close off its portion of the Easement Area to prevent the acquisition of prescriptive rights by anyone. Each Party reserves the right at any time and from time to time to exclude and restrain any person who is not a Permittee from using its portion of the Easement Area. No fence or other barrier which would prevent or unreasonably obstruct the passage of pedestrian travel shall be erected or permitted within or across the Easement Area, exclusive of limited curbing and other forms of pedestrian traffic control.

B. For purposes herein, persons engaging in the following activities on the Easement Area will not be considered to be Permittees:

- (i) Exhibiting any placard, sign or notice;
- (ii) Distributing any circular, handbill, placard or booklet;
- (iii) Soliciting memberships or contributions; and
- (iv) Parading, picketing or demonstrating.

C. No Party shall grant any easement for the purpose set forth herein for the benefit of any other property without the prior written consent of the Parties; provided, however, that the foregoing shall not prohibit or require any consent for the granting or dedicating of easements by a party on its tract to governmental or quasi-governmental authorities or to public or quasi-public utilities.

D. It is specifically understood and agreed by the Parties that no easement for parking is or is intended to be granted pursuant to this REA.

2. **Maintenance.** Each Party shall maintain, or cause to be maintained, the portion of the Easement Area located on its Tract in a safe, attractive and good state of repair and condition. The minimum standard of maintenance for the Easement Area shall be comparable to the standard of maintenance followed in other first class retail developments of comparable size in the greater Sedona metropolitan area; notwithstanding the foregoing, however, the Easement Area shall be operated and maintained in compliance with all applicable governmental laws, rules, regulations, orders and ordinances, as same may be amended from time to time. The maintenance and repair obligations shall include, but not be limited to, the following:

A. Maintaining, cleaning and replacing all paved surfaces and curbs in a smooth and evenly covered condition. Such work shall include, without limitation, snow and ice removal.

B. Periodic removal of all papers, debris, filth and refuse, including sweeping to the extent necessary to keep the Easement Area in a first-class, clean and orderly condition. All sweeping shall be performed at appropriate intervals during such times as shall not interfere with the conduct of business or use of the Easement Area by persons intending to conduct business with any person or entity from time to time entitled to the use and occupancy of any portion of a building on a Tract under an ownership right or any lease, sublease, license concession or other similar agreement (“**Occupant**”).

C. Placing, cleaning, keeping in repair, replacing and repainting any appropriate directional signs or markers.

D. Maintaining, cleaning and replacing lighting facilities, including lamps, ballasts and lenses.

E. Keeping the Easement Area free from any obstructions.

3. **Insurance.**

A. Each Party (as to that portion of the Easement Area located on its Tract only) shall maintain or cause to be maintained in full force and effect Commercial General Liability Insurance with a combined single limit of liability of not less than One Million Dollars (\$1,000,000.00) for bodily or personal injury or death, and for property damage, arising out of any one occurrence; the other Parties shall be "additional insureds" under such policy. The insurance limit in this Paragraph 3 shall not limit any Party's rights of indemnity under the provisions of Paragraph 5 hereof.

B. All insurance may be provided under (i) an individual policy covering this location, (ii) a blanket policy or policies which includes other liabilities, properties and locations of such Party; (iii) a plan of self-insurance, provided that any Party so self-insuring notifies the other Parties of its intent to self-insure and agrees that, upon the request of another Party, it shall deliver to such other Party each calendar year a copy of its annual report that is audited by an independent certified public accountant which discloses that such Party has One Hundred Million Dollars (\$100,000,000) or more of net current

assets, or (iv) a combination of any of the foregoing insurance programs. Each Party agrees to furnish to any Party requesting the same, a certificate(s) of insurance evidencing that the insurance required to be carried by such Person is in full force and effect. The net current asset requirement of \$100,000,000.00 shall increase five (5%) percent every ten (10) years after the date hereof.

C. The Parties hereby mutually waive all rights and claims against each other for all losses covered by their respective insurance policies, and waive all rights of subrogation of their respective insurers. The parties agree that their respective insurance policies are now, or shall be, endorsed so that such waivers of subrogation shall not affect their respective rights to recover thereunder.

4. **Construction.**

A. The Chamber hereby grants and conveys to SJC and to its contractors, materialmen and laborers, a temporary license for access and passage over and across the parking areas and Easement Area of their tract as shall be reasonably necessary for the construction of the Improvements, as set forth in the Development Agreement; provided, however, that such license shall be in effect only during periods when actual construction is being performed and provided further that the use of such license shall not unreasonably interfere with the use and operation of the Tract by others, except to the extent reasonably required to perform the "Developer" (as defined in the Development Agreement) obligations set forth in the Development Agreement. The constructing Party shall give the Chamber at least ten (10) days' prior written notice before commencing such work. The cost of construction of the Ring Road Access Drive shall be borne as set forth in the Development Agreement. The Party performing construction pursuant to this REA shall promptly clean the area, and restore and/or repair the affected portion of the Chamber Tract effecting thereby to a condition which is equal to or better than the condition which existed prior to the commencement of such work.

B. The Parties agree that all construction activities shall be performed in compliance with all applicable laws, rules, regulations, orders, and ordinances of the City, county, state, and federal government, or any department or agency thereof. All construction shall be performed in a good, safe, workmanlike manner.

5. **Indemnity** The City for and on behalf of itself and all successors, grantees, invitees and assigns, jointly and severally assumes sole and entire responsibility for any and all loss of life, injury to persons or damage to property that may be sustained directly or indirectly due to the conditions of the Easement Area caused or allowed to exist as a result of the negligence of City, its agents or assigns.

The City shall indemnify, hold harmless and defend SJC and the Chamber and their respective directors, officers, members, agents and employees (the "**Indemnitees**") for, from and against any and all claims, liabilities, and expenses, including attorneys' fees and court costs which may be claimed or asserted against the Indemnitees, on account of the exercise by the City and/or its invitees (including the general public), licensees, agents, employees, successors and assigns of

the rights, easements and privileges granted and conveyed by this REA, except for claims resulting from the negligence of Indemnitees.

The City's obligations under this paragraph shall survive any termination of this Agreement.

6. **Remedies and Default.**

A. The occurrence of the following shall constitute a default and breach of this REA by the nonperforming Party (the "Defaulting Party"):

- (i) The failure to observe or perform any of the covenants, conditions or obligations of this REA within thirty (30) days after the issuance of a notice by another Party (the Non-Defaulting Party") specifying the nature of the default claimed.

B. Any Non-Defaulting Party shall have the right, but not the obligation, to cure such default by the payment of money or the performance of some other action for the account of and at the expense of the Defaulting Party; provided, however, that in the event the default shall constitute an emergency condition, the Non-Defaulting Party, acting in good faith, shall have the right to cure such default upon such advance notice as is reasonably possible under the circumstances or, if necessary, without advance notice, so long as notice is given as soon as possible thereafter. To effectuate any such cure, the Non-Defaulting Party shall have the right to enter upon the Tract of the Defaulting Party (but not into any building) to perform any necessary work or furnish any necessary materials or services to cure the default of the Defaulting Party. Each Party shall be responsible for the default of its Occupants. In the event that any Non-Defaulting Party shall cure a default, the Defaulting Party shall reimburse the Non-Defaulting Party for all costs and expenses incurred in connection with such curative action, plus interest as provided herein, within ten (10) days of receipt of demand, together with reasonable documentation supporting the expenditures made.

C. Costs and expenses accruing and/or assessed pursuant to Section 6B above shall constitute a lien against the Defaulting Party's Tract; provided, however, that any such lien shall be subordinate to the leases, if any, affecting each of the respective Tracts. The lien shall attach and take effect only upon recordation of a claim of lien in the office of the applicable Recorder of Deeds. The claim of lien shall include the following:

- (i) The name of the lien claimant;
- (ii) A statement concerning the basis for the claim of lien and identifying the lien claimant as a curing Party;
- (iii) An identification of the owner or reputed owner of the Tract or interest therein against which the lien is claimed;

(iv) A description of the Tract against which the lien is claimed;

(v) A description of the work performed which has given rise to the claim of lien and a statement itemizing the amount thereof; and

(vi) A statement that the lien is claimed pursuant to the provisions of this REA, reciting the date of recordation and the recorded document number hereof. The notice shall be duly verified, acknowledged and contain a certificate that a copy thereof has been served upon the Party against whom the lien is claimed, by personal service or by mailing pursuant to Section 7 below. The lien so claimed shall attach from the date of recordation solely in the amount claimed thereby and may be enforced in any manner allowed by law, including, without limitation, a suit in the nature of a suit to foreclose a mortgage or mechanic's lien under the applicable provisions of the law of the State of Arizona.

D. No waiver by any Party of any default under this REA shall be effective or binding on such Party unless made in writing by such Party and no such waiver shall be implied from any omission by a Party to take action in respect to such default. No express written waiver of any default shall affect any other default or cover any other period of time other than any default and/or period of time specified in such express waiver. One or more written waivers or any default under any provision of this REA shall not be deemed to be a waiver of any subsequent default in the performance of the same provision or any other term or provision contained in this REA.

E. Each Non-Defaulting Party shall have the right to prosecute any proceedings at law or in equity against any Defaulting Party hereto or any other Person violating or attempting to violate or defaulting upon any of the provisions contained in this REA, and to recover damages for any such violation or default. Such proceeding shall include the right to restrain by injunction any violation or threatened violation by another of any of the terms, covenants or conditions of this REA, or to obtain a decree to compel performance of any such terms, covenants or conditions, it being agreed that the remedy at law for a breach of any such term, covenant, or condition (except those, if any, requiring the payment of a liquidated sum) is not adequate. All of the remedies permitted or available to a Party under this REA or at law or in equity shall be cumulative and not alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right or remedy.

7. **Notices.** All notices, demands and requests (collectively the "notice") required or permitted to be given under this REA must be in writing and shall be deemed to have been given as of the date such notice is (i) delivered to the Party intended, (ii) delivered to the then current address of the Party intended, or (iii) rejected at the then current address of the Party intended, provided such notice was sent via either (a) personal deliver, (b) nationally recognized overnight courier, or (c) certified or registered mail, in all cases, prepaid. The initial addresses of the Parties shall be:



City:	City of Sedona Arizona 102 Roadrunner Drive Sedona, AZ 86336 Attention: City Manager
SJC:	Sedona Jazz Collective, LLC 361 Forest Road Sedona, AZ 86336 Attention: Joel Bowers or N. Mike Wise
Chamber	Sedona Chamber of Commerce, Inc. 331 Forest Road Sedona, AZ 86336 Attention: Jennifer Wesselhoff

Upon at least ten (10) days' prior written notice, each Party shall have the right to change its address to any other address within the United States of America.

8. **Binding Effect.** The terms of this REA and all easements granted hereunder shall constitute covenants running with the land and shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns. This REA is not intended to supersede, modify, amend or otherwise change the provisions of any prior instrument affecting the land burdened hereby, including, but not limited to the Development Agreement.

9. **Counterparts and Signature Pages.** This REA may be executed in several counterparts, each of which shall be deemed an original. The signatures to this REA may be executed and notarized on separate pages and when attached to this REA shall constitute one complete document.

10. **Not a Public Dedication.** Nothing herein contained shall be deemed to be a gift or dedication of any Tract or portion thereof to the general public, or for any public use or purpose whatsoever. Except as herein specifically provided, no right, privileges or immunities of any Party hereto shall inure to the benefit of any third-party person, nor shall any third-party person be deemed to be a beneficiary of any of the provisions contained herein.

11. **Amendments and Estoppels.** This REA may be amended only by a written agreement signed by all of the then current owners of the Tracts and shall be effective only when recorded in the county and state where the Tracts are located. No consent to the amendment of this REA shall ever be required of any occupant or person other than the Parties, nor shall any occupant or person other than the Parties have any right to enforce any of the provisions hereof. Each Party shall at any time and from time to time upon not less than thirty (30) days' prior written notice from any other Party, execute, acknowledge and deliver to the requesting party a statement in writing (a) certifying that this REA is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this REA, as so modified, is in

full force and effect) and (b) acknowledging that there are not, to the requested Party's knowledge, any uncured defaults on the part of the requesting Party hereunder, or specifying such defaults if any are claimed. Any such statement may be relied upon by any prospective purchaser, subtenant, assignee, or encumbrancer of a Tract. The requested Party's failure to deliver such statement within such time shall be conclusive upon such requested party (i) that this REA is in full force and effect, without modification except as may be represented by the requesting party and (ii) that there are no uncured defaults in the requesting Party's performance.

12. **Mitigation of Damages**. In all situations arising out of this REA, all Parties shall attempt to avoid and mitigate the damages resulting from the conduct of any other Party. Each Party hereto shall take all reasonable measures to effectuate the provisions of this REA.

13. **REA Shall Continue Notwithstanding Breach**. It is expressly agreed that no breach of this REA shall entitle any Party to cancel, rescind or otherwise terminate this REA.

14. **Time**. Time is of the essence of this REA.

15. **No Waiver**. The failure of any party to insist upon strict performance of any of the terms, covenants or conditions hereof shall not be deemed a waiver of any rights or remedies which that Party may have hereunder, at law or in equity and shall not be deemed a waiver of any subsequent breach or default in any of such terms, covenants or conditions.

16. **Term of this REA**. This REA shall be effective as of the date first above written and shall be perpetual. In the event this REA is terminated, upon termination, all rights and privileges derived from and all duties and obligations created and imposed by the provisions of this REA, shall terminate and have no further force or effect; provided, however, that the termination of this REA shall not limit or affect any remedy at law or in equity that a Party may have against any other Party with respect to any liability or obligation arising or to be performed under this REA prior to the date of such termination.

**(SIGNATURE PAGE FOLLOWS)**

**IN WITNESS WHEREOF**, the Parties have caused this REA to be executed by their duly authorized representatives effective as of the day and year first above written.

CITY OF SEDONA ARIZONA, an Arizona municipal corporation

By: \_\_\_\_\_  
Name: Sandra J. Moriarty  
Title: Mayor

SEDONA JAZZ COLLECTIVE, LLC, an Arizona limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: A Manager

SEDONA CHAMBER OF COMMERCE, INC., an Arizona corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF ARIZONA     )  
  )  
COUNTY OF \_\_\_\_\_ )     SS.

I, \_\_\_\_\_, a Notary Public, in and for said County, in the State aforesaid, **DO HEREBY CERTIFY** that Sandra J. Moriarty, Mayor of the City of Sedona Arizona, an Arizona municipal corporation, is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Mayor, appeared before me this day in person and acknowledged that she signed and delivered said instrument as her own free and voluntary act and as the free and voluntary act of said municipal corporation, for the uses and purposes therein set forth.

**GIVEN** under my hand and Notarial Seal, this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Notary Public

My Commission expires:

STATE OF ARIZONA     )  
  )  
COUNTY OF \_\_\_\_\_ )     **SS.**

I, \_\_\_\_\_, a Notary Public, in and for said County, in the State aforesaid, **DO HEREBY CERTIFY** that \_\_\_\_\_, a Manager of Sedona Jazz Collective, LLC, an Arizona limited liability company, is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Manager, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

**GIVEN** under my hand and Notarial Seal, this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Notary Public

My Commission expires:

STATE OF ARIZONA     )  
  )  
COUNTY OF \_\_\_\_\_ )     SS.

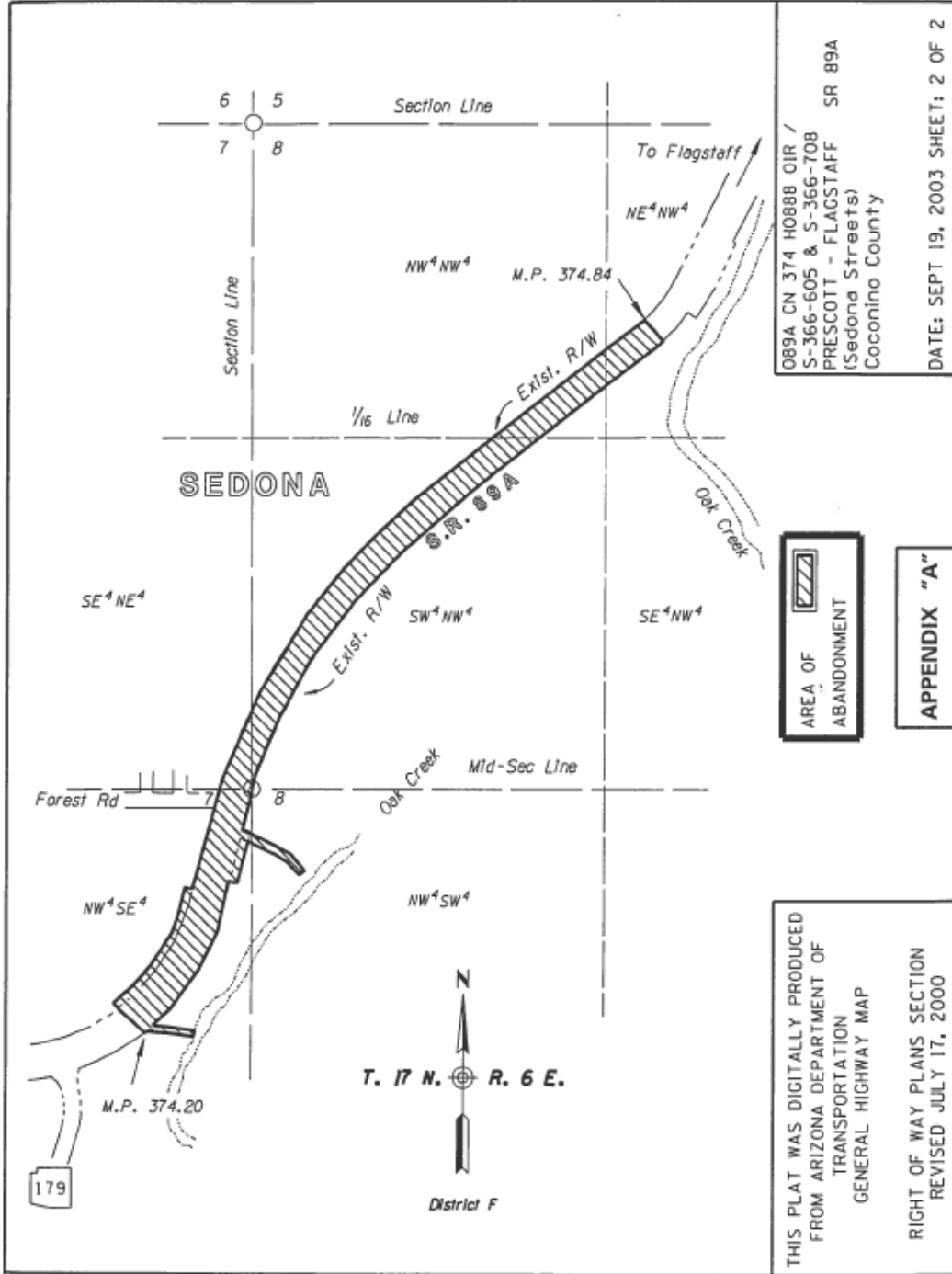
I, \_\_\_\_\_, a Notary Public, in and for said County, in the State aforesaid, **DO HEREBY CERTIFY** that \_\_\_\_\_, a \_\_\_\_\_ of Sedona Chamber of Commerce, Inc., an Arizona corporation, is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such \_\_\_\_\_, appeared before me this day in person and acknowledged that he/she signed and delivered said instrument as his/her own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

**GIVEN** under my hand and Notarial Seal, this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Notary Public

My Commission expires:

**EXHIBIT A**  
**CITY TRACT LEGAL DESCRIPTION**



089A CN 374 H0888 OIR /  
S-366-605 & S-366-708  
PRESCOTT - FLAGSTAFF SR 89A  
(Sedona Streets)  
Coconino County

DATE: SEPT 19, 2003 SHEET: 2 OF 2

AREA OF  
ABANDONMENT

APPENDIX "A"

THIS PLAT WAS DIGITALLY PRODUCED  
FROM ARIZONA DEPARTMENT OF  
TRANSPORTATION  
GENERAL HIGHWAY MAP

RIGHT OF WAY PLANS SECTION  
REVISED JULY 17, 2000

**EXHIBIT B**  
**SJC TRACT LEGAL DESCRIPTION**

**PARCEL NO. 1:**

**A parcel of land located in the Northeast quarter of the Northeast quarter of the Southeast quarter of Section 7, Township 17 North, Range 6 East of the Gila and Salt River Base and Meridian, Coconino County, Arizona, more particularly described as follows:**

**BEGINNING at the East quarter corner of said Section 7;**

**THENCE South 89° 31' 44" West, a distance of 445.03 feet along the East-West mid-section line of Section 7 to a point which lies 198.74 feet from the Northwest corner of the Northeast quarter of the Northeast quarter of the Southeast quarter of Section 7;**

**THENCE South 00° 28' 16" East, a distance of 66.00 feet;**

**THENCE North 89° 31' 44" East, a distance of 60.00 feet along a line parallel with and 66.00 feet South of the East-West mid-section line of Section 7 to the TRUE POINT OF BEGINNING;**

**THENCE South 00° 28' 16" East, a distance of 228.00 feet;**

**THENCE South 76° 06' 04" East, a distance of 169.15 feet to a point on the Northwestern right-of-way line of Highway 89A, as described in Docket 319, Page 547, records of Coconino County, Arizona;**

**THENCE North 13° 53' 56" East, a distance of 215.92 feet along said right-of-way line to a point of curvature;**

**THENCE a distance of 11.17 feet along the arc of a tangent curve concave Southeasterly through a central angle of 00° 16' 57", having a radius of 2266.00 feet along said right-of-way line;**

**THENCE South 89° 31' 44" West, a distance of 70.24 feet;**

**THENCE North 00° 28' 16" West, a distance of 50.00 feet;**

**THENCE South 89° 31' 44" West, a distance of 150.00 feet along a line parallel with and 66.00 feet South of the East-West mid-section line of Section 7 to the TRUE POINT OF BEGINNING.**



**EXHIBIT C**  
**CHAMBER TRACT LEGAL DESCRIPTION**

A PARCEL OF LAND, AS RECORDED IN DOCUMENT #3774354 ON JANUARY 10, 2017, OF OFFICIAL RECORDS WITH COCONINO COUNTY RECORDERS OFFICE, ARIZONA.

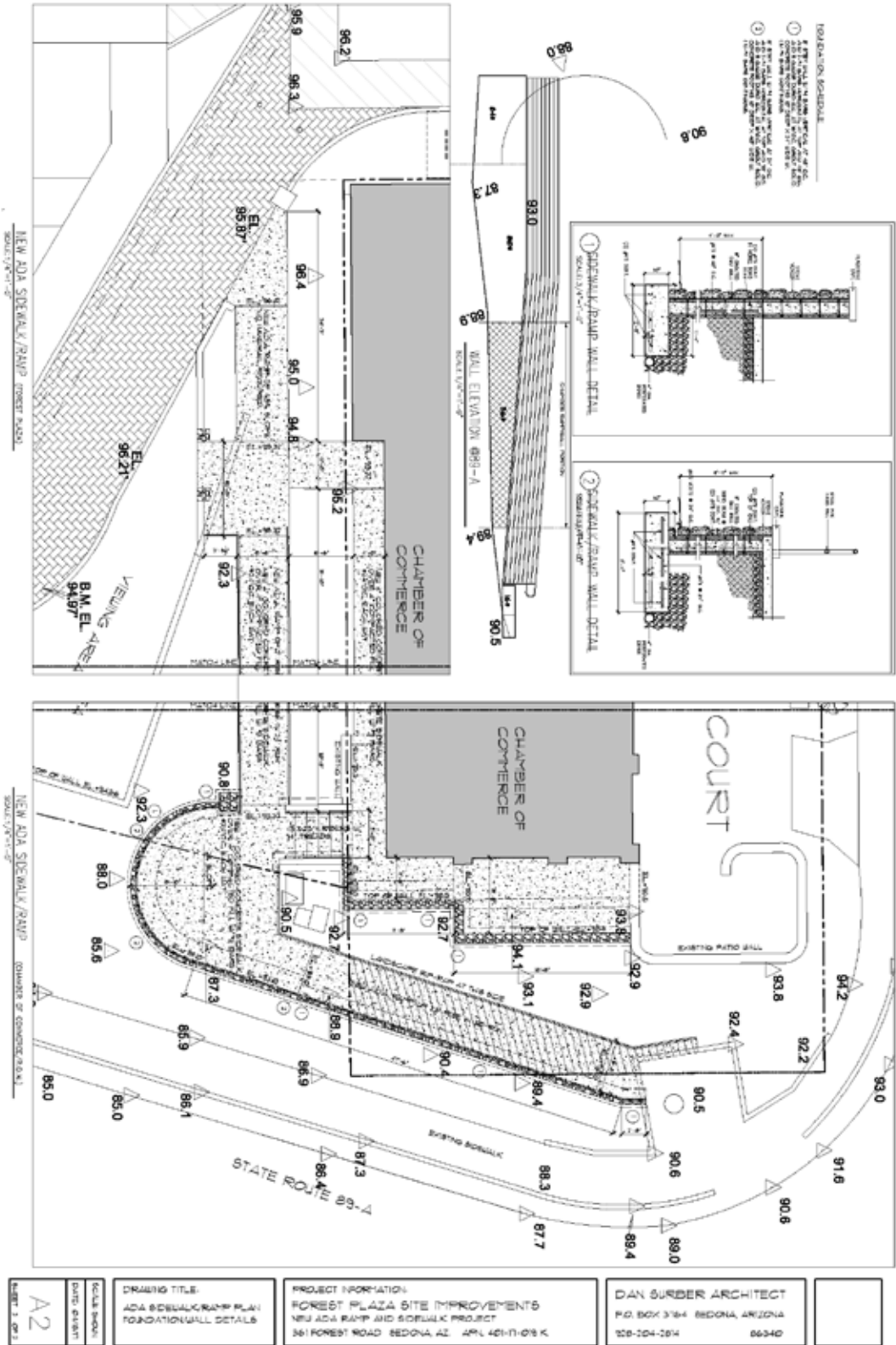
A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 7, TOWNSHIP 17 NORTH, RANGE 6 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, COCONINO COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE EAST QUARTER CORNER OF SAID SECTION 7;  
THENCE SOUTH 89 DEG. 31' 44" WEST, A DISTANCE OF 235 FEET;  
THENCE SOUTH 00 DEG. 28' 16" EAST A DISTANCE OF 66 FEET TO THE TRUE POINT OF BEGINNING,  
THENCE SOUTH 00 DEG. 28' 16" EAST A DISTANCE OF 50 FEET;  
THENCE NORTH 89 DEG. 31' 44" EAST A DISTANCE OF 90 FEET;  
THENCE NORTH 00 DEG. 28' 16" WEST A DISTANCE OF 50 FEET;  
THENCE SOUTH 89 DEG. 31' 44" WEST A DISTANCE OF 90 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT ANY PORTION LYING WITHIN THE LINES OF HIGHWAY 89A



## EXHIBIT D SITE PLAN



**EXHIBIT E**  
**LEGAL DESCRIPTION OF CITY EASEMENT AREA**

**EXHIBIT F**  
**LEGAL DESCRIPTION OF SJC EASEMENT AREA**

**EXHIBIT G**  
**LEGAL DESCRIPTION OF CHAMBER EASEMENT AREA**



**CITY COUNCIL  
AGENDA BILL**

**AB 2243  
June 27, 2017  
Regular Business**

**Agenda Item:** 8b  
**Proposed Action & Subject:** Discussion/possible direction regarding the City of Sedona's continued involvement in holiday decorating and events in the month of December.

<b>Department</b>	Parks and Recreation
<b>Time to Present</b>	15 minutes
<b>Total Time for Item</b>	30 minutes
<b>Other Council Meetings</b>	March 8, 2016
<b>Exhibits</b>	A. Decorating PowerPoint presentation

City Attorney Approval	Reviewed 6/20/17 RLP	<b>Expenditure Required</b>
		\$ 0
City Manager's Recommendation	Discuss and provide direction on holiday decorating and events	<b>Amount Budgeted</b>
		\$ 0
		Account No. N/A (Description)
		Finance <input checked="" type="checkbox"/> Approval

**SUMMARY STATEMENT**

**Background:** Holiday Central Sedona has completed four years in existence now (2013-2016). This event began as a community group effort to replace the loss of entertainment during the holiday season that was created when Red Rock Fantasy closed its doors. That event was enjoyed by the community, and encouraged tourists to come to town during an off-peak season for the City. Upon shutting its doors, Diamond Resorts International donated start-up funding, lights, and supplies and the tradename to the Chamber of Commerce for use in Holiday Central Sedona.

With the exclusion of the tradename, the Chamber donated all of the assets to the City and over the past four years, decorations have been added to our inventory, events have been created, a marketing brand was created, businesses have begun decorating storefronts, and customers are beginning to look to Sedona as a place for holiday festivities.

Goals of the last four years:

- Decorate the City, increase inventory
- Encourage community involvement:
  - business's decorating storefronts
  - improving and relocating Tinsel Town

- Provide new events
- Create a destination for tourists
- Brand the event

**Goals and changes moving forward:**

- Continue to decorate the City
- Continue to encourage community involvement through decorating but eliminate Tinsel Town
- Support a new and larger event in partnership with the Chamber of Commerce and the Sedona Arts Center
- Create a destination through the new and larger event.
- Simplify the brand

Holiday Central Sedona has always been a collaboration of hard work between many people including staff from the Chamber of Commerce, Tlaquepaque, Sedona Mainstreet Program, and the City of Sedona. The group as a whole has discussed our challenges, reflected on what has worked/not worked, and decided to simplify our marketing and focus our efforts on a different approach. Included in the simplification is the elimination of “Holiday Central Sedona” and Tinsel Town. The Chamber of Commerce will be marketing Sedona’s great events during the month of December to encourage community involvement and visitor overnights. Specifically, we are working to replace the Tinsel Town event with a new art projection on the red rocks. While we enjoyed the community support of this event through participation, it never found a home that fit. Regardless of the venue or additional events that were attached to Tinsel Town, it continued to be plagued with challenges for which we do not see viable solutions. We believe our efforts and budget can be better spent on the light show project.

It is the recommendation from staff that we continue to decorate various City property locations around town (roundabouts, bridge area, City Hall, etc.), rent a light installation to be located in uptown, and host/support a light event on the red rocks.

**Community Plan Consistent:** Yes - No - Not Applicable

**Board/Commission Recommendation:** Applicable - Not Applicable

**Alternative(s):** N/A

**MOTION**

**I move to:** for discussion and possible direction only.



# Holiday Decorating in December

Here we go again!

# Goals for 2017!

## Goals:

- ❖ **Decorate the City**
- ❖ **Rent a beautiful light installation**
- ❖ **Simplify the brand**
- ❖ **Support a new event: the light show**

# Decorate the City



# Beautiful Light Installation



# Simplify the Brand



# Support a New Event

Celebrating Sedona's....

- ❖ Beauty
- ❖ Art Scene
- ❖ Dark Skies
- ❖ Community

# Support the Light Show

What kind of light show are we talking about?



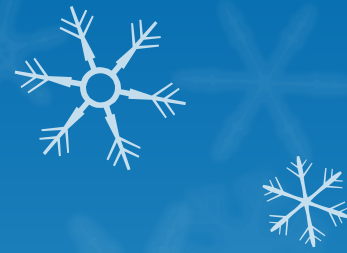
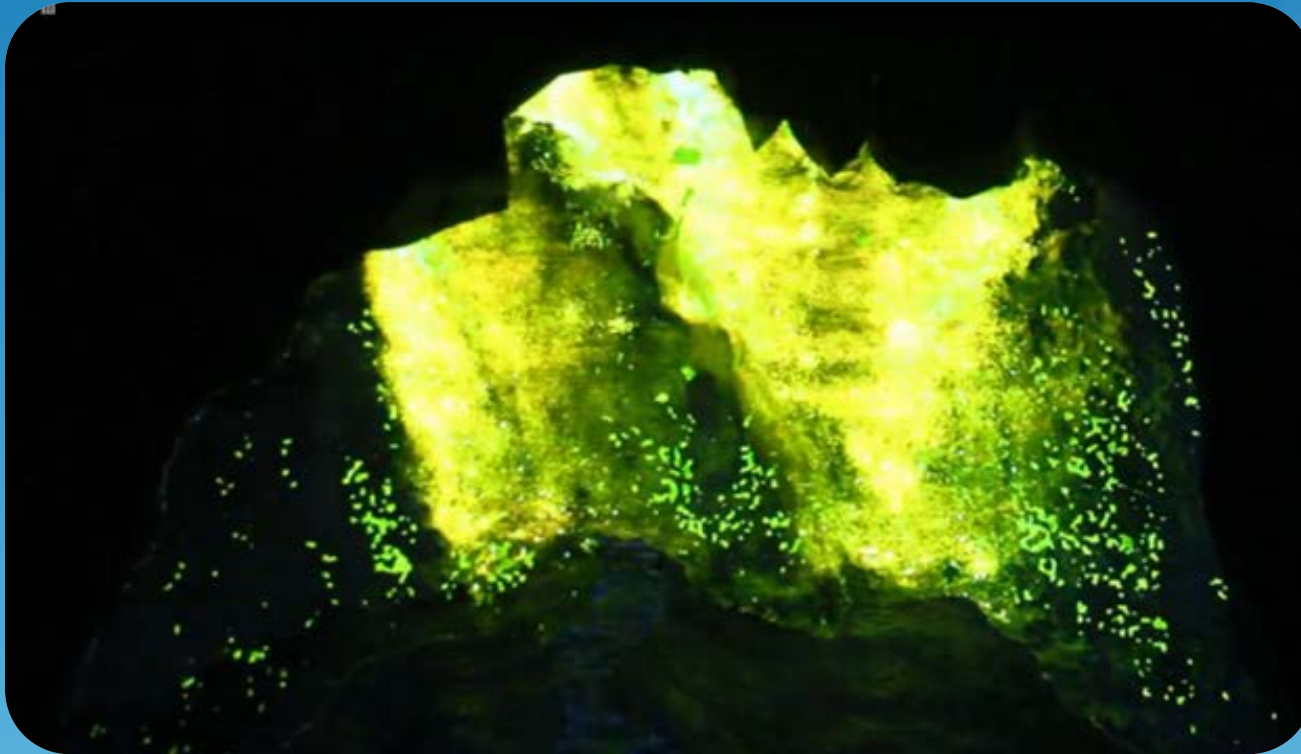
# Support the Light Show

A collaboration with art and the community!



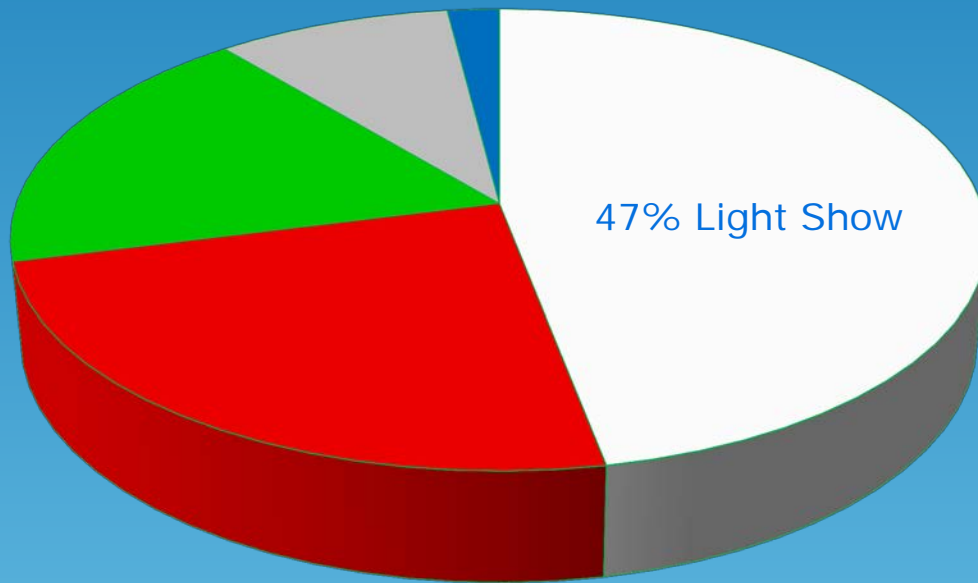


# Support the Light Show



# What this all means?

## Parks and Recreation Budget



- 47%- Light Show
- 24%- Light Installation
- 18%- Decorations
- 9%- Advertising
- 2%- Misc.



**CITY COUNCIL  
AGENDA BILL**

**AB 2248  
June 27, 2017  
Regular Business**

**Agenda Item:** 8c  
**Proposed Action & Subject:** Discussion/possible action regarding a resolution and ordinance amending the Sedona City Code, Chapter 10.20 (Parking) and repealing Chapter 10.30.

<b>Department</b>	Legal
<b>Time to Present</b>	5 Minutes
<b>Total Time for Item</b>	15 Minutes
<b>Other Council Meetings</b>	N/A
<b>Exhibits</b>	A. Resolution B. Ordinance

City Attorney Approval	Reviewed 6/20/17 RLP	<b>Expenditure Required</b>	\$ 0
City Manager's Recommendation	Approve a resolution and ordinance amending the City Code Chapter 10.20 (Parking) and repealing Chapter 10.30.	<b>Amount Budgeted</b>	\$ 0
		Account No. (Description)	N/A
		Finance Approval	<input checked="" type="checkbox"/>

**SUMMARY STATEMENT**

**Background:** Following the recent changes to the Sedona City Code (Code) to include a paid parking (meter) program in Uptown and a residential parking permit program, staff undertook a comprehensive review of Chapters 10.20 and 10.30 of the Code for areas of inconsistency, redundancy, or possible consolidation. Participating in the review process were Karen Osburn, Lt. Jim Pott, and Robert Pickels.

It was subsequently determined that the Code would be more easily read if all parking regulations were contained in one chapter, thereby eliminating Chapter 10.30 in favor of consolidating all parking regulations into a revised Chapter 10.20.

The proposed changes as agreed upon by staff are hereby presented in this item for City Council approval.

**Community Plan Consistent:**  Yes -  No -  Not Applicable

**Board/Commission Recommendation:**  Applicable -  Not Applicable

**Alternative(s):**

**MOTION**

**I move to:** approve Resolution No. 2017-\_\_\_, a Resolution of the Mayor and Council of the City of Arizona, establishing as a public record the terms of proposed amendments to the City Code Chapter 10.20 (Parking) and repealing Chapter 10.30.

*After first reading:*

**I move to:** adopt Ordinance No. 2017-\_\_\_, an Ordinance of the City of Sedona, Arizona, amending the City Code Chapter 10.20 (Parking); repealing Chapter 10.30; providing for a savings clause; and providing for repeal of any Ordinance or parts of Ordinances or Code provisions in conflict herewith.

**RESOLUTION NO. 2017-\_\_**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SEDONA,  
ARIZONA, ESTABLISHING AS A PUBLIC RECORD THE TERMS OF PROPOSED  
AMENDMENTS TO SEDONA CITY CODE, CHAPTER 10.20 (PARKING) AND  
REPEALING CHAPTER 10.30.**

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF SEDONA,  
ARIZONA that the terms set forth in that document attached hereto as Exhibit A and  
entitled "2017 Amendments to the City Code (Parking)" constitute a public record to be  
incorporated by reference into Ordinance No. 2017-\_\_.

At least one (1) paper copy and one (1) electronic copy of this public record shall  
be kept in the office of the City Clerk for public use and inspection.

PASSED AND ADOPTED this 27<sup>th</sup> day of June, 2017 by the Mayor and Council  
of the City of Sedona, Arizona.

\_\_\_\_\_  
Sandra J. Moriarty, Mayor

ATTEST:

\_\_\_\_\_  
Susan L. Irvine, CMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Robert L. Pickels, Jr., City Attorney

## Exhibit A

### 2017 Amendments to the City Code (Parking)

#### Chapter 10.20 PARKING

##### Sections:

- [10.20.010](#) Method of parking.
- [10.20.020](#) Blocking traffic.
- [10.20.030](#) Parking restricted or prohibited; Authority to erect signs.
- [10.20.050](#) Parking vehicles on sidewalks.
- [10.20.060](#) Parking in fire lanes.
- [10.20.070](#) Parking in areas reserved for the handicapped.
- [10.20.080](#) Prohibition of bus idling in posted areas.
- [10.20.090](#) Violations.
- [10.20.100](#) Signs or markings required for enforcement.
- [10.20.110](#) Parking permits.
- [10.20.120](#) Authority to impound vehicles.
- [10.20.130](#) Habitual offenders.

#### **10.20.010 Method of parking.**

Except as otherwise provided by this code, every vehicle stopped or parked upon a roadway where there are adjacent curbs shall be so stopped or parked with the right-hand wheels of such vehicle parallel to and within 18 inches of the right-hand curb. [Code 2006 § 11-4-1].

#### **10.20.020 Blocking traffic.**

A. It is prohibited for any person to stop, stand or park any motor vehicle, or other vehicle, upon a street in the city in such a manner or under such conditions as to leave available less than 20 feet of the width of the street for the free movement of vehicular traffic, except that a person may stop temporarily in the actual loading or unloading of passengers or, when necessary, in the observance of traffic signs or signals of the police chief or authorized personnel.

B. It is prohibited for any person to park a motor vehicle, or other vehicle, within an alley or entrance to a private driveway except for the loading or unloading of materials, and not then unless such loading or unloading can be accomplished without blocking the alley to the free movement of vehicular traffic. [Code 2006 § 11-4-2].

#### **10.20.030 Parking restricted or prohibited; Authority to erect signs.**

A. Pursuant to A.R.S. Section 28-627(A)(1) (as amended), the city is hereby authorized to impose restrictions on parking in public areas (rights-of-way, parks, city facilities) and private areas where spaces have been designated for public use through agreements with property owners. Other than for prohibited parking designations as described in subsections B herein, the city council will delegate the authority to the city manager to make restrictive designations. The city engineer may have signs or markings installed that prohibit, limit, restrict, or regulate the time, place, or method of parking in restricted areas. These areas will be posted with notice of the restrictions. When such signs are in place, a vehicle shall not be parked in violation of the prohibition, limitation, restriction, method of parking, or regulation designated by said signs or markings. It is a civil traffic violation to park within a restricted area described in this section, except for emergency or government vehicles on official business. [Ord. 2006-15, 7-25-2006. Code 2006 § 11-4-3].

B. Prohibited parking designations shall not become effective until such prohibited parking area is specifically designated by resolution of the council and signs have been erected as authorized by this section; provided, that all signs prohibiting parking now in place are hereby ratified and approved as so placed. It is a civil traffic violation for any person to stop or stand a vehicle in disobedience of such parking prohibition.

C. The city engineer, upon the approval described in this section, may erect signs notifying drivers that parking is prohibited, or restricting parking in any way that may be necessary.

D. In a publicly owned parking lot or garage or a privately owned lot or garage being operated or managed by the city pursuant to a lease, contract, or other agreement with the city, all or certain portions of said lots or garages may be designated for parking of vehicles with permits or decals. Parking may be permitted in said lots, garages, or portions thereof during certain hours or on weekends and holidays if signs are posted which specify the hours or days that a permit or decal is required. Vehicles without a permit or decal may be parked in said lots or garages at any other time.

1. Parking in the above-described lots, garages, or portions thereof is prohibited during the hours or days that a permit or decal is required by official signs posted therein, except for vehicles that are displaying a current and valid permit or decal. A permit or decal is invalid if it is expired or has been cancelled.

2. Vehicles parked in the above-described lots, garages, or portions thereof shall have a properly displayed permit or decal in a conspicuous location as approved by the city and in accordance with the provisions of this section.

E. Compact Car Parking. In any publicly or privately owned parking lot or garage being operated or managed by the city or being operated or managed pursuant to a lease, contract, or other agreement with the city, certain portions of said lots or garages may have parking spaces which are designated for compact cars. Vehicles which exceed 15 feet in length shall not be parked in areas designated for compact cars.

F. In a publicly owned parking lot or garage or a privately owned lot or garage being operated or managed by the city pursuant to a lease, contract, or other agreement with the city, persons shall use the lots and garages only for the parking of vehicles or for other uses expressly approved in advance by the city. It shall be unlawful for any person using such property for unauthorized purposes to refuse or fail to leave such property upon being requested to do so by the owner, operator, or agent thereof.

G. Parking Meters. The city engineer may cause parking meters to be installed at the direction of the city council as necessary to regulate and control the parking of vehicles. Parking without paying the designated meter is prohibited.

1. Each person parking a vehicle or motor-driven cycle within a designated parking area which contains a pay by space station or a designated parking meter shall immediately deposit in said pay by space station or parking meter an accepted form of payment as indicated on the meter.

2. At such times when metered parking is active as designated by official City notice, no person shall permit a vehicle or motor-driven cycle to be parked or to remain in a space with a designated parking meter, or in a space within a designated parking area which contains a pay station when said parking meter or pay station beyond the time period for which payment has been made.

3. Parking meter rates shall be set by resolution of the city council. [Ord. 2013-10 § 1, 11-26-2013 (Res. 2013-27 Exh. A, 11-26-2013); Ord. 2016-07 § 1, 10-25-2016 (Res. 2016-30 Exh. A, 10-25-2016)].

#### **10.20.050 Parking vehicles on sidewalks.**

It is a civil traffic violation for any person to park any vehicle, whether in usable condition or not, or for an owner to permit his vehicle to be parked upon any sidewalk in the city. [Code 2006 § 11-4-4].

#### **10.20.060 Parking in fire lanes.**

It is prohibited for any person to stop, stand or park any motor vehicle, or other vehicle, within an emergency apparatus access road, otherwise known as a fire lane, that has been established and required by the Sedona fire department and which has been clearly designated as such by sign or marking or both. [Code 2006 § 11-4-5].



**10.20.070 Parking in areas reserved for the handicapped.**

A. It is a civil traffic violation, pursuant to A.R.S. Section 28-884, for any person who is not qualified by statute to park any vehicle in an area reserved for the handicapped and designated in accordance with A.R.S. Section 28-882 and the current Manual on Uniform Traffic Control Devices (MUTCD) as adopted by the Arizona Department of Transportation.

B. Parking spaces marked in the manner provided in A.R.S. Section 28-882 and the current Manual on Uniform Traffic Control Devices may be designated on privately owned property. Any person or business that designates such parking spaces as provided herein shall be deemed to have given consent to authorize police officers and other duly authorized agents to enforce the provisions of this section and shall constitute a waiver of any objection by the owner or person in possession of such property to the enforcement of this section. [Ord. 2013-02 § 1, 3-12-2013. Code 2006 § 11-4-6].

**10.20.080 Prohibition of bus idling in posted areas.**

A. When, by resolution of the city council, an area is designated where the running or idling of passenger bus engines, while parked, is prohibited, the city engineer shall erect signs prohibiting such activity.

B. It is unlawful for any person to park a passenger bus with its engine running or idling within an area that has been designated with signs, pursuant to subsection (A) of this section, prohibiting such activity. Violation of this title constitutes a civil traffic offense. [Ord. 2000-10, 10-9-2000. Code 2006 § 11-4-7].

**10.20.090 Violations.**

When signs or markings are in place giving notice thereof, it is unlawful and a violation of this section for a vehicle to be parked in any location designated in this chapter unless the vehicle is parked consistent with and in accordance with all restrictions, limitations, times, hours, days, manner, and other requirements in this chapter and in compliance with any city ordinance or provision of this code which regulates the time, place, or method of parking. Any violation of this chapter is a civil traffic violation. If any vehicle is found in any location designated in this chapter in violation of any provision of this chapter, or any ordinance of this city, regulating the stopping or standing or parking of vehicles, and the vehicle is not attended by a driver, the owner, or person in whose name such vehicle is registered, shall be held prima facie responsible for such violation. [Ord. 2013-10 § 1, 11-26-2013 (Res. 2013-27 Exh. A, 11-26-2013); Ord. 2015-14 § 1, 11-24-2015 (Res. 2015-31 Exh. A, 11-24-2015)].

**10.20.100 Signs or markings required for enforcement.**

The city engineer may install appropriate signs or markings giving notice of parking restrictions, prohibitions, and method of parking in this chapter and violations shall not be enforced unless appropriate signs or markings are installed and in place at the time of the violation. [Ord. 2013-10 § 1, 11-26-2013 (Res. 2013-27 Exh. A, 11-26-2013)].

#### **10.20.110 Parking permits.**

A. The city or a private person or entity acting pursuant to a contract with the city shall issue permits or decals authorizing persons to park in specially designated parking areas and shall provide for appropriate display of the permits or decals. Permits or decals shall be issued only for vehicles authorized to park in certain designated areas owned by the city or in areas designated for private parking pursuant to parking agreements entered into with the city. [Ord. 2013-10 § 1, 11-26-2013 (Res. 2013-27 Exh. A, 11-26-2013)].

#### **B. Residential Permit Parking**

1. The city council may, upon recommendation of the city engineer, designate residential areas within the city consisting of streets or portions of streets upon which the parking of motor vehicles shall be restricted in whole or in part to motor vehicles bearing a valid parking permit issued pursuant to this section.

2. A residential area shall be eligible for designation as a residential parking permit area when the city engineer has determined that parking in the area is significantly impacted by motor vehicles owned by nonresidents of the residential parking permit area. In making a determination of significant impact, the city engineer shall consider any or all of the following:

- a) The need to reduce hazardous traffic conditions in the area;
- b) Protection of the area from polluted air, excessive noise, and trash and refuse caused by the entry of non-resident vehicles;
- c) Protection of residents of the area from unreasonable burdens in gaining access to their residences; and
- d) Preserving the character of the area as a residential district and preserving the value of the property in the area.

3. In each residential parking permit area, the city engineer shall cause parking signs to be erected in the area, indicating the times and conditions under which parking shall be by permit only.

4. Upon application, any person who resides on property immediately adjacent to a street within a residential parking permit area shall be entitled to receive residential

parking permits through an administrative process as established by the city manager or his designee.

**10.20.120 Authority to impound vehicles.**

Vehicles parked in violation of this chapter may be impounded in the same manner as provided for by the provisions of SCC [10.15.150](#). [Ord. 2013-10 § 1, 11-26-2013 (Res. 2013-27 Exh. A, 11-26-2013)].

**10.20.130 Habitual offenders.**

A. Any person who commits a civil traffic violation of this chapter after previously having been found responsible for three or more civil traffic violations of this chapter within a 24-month period, whether by default or by judgment after hearing, and who has not paid the civil sanctions required by the court for those offenses (underlying offenses) shall be guilty of a misdemeanor. For purposes of calculating the 24-month period under this subsection, the dates of the commission of the offenses are the determining factor.

B. The Sedona city attorney/prosecutor is authorized to file a criminal misdemeanor complaint in the Sedona magistrate court against habitual offenders who violate this section.

C. The payment of the civil sanctions due on an underlying offense, when such payments are made after the issuance of a summons and complaint on a charge of being a habitual offender, shall not be a defense to the habitual offender charge.

D. Upon conviction of a violation of this section, the court may impose a sentence of incarceration not to exceed six months in jail or a fine not to exceed \$2,500, exclusive of penalty assessments prescribed by law, or both. The court shall order a person who has been convicted of a violation of this section to pay a fine of not less than \$250.00 for each count upon which a conviction has been obtained. A judge shall not grant probation to or suspend any part or all of the imposition or execution of any sentence required by this subsection except on the condition that the person pay the mandatory minimum fines as provided for in this subsection.

E. Every action or proceeding under this section shall be commenced and prosecuted in accordance with the laws of the state of Arizona relating to criminal misdemeanors and the Arizona Rules of Criminal Procedure. [Ord. 2013-10 § 1, 11-26-2013 (Res. 2013-27 Exh. A, 11-26-2013)].

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**ORDINANCE NO. 2017-\_\_**

**AN ORDINANCE OF THE CITY OF SEDONA, ARIZONA, AMENDING THE CITY CODE CHAPTER 10.20 (PARKING); REPEALING CHAPTER 10.30; PROVIDING FOR A SAVINGS CLAUSE; AND PROVIDING FOR REPEAL OF ANY ORDINANCE OR PARTS OF ORDINANCES OR CODE PROVISIONS IN CONFLICT HEREWITH.**

**WHEREAS**, it is the intention of the City Council to provide further clarity and ease of administration of those provisions set forth in Chapter 10.20 relating to Parking.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA, ARIZONA AS FOLLOWS:

Section 1. Amendment of Chapter 10.20 (PARKING)

Chapter 10.20 of the Sedona City Code is hereby amended by incorporating by reference those changes set forth in that public record entitled "2017 Amendments to the City Code (PARKING)" and established as a public record by Resolution No. 2017-\_\_ as though said provisions are fully set forth herein, and Chapter 10.30 is hereby repealed.

Section 2. Savings Clause

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remainder of this Ordinance.

Section 3. Repeal

All other code provisions, ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed to the extent of such conflict as of the effective date hereof.

PASSED AND ADOPTED by the Mayor and City Council of the City of Sedona, Arizona, this 27<sup>th</sup> day of June, 2017.

\_\_\_\_\_  
Sandra J. Moriarty, Mayor

ATTEST:

\_\_\_\_\_  
Susan L. Irvine, CMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Robert Pickels, Jr., City Attorney

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**CITY COUNCIL  
AGENDA BILL**

**AB 2233  
June 27, 2017  
Regular Business**

**Agenda Item:** 8d  
**Proposed Action & Subject:** Discussion/possible action regarding a resolution adopting a demand-based rate structure for on-street paid parking on Main Street in Uptown.

<b>Department</b>	Legal/City Manager
<b>Time to Present</b>	10 minutes
<b>Total Time for Item</b>	45 minutes
<b>Other Council Meetings</b>	October 25, 2016
<b>Exhibits</b>	A. Resolution B. Parking Rates Comparisons

City Attorney Approval	Reviewed 6/20/17 RLP	<b>Expenditure Required</b>	\$ 0
City Manager's Recommendation	Approve the resolution adopting a demand-based rate structure for on-street parking on Main Street.	<b>Amount Budgeted</b>	\$ 0
		Account No. (Description)	N/A
		Finance Approval	<input checked="" type="checkbox"/>

**SUMMARY STATEMENT**

**Background:**

On October 25, 2016, prior to City Council approval of an award of a contract for the procurement and installation of parking meters in uptown Sedona, the Council amended the Sedona City Code to identify the regulatory system for the use of parking meters in designated locations throughout the City, along with the proscriptions associated with parking meter use.

Resolution 2016-30 adopted a demand-based pricing structure for parking meters, by which pricing may be changed frequently as determined to be necessary and appropriate by the City Manager. The demand-based structure is being employed to measure the success of the parking meter program in achieving redistribution of parking demand in the affected areas. Delegating authority to the City Manager allows the City to quickly react to occupancy levels that may be higher or lower than the target, and adjust rates accordingly. The target occupancy for Main Street is 85%. This provides enough open spaces for motorists desiring to park on Main Street to be able to quickly find parking and avoid the frustration of having to cruise endlessly to find an open space.

In order to develop and implement the new paid parking program, the City has been working with and through the Uptown Paid Parking Implementation Work Group. This Work Group includes merchants and property owners, the Chamber of Commerce, the Uptown Rangers, and representatives from the City. Members are as follows:

- Karen Osburn, Assistant City Manager & Project Lead
- Jesse Alexander, Sedona Center General Manager
- Stephen Craver, City of Sedona Public Works Engineering Supervisor
- Bob Huggins, Sedona Uptown Rangers
- Lieutenant Jim Pott, Sedona Police Department
- Christina Richards, Business Owner
- Vikki Schlee, Business Owner
- Al Spector, Business and Property Owner
- Jennifer Wesselhoff, President and CEO Sedona Chamber of Commerce and Tourism Bureau.

The Group has worked together to select the system and features, develop the pricing structure, design new branded signage, and has been responsible for identifying and pursuing other related improvements. After approximately 18 months of work, the paid parking program is scheduled to “go live” on June 28th.

As cited above, the rates will be based on demand, providing for higher rates in the peak season and lower rates in the slower months/times. The Work Group will be monitoring demand, through on-street and off-street occupancy counts, and periodically assessing the need to change rates accordingly. The rates recommended to start the program were determined by Work Group consensus and based on comparables from other communities (Exhibit B). Should the initial rates be too high, that will be immediately reflected in a reduced occupancy on Main Street, and the rates will be reduced until occupancy is at the (approximately) 85% target.

The Work Group is recommending the following INITIAL rate structure which extends the current three hour limit to five hours:

<b>HOURLY RATE</b>	<b>INCREMENT</b>
\$2.00	1 <sup>st</sup> hour
\$2.00	2 <sup>nd</sup> hour
\$2.00	3 <sup>rd</sup> hour
\$4.00	4 <sup>th</sup> hour
\$6.00	5 <sup>th</sup> hour



However, in order to have the flexibility and authority to modify rates up or down based on the demand model, the City Council is being asked to adopt the following rate ranges:

HOURLY RATE	INCREMENT
\$1.00 to \$4.00	1 <sup>st</sup> hour
\$1.00 to \$4.00	2 <sup>nd</sup> hour
\$1.00 to \$4.00	3 <sup>rd</sup> hour
\$2.00 to \$8.00	4 <sup>th</sup> hour
\$4.00 to \$12.00	5 <sup>th</sup> hour

Rates will be adjusted with the above ranges based upon occupancy and demand. If on-street occupancy is found to be over 90%, rates will be adjusted upward. If occupancy is lower than 80%, rates will be adjusted downward.

The Work Group is recommending that the fees to park be imposed every day from 9:00 a.m. to 6:00 p.m. Prior to 9:00 a.m. and after 6:00 p.m., parking would be free. This is an initial recommendation only and subject to change for special events, or once the program has been in place and as demand dictates expanded or fewer hours. Council is not being asked to approve the hours or other program details; this information is being provided as information only.

The proposed rate ranges were posted for public review on April 27, 2017 for a 60-day comment period. Comments from the public concerning these proposed new fees were solicited as part of that posting process. No formal comments were received in response to the posted rate ranges. However, in response to City notification to Main Street merchants of the Work Group’s recommended initial pricing structure (through a separate process), five emails were received contesting the paid parking program and the proposed fees.

The City Council is being asked to formally adopt the rate ranges. The proposed initial rates are being provided as information only and are part of the demand-based structure already approved by Council in October 2016.

**Community Plan Consistent:**  Yes -  No -  Not Applicable

**Board/Commission Recommendation:**  Applicable -  Not Applicable

**Alternative(s):**

**MOTION**

**I move to:** approve Resolution No. 2017-\_\_\_, a resolution of the Mayor and Council of the City of Arizona, establishing a demand-based rate structure for on-street paid parking on Main Street in Uptown.

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**RESOLUTION NO. 2017-\_\_**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SEDONA,  
ARIZONA, ESTABLISHING A DEMAND-BASED RATE STRUCTURE FOR ON-  
STREET PAID PARKING ON MAIN STREET IN UPTOWN.**

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA that the rates set forth below are hereby adopted and approved per Sedona City Code § 10.30.010.E.3:

<b>HOURLY RATE</b>	<b>INCREMENT</b>
\$1.00 to \$4.00	1 <sup>st</sup> hour
\$1.00 to \$4.00	2 <sup>nd</sup> hour
\$1.00 to \$4.00	3 <sup>rd</sup> hour
\$2.00 to \$8.00	4 <sup>th</sup> hour
\$4.00 to \$12.00	5 <sup>th</sup> hour

The maximum time limit is 5 hours. Rates will be adjusted with the above ranges based upon occupancy and demand. If occupancy is found to be 90% or above, rates will be adjusted upward. If occupancy is lower than 80%, rates will be adjusted downward.

PASSED AND ADOPTED this 27<sup>th</sup> day of June, 2017, by the Mayor and Council of the City of Sedona, Arizona.

\_\_\_\_\_  
Sandra J. Moriarty, Mayor

ATTEST:

\_\_\_\_\_  
Susan L. Irvine, CMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Robert L. Pickels, Jr., City Attorney

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City	Seasonal or Year-Round Prices?	Amount per hour (off-season)	Amount per hour (1st hour)	Amount per hour (2nd hour)	Amount per hour (3rd hour)	Amount per hour (4th hour)	Days Enforced	Times Enforced
Park City, UT	Year-Round	\$1.50	\$1.50	\$1.50	\$1.50	N/A	Every Day	8 am-5 pm
Santa Monica, CA	Seasonal	\$1.00	\$2.00	\$2.00	\$2.00	\$2.00	Monday-Friday	8 am-6 pm
Aspen, CO	Year-Round	\$2.00	\$2.00	\$5.00	\$9.00	\$14.00	Monday-Saturday	10 am-6 pm
Pasadena, CA	Year-Round	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	Every Day	
Laguna Beach, CA	Seasonal	\$1.00	\$3.00	\$3.00	\$3.00	N/A	Every Day	
Santa Fe, NM	Year-Round	\$2.00	\$2.00	\$2.00	\$3.00	N/A	Monday-Saturday	8 am-6 pm
Newport Beach, CA*	Seasonal	\$1.30	\$1.90	\$1.90	\$1.90	\$1.90	Every Day	24 hours/day
Telluride, CO	Year-Round	\$1.00	\$1.00	\$1.00	\$1.00	N/A	Monday-Saturday	8 am-6 pm
San Diego, CA	Seasonal	\$1.00	\$1.25	\$1.25	N/A	N/A	Every Day	

<b>Highest</b>	<b>\$2.00</b>	<b>\$3.00</b>	\$5.00	\$9.00	\$14.00
<b>Lowest</b>	<b>\$1.00</b>	<b>\$1.00</b>	\$1.00	\$1.00	\$1.50
<b>Average</b>	<b>\$1.37</b>	<b>\$1.79</b>	\$2.13	\$2.86	\$4.85

\*Peak holiday rates are \$2.60/hour, increased from the \$1.90 reflected above.